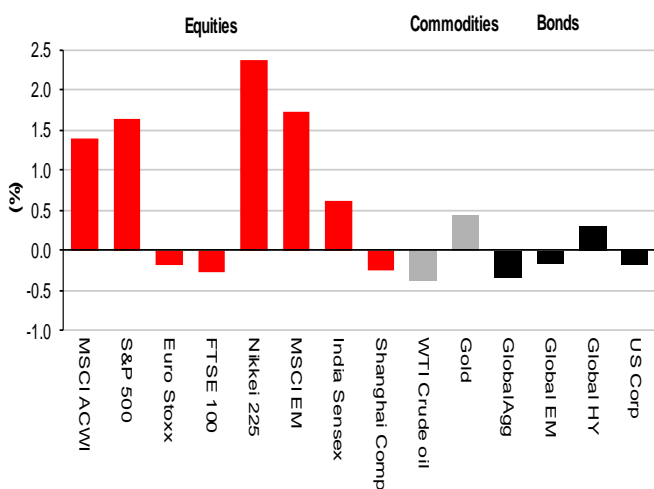


- ▶ Global equities rose this week amid strong US data releases; Italian bonds sold off sharply
- ▶ Central banks in India and Turkey raised interest rates on the back of rising inflation
- ▶ In the coming week, central bank meetings in the US, eurozone and Japan will be in focus. There is also a series of important votes regarding the UK's European Union (Withdrawal) Bill, which may shape the future course of Brexit, alongside a raft of UK data releases

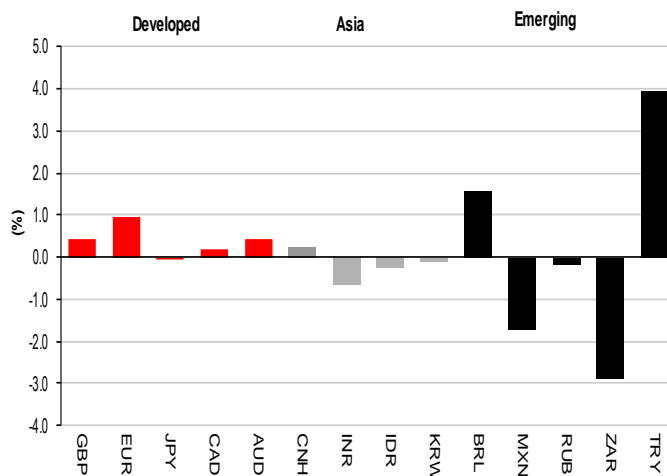
Movers and shakers

Global equities gained this week

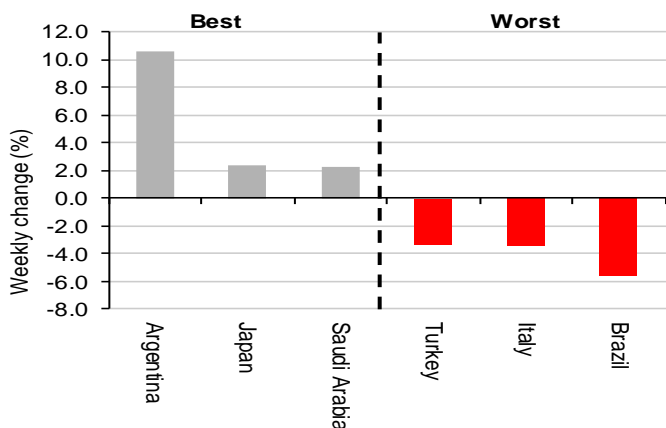


Currencies (versus USD)

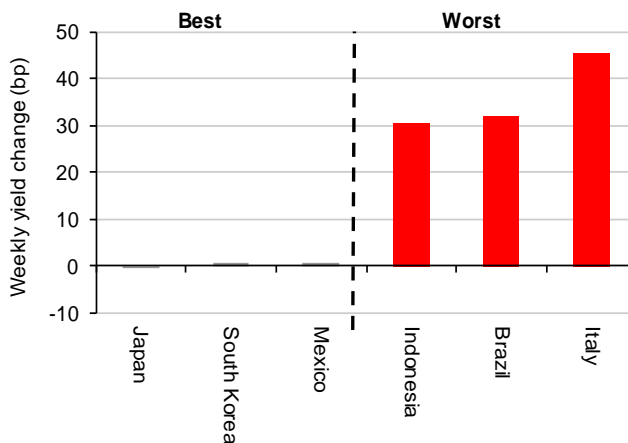
The Turkish lira rallied as Turkey's central bank raised rates



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 8 June 2018. All the above charts relate to 01/06/2018 – 08/06/2018.

Past performance is not an indication of future returns.

Macro Data and Key Events

Past Week (04-08 June 2018)

Date	Country	Indicator	Data as of	Survey	Actual	Prior
Monday 04 June	Turkey	CPI (yoy)	May	12.2%	12.2%	10.9%
Tuesday 05 June	Australia	Reserve Bank of Australia Interest Rate Decision	Jun	1.5%	1.5%	1.5%
	Eurozone	Markit Composite PMI	May F	54.1	54.1	54.1 P
	South Africa	GDP (yoy)	Q1	1.9%	0.8%	1.5%
	US	ISM Non-Manufacturing Index	May	57.7	58.6	56.8
Wednesday 06 June	India	RBI Interest Rate Decision (repurchase rate)	Jun	6.00%	6.25%	6.00%
Thursday 07 June	Germany	Factory Orders (working day adjusted, yoy)	Apr	3.6%	-0.1%	2.9%
	Eurozone	GDP (seasonally adjusted, qoq)	Q1 F	0.4%	0.4%	0.4% P
	Turkey	CBRT Interest Rate Decision (overnight lending rate)	Jun	18.75%	19.25%	18.00%
	Mexico	CPI (yoy)	May	4.5%	4.5%	4.6%
Friday 08 June	China	Trade Balance (USD bn)	May	33.3	24.9	28.3
	Japan	GDP (seasonally adjusted, qoq annualised)	Q1 F	-0.4%	-0.6%	-0.6% P
	Germany	Industrial Production (seasonally adjusted, mom)	Apr	0.3%	-1.0%	1.7%
	Brazil	IBGE Inflation IPCA (yoy)	May	2.7%	2.9%	2.8%

P – Preliminary, Q – Quarter, F – Final

- ▶ In the US, the **ISM Non-Manufacturing Index** rose 1.8 pts to 58.6 in May, higher than expected (57.7). Report details suggest positive underlying momentum as new orders, production and backlog of orders made solid gains. Meanwhile, the input price component edged up 2.5 pts to 64.3 amid steady demand and reports of tariff-related re-pricing in some industries.
- ▶ In the **eurozone**, the **final estimate of Q1 GDP** was confirmed at 0.4% qoq growth. Encouragingly, consumer spending growth picked up, which may allay fears of a slowdown in domestic demand. However, net trade dragged on growth, having been an important driver of the region's expansion last year. Less positively, **German industrial production** unexpectedly contracted in April by 1.0% mom. As a result, annual growth fell to 2.0% yoy (consensus: +2.8%), well below the six-month moving average rate of 4.4% yoy. The deceleration in activity follows a soft April **factory orders** print (-0.1% mom) and likely reflects headwinds such as previous gains in the euro and a moderation in global growth.
- ▶ The **Central Bank of Turkey** increased its key interest rates by more than expected, with the key overnight lending rate rising by 125 bps to 19.25%. In the announcement, the bank reiterated that if needed, further monetary tightening will be delivered (**CPI inflation** rose to +12.2% yoy in May, well above the bank's +5% target).
- ▶ **The Reserve Bank of India** (RBI) unexpectedly raised its interest rates (including the repo rate by 25 bps to +6.25%) against expectations of leaving them unchanged. The bank cited higher oil prices and a pickup in the momentum of core inflation (on the back of a sustained revival in domestic economic activity) as the main reasons driving the decision.
- ▶ **China's external trade data** for May surprised to the upside. Exports rose 12.6% yoy (consensus at +11.1%), unchanged from April and showing relatively firm global demand for Chinese goods despite building trade tensions with the US. Meanwhile, imports expanded sharply, reflecting strong domestic demand momentum (+26.0%; consensus at +18.0%). Overall, the trade surplus declined to USD24.9 billion, down from USD28.3 billion in April.
- ▶ **Mexico's CPI inflation** slowed slightly in May, to 4.5% yoy from 4.6% yoy in April. Policymakers still expect inflation to hit 3.8% yoy by Q4 2018 (within its +2%-4% yoy target range) although lingering electoral and trade uncertainties coupled with recent currency volatility remain potential sources of upside inflation risk.
- ▶ Finally, **Brazil's IBGE-IPCA** inflation picked up 0.1 ppts to 2.9% yoy, bucking expectations of a slowdown to 2.7%. On an annual basis, slowing food deflation and accelerating transportation prices contributed to the move amid a 10-day national trucker strike.

Coming Week (11-15 June 2018)

Date	Country	Indicator	Data as of	Survey	Prior
Tuesday 12 June	UK	ILO Unemployment Rate (3 months)	Apr	4.2%	4.2%
	UK	The European Union (Withdrawal) Bill returns to the House of Commons			
	Germany	ZEW Expectation of Economic Growth	Jun	-14.0	-8.2
	India	CPI (yoy)	May	4.8%	4.6%
	India	Industrial Production (yoy)	Apr	6.0%	4.4%
	US	CPI (yoy)	May	2.8%	2.5%
Wednesday 13 June	UK	CPI (yoy)	May	2.4%	2.4%
	Eurozone	Industrial Production (seasonally adjusted, mom)	Apr	-0.6%	0.5%
	US	FOMC Interest Rate Decision	Jun	2.00%	1.75%
Thursday 14 June	China	Retail Sales (ytd yoy)	May	9.7%	9.7%
	China	Industrial Production (yoy)	May	7.0%	7.0%
	Japan	Industrial Production (mom)	Apr F	-	0.3%

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 8 June 2018.

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	UK	Retail Sales ex Auto Fuel (yoy)	May	2.6%	1.5%
	Eurozone	ECB Interest Rate Decision	Jun	-0.40%	-0.40%
	US	Retail Sales Advance (mom)	May	0.4%	0.2%
Friday 15 June	Japan	Bank of Japan Interest Rate Decision	Jun	-0.10%	-0.10%
	Eurozone	CPI (yoy)	May F	1.9%	1.9%
	Russia	Central Bank of Russia Interest Rate Decision	Jun	7.25%	7.25%
	US	Industrial Production (mom)	May	0.3%	0.7%
	US	University of Michigan Index of Consumer Sentiment	Jun P	98.5	98.0

P – Preliminary, F – Final

US

- ▶ The **US Federal Open Market Committee (FOMC)** is expected to raise the fed funds target range by 25 bps to 1.75%-2.00% next week. Minutes for the prior meeting showed that officials thought “it would likely soon be appropriate for the Committee to take another step in removing policy accommodation.” While a modification of dovish forward-guidance language is likely, the pace of tightening could remain gradual as policymakers noted “that a temporary period of inflation modestly above 2 percent would be consistent with the Committee’s symmetric inflation objective.” The release of the latest economic projection summary and a press conference by US Federal Reserve Chair Jerome Powell following the meeting will also offer investors an updated view on the monetary policy outlook.
- ▶ **US CPI inflation** is anticipated to come in at 2.8% yoy in May, picking up by 0.3 ppts. Base effects from a soft-patch in 2017 have contributed to pricing pressures, but underlying inflation is gradually building amid the continuing expansion. Stripping out more volatile food and energy prices, core CPI is projected to accelerate 0.1 ppt to 2.2% yoy.
- ▶ Headline **US retail sales** are expected to climb 0.4% mom in May, coinciding with a steady rise in average gasoline prices. Meanwhile, growth for the retail sales control group – a core measure – may also gain 0.4% mom after a solid 0.5% mom increase in the prior month. Overall, household spending remains supported by a healthy labour market and recent tax cuts.
- ▶ Similar factors are keeping consumers upbeat and the **University of Michigan Index of Consumer Sentiment** measure is projected to edge up 0.5 pts to 98.5 in June. In the details, respondents’ inflation expectations and spending plans on large household durables (vehicles, homes) continue to be areas of interest.
- ▶ Finally, **US industrial production** growth is expected to revert back to the current 12-month moving average of 0.3% mom following a string of strong releases. This will come as capacity utilization is expected to reach a three-year high (+78.1%).

Europe

- ▶ In Europe, the **European Central Bank’s (ECB) June meeting** is the highlight of the calendar. As the bank’s asset purchase programme approaches completion, investors are expecting an announcement on the future of the bank’s bond buying plans at either this meeting or in July. In recent comments, ECB Chief Economist Peter Praet confirmed that this issue would be discussed at the June meeting. At the post-meeting press conference, ECB President Mario Draghi is expected to be questioned on his views regarding recent developments in Italy (and how this may affect ECB policy), as well as the growth outlook. New staff forecasts will also be released, which are likely to show an upward shift in the inflation forecasts on the back of higher oil prices and a weaker euro. Meanwhile, GDP growth projections for 2018 may be lowered following recent softness in activity data.
- ▶ **Eurozone industrial production** is expected to decline over April. Following weakness during Q1, this would leave the annual rate of growth at 2.9% yoy, below the recent trend rate of expansion. After a strong 2017, European manufacturers may be facing headwinds from the lagged impact of a stronger euro, a moderation in global growth and emerging raw material/labour shortages.
- ▶ **Germany’s ZEW Expectation of Economic Growth** is expected to decline sharply in June, potentially reaching its lowest level since late 2012 just as the eurozone economy was emerging from a debt crisis. The deterioration comes as the US has recently pushed ahead with its steel and aluminium tariffs on European steel imports, while oil prices remain fairly elevated compared to recent levels. More positively, the current situation component is expected to decline slightly, although remaining close to record highs.
- ▶ In the **UK**, the highlight of the week will be the **European Union (Withdrawal) Bill returning to the House of Commons**. Crucially, 15 amendments to the bill will be voted on, including around staying in some form of customs union with the European Union, and providing a “meaningful vote” on the final Brexit deal, including setting deadlines for the Brexit negotiations. A bout of UK political instability may be triggered if UK Prime Minister Theresa May loses any of these important votes.
- ▶ In terms of **UK** economic data releases, the **unemployment rate** in the three months to April is expected to hold at 4.2%. More crucially, any signs of an acceleration in wage growth are likely to support the prospect of an August rate hike by the Bank of England, despite a recent softening of some activity indicators and moderating inflationary pressures. Indeed, **CPI inflation** surprised to the downside for the third month running in April, with core inflation falling to 2.1% yoy, from 2.3%, its lowest rate since March 2017. This decline was mainly driven by base effects in the volatile airfares category due to the timing of Easter, so a bounce-back in services inflation in May is expected. However, this may be offset by declining core goods inflation as the impact of weak sterling moderates. Overall, this could maintain core inflation at 2.1% yoy; headline CPI inflation is also expected to remain unchanged (at

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+2.4% yoy). Finally, **retail sales** (excluding auto fuel) are expected to rise by 0.3% mom in May, following a robust 1.3% gain in the prior month. Such an outcome will reverse a negative underlying trend in annual sales growth that began in early 2017 and supports the view that the Q1 slowdown was temporary.

Japan and emerging markets

- ▶ The **Bank of Japan** will likely keep its policy unchanged at the end of its two-day **monetary policy meeting**, leaving its yield curve control settings unaltered and aiming to buy JPY80 trillion of Japanese government bonds per year. Inflation is expected to remain range-bound between 0% and 1% until the end of the year and most of next year, as imported inflation remains subdued and the gradual closing of the output gap isn't strong enough to create meaningful inflationary pressures in the near term.
- ▶ **China's** activity data for May likely showed a stabilization after the rebound observed in April. **Industrial production** growth is expected to remain at 7.0% yoy, unchanged from April and consistent with the mixed signals conveyed by PMI surveys. Similarly, **urban fixed asset investment** likely increased 7.0% yoy in January-May, unchanged compared to the January-April level, amid lower credit growth and expectations of a relatively tighter monetary policy stance this year. Meanwhile, **retail sales** are expected to have rebounded slightly to 9.6% yoy in May from 9.4% in April (unchanged at +9.7% on a yoy ytd basis).

Market Moves

US equities rose on robust data and easing trade concerns; NASDAQ hit all-time highs

- ▶ **US equities** rose this week. Investor sentiment was supported by robust data releases (including the May ISM Non-Manufacturing Index). Meanwhile, on the trade front, China offered to buy USD70 billion of US exports, although no deal has yet been struck between the US and China. Ongoing negotiations with other trading partners continued, as President Trump met with his French and Canadian counterparts. The S&P 500 Index finished up 1.6%. A bounce in technology shares propelled the NASDAQ Composite to fresh highs on Wednesday, before closing the week up 1.2%.
- ▶ **European equities** lacked clear direction this week. Data had been soft (German and French April industrial production), and ECB Chief Economist Peter Praet suggested that the central bank will discuss the termination of asset purchases at next week's meeting. Overall, the pan-European EURO STOXX 50 Index was slightly down (-0.2%) and France's CAC 40 closed 0.3% lower. Germany's exporters-intensive DAX gained modestly (+0.3%), despite a stronger euro. Elsewhere, Spain's IBEX 35 outperformed (+1.2%), thanks to a rally in financial shares on the back of higher bond yields.
- ▶ In **Asia**, most **bourses** advanced as upbeat economic data in the US fuelled investors' optimism about the economic outlook in the near term. Meanwhile, the confirmation that the US-North Korea summit will be held in Singapore on 12 June also contributed to lift market sentiment. Japanese shares outperformed, with the Nikkei 225 Index closing up 2.4% while Taiwanese shares gained 1.9% and Hong Kong's Hang Seng Index ended up 1.5%. In India, investors favourably received the decision of the RBI to hike interest rates: the SENSEX 30 Index rebounded after the policy meeting and finished the week in positive territory (+0.6%).

European bond yields jumped on remarks from the ECB's Peter Praet

- ▶ Action in the **US Treasuries** market was limited this week, amid reduced demand for perceived safer assets on rising investor risk appetite. 10-year Treasury yields traded within the 2.90%-3.00% band, before ending 4 bps higher at 2.95% (prices fell), with policy-sensitive two-year yields also adding 3 bps to end at 2.50%, ahead of the FOMC meeting next week.
- ▶ **European bond yields** rose across the board this week (prices fell). The biggest upwards move occurred on Wednesday, after ECB Chief Economist Peter Praet hinted that the bank will likely discuss the termination of asset purchases at next week's meeting. Benchmark German 10-year bund yields rose 6 bps to 0.45%. In the periphery, Italian 10-year bund yields jumped 46 bps to 3.12% on lingering concerns over future fiscal expansion by the current government.

Euro gained following ECB Chief Economist Praet's signal on quantitative easing

- ▶ The **euro** rose against the US dollar, with much of the gains occurring on Wednesday after ECB Chief Economist Peter Praet suggested that the central bank will likely discuss the unwinding of asset purchases in next week's meeting. The euro later pared back some of these gains, amid an unexpected contraction in German industrial production data for April, to eventually close up 0.9%. Meanwhile, the British pound swung between gains and losses to close little changed (+0.4%) as Brexit concerns weighed.
- ▶ Most **Asian currencies** traded sideways against the US dollar over the week, hovering in a +/- 0.7% range, as investors remained cautious ahead of important events in the next 10 days (G7 Summit in Canada, FOMC and ECB monetary policy meetings, and the meeting between American and North Korean leaders). The Indian rupee depreciated the most over the week (-0.7%), as concerns about inflation and trade deficit remained despite the unexpected policy rate hike announced by the RBI and robust GDP for Q1.

Oil prices little changed amid speculation over future OPEC production levels

- ▶ **Crude oil prices** were little changed this week amid ongoing speculation over whether OPEC and allied producers will relax production curbs. Although the U.S. Energy Information Administration (EIA) reported a surprise increase in US stockpiles of crude and refined products last week, investors remained concerned about ongoing supply issues in Venezuela. Overall, Brent crude dropped 0.5% to close at USD76.4 a barrel.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 8 June 2018.

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▶ **Gold prices** rose slightly this week (+0.4% to USD1,299 per troy ounce), mainly supported by a softer US dollar over the week.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 8 June 2018.

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Market Data

Equity Indices	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)
World									
MSCI AC World Index (USD)	520	1.4	1.9	0.0	11.3	1.3	551	462	15.7
North America									
US Dow Jones Industrial Average	25,317	2.8	3.9	1.7	19.5	2.4	26,617	21,138	16.6
US S&P 500 Index	2,779	1.6	4.0	1.5	14.2	3.9	2,873	2,406	17.5
US NASDAQ Composite Index	7,646	1.2	5.2	2.9	20.9	10.8	7,697	6,082	23.1
Canada S&P/TSX Composite Index	16,203	1.0	2.3	4.3	5.1	0.0	16,421	14,786	15.8
Europe									
MSCI AC Europe (USD)	475	1.1	-1.3	-2.0	4.4	-2.7	524	446	14.2
Euro STOXX 50 Index	3,447	-0.2	-3.1	1.0	-3.3	-1.6	3,709	3,262	13.8
UK FTSE 100 Index	7,681	-0.3	1.5	6.6	3.1	-0.1	7,904	6,867	14.0
Germany DAX Index*	12,767	0.3	-1.1	3.3	0.4	-1.2	13,597	11,727	13.1
France CAC-40 Index	5,450	-0.3	-1.3	3.7	3.5	2.6	5,657	4,995	14.7
Spain IBEX 35 Index	9,746	1.2	-4.1	1.0	-11.0	-3.0	11,048	9,328	12.7
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	579	2.5	2.5	0.5	14.5	1.6	617	499	13.7
Japan Nikkei-225 Stock Average	22,695	2.4	0.8	6.2	14.0	-0.3	24,129	19,240	16.5
Australian Stock Exchange 200	6,045	0.9	-0.8	1.7	6.5	-0.3	6,150	5,639	16.1
Hong Kong Hang Seng Index	30,958	1.5	1.8	1.0	18.8	3.5	33,484	25,200	12.1
Shanghai Stock Exchange Composite Index	3,067	-0.3	-3.0	-6.7	-2.6	-7.3	3,587	3,041	12.0
Hang Seng China Enterprises Index	12,166	1.2	0.2	-1.4	14.2	3.9	13,963	10,204	8.2
Taiwan TAIEX Index	11,156	1.9	4.3	3.1	9.1	4.8	11,270	10,033	14.4
Korea KOSPI Index	2,452	0.5	0.1	0.8	3.7	-0.6	2,607	2,310	9.5
India SENSEX 30 Index	35,444	0.6	0.6	6.3	13.6	4.1	36,444	30,681	18.8
Indonesia Jakarta Stock Price Index	5,994	0.2	3.8	-7.0	5.1	-5.7	6,693	5,669	15.4
Malaysia Kuala Lumpur Composite Index	1,778	1.2	-3.7	-3.3	-0.4	-1.0	1,896	1,708	16.1
Philippines Stock Exchange PSE Index	7,741	1.4	2.2	-7.6	-2.7	-9.6	9,078	7,457	17.6
Singapore FTSE Straits Times Index	3,436	0.3	-3.0	-1.3	6.2	1.0	3,642	3,193	13.7
Thailand SET Index	1,722	0.1	-2.2	-3.2	9.7	-1.8	1,853	1,556	15.7
Latam									
Argentina Merval Index	31,444	10.6	19.7	-4.2	43.4	4.6	35,462	20,462	8.5
Brazil Bovespa Index*	72,942	-5.6	-12.1	-14.2	16.2	-4.5	88,318	60,544	11.0
Chile IPSA Index	5,523	0.9	-2.2	-1.0	13.7	-0.7	5,895	4,718	16.3
Colombia COLCAP Index	1,548	-1.1	0.1	5.0	6.7	2.3	1,598	1,415	15.6
Mexico S&P/BMV IPC Index	45,940	2.1	-1.7	-4.8	-6.4	-6.9	51,772	44,429	15.9
EEMEA									
Russia MOEX Index	2,268	-1.2	-1.5	-1.0	21.0	7.5	2,377	1,775	6.0
South Africa JSE Index	58,224	1.6	1.0	-1.2	12.1	-2.2	61,777	50,750	14.8
Turkey ISE 100 Index*	95,876	-3.3	-3.5	-17.8	-2.1	-16.9	121,532	95,126	6.7

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

Equity Indices - Total Return	1-week Change (%)	1-month Change (%)	3-month Change (%)	YTD Change (%)	1-year Change (%)	3-year Change (%)	5-year Change (%)
Global equities	1.4	2.2	0.8	2.3	13.4	29.2	57.0
US equities	1.3	3.9	1.5	4.5	15.5	38.4	81.3
Europe equities	1.2	-0.7	-0.5	-0.8	7.4	14.5	29.7
Asia Pacific ex Japan equities	2.6	2.9	1.2	2.6	17.5	30.3	49.3
Japan equities	2.1	0.1	1.8	1.9	14.2	25.0	55.9
Latam equities	-4.6	-12.3	-19.7	-12.2	-1.2	6.0	-18.0
Emerging Markets equities	1.8	0.9	-3.3	0.0	15.4	26.1	31.6

All total returns quoted in US dollar terms and subject to one-day lag.

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 8 June 2018.

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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)	511	-0.3	0.0	0.2	0.6	-0.6
JPM EMBI Global	770	-0.2	0.3	-2.6	-2.6	-4.7
BarCap US Corporate Index (USD)	2,807	-0.2	0.4	-0.5	-0.6	-3.3
BarCap Euro Corporate Index (Eur)	245	-0.2	-0.5	-0.6	0.2	-0.9
BarCap Global High Yield (Hedged in USD)	463	0.3	0.1	-0.6	1.7	-1.2
Markit iBoxx Asia ex-Japan Bond Index (USD)	191	-0.1	0.2	-1.0	-0.6	-2.4
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	244	0.0	-0.7	-2.9	-0.1	-3.2

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

	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 (%)
Currencies (vs USD)									
Developed markets									
EUR/USD	1.18	1.17	1.19	1.23	1.12	1.20	1.26	1.11	0.9
GBP/USD	1.34	1.33	1.35	1.38	1.30	1.35	1.44	1.26	0.4
CHF/USD	1.01	1.01	1.00	1.05	1.03	1.03	1.09	0.99	0.3
CAD	1.29	1.30	1.30	1.29	1.35	1.26	1.35	1.21	0.2
JPY	109.55	109.54	109.13	106.23	110.02	112.69	114.73	104.56	0.0
AUD	1.32	1.32	1.34	1.28	1.33	1.28	1.35	1.23	0.4
NZD	1.42	1.43	1.43	1.38	1.39	1.41	1.47	1.32	0.7
Asia									
HKD	7.85	7.85	7.85	7.84	7.80	7.81	7.85	7.79	0.0
CNY	6.41	6.42	6.37	6.34	6.80	6.51	6.84	6.24	0.2
INR	67.51	67.06	67.08	65.15	64.21	63.87	68.46	63.25	-0.7
MYR	3.99	3.98	3.95	3.91	4.27	4.05	4.30	3.85	-0.2
KRW	1,076	1,075	1,077	1,070	1,122	1,067	1,158	1,054	-0.1
TWD	29.81	29.85	29.78	29.27	30.10	29.73	30.64	28.96	0.1
Latam									
BRL	3.71	3.77	3.56	3.26	3.26	3.31	3.97	3.08	1.5
COP	2,859	2,867	2,873	2,877	2,919	2,986	3,103	2,685	0.3
MXN	20.29	19.94	19.57	18.66	18.20	19.66	20.65	17.45	-1.8
EEMEA									
RUB	62.32	62.22	63.21	57.10	56.91	57.69	65.04	55.56	-0.2
ZAR	13.07	12.69	12.57	11.91	12.92	12.38	14.57	11.51	-3.0
TRY	4.47	4.65	4.33	3.82	3.52	3.80	4.93	3.39	3.8

	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2017	1-week Basis Point Change
Bonds							
US Treasury yields (%)							
3-Month	1.91	1.90	1.85	1.65	0.99	1.38	0
2-Year	2.50	2.47	2.51	2.25	1.31	1.88	3
5-Year	2.78	2.75	2.81	2.63	1.75	2.21	4
10-Year	2.95	2.90	2.98	2.86	2.19	2.41	4
30-Year	3.09	3.05	3.13	3.12	2.85	2.74	4
10-year bond yields (%)							
Japan	0.04	0.04	0.05	0.05	0.06	0.04	0
UK	1.39	1.28	1.44	1.47	1.03	1.19	11
Germany	0.45	0.38	0.56	0.63	0.25	0.42	6
France	0.81	0.70	0.80	0.86	0.64	0.78	11
Italy	3.12	2.66	1.86	1.98	2.17	2.01	46
Spain	1.46	1.43	1.31	1.40	1.47	1.56	3
China	3.66	3.65	3.70	3.85	3.64	3.90	1
Australia	2.78	2.70	2.74	2.80	2.40	2.63	7
Canada	2.32	2.25	2.35	2.23	1.42	2.05	7

*Numbers may not add up due to rounding

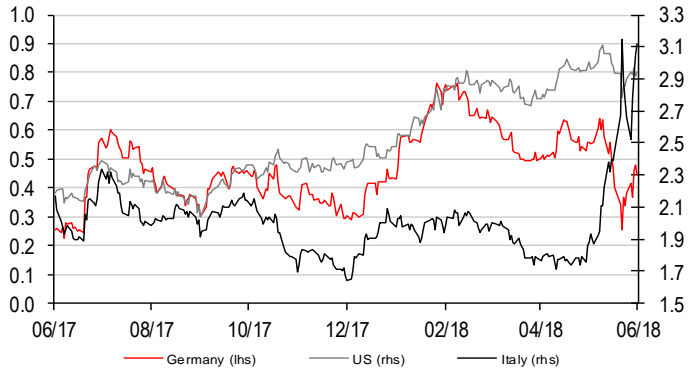
	Latest	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low
Commodities								
Gold	1,299	0.4	-1.2	-1.7	1.7	-0.3	1,366	1,205
Brent Oil	76.4	-0.5	2.1	20.1	59.6	14.2	81	44
WTI Crude Oil	65.6	-0.4	-5.1	9.0	43.6	8.5	73	42
R/J CRB Futures Index	200	-0.8	-1.0	3.3	13.6	3.2	207	166
LME Copper	7,332	6.3	8.7	7.3	28.0	1.2	7,348	5,611

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 8 June 2018.

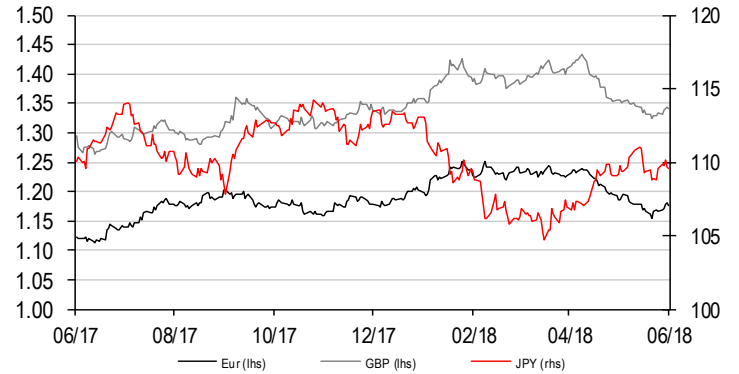
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Market Trends

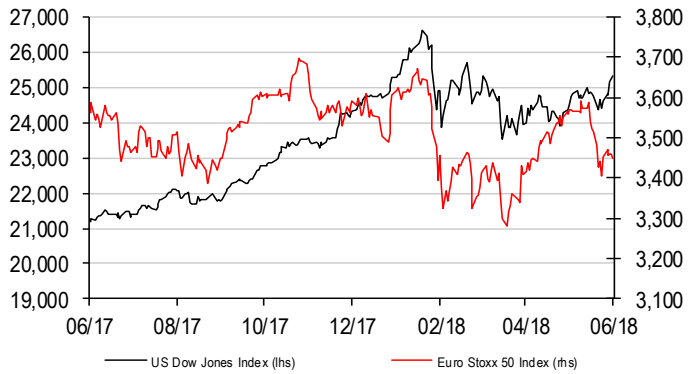
Government bond yields (%)



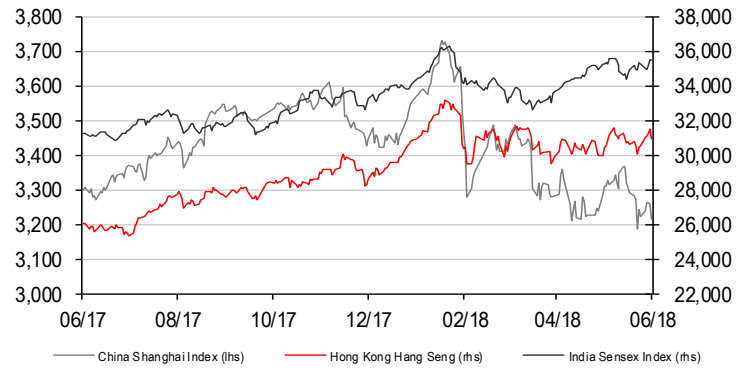
Major currencies (versus USD)



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 8 June 2018.

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Expiry: July 6, 2018

DK1800256A

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 8 June 2018.

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