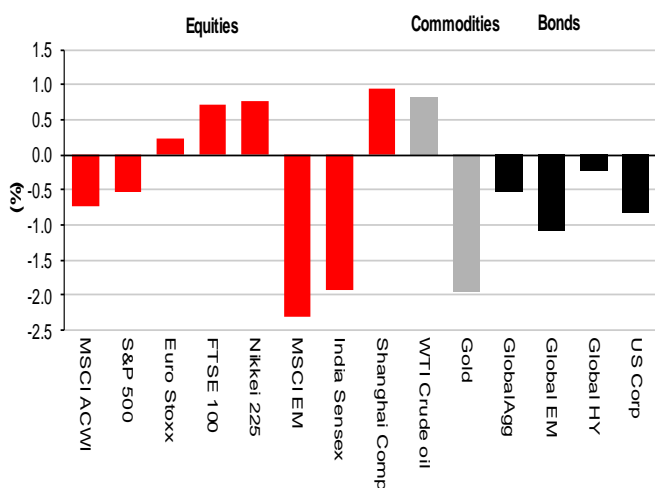


- ▶ Global equities edged lower this week, led by weakness in emerging markets
- ▶ In Italy, the populist Five-Star Movement and League parties edged closer to forming a government. This contributed to a sharp sell-off in Italian assets given the government's plan to significantly loosen fiscal policy
- ▶ After eight consecutive quarters of growth, Japan's Q1 GDP growth fell by 0.6% qoq annualised, while the Q4 print was downwardly revised to 0.6% from 1.6%
- ▶ In the coming week, UK and eurozone data releases will be scrutinised closely given the weakness seen in Q1 2018

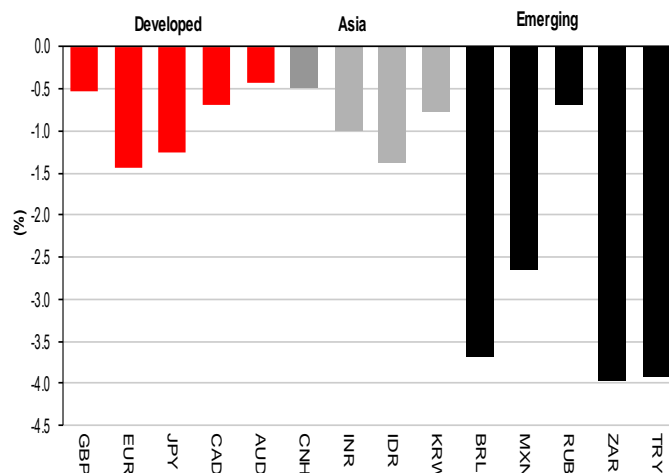
Movers and shakers

Global equities rallied on heightened risk appetite

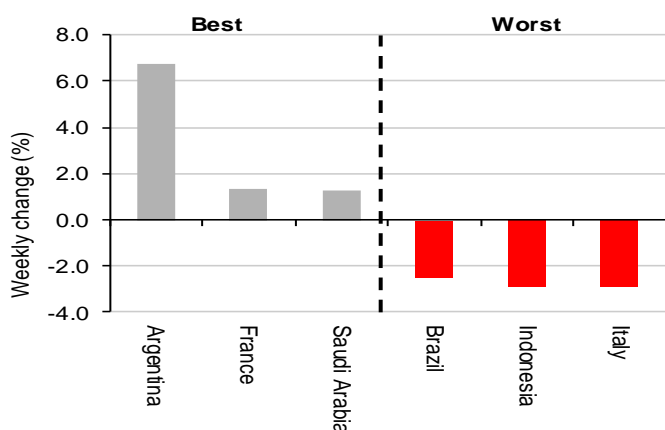


Currencies (vs. USD)

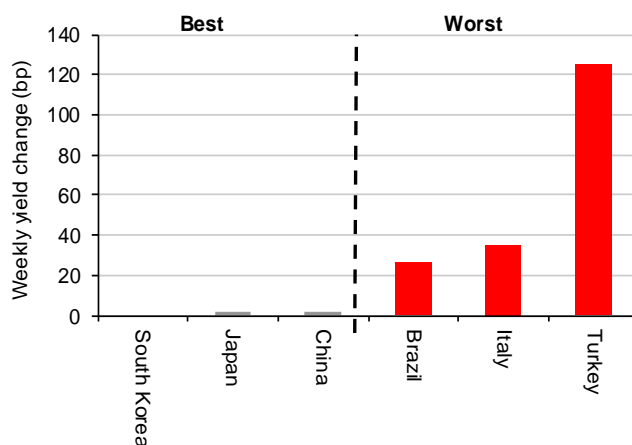
US dollar rally ran out of steam this week



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.

Source: Bloomberg, HSBC Global Asset Management. Data as at close of business 18 May 2018. All the above charts relate to 11/05/2018 – 18/05/2018

Macro Data and Key Events

Past Week (13–18 May 2018)

Date	Country	Indicator	Data as of	Survey	Actual	Prior
Monday 14 May	India	CPI (yoy)	Apr	4.4%	4.6%	4.3%
Tuesday 15 May	China	Retail Sales (yoy)	Apr	10.0%	9.4%	10.1%
	China	Industrial Production (yoy)	Apr	6.4%	7.0%	6.0%
	UK	ILO Unemployment Rate (3 months)	Mar	4.2%	4.2%	4.2%
	Eurozone	GDP (seasonally adjusted, qoq)	Q1 P	0.4%	0.4%	0.4%
	Germany	ZEW Expectation of Economic Growth	May	-8.2	-8.2	-8.2
	US	Retail Sales Advance (mom)	Apr	0.3%	0.3%	0.8%
	US	NAHB/Wells Fargo Housing Market Index	May	69	70	68
	US	Fed Vice Chair Nominee Richard Clarida Testifies before Senate Panel				
Wednesday 16 May	Brazil	COPOM Interest Rate Decision	May	6.25%	6.50%	6.50%
	Japan	GDP (seasonally adjusted, qoq annualised)	Q1 P	-0.1%	-0.6%	0.6%
	Eurozone	CPI (yoy)	Apr F	1.2%	1.2%	1.3% P
	US	Housing Starts (mom)	Apr	-0.7%	-3.7%	3.6%
Thursday 17 May	Mexico	Banco de Mexico Interest Rate Decision	May	7.50%	7.50%	7.50%
Friday 18 May	Japan	National CPI ex Fresh Food, Energy (yoy)	Apr	0.4%	0.4%	0.5%

P – Preliminary, Q – Quarter, F – Final

- ▶ In the US, **retail sales** grew 0.3% mom in April, in line with expectations. The prior reading was revised up by 0.2 percentage points to 0.8% mom. After a soft patch in January and February, the recent rebound has come amid tax refunds and a healthy job market. **Housing starts** fell 3.7% mom to 1,287,000 annualised (1,310,000 expected) following an upwardly revised 3.6% expansion in the prior month. Overall, housing starts remain on an upward trend, although still well below pre-crisis levels of activity. Meanwhile, the **NAHB/Wells Fargo Housing Market Index** of home builder sentiment rose in May (by 2 points to 70), remaining at elevated levels. Finally, at his confirmation hearing with the Senate banking committee, **US Federal Reserve (Fed) Vice Chairman nominee Richard Clarida** said that he would take a balanced approach to monetary policy and also suggested that some banking regulation could be better tailored for smaller banks.
- ▶ The **UK unemployment rate** in the three months to March held at 4.2%, as expected. Meanwhile, regular wage growth (excluding bonuses) accelerated to 2.9% yoy, the highest rate since August 2015. The Bank of England's expectations of faster wage growth have been a crucial driver of the bank's more hawkish stance in recent meetings.
- ▶ **Germany's ZEW Expectation of Economic Growth** was unchanged in May at -8.2, stabilising after sharp declines in the prior two months. Meanwhile, the Current Situation index deteriorated (by 0.5 points to 87.4), although this was better than the expected fall to 85.5. Overall, the index remains at elevated levels.
- ▶ After eight consecutive quarters of growth, **Japan's Q1 GDP** growth fell by 0.6% qoq annualised, and the Q4 print was downwardly revised to 0.6% from 1.6%. Over Q1, personal consumption stagnated and business investment also markedly slowed, amid a sharp deceleration of machine tools orders since the beginning of the year. However, exports of goods rose in volume terms in Q1, while imports retreated slightly, providing a positive contribution of net exports. Japan's national core **CPI inflation** (excluding fresh food) fell to 0.7% yoy from 0.9% in March, while core-core CPI (excluding fresh food and energy) came in at 0.4% versus 0.5% in March. This largely reflected a pullback in the mobile phone price category. Energy price inflation also slowed, mainly due to base effects.
- ▶ **China's** monthly indicators for April confirmed that the economy is gradually slowing down, as authorities continue to tighten credit conditions. **Retail sales** growth eased from 10.1% yoy in March to 9.4% yoy, the slowest pace in almost 15 years, amid soft property-related sales. **Fixed asset investments** also slowed, from 7.5% yoy to 7.0% in year-to-date terms (the lowest reading since December 1999). More positively, industrial production beat market expectations, coming in at 7.0% yoy. The acceleration was broad-based across sectors (mining, manufacturing and utilities all gathered pace), with solid gains in automobile and steel production.
- ▶ In Latin America, **Brazil's** central bank unexpectedly left the Selic rate unchanged at 6.50% (a 25-bp cut was expected). According to the bank, incoming data has showed a softening of economic activity and the recent deterioration in investor sentiment towards emerging markets has intensified upside risks to the inflation outlook. Given this, the bank also noted that the next meetings could see policy rates being held at the current level. Meanwhile, the **Bank of Mexico** maintained its overnight rate at 7.5%, as expected. In a balanced statement, policymakers continued to highlight easing inflation, but cautioned that the balance of risks for inflation remained biased upwards due to peso volatility, lingering uncertainty related to NAFTA renegotiations and upcoming elections.

Source: Bloomberg, HSBC Global Asset Management. Data as at close of business 18 May 2018.

Past performance is not an indication of future returns

Coming Week (21-25 May 2018)

Date	Country	Indicator	Data as of	Survey	Prior
Monday 21 May	Japan	Trade Balance Adjusted (JPY bn)	Apr	114.9	119.2
Wednesday 23 May	Eurozone	Markit Composite PMI	May P	55.0	55.1
	UK	CPI (yoy)	Apr	2.4%	2.5%
	Mexico	GDP Seasonally Adjusted (qoq)	Q1	0.7%	1.1% P
	US	New Home Sales (mom)	Apr	-2.2%	4.0%
	US	FOMC Meeting Minutes			
Thursday 24 May	South Africa	Reserve Bank Interest Rate Decision		6.50%	6.50%
	UK	Retail Sales ex Auto Fuel (yoy)	Apr	0.1%	1.1%
	US	Existing Home Sales (mom)	Apr	-0.7%	1.1%
Friday 25 May	Germany	Ifo Business Climate Index	May	102.0	102.1
	UK	GDP (qoq)	Q1	0.1%	0.1% P
	US	Durable Goods Orders (mom)	Apr P	-1.4%	2.6%
	US	University of Michigan Index of Consumer Sentiment	May F	98.9	98.8 P

P – Preliminary, Q – Quarter, F – Final

US

- ▶ Despite core inflation running close to the Fed's 2% target, the Federal Open Market Committee (FOMC) struck a relatively balanced tone in its last policy statement. Policymakers reaffirmed that their target was symmetrical, suggesting that some overshoot in pricing pressures would be tolerated. Next week's release of the **May 1-2 FOMC meeting minutes** should provide further insight into discussions that led to the committee's choice of language and the extent of different views on the committee.
- ▶ Meanwhile, headline **US durable goods orders** are forecast to decline 1.4% mom in April after being boosted by commercial jet orders in the prior month. Underlying capital goods orders (excluding transport and defence) are expected to increase 0.5% mom, the same as the current 12-month trailing growth rate. New order readings from sentiment surveys continue to trend at elevated levels while the fundamental picture remains well supported by rising capacity constraints and steady economic activity. Recent tax reforms incentivizing capital expenditures should also spur new business investments.
- ▶ Turning to housing, **existing home sales** are anticipated to decrease 0.7% mom in April after a 1.1% mom advance in the prior month. Limited supply and rising mortgage costs may dampen sales activity somewhat, but overall homebuyer demand should remain firm, backed by solid employment conditions and upbeat consumer sentiment. Similar trends prevail for **new home sales** although sales are projected to dip 2.2% mom for the same month. This follows a 4.0% mom jump in March and sizable upward revisions (totalling 71,000) to January/February readings.

Europe

- ▶ After declining sharply in February and March, the **Eurozone Composite PMI** stabilised in April at 55.1. A similar reading in May should help ease concerns of a significant slowdown in the region as the index remains consistent with above-trend GDP growth.
- ▶ **Germany's Ifo Business Climate Index** has slowed sharply since the all-time high reached in November 2017 (105.2), dropping to 102.1 in April. There could be a stabilisation in May, with sentiment supported by a weaker trade-weighted euro.
- ▶ In the **UK, CPI inflation** is expected to moderate further in April and could fall to 2.4% yoy from 2.5% in the prior month, as the effects of post-European Union referendum declines in sterling continue to wane. A larger decline is likely to cut the probability of Bank of England action later this year. Meanwhile, **retail sales** (excluding auto fuel) are likely to edge up over April (by +0.5% mom) amid an improvement in the weather, but this would leave annual growth at just 0.1% yoy, confirming the weakness in UK consumption trends over the past year.

Japan and emerging markets

- ▶ **Japan's export** growth likely picked up to 8.7% yoy in April from 2.1% in March, while **import** growth is expected to have turned positive (+9.8% yoy in April versus -0.6% in March), partly due to a softer yen and higher global oil and commodity prices. The **trade surplus** may have narrowed to JPY115 billion on a seasonally adjusted basis from JPY119 billion in March.
- ▶ The final reading for **Q1 Mexico GDP** may see activity growth revised down by 0.4 percentage points to 0.7% qoq, below Q4 2017's 0.8% qoq pace. Private consumption, backed by resilient household demand, should continue to underpin activity.

Market Moves

US stock markets ended the week lower while most European stocks rose

- ▶ **US stocks** started the week initially higher, but pared back gains on weaker risk appetite, higher Treasury yields and a stronger US dollar. However, stocks were supported by strong corporate earnings results from the retail sector, as well as solid macro data (industrial production, NAHB/Wells Fargo Housing Market Index). Investors also continued to monitor the progress on US-China trade talks. Overall, the S&P 500 Index ended 0.5% lower while the Dow Jones Industrial Average Index shed 0.5%.

Source: Bloomberg, HSBC Global Asset Management. Data as at close of business 18 May 2018.

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- ▶ **European stocks** struggled for direction at the start of the week, as a decline in energy stocks outweighed optimism over waning global trade tensions. However, as the week progressed, stocks gained traction. The EURO STOXX 50 Index rose 0.2%, while most major national bourses also ended higher. However, Italy's FTSE MIB Index tumbled this week as investors became increasingly concerned about the Italian growth outlook, amid speculation that the populist parties could implement radical fiscal policies if they are able to form a government.
- ▶ Most **Asian stock markets** fell this week, on the back of higher US Treasury yields, a stronger US dollar and higher oil prices. Economic data releases from Japan were generally disappointing, while data from China was mixed, pointing to a growth moderation in Q2. Investors also cautiously watched a fresh round of US-China trade talks. Indonesia's Jakarta Stock Price Index underperformed (-2.9%) as the central bank hiked rates for the first time in four years. India's SENSEX 30 Index also posted a large weekly loss of 1.7%, amid growing concerns about the impact of higher oil prices on the economy as well as some weaker than expected earnings results. Japan's Nikkei 225 Index rose 0.8%, as a weaker yen supported exporter shares. Chinese and Malaysian stocks also fared relatively better, with the former supported by hopes for a positive outcome in trade talks with the US.

10-year Treasury yields rose to a seven-year high; Italian equivalents jumped on policy concerns

- ▶ **US Treasury** yields rose (prices fell) this week on reduced demand for perceived safe-haven assets. Solid macroeconomic data such as retail sales suggest the US economy is on a solid footing. Important for monetary policy, Fed Vice Chair nominee Richard Clarida's testimony was in line with the current FOMC consensus. Overall, two-year yields rose 1 bp to 2.55%, and 10-year yields added 9 bps to 3.06%, hitting their highest levels since 2011 during the week.
- ▶ **European government bond yields** also finished higher, with benchmark German 10-year bund yields adding 2 bps to 0.58%. A sizable upward move occurred on Monday, as the Bank of France Governor Francois Villeroy de Galhau hinted that a European Central Bank interest rate rise could follow soon after the end of quantitative easing. In the periphery, Italian 10-year bond yields jumped 36 bps to 2.22% on concerns over the country's policy outlook.

Euro extends its losing streak amid soft data; sterling also closes lower against the dollar

- ▶ The **euro** fell against the US dollar (-1.5%), extending its losing streak to five consecutive weeks. Selling pressure came from weaker than expected data (including eurozone industrial production for March and preliminary Q1 GDP estimates for Germany), alongside general US dollar strength. The British pound also depreciated (-0.5%), although some of the earlier softness was pared back later in the week following reports that the UK Prime Minister may be prepared for the country to stay in the customs union beyond 2021.
- ▶ **Asian currencies** depreciated against a broadly stronger US dollar this week, led by the Indonesian rupiah and Japanese yen. The rupiah fell to its lowest level against the US dollar since October 2015, even after Bank Indonesia raised its policy rates by 25 bps and pledged to take "stronger measures" to maintain stability. The yen reached a fresh four-month low versus the US dollar, after data showed Japan's inflation slowed for a second straight month in April. The Indian rupee also came under pressure on the back of higher oil prices and inflation concerns after the release of higher than expected CPI inflation data for April. The Hong Kong Monetary Authority was back in the foreign exchange market this week, buying HKD13 billion after the exchange rate fell to the weak end of its trading band.

Brent crude oil prices rose above USD80 for the first time since November 2014

- ▶ **Crude oil prices** rose again this week, amid concerns over geopolitical tensions in the Middle East and declining production in Venezuela, and as the U.S. Energy Information Administration reported US crude and gasoline stockpiles fell last week, helped by a jump in US crude exports. Overall, Brent crude rose 2.0% to close at USD78.7 a barrel, having breached USD80 during the week.
- ▶ Meanwhile, **gold prices** fell this week (-1.9% to USD1,293 per troy ounce), mainly hit by a stronger US dollar. Furthermore, a sharp fall occurred on Tuesday amid rising US Treasury yields, denting the appeal on the non-yield-generating asset.

Source: Bloomberg, HSBC Global Asset Management. Data as at close of business 18 May 2018.

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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)	516	-0.7	-0.5	-1.3	13.0	0.5	551	455	15.6
North America									
US Dow Jones Industrial Average	24,715	-0.5	-0.1	-2.0	19.6	0.0	26,617	20,553	16.3
US S&P 500 Index	2,713	-0.5	0.2	-0.7	14.7	1.5	2,873	2,353	17.1
US NASDAQ Composite Index	7,354	-0.7	0.8	1.6	21.5	6.5	7,637	5,997	22.2
Canada S&P/TSX Composite Index	16,162	1.1	4.1	4.6	5.8	-0.3	16,421	14,786	15.9
Europe									
MSCI AC Europe (USD)	484	-0.9	-1.8	-2.2	7.2	-0.8	524	446	14.4
Euro STOXX 50 Index	3,574	0.2	2.4	4.3	0.3	2.0	3,709	3,262	14.3
UK FTSE 100 Index	7,779	0.7	6.3	6.6	4.6	1.2	7,793	6,867	14.3
Germany DAX Index*	13,078	0.6	3.9	5.0	3.9	1.2	13,597	11,727	13.5
France CAC-40 Index	5,615	1.3	4.4	6.3	6.1	5.7	5,643	4,995	15.2
Spain IBEX 35 Index	10,112	-1.5	2.6	2.9	-5.4	0.7	11,048	9,328	13.2
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	567	-1.1	-0.5	-1.7	15.5	-0.5	617	489	13.5
Japan Nikkei-225 Stock Average	22,930	0.8	3.5	5.6	17.3	0.7	24,129	19,240	16.6
Australian Stock Exchange 200	6,087	-0.5	3.9	3.1	6.1	0.4	6,150	5,630	16.3
Hong Kong Hang Seng Index	31,048	-0.2	2.5	-0.2	23.5	3.8	33,484	25,124	12.0
Shanghai Stock Exchange Composite Index	3,193	0.9	3.3	-0.2	3.3	-3.4	3,587	3,022	12.6
Hang Seng China Enterprises Index	12,355	0.1	3.1	-1.4	20.3	5.5	13,963	10,204	8.2
Taiwan TAIEX Index	10,831	-0.3	-0.2	3.9	8.6	1.8	11,270	9,947	14.0
Korea KOSPI Index	2,461	-0.7	-0.8	1.6	7.6	-0.3	2,607	2,282	9.5
India SENSEX 30 Index	34,848	-1.9	1.5	2.5	14.5	2.3	36,444	30,248	18.3
Indonesia Jakarta Stock Price Index	5,783	-2.9	-8.5	-12.3	2.4	-9.0	6,693	5,630	14.8
Malaysia Kuala Lumpur Composite Index	1,855	0.4	-1.3	0.9	4.9	3.2	1,896	1,708	16.7
Philippines Stock Exchange PSE Index	7,672	-1.0	-1.6	-10.9	-1.1	-10.4	9,078	7,499	17.3
Singapore FTSE Straits Times Index	3,529	-1.1	-0.8	2.5	9.5	3.7	3,642	3,193	14.1
Thailand SET Index	1,754	-0.7	-1.0	-2.9	13.5	0.0	1,853	1,545	16.0
Latam									
Argentina Merval Index	31,870	6.8	1.1	-2.5	51.5	6.0	35,462	20,462	9.4
Brazil Bovespa Index*	83,082	-2.5	-3.1	-1.7	34.9	8.7	88,318	60,315	12.5
Chile IPSA Index	5,668	-0.6	-0.4	0.8	18.7	1.9	5,895	4,718	17.1
Colombia COLCAP Index	1,521	-1.9	-2.7	0.0	6.4	0.5	1,598	1,415	15.5
Mexico S&P/BMV IPC Index	45,667	-2.3	-7.0	-6.6	-5.5	-7.5	51,772	45,365	15.9
EEMEA									
Russia MOEX Index	2,327	-0.8	3.8	3.2	18.3	10.3	2,377	1,775	6.1
South Africa JSE Index	57,804	-1.1	0.2	-2.2	6.7	-2.9	61,777	50,750	15.0
Turkey ISE 100 Index*	102,410	0.5	-8.6	-12.1	7.6	-11.2	121,532	94,364	7.2

*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	-0.7	-0.2	-0.6	1.4	15.2	23.7	50.8
US equities	-0.5	0.3	-0.3	2.2	16.4	32.5	74.6
Europe equities	-0.8	-1.0	-0.8	0.8	10.2	10.8	29.9
Asia Pacific ex Japan equities	-0.9	-0.2	-1.1	0.3	18.5	21.4	36.1
Japan equities	0.0	0.5	0.3	2.5	18.4	22.6	40.2
Latam equities	-5.9	-12.4	-12.5	-3.4	12.6	7.5	-17.0
Emerging Markets equities	-2.3	-3.1	-4.8	-1.2	17.7	17.2	22.2

All total returns quoted in USD 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 Latam 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.

Source: Bloomberg, HSBC Global Asset Management. Data as at close of business 18 May 2018.

Past performance is not an indication of future returns

Market Data (cont)

	Close	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)
Bond indices - Total Return						
BarCap GlobalAgg (Hedged in USD)	509	-0.5	-0.8	0.1	0.5	-1.1
JPM EMBI Global	767	-1.1	-3.3	-3.0	-1.7	-5.0
BarCap US Corporate Index (USD)	2,781	-0.8	-1.6	-1.7	-1.0	-4.1
BarCap Euro Corporate Index (Eur)	245	-0.3	-0.4	-0.2	0.9	-0.7
BarCap Global High Yield (Hedged in USD)	463	-0.2	-1.4	-0.6	2.5	-1.2
Markit iBoxx Asia ex-Japan Bond Index (USD)	191	-0.2	-1.1	-1.2	-0.4	-2.6
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	246	0.1	-1.7	-1.9	1.1	-2.2

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

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	1.18	1.19	1.24	1.24	1.11	1.20	1.26	1.11	-1.5
GBP/USD	1.35	1.35	1.42	1.40	1.29	1.35	1.44	1.26	-0.5
CHF/USD	1.00	1.00	1.03	1.08	1.02	1.03	1.09	0.99	0.2
CAD	1.29	1.28	1.26	1.26	1.36	1.26	1.36	1.21	-0.7
JPY	110.78	109.39	107.23	106.21	111.49	112.69	114.73	104.56	-1.3
AUD	1.33	1.33	1.28	1.26	1.35	1.28	1.36	1.23	-0.4
NZD	1.45	1.44	1.37	1.35	1.45	1.41	1.47	1.32	-0.6
Asia									
HKD	7.85	7.85	7.85	7.82	7.78	7.81	7.85	7.78	0.0
CNY	6.38	6.33	6.27	6.34	6.89	6.51	6.90	6.24	-0.7
INR	68.01	67.33	65.66	64.22	64.85	63.87	68.14	63.25	-1.0
MYR	3.97	3.95	3.89	3.89	4.33	4.05	4.33	3.85	-0.6
KRW	1,078	1,069	1,069	1,063	1,125	1,067	1,158	1,054	-0.8
TWD	29.91	29.77	29.36	28.98	30.23	29.73	30.64	28.96	-0.5
Latam									
BRL	3.74	3.60	3.38	3.23	3.38	3.31	3.77	3.08	-3.8
COP	2,924	2,836	2,710	2,838	2,926	2,986	3,103	2,685	-3.1
MXN	19.95	19.42	18.08	18.52	18.84	19.66	19.98	17.45	-2.7
EEMEA									
RUB	62.36	61.93	60.87	56.42	57.55	57.69	65.04	55.56	-0.7
ZAR	12.76	12.26	11.93	11.60	13.40	12.38	14.57	11.51	-4.1
TRY	4.49	4.32	4.01	3.75	3.63	3.80	4.51	3.39	-4.1

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	1.88	1.90	1.81	1.59	0.91	1.38	-2
2-Year	2.55	2.53	2.43	2.19	1.27	1.88	1
5-Year	2.89	2.84	2.73	2.63	1.77	2.21	5
10-Year	3.06	2.97	2.87	2.87	2.23	2.41	9
30-Year	3.20	3.10	3.06	3.13	2.90	2.74	9
10-year bond yields (%)							
Japan	0.06	0.04	0.03	0.05	0.04	0.04	2
UK	1.50	1.44	1.41	1.58	1.06	1.19	6
Germany	0.58	0.56	0.53	0.70	0.34	0.42	2
France	0.83	0.78	0.75	0.95	0.80	0.78	4
Italy	2.22	1.87	1.71	1.98	2.14	2.01	36
Spain	1.43	1.26	1.21	1.46	1.55	1.56	17
China	3.72	3.70	3.50	3.89	3.61	3.90	2
Australia	2.90	2.78	2.75	2.92	2.50	2.63	12
Canada	2.49	2.38	2.29	2.32	1.45	2.05	11

*Numbers may not add up due to rounding

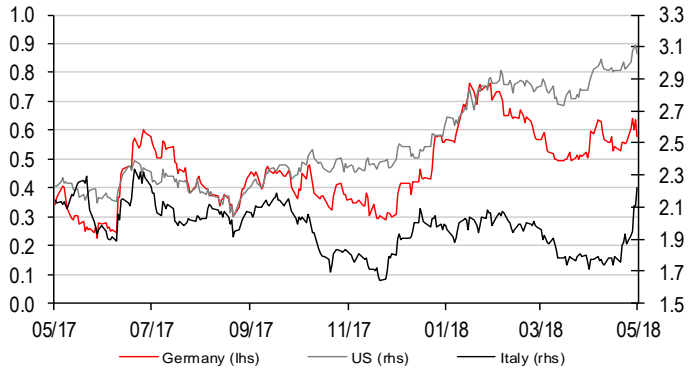
Commodities	Latest	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low
Gold	1,293	-1.9	-4.2	-4.0	3.6	-0.8	1,366	1,205
Brent Oil	78.7	2.0	7.1	21.4	49.9	17.7	81	44
WTI Crude Oil	71.3	0.8	4.1	15.6	44.4	18.0	72	42
R/J CRB Futures Index	204	0.1	0.4	5.2	11.6	5.1	205	166
LME Copper	6,879	-0.9	-2.0	-4.9	23.3	-5.1	7,313	5,485

Source: Bloomberg, HSBC Global Asset Management. Data as at close of business 18 May 2018.

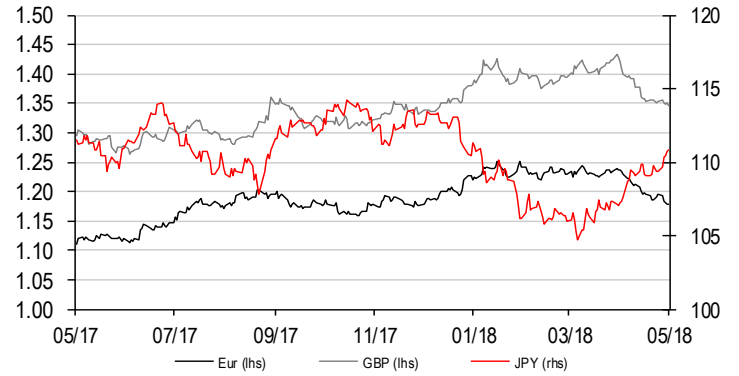
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Market Trends

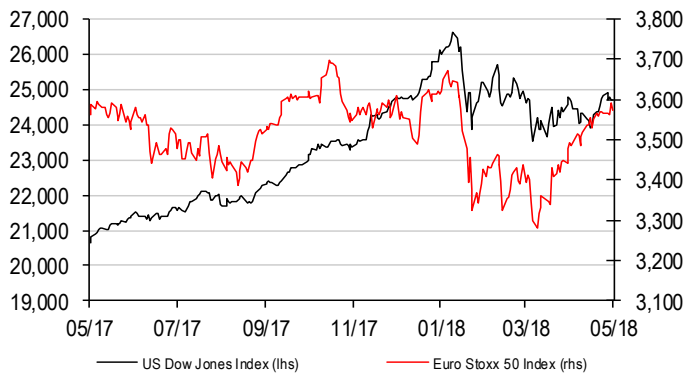
Government bond yields (%)



Major currencies (vs.USD)



Global equities



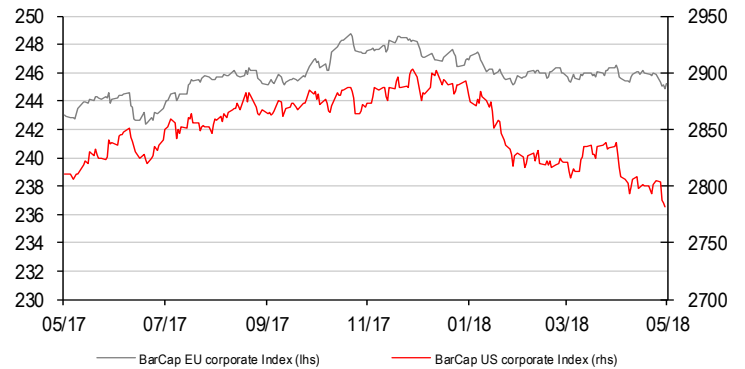
Emerging Asian equities



Other emerging equities



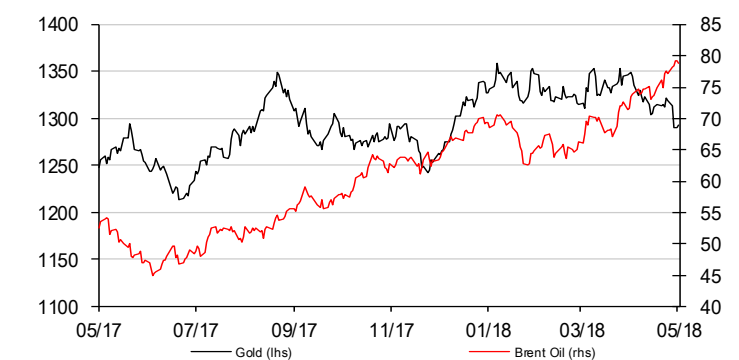
Global credit indices



Emerging markets spreads (USD indices)



Commodities (USD)



Source: Bloomberg, HSBC Global Asset Management. Data as at close of business 18 May 2018.

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Source: Bloomberg, HSBC Global Asset Management. Data as at close of business 18 May 2018.

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