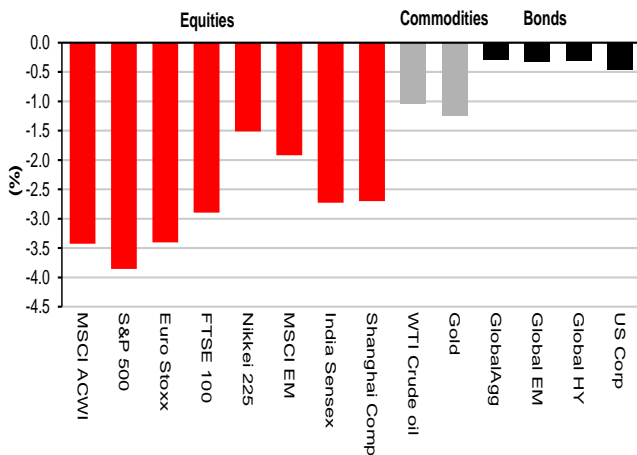


- ▶ Global equities fell sharply this week amid a sharp selloff in developed market government bonds; 10-year US Treasury yields rose to highs last seen in January 2014
- ▶ The US Federal Open Market Committee (FOMC) left the US Federal Reserve (Fed) funds target range unchanged (1.25%-1.50%) at Janet Yellen's final meeting as Fed Chair. Policymakers reaffirmed their intention to maintain rate increases at a gradual pace and expect inflation to "move up this year"
- ▶ US nonfarm payrolls grew by 200,000 in January, beating expectations of 180,000, while average hourly wages rose by a better than expected 0.3% mom, pushing the yoy rate to 2.9%, its highest since June 2009
- ▶ In the coming week, investor attention will turn to key central bank policy meetings in the UK, India, Brazil, Mexico and Russia

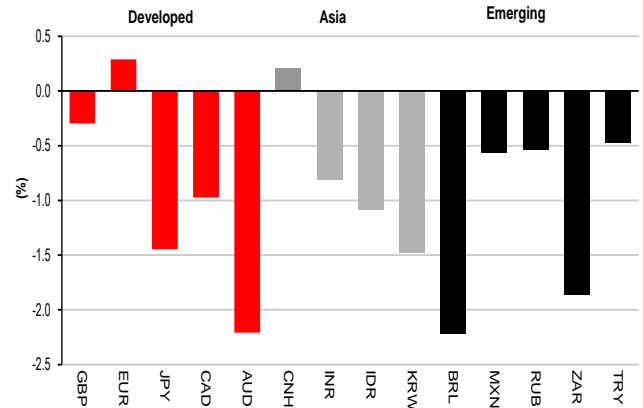
Movers and shakers

Global equities fell sharply this week

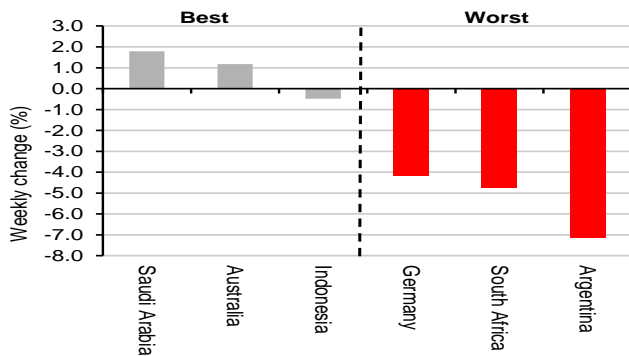


Currencies (versus US dollar)

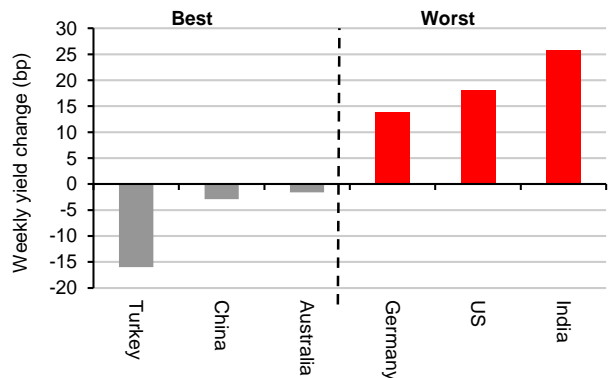
The US dollar rose against most currencies



Equities



Bonds (10-year)



This commentary provides a high-level overview of the recent economic environment and is for information purposes only. It is a marketing communication and does not constitute investment advice or a recommendation to any reader of this content to buy or sell investments; nor should it be regarded as investment research. It has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of its dissemination.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 02 February 2018. All the above charts relate to 26/01/2018 – 02/02/2018.

Macro Data and Key Events

Past Week (29 January – 2 February 2018)

Date	Country	Indicator	Data as of	Survey	Actual	Prior
Monday 29 January	US	PCE Core (yoy)	Dec	1.5%	1.5%	1.5%
Tuesday 30 January	Japan	Jobless Rate	Dec	2.7%	2.8%	2.7%
	Eurozone	GDP (seasonally adjusted, qoq)	Q4 A	0.6%	0.6%	0.7%
	US	S&P CoreLogic Case-Shiller 20-City Composite Home Price NSA Index (yoy)	Nov	6.3%	6.4%	6.3%
	Mexico	GDP, seasonally adjusted (qoq)	Q4 P	0.6%	1.0%	-0.3%
	US	Conference Board Consumer Confidence Index	Jan	123.0	125.4	123.1
	UK	Bank of England Governor Mark Carney Speaks				
Wednesday 31 January	Japan	Industrial Production (mom)	Dec P	1.5%	2.7%	0.5%
	China	Official Manufacturing PMI	Jan	51.6	51.3	51.6
	Eurozone	Unemployment Rate	Dec	8.7%	8.7%	8.7%
	Eurozone	CPI Estimate (yoy)	Jan	1.2%	1.3%	1.4%
	US	Pending Home Sales (mom)	Dec	0.5%	0.5%	0.3%
	US	FOMC Interest Rate Decision	Jan	1.50%	1.50%	1.50%
Thursday 01 February	US	ISM Manufacturing	Jan	58.6	59.1	59.3
Friday 02 February	US	Change in Nonfarm Payrolls (000s)	Jan	180	200	160

P – Preliminary, Q – Quarter, A – Adjusted

- ▶ In the **US**, **nonfarm payrolls** grew by 200,000 in January, beating expectations of 180,000, from an upwardly revised 160,000 in December. The **unemployment rate** remained at a 17-year low of 4.1%, while average hourly wages rose by a better than expected 0.3% mom, pushing the yoy rate to 2.9% – its highest level since June 2009. Meanwhile, as expected, the **FOMC** left the Fed funds target range unchanged (+1.25%-1.50%) at Janet Yellen's final meeting as Fed Chair. Only modest adjustments were made to the post-meeting statement and policymakers reaffirmed their intention to maintain rate increases at a gradual pace. The committee expects inflation to "move up this year" and to stabilise around the 2% yoy target over the medium term. In terms of inflation data, **core PCE** rose 0.2% mom, keeping the year-on-year rate at 1.5%, having bottomed at 1.3% yoy in August. Elsewhere in the report, December US personal income and spending reflected strong household spending in Q4, consistent with the details contained in the advance Q4 GDP report released on January 26. The **Conference Board Consumer Confidence Index** was better than expected in January (125.4 versus a consensus of 123.0) and follows an upwardly revised 123.1 in December. The increase was driven by an improvement in the expectations component, while the current situation gauge edged slightly lower. Elsewhere, the **ISM Manufacturing Index** dipped 0.2 points to 59.1 in January, defying expectations of a larger decline to 58.6. Despite the slight moderation, there remains an upward trend in the index that began in late 2016. Finally, in terms of the housing market, home prices, as measured by the **S&P CoreLogic Case-Shiller 20-City Composite Home Price NSA Index**, rose 6.4% yoy in November, slightly higher than expectations, and pending home sales gained 0.5% mom in December (although the yoy trend rate remains in negative territory).
- ▶ The first estimate of Q4 **eurozone GDP** came in at 0.6% qoq (+2.7% yoy), as expected, following two quarters of 0.7% growth. Country-level data indicates that household spending may have eased back slightly during the quarter and that investment may have provided a greater boost to overall growth. Headline **inflation** edged down by 0.1 percentage points to 1.3% yoy in the January flash estimate, slightly higher than the 1.2% yoy expected. The decline was mainly driven by weaker energy and food inflation. However, core inflation accelerated by 0.1 percentage points to 1.0% yoy. This matches the six-month moving average rate that has been gradually increasing since bottoming out in early 2017. In the **UK**, giving evidence to the House of Lords Economic Affairs Committee, **Bank of England (BoE) Governor Mark Carney** argued that the UK's better than expected economic performance since the Brexit vote was due to a combination of stronger global demand, looser financial conditions and a larger than anticipated dip in savings. He also expressed his belief that investment would recover in 2019 once Brexit uncertainties were resolved and that there is the prospect of a return of real income growth later this year.
- ▶ Finally, **Mexico's** economy expanded by 1.0% qoq in Q4 after contracting 0.3% qoq in Q2, largely due to natural disasters. Agriculture and mining grew 3.1% qoq, followed by services (+1.2%) and industry (+0.1%).

Coming Week (5-9 February 2018)

Date	Country	Indicator	Data as of	Survey	Prior
Monday 05 February	Turkey	CPI (yoy)	Jan	10.6%	11.9%
	Eurozone	Markit Composite PMI	Jan F	58.6	58.6
	US	ISM Non-Manufacturing Index	Jan	56.5	56.0
Tuesday 06 February	Australia	Reserve Bank of Australia Interest Rate Decision	Feb	1.50%	1.50%
	Germany	Factory Orders (working day adjusted, yoy)	Dec	3.0%	8.7%
Wednesday 07 February	Brazil	COPOM Interest Rate Decision	Feb	6.75%	7.00%
	Germany	Industrial Production (seasonally adjusted, mom)	Dec	-0.5%	3.4%
	India	RBI Interest Rate Decision (repurchase rate)	Feb	6.00%	6.00%
Thursday 08 February	China	Trade Balance (USD bn)	Jan	54.7	54.7

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 2 February 2018.

Past performance is not an indication of future returns

	Brazil	IBGE Inflation IPCA (yoy)	Jan	2.98%	2.95%
	UK	Bank of England Interest Rate Decision	Feb	0.50%	0.50%
	Mexico	CPI (yoy)	Jan		6.8%
	Mexico	Banco de Mexico Interest Rate Decision	Feb		7.25%
Friday 09 February	China	CPI (yoy)	Jan	1.5%	1.8%
	Russia	Central Bank of Russia Interest Rate Decision	Feb	7.50%	7.75%

F – Final

US

▶ The **ISM Non-Manufacturing** Index has fallen for two consecutive months, from October's twelve-year high of 59.8 to 56.0 in December. This was driven by the decline in both business activity and new orders, while the employment and supplier deliveries sub-components have held up. The January headline index is expected to rebound slightly to 56.5.

Europe

▶ Following a sharp 3.4% mom rise in **German industrial production** in November, expectations are for a decline in December (possibly -0.5% mom). Despite recent gains in the euro, Germany's industrial sector has been expanding strongly over the past year, supported by very robust global economic growth. Consensus expects the yoy rate to edge up to 6.8%.

▶ The **BoE Monetary Policy Committee (MPC)** is expected to keep monetary policy on hold at its **February meeting**. This follows a rate hike last November and still subdued wage growth and underperforming economic activity. Nevertheless, any signs of dissent on the MPC could boost market expectations of tightening later this year. The February Inflation Report released at this meeting will also be scrutinised in terms of how the Bank has factored recent sterling and oil price strength into its inflation forecasts.

Emerging markets and Japan

▶ **Brazil's inflation rate**, measured by the IBGE inflation IPCA, has gradually inched higher from August's 2.45% yoy to 2.95% yoy in December, partly due to higher oil prices and consequently rising transportation costs. The headline rate for January is expected to come in at 2.98% yoy.

▶ At its December meeting, **Brazil's central bank** cut interest rates by 50 bps to 7.00%, judging that inflation developments still remain largely "favourable." It also posited that current economic conditions "prescribe accommodative monetary policy, i.e. interest rates below the structural level." Consensus expects Copom to cut the key rate by another 25 bps at its **January meeting**.

▶ **China's** export and import growth may have risen in January, mainly due to base effects around the timing of the Lunar New Year holiday, although this is expected to leave the **trade balance** broadly unchanged (USD54.7 billion). Meanwhile, **CPI and PPI inflation** likely moderated to 1.5% yoy and 4.2% yoy in January, from 1.8% yoy and 4.9% yoy in December, respectively, as a result of base effects. On a month-on-month basis, food price inflation probably picked up on increases in vegetable and fruit prices due to cold weather, although pork price inflation may have eased. Meanwhile, non-food CPI inflation is expected to have risen on gasoline price hikes and higher rents.

▶ The **Reserve Bank of India (RBI)** is expected to leave its policy repurchase rate unchanged at 6.0% as the recovery in economic growth following policy disruptions has been slower than the bank's expectations. The MPC may maintain a wait-and-see stance, despite the recent rise in inflation. Given higher oil prices, the RBI is likely to revise its FY18 Gross Value Added growth forecast down and flag upside inflation risks, with the latter also driven by a slower pace of fiscal consolidation and potentially higher minimum support prices pushing up food price inflation.

▶ The **Central Bank of Russia** has reduced interest rates from 17% in early 2015 to 7.75% at the last meeting in December. The bank is expected to cut rates again this month, by 25 bps, as inflation remains well below the bank's 4% target.

▶ **Turkish CPI inflation** could fall to 10.6% yoy in January, from 11.9% yoy in December, as base effects may have offset the 8.8% hike in household electricity prices.

Market Moves

Global equities sold off on dampened risk appetite amid rising government bond yields

▶ **US equities** retreated this week following a perceived hawkish FOMC statement, ongoing concerns over valuations and rising government bond yields. All sectors within the S&P were in the red, with losses led by healthcare and resource stocks. The S&P 500 Index ended the week 3.9% lower and the Dow Jones Industrial Average Index shed 4.1%.

▶ **European equity markets** continued to sell off this week on dampened risk appetite, disappointing corporate earnings and concerns over recent euro strength on exporter shares in the region. The EURO STOXX 50 Index shed 3.4%, with the largest drag coming from health care and telecom stocks. At the country level, all the other national bourses also closed in the red, including the UK's FTSE 100 Index (-2.9%), Germany's DAX (-4.2%) and Spain's IBEX 35 (-3.6%).

▶ Most **Asian stock markets** fell this week, tracking weakness in global markets, amid profit-taking after recent gains, and ahead of the US nonfarm payrolls report. Investors continued to assess corporate earnings and the impact of higher bond yields. Losses in

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 2 February 2018.

Past performance is not an indication of future returns

technology shares weighed on many markets. Japan's Nikkei 225 Index posted a weekly loss of 1.5%, despite a weaker yen helping exporter shares. The Bank of Japan's announcement of an unlimited fixed rate bond purchase operation failed to lift sentiment. India's SENSEX 30 Index tumbled the most in more than a year on concerns that the government's FY19 budget announcement may widen the fiscal deficit and stoke inflation, leading to a hawkish policy shift by the RBI. The inclusion of a long-term capital gains tax on equity investments also weighed on market sentiment. Elsewhere, China's Shanghai Stock Exchange Composite Index dropped 2.7% and the Shenzhen Stock Exchange Composite Index slumped 6.6%. Losses were led by the selloff in small caps amid a number of corporate profit warnings, a shadow banking squeeze, and a slew of companies suspending trading in an apparent effort to avoid margin calls.

Global government bonds sold off on expectations of building inflationary pressures

- ▶ **US Treasuries** sold off (yields rose) as rising optimism over the strength of the global economy and a much better than expected US average hourly earnings print for January helped fuel expectations of building inflationary pressures. Moreover, an anticipated increase in the supply of Treasuries amid a higher budget deficit also dampened demand for fixed income assets. Overall, the US Treasuries curve bear steepened as 10-year Treasury yields spiked up 18 bps to 2.84% and two-year yields rose 3 bps to 2.14%.
- ▶ **European government bonds** also fell (yields rose), tracking the weakness in the US Treasury market following the upbeat labour market report. Demand for European bonds was also weighed on by slightly stronger than expected eurozone headline inflation for January. Overall, 10-year government bond yields rose across the spectrum, with the core underperforming compared to the periphery. In particular, benchmark German 10-year bund yields rose 14 bps to 0.76% and UK equivalent yields were 13 bps higher at 1.58%. Italian government bonds were the notable exception as 10-year yields ended little changed at 2.04%.

US dollar buoyed by strong US employment report

- ▶ The **US dollar** performed well against most major currencies this week, boosted by a strong January US employment report. In the UK, reports that PM Theresa May was facing a leadership challenge from members of her own party weighed on the British pound earlier in the week. However, the pound recovered on Tuesday, after Bank of England Governor Mark Carney struck an upbeat tone on the economy, which investors thought could mean interest rates might rise faster. Overall, both the euro and British pound ended the week little changed against the US dollar, and the Canadian and Australian dollars fell.
- ▶ **Asian currencies** except the Chinese yuan depreciated against the US dollar this week, led by the Japanese yen, Korean won, Philippine peso and Indonesian rupiah, as higher US Treasury yields damped the allure of emerging market assets. The Japanese yen weakened after the Bank of Japan boosted bond purchases to rein in rising yields.

Crude oil prices hit by US inventory and production data

- ▶ **Crude oil prices** fell this week. Losses came amid a recovery in the US dollar and data from the U.S. Energy Information Administration weekly report that showed US crude stockpiles surged higher last week and that US oil output continues to rise. Overall, WTI crude oil ended the week 1.0% lower at USD65.5 a barrel, and Brent crude fell 3.1% to close at USD68.3 a barrel.
- ▶ Meanwhile, **gold prices** also fell (-1.2% to USD1,333 per troy ounce) amid the dollar recovery. The bulk of losses came on Friday following the strong US employment report that supported expectations of near-term Fed rate hikes, weighing on the non-yield-generating asset.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 2 February 2018.

Past performance is not an indication of future returns

Market Data

	Close	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low	Fwd P/E (X)
Equity Indices									
World									
MSCI AC World Index (USD)	531	-3.4	2.8	6.6	22.5	3.6	551	433	16.2
North America									
US Dow Jones Industrial Average	25,521	-4.1	2.8	8.5	28.3	3.2	26,617	19,831	17.3
US S&P 500 Index	2,762	-3.9	2.5	7.1	21.1	3.3	2,873	2,272	17.8
US NASDAQ Composite Index	7,241	-3.5	3.3	7.8	28.5	4.9	7,506	5,636	22.2
Canada S&P/TSX Composite Index	15,606	-3.9	-4.3	-2.6	1.3	-3.7	16,421	14,916	15.5
Europe									
MSCI AC Europe (USD)	504	-3.1	3.3	4.9	23.0	3.4	524	405	14.4
Euro STOXX 50 Index	3,523	-3.4	0.9	-4.5	8.3	0.6	3,709	3,214	14.1
UK FTSE 100 Index	7,443	-2.9	-2.7	-1.5	4.2	-3.2	7,793	7,097	14.3
Germany DAX Index*	12,785	-4.2	-0.7	-4.9	10.0	-1.0	13,597	11,480	13.2
France CAC-40 Index	5,365	-3.0	1.4	-2.6	11.9	1.0	5,567	4,734	14.9
Spain IBEX 35 Index	10,211	-3.6	1.3	-2.4	8.6	1.7	11,184	9,237	13.4
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	598	-2.5	3.6	7.6	31.7	5.0	617	452	14.0
Japan Nikkei-225 Stock Average	23,275	-1.5	2.2	3.3	23.1	2.2	24,129	18,225	19.0
Australian Stock Exchange 200	6,121	1.2	1.0	3.2	8.4	0.9	6,150	5,583	16.4
Hong Kong Hang Seng Index	32,602	-1.7	6.8	14.3	40.6	9.0	33,484	22,997	12.7
Shanghai Stock Exchange Composite Index	3,462	-2.7	3.4	2.3	9.6	4.7	3,587	3,017	13.5
Hang Seng China Enterprises Index	13,539	-1.4	12.2	16.7	39.6	15.6	13,963	9,633	8.6
Taiwan TAIEX Index	11,126	-0.2	3.9	3.1	18.0	4.5	11,270	9,424	14.3
Korea KOSPI Index	2,525	-1.9	1.8	-0.8	21.9	2.3	2,607	2,052	9.4
India SENSEX 30 Index	35,067	-2.7	3.7	4.4	24.2	3.0	36,444	28,102	22.5
Indonesia Jakarta Stock Price Index	6,629	-0.5	4.6	9.9	23.8	4.3	6,686	5,331	17.3
Malaysia Kuala Lumpur Composite Index	1,870	0.9	4.9	7.4	11.8	4.1	1,881	1,675	16.7
Philippines Stock Exchange PSE Index	8,811	-2.5	2.9	3.5	21.9	2.9	9,078	7,146	19.3
Singapore FTSE Straits Times Index	3,530	-1.0	2.9	4.4	16.0	3.7	3,612	3,031	14.4
Thailand SET Index	1,827	-0.1	4.2	7.4	16.2	4.2	1,848	1,529	16.6
Latam									
Argentina Merval Index	32,615	-7.1	4.9	16.7	68.3	8.5	35,462	18,718	11.8
Brazil Bovespa Index*	84,041	-1.7	7.9	13.8	30.1	10.0	86,213	60,315	13.5
Chile IPSA Index	5,826	-0.5	3.7	5.7	37.9	4.7	5,895	4,203	19.7
Colombia COLCAP Index	1,568	-1.6	3.4	9.9	14.7	3.6	1,598	1,316	14.3
Mexico Index	50,396	-1.3	0.7	4.3	7.0	2.1	51,772	46,588	17.2
EEMEA									
Russia MICEX Index	2,282	-0.6	8.2	10.1	2.9	8.2	2,328	1,775	6.7
South Africa JSE Index	58,657	-4.8	-1.8	-1.1	11.3	-1.4	61,777	50,737	16.2
Turkey ISE 100 Index*	118,119	-2.1	0.5	4.5	35.2	2.4	121,532	86,877	8.6

*Indices expressed as total returns. All others are price returns.

	1-week Change (%)	1-month Change (%)	3-month Change (%)	YTD Change (%)	1-year Change (%)	3-year Change (%)	5-year Change (%)
Equity Indices - Total Return							
Global equities	-3.4	2.9	7.0	3.7	24.8	36.2	64.3
US equities	-3.8	2.6	7.5	3.5	22.7	42.3	95.6
Europe equities	-1.4	5.1	6.9	5.2	28.5	27.3	37.3
Asia Pacific ex Japan equities	-2.5	3.7	8.0	5.1	35.2	36.9	44.1
Japan equities	-2.6	4.4	7.1	4.9	26.2	42.9	73.8
Latam equities	-3.1	8.0	13.0	11.1	26.8	31.1	-10.0
Emerging Markets equities	-3.3	4.5	9.5	6.3	37.5	36.9	29.3

All total returns quoted in US dollar terms.

Data sourced from MSCI AC World Total Return Index, MSCI USA Total Return Index, MSCI AC Europe Total Return Index, MSCI AC Asia Pacific ex Japan Total Return Index, MSCI Japan Total Return Index, MSCI Emerging Markets Latin America Total Return Index and MSCI Emerging Markets Total Return Index.

Total return includes income from dividends and interest as well as appreciation or depreciation in the price of an asset over the given period.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 2 February 2018.

Past performance is not an indication of future returns

Market Data (continued)

	Close	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)
Bond indices - Total Return						
BarCap GlobalAgg (Hedged in USD)	510	-0.3	-0.6	-0.6	2.6	-0.8
JPM EMBI Global	806	-0.3	-0.2	-0.2	7.0	-0.3
BarCap US Corporate Index (USD)	2,866	-0.5	-0.8	-0.6	4.9	-1.2
BarCap Euro Corporate Index (Eur)	246	-0.3	-0.4	-1.0	2.4	-0.4
BarCap Global High Yield (Hedged in USD)	471	-0.3	0.4	0.4	7.1	0.5
Markit iBoxx Asia ex-Japan Bond Index (USD)	194	-0.6	-0.8	-0.9	3.5	-0.9
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	253	-0.3	0.3	0.5	6.0	0.4

Total return includes income from dividends and interest as well as appreciation or depreciation in the price of an asset over the given period.

Currencies (vs USD)	Latest	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2017	52-week High	52-week Low	1-week Change (%)
Developed markets									
EUR/USD	1.25	1.24	1.21	1.17	1.08	1.20	1.25	1.05	0.3
GBP/USD	1.41	1.42	1.36	1.31	1.25	1.35	1.43	1.21	-0.3
CHF/USD	1.07	1.07	1.03	1.00	1.01	1.03	1.08	0.98	0.3
CAD	1.24	1.23	1.25	1.28	1.30	1.26	1.38	1.21	-1.0
JPY	110.17	108.58	112.29	114.08	112.80	112.69	115.51	107.32	-1.5
AUD	1.26	1.23	1.28	1.30	1.31	1.28	1.36	1.23	-2.4
NZD	1.37	1.36	1.41	1.45	1.37	1.41	1.47	1.32	-0.8
Asia									
HKD	7.82	7.82	7.82	7.80	7.76	7.81	7.83	7.76	0.0
CNY	6.30	6.33	6.49	6.61	6.88	6.51	6.92	6.27	0.4
INR	64.06	63.54	63.48	64.61	67.38	63.87	67.44	63.25	-0.8
MYR	3.89	3.87	4.02	4.23	4.42	4.05	4.46	3.87	-0.4
KRW	1,080	1,064	1,061	1,114	1,147	1,067	1,161	1,058	-1.5
TWD	29.23	29.09	29.61	30.20	31.12	29.73	31.14	29.01	-0.5
Latam									
BRL	3.22	3.15	3.26	3.27	3.12	3.31	3.41	3.04	-2.3
COP	2,842	2,813	2,932	3,029	2,878	2,986	3,103	2,760	-1.0
MXN	18.59	18.49	19.54	18.98	20.56	19.66	20.75	17.45	-0.6
EEMEA									
RUB	56.54	56.24	57.50	58.19	59.41	57.69	61.01	55.59	-0.5
ZAR	12.09	11.86	12.46	13.97	13.40	12.38	14.57	11.80	-1.9
TRY	3.77	3.75	3.77	3.80	3.74	3.80	3.98	3.39	-0.5

Bonds	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2017	1-week Basis Point Change
US Treasury yields (%)							
3-Month	1.47	1.41	1.39	1.16	0.50	1.38	6
2-Year	2.14	2.12	1.92	1.61	1.20	1.88	3
5-Year	2.59	2.47	2.25	2.00	1.92	2.21	12
10-Year	2.84	2.66	2.46	2.35	2.47	2.41	18
30-Year	3.09	2.91	2.81	2.83	3.09	2.74	18
10-year bond yields (%)							
Japan	0.08	0.07	0.04	0.05	0.11	0.04	1
UK	1.58	1.44	1.29	1.26	1.38	1.19	13
Germany	0.76	0.63	0.46	0.37	0.42	0.42	14
France	1.02	0.91	0.82	0.76	1.04	0.78	11
Italy	2.04	2.00	2.09	1.79	2.23	2.01	4
Spain	1.46	1.40	1.60	1.48	1.63	1.56	6
China	3.92	3.95	3.92	3.88	3.37	3.90	-3
Australia	2.83	2.85	2.69	2.65	2.77	2.63	-2
Canada	2.36	2.26	2.08	1.96	1.77	2.05	10

*Numbers may not add up due to rounding

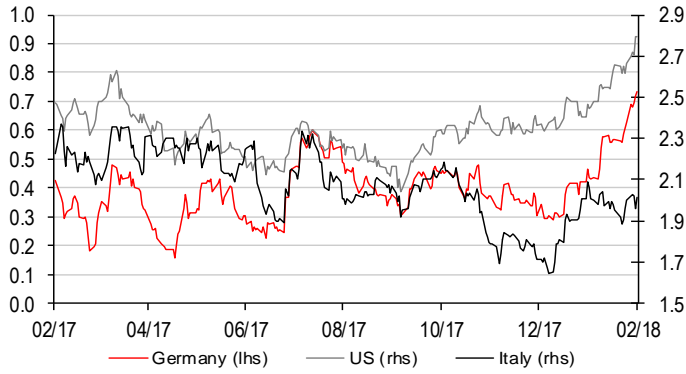
Commodities	Latest	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low
Gold	1,333	-1.2	1.2	4.5	9.6	2.3	1,366	1,195
Brent Oil	68.3	-3.1	2.6	12.7	20.8	2.1	71	44
WTI Crude Oil	65.5	-1.0	8.4	20.0	22.2	8.3	67	42
R/J CRB Futures Index	197	-1.5	1.4	5.0	2.0	1.8	201	166
LME Copper	7,119	0.5	-1.2	2.7	20.9	-1.8	7,313	5,463

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 2 February 2018.

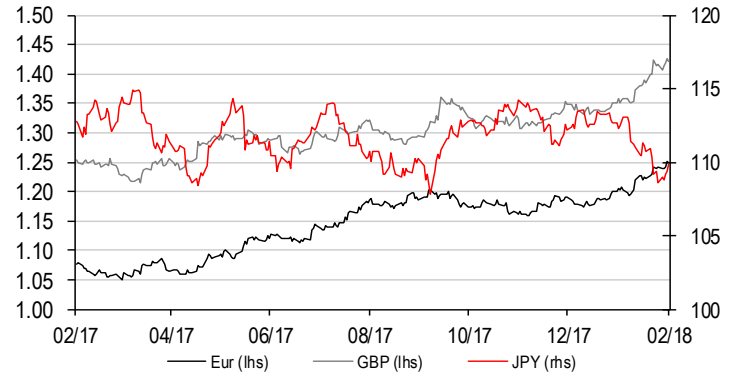
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Market Trends

Government bond yields (%)



Major currencies (versus USD)



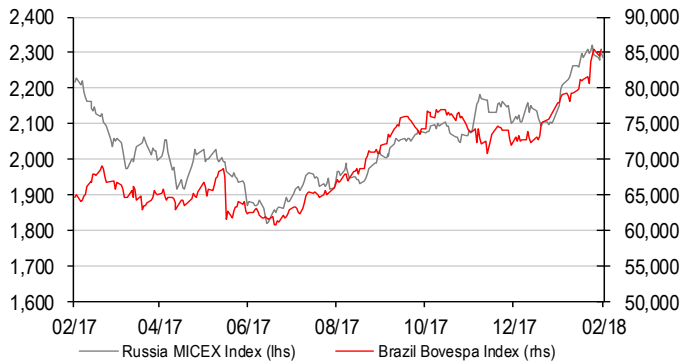
Global equities



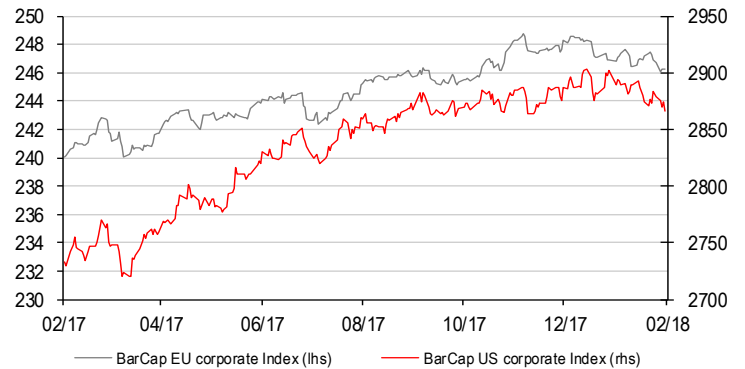
Emerging Asian equities



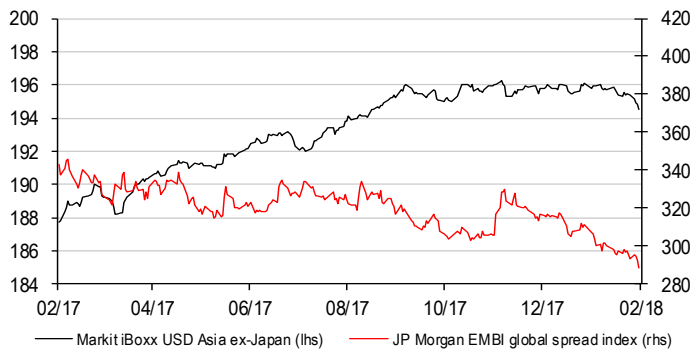
Other emerging equities



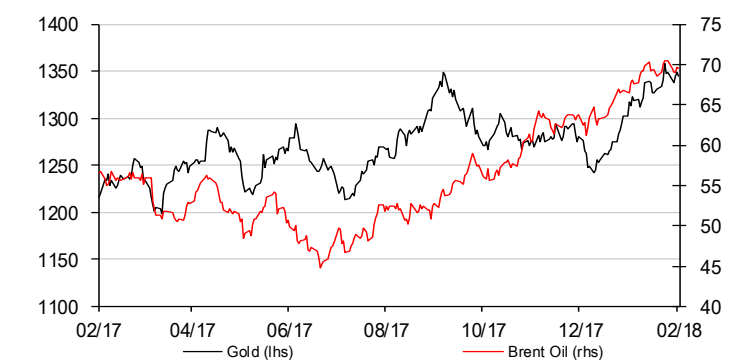
Global credit indices



Emerging markets spreads (USD indices)



Commodities (USD)



Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 2 February 2018.

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Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 2 February 2018.

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