Investment Weekly

15 February 2019
For Professional Client and
Institutional Investor Use Only

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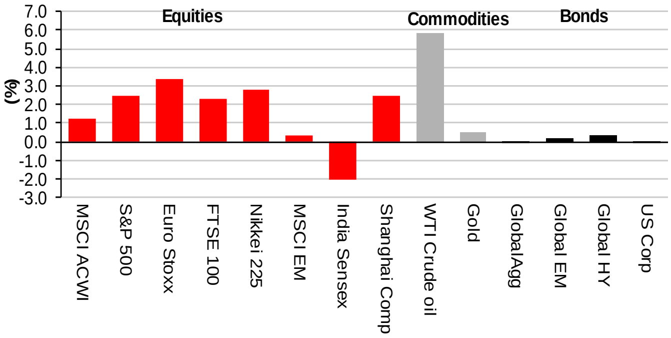
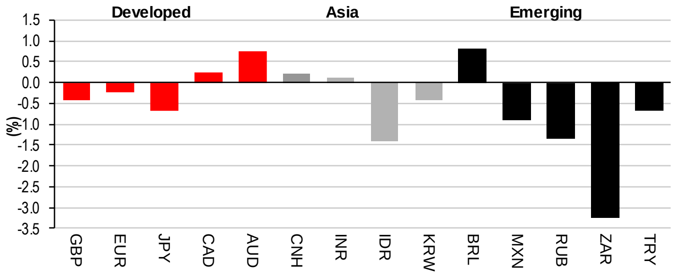
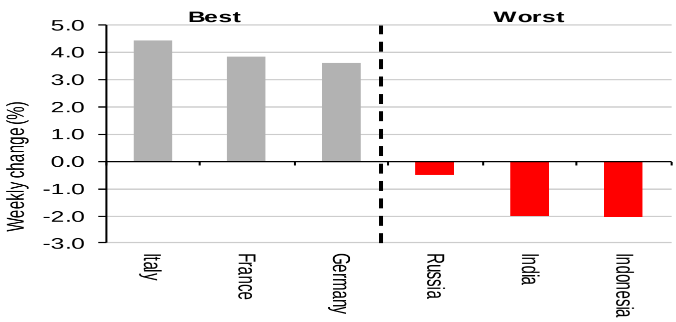


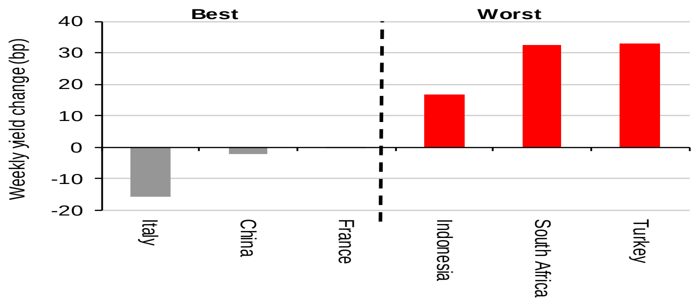
Currencies (versus USD)



Equities



Bonds (10-year yields)



HSBC
Global Asset
Management

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 15 February 2019. All the above charts relate to 08/02/2019 –15/02/2019.
Past performance is not an indication of future returns.

This week in detail

Macro data and key events

Date	Country	Indicator	Data as of	Survey	Actual	Prior
Monday 11 February	UK	GDP (qoq)	Q4	0.3%	0.2%	0.6%
Tuesday 12 February	India	CPI (yoy)	Jan	2.5%	2.1%	2.1%
	India	Industrial Production (yoy)	Dec	1.6%	2.4%	0.3%
Wednesday 13 February	Sweden	Riksbank Interest Rate Decision	Feb	-0.25%	-0.25%	-0.25%
	UK	CPI (yoy)	Jan	1.9%	1.8%	2.1%
	US	CPI (yoy)	Jan	1.5%	1.6%	1.9%
	Japan	GDP (seasonally adjusted, qoq annualised)	Q4	1.4%	1.4%	-2.6%
Thursday 14 February	China	Trade Balance (USD bn)	Jan	34.3	39.2	57.1
	Eurozone	GDP (seasonally adjusted, qoq)	Q4	0.2%	0.2%	0.2% P
	US	Retail Sales Advance (mom)	Dec	0.1%	-1.2%	0.1%
	UK	UK Parliament Votes on PM May's Latest Brexit Statement				
Friday 15 February	China	CPI (yoy)	Jan	1.9%	1.7%	1.9%
	US	Industrial Production (mom)	Jan	0.1%	-0.6%	0.1%
	US	University of Michigan Index of Consumer Sentiment	Feb P	93.7	95.5	91.2

P – Preliminary, Q – Quarter, F – Final

In the **US**, **CPI inflation** eased 0.3 percentage points to 1.6% yoy in January, slightly above an expected 1.5% yoy. As anticipated, energy prices continued to weigh on the latest headline number. Meanwhile, core CPI inflation remained at 2.2% yoy. **US retail sales** fell 1.2% mom in December, well below an expected 0.1% mom gain. The delayed report's details showed a decline in a broad swathe of categories for the month. Out of 13 business types, positive readings were seen only in vehicle and auto part sales and building material stores. Subtracting out autos and gasoline components, underlying retail sales also saw a 1.4% mom decline and the retail sales control group dropped 1.7% mom. However, the disappointing household spending data came amid a prolonged government shutdown and an equity market sell-off, circumstances that have since abated. Healthy labour markets coupled with steady wage gains suggest the weakness could be temporary. Meanwhile, **US industrial production** decreased 0.6% mom in January, missing expectations of a 0.1% mom advance. All major market groups saw negative readings for the month, with business equipment investment slipping 1.5% mom. Finally, the **University of Michigan Index of Consumer Sentiment** rose to 95.5 in February, higher than a projected 93.7. Both the current conditions (110.0) and near-term expectations (86.2) components improved during the month amid lower inflation and borrowing cost expectations.

US retail sales plunged in December

The UK Parliament voted against a government motion that seeks to continue to renegotiate the Irish backstop plan contained in the current Brexit withdrawal agreement. The vote was not legally binding, although the result is likely to undermine UK Prime Minister Theresa May's Brexit strategy. Looking ahead, the UK Parliament is likely to be offered further opportunities to avert a potentially disruptive "no-deal" Brexit, as early as 27 February. Recent UK economic data releases suggest Brexit-related uncertainty is adversely affecting the economy's growth performance. In particular, **UK GDP** rose by 0.2% qoq in Q4 2018, down from 0.6% in Q3 and lower than consensus expectations of 0.3%. On an annual basis, GDP growth slowed to 1.3% (consensus: +1.4%). Jointly with Q1 2018, this was the weakest rate of growth since Q2 2012. For the full year 2018, GDP growth was 1.4%, down from 1.8% in 2017 and the slowest since 2009. The breakdown of GDP revealed that only the services sector made a positive contribution to Q4 growth.

UK PM May's Brexit strategy undermined

The second release of **eurozone Q4 GDP growth** was confirmed at 0.2% qoq, following 0.2% growth in Q3. The pace of annual growth was also unrevised from the flash estimate, at 1.2% yoy. Looking at the "big four," in Germany, Q4 GDP was 0.0% qoq (+0.02% to be more precise), which was weaker than consensus (+0.1% qoq). In Italy, Q4 GDP was -0.2% qoq compared to 0.3%in France and 0.7% in Spain. The details of the expenditure components will not be released until the "'final" GDP estimate on 7 March.

Sweden's Riksbank Executive Board left the **repo rate** unchanged at its February policy meeting, as expected. There were also no changes to the repo rate path and the Executive Board maintained its communication that it expects to raise the repo rate again in the second half of 2019.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 15 February 2019.

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China's trade data surprised to the upside in January on holiday distortions

In Asia, **Japan's Q4 GDP** came out almost in line with expectations, showing an increase of 1.4% in qoq annualised terms, rebounding after the 2.6% qoq drop in Q3, which partly reflected the impact of various natural disasters during the summer. **China's January foreign trade data** surprised to the upside. Exports rebounded 9.1% yoy (versus a 3.3% decline expected) after contracting 4.4% yoy in December, largely reflecting the Lunar New Year holiday timing distortion as exporters tend to front-load their shipments before the holidays. A payback is thus expected for the February data, and therefore we need to look at the combined two-month data for a better sense of the underlying trend. The import contraction narrowed to -1.5% yoy from -7.6% in December, also beating the consensus forecast of a 10.2% decline. On a seasonally adjusted sequential basis, imports rebounded (import figures are not as subject to the holiday distortions), particularly from countries outside the US. The trade surplus narrowed to USD39.2 billion in January compared to USD57.1 billion in December.

China's January inflation data surprised to the downside. CPI inflation decelerated to 1.7% yoy from 1.9% in December (versus an expected +1.9%), despite an earlier timing of the Lunar New Year holiday, and was dragged down by food and fuel prices. Core CPI inflation (excluding food and energy) edged marginally higher to 1.9% from 1.8%. Meanwhile, **PPI inflation** fell further to 0.1% from 0.9% in December (consensus +0.3%), with broad-based easing of price pressures across the mining, raw material and manufacturing sectors. Overall, the inflation data reflects stalling oil and commodity prices and subdued consumer and investment demand, leaving more room for further policy easing. Raw material PPI inflation declined despite the recent modest improvement in infrastructure investment, likely in part reflecting the impact from the relaxation of supply-side restrictions.

China's January credit data showed the effects of policy easing efforts may have started to kick in

China's January credit data showed that the effects of policy easing efforts may have started to kick in, despite some seasonality around the Lunar New Year holiday, which could be gradually filtered through in the coming months to support economic activity. **Total social financing (TSF)** surged CNY6.46 trillion, compared with CNY3.08 trillion in January 2018 and well above the consensus forecast of CNY1.59 trillion. Growth of TSF outstanding also picked up to 10.4% yoy from 9.8% in December, following a prolonged period of slowdown since August 2017 amid the government's deleveraging campaign. The rebound in TSF was led by bank loans, bond financing (both corporate and local government bond issuance) and bankers' acceptance bills. Meanwhile, **M2 growth** rose more than expected to 8.4% yoy from 8.1% in December, although M1 growth slowed further partly due to the base effect. Looking forward, the People's Bank of China's easing focus will likely remain on improving the policy transmission for abundant liquidity to be directed to the real economy through more (bank) lending and capital market financing. The policy goal will also increasingly be for financial institutions to pass on lower interbank funding costs to borrowers.

India's CPI inflation fell to 2.05% yoy in January from a downwardly revised 2.11% yoy in December. The decline was larger than consensus expectations (+2.50%) amid an ebbing of food deflation, while core inflation also moderated as an idiosyncratic uptick in rural health and education inflation faded. Meanwhile, **industrial production growth** rebounded by more than expected, to 2.4% yoy in December from a holiday-induced moderation to 0.3% in November. Nevertheless, the underlying trend in industrial production growth has softened in recent months.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 15 February 2019.

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The week ahead

Macro data and key events

Date	Country	Indicator	Data as of	Survey	Prior
Tuesday 19 February	UK	ILO Unemployment Rate (3 months)	Dec	4.0%	4.0%
	Germany	ZEW Expectation of Economic Growth	Feb	-14.0	-15.0
	US	NAHB/Wells Fargo Housing Market Index	Feb	59.0	58.0
Wednesday 20 February	Japan	Trade Balance Adjusted (JPY bn)	Jan	-171.1	-183.6
	US	Federal Reserve Releases January FOMC Meeting Minutes			
Thursday 21 February	Eurozone	Markit Composite PMI	Feb P	51.3	51.0
	US	Durable Goods Orders (mom)	Dec P	1.8%	0.7%
	US	Existing Home Sales (mom)	Jan	0.2%	-6.4%
Friday 22 February	Japan	National CPI ex Fresh Food and Energy (yoy)	Jan	0.4%	0.3%
	Germany	Ifo Business Climate Index	Feb	99.0	99.1
	Eurozone	CPI (yoy)	Jan F	1.4%	1.6%

P – Preliminary, F – Final

In the coming week, investor focus will turn to the FOMC January meeting minutes, as well as US housing market data

US

On Sunday, the **Commerce Department** is scheduled to release its report on whether vehicle and auto parts imports pose a national security risk. President Donald Trump may not take any immediate action on the recommendations amid ongoing US-China trade negotiations.

Turning to housing, the **NAHB/Wells Fargo Housing Market Index** is expected to edge up 1 point to 59.0 in February, with improved affordability from declining mortgage rates and moderating home price growth supporting homebuyer demand. However, **existing home sales** are forecast to only gain 0.2% mom in January. This follows a 6.4% mom slump in December, with both single and multi-family activity declining.

The release of the **FOMC's 29-30 January meeting minutes** should give investors a better read on how policymakers reached their decision to shift to a more "patient" approach. The minutes should also provide an update on the US Federal Reserve's current policy framework review.

Finally, **durable goods orders** are anticipated to show a 1.8% mom jump in January, due to commercial aircraft orders. Removing the volatile transportation component, orders are projected to rise 0.3% mom. Core business investment growth cooled over late 2018.

Europe

The **flash eurozone PMIs** for February are expected to register a slight uptick in the composite measure, led by an improvement in the services sector. This is likely to be driven by the diminishing impact of "yellow vest" protests in France, and a rising real wage growth supporting household spending.

In Germany, the **ZEW Expectation of Economic Growth** and **Ifo Business Climate surveys** are anticipated to stabilise in February, following steep declines over 2018. Recent economic data releases in Germany have continued to disappoint, although there are signs that the impact of recent temporary shocks are dissipating. Meanwhile, global trade tensions remain in place, although they have not significantly escalated since the beginning of the year.

The **UK unemployment rate** in the three months to December is anticipated to hold at 4.0%. However, wage growth could edge up to 3.5% yoy in the same period, the highest rate since July 2008.

Japan's trade balance for January is likely to remain in negative territory

Asia

Japan's trade balance for January is likely to remain in negative territory, down from a seasonally adjusted deficit of JPY183.6 billion in December to a deficit of JPY171.1 billion in January. The consensus is expecting a 3.1% yoy decline in imports, the first decline in two years. Meanwhile, exports should have dropped further (to -5.5% yoy, from -3.9% in December), as the PMI new export orders fell deeper into recession territory in January.

Japan's headline CPI inflation for January is expected to remain little changed, although core inflation (CPI excluding fresh food and energy) could increase slightly from 0.3% to 0.4% yoy, consistent with the uptick of the leading index for the region of Tokyo for the same month.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 15 February 2019.

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Market moves

Equities

Global equities supported by easing concerns over US-China trade talks and another US government shutdown

Bonds

Core government bonds under pressure amid improved risk appetite; riskier Italian bonds rallied

Currencies

Most currencies fell against the US dollar

Commodities

Oil prices boosted by Saudi Arabian and Russian pledges to cut production

Equities

US equities rose this week, with most early-week gains coming on the back of improved optimism over trade talks with China as President Donald Trump signalled he was willing to extend the truce beyond the 1 March deadline to facilitate the conclusion of an agreement. Risk appetite was also boosted by Congress Republicans and Democrats reaching an "agreement in principle" on border security spending. Overall, the S&P 500 Index rose 2.5%, while the NASDAQ gained 2.4%. Meanwhile, Canada's S&P/TSX Composite Index ended higher (+1.3%).

European equities also rose this week on the back of easing concerns over US-China trade tensions. The EURO STOXX 50 Index rallied 3.4%, with industrials outperforming. The UK's FTSE 100 Index underperformed regional peers (+2.3%) amid rising domestic political uncertainty as the government lost a Brexit vote in parliament. All other major national bourses also ended the week higher.

Asian stock markets fluctuated through the week, largely driven by news about US-China trade talks and the risk of another US government shutdown. Towards the end of the week, sentiment was weighed on by renewed concerns over global economic growth, following soft US retail sales and Chinese inflation data. China's Shanghai Stock Exchange Composite Index posted a weekly gain of 2.5%, Japan's Nikkei 225 Index rose 2.8%, with Q4 GDP data confirming a modest rebound from a contraction in Q3 due to national disasters. Indonesia's benchmark Jakarta index underperformed (-2.0%) amid a weaker rupiah and disappointing economic data. Meanwhile, India's SENSEX 30 Index also ended the week 2.0% lower.

Bonds

US Treasuries fell this week (yields rose) as investors turned slightly more optimistic about the global economy, despite some soft data releases. The move was also supported by slightly stronger than expected CPI inflation data for January, heavy issuance of investment grade credit, and the avoidance of a US government shutdown. Yields rose across all maturities with 10-year yields up 3 bps to 2.66% while two-year yields rose 5 bps to 2.51%.

Core **European government bond yields** were little changed this week amid improved investor risk appetite. This came as the US avoided another government shutdown, data showed the German economy avoided a technical recession in 2018 and US-China trade talks showed tentative signs of progress. German 10-year yields rose 2 bps to 0.10%. Riskier Italian bonds rallied, with 10-year yields down 16 bps to 2.80%.

Currencies

The **euro** closed lower (-0.2%) against the US dollar for a second week as investors remained cautious about the eurozone economic outlook. Meanwhile, the **British pound** fell (-0.4%) as the British government's Brexit plan found new resistance in Parliament and uncertainty about Brexit continued.

Most **Asian currencies** depreciated against a broadly stronger US dollar this week, led by the Indonesian rupiah. Investors weighed the uncertainty over the outcome of US-China trade talks, while higher crude oil prices placed downward pressure on some of the region's major oil importers. In Indonesia, data showing a wider than expected trade deficit for January added to worries over the country's current account balance, leading the rupiah to underperform. The onshore Chinese yuan also weakened, with slowing PPI inflation added to factory price deflation concerns. Meanwhile, the Thai baht bucked the regional trend to rise against the US dollar.

Commodities

Crude oil prices rose this week, supported by US-China trade hopes, with investors also reacting to pledges by Saudi Arabia and Russia to cut oil production. Market sentiment was also boosted by the U.S. Energy Information Administration weekly report showing a sharp decline in crude imports last week. Overall, Brent increased 6.7% to USD66.3 a barrel.

Gold prices were up slightly (+0.5% to USD1,322 per troy ounce), with gains coming on Friday in the aftermath of disappointing US retail sales data and soft China inflation numbers, reinforcing expectations of a dovish FOMC this year.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 15 February 2019.

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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)	495	1.2	4.2	1.6	-5.1	8.6	530	435	14.6
North America									
US Dow Jones Industrial Average	25,883	3.1	7.6	2.3	2.7	11.0	26,952	21,713	15.7
US S&P 500 Index	2,776	2.5	6.3	1.7	1.6	10.7	2,941	2,347	16.6
US NASDAQ Composite Index	7,472	2.4	6.4	2.9	3.0	12.6	8,133	6,190	21.3
Canada S&P/TSX Composite Index	15,838	1.3	5.3	4.6	2.8	10.6	16,586	13,777	14.6
Europe									
MSCI AC Europe (USD)	429	0.9	2.8	1.0	-12.6	6.2	498	391	12.6
Euro STOXX 50 Index	3,241	3.4	5.6	1.6	-4.4	8.0	3,596	2,909	12.9
UK FTSE 100 Index	7,237	2.3	5.0	2.8	0.0	7.6	7,904	6,537	12.6
Germany DAX Index*	11,300	3.6	3.7	-0.5	-8.5	7.0	13,204	10,279	12.2
France CAC-40 Index	5,153	3.9	7.7	2.4	-1.3	8.9	5,657	4,556	13.1
Spain IBEX 35 Index	9,123	3.0	3.1	0.5	-6.1	6.8	10,291	8,286	11.6
Italy FTSE MIB Index	20,212	4.4	5.5	6.9	-10.1	10.3	24,544	17,914	10.1
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	515	0.9	4.4	6.0	-10.7	8.0	592	459	13.3
Japan Nikkei-225 Stock Average	20,901	2.8	1.7	-4.1	-2.6	4.4	24,448	18,949	15.1
Australian Stock Exchange 200	6,066	-0.1	4.3	5.8	2.7	7.4	6,374	5,410	15.7
Hong Kong Hang Seng Index	27,901	-0.2	4.0	6.9	-10.3	8.0	31,978	24,541	10.7
Shanghai Stock Exchange Composite Index	2,682	2.5	4.4	0.5	-16.2	7.6	3,336	2,441	10.1
Hang Seng China Enterprises Index	10,937	-0.2	4.1	3.6	-12.7	8.0	12,961	9,762	8.1
Taiwan TAIEX Index	10,065	1.3	2.6	2.4	-3.4	3.5	11,262	9,319	13.8
Korea KOSPI Index	2,196	0.9	4.7	5.2	-9.3	7.6	2,517	1,985	10.6
India SENSEX 30 Index	35,809	-2.0	-1.4	1.6	4.4	-0.7	38,990	32,484	22.0
Indonesia Jakarta Stock Price Index	6,389	-2.0	-0.3	7.3	-3.1	3.1	6,693	5,558	15.3
Malaysia Kuala Lumpur Composite Index	1,689	0.1	0.6	-0.3	-8.1	-0.1	1,896	1,627	16.3
Philippines Stock Exchange PSE Index	7,909	-2.0	-1.3	13.8	-8.2	5.9	8,758	6,791	16.5
Singapore FTSE Straits Times Index	3,240	1.2	0.9	6.1	-5.9	5.6	3,642	2,956	12.6
Thailand SET Index	1,637	-0.9	3.8	-0.1	-9.1	4.7	1,853	1,547	14.7
Latam									
Argentina Merval Index	37,470	2.2	11.6	23.0	17.0	23.7	37,875	24,618	8.8
Brazil Bovespa Index*	97,526	2.3	3.7	13.4	15.7	11.0	98,589	69,069	12.1
Chile IPSA Index	5,400	0.4	0.5	4.3	-4.1	5.8	5,754	4,999	15.6
Colombia COLCAP Index	1,489	1.4	6.9	4.3	-1.7	12.3	1,582	1,291	12.1
Mexico S&P/BMV IPC Index	42,989	-0.4	-1.4	3.7	-11.9	3.2	50,603	39,272	13.2
EEMEA									
Russia MOEX Index	2,490	-0.5	2.1	4.6	9.9	5.1	2,552	2,065	5.6
South Africa JSE Index	54,628	2.6	2.0	4.8	-8.2	3.6	60,299	50,033	13.6
Turkey ISE 100 Index*	102,715	0.3	10.2	10.1	-11.6	12.5	119,245	84,655	7.1

*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	1.3	4.3	2.0	8.7	-3.2	45.2	35.2
US equities	1.4	5.5	1.3	10.0	2.0	54.5	59.7
Europe equities	1.0	3.0	1.4	6.4	-10.0	25.8	1.8
Asia Pacific ex Japan equities	1.0	4.5	6.4	8.2	-8.2	51.1	30.1
Japan equities	1.7	0.2	-1.0	4.9	-9.6	32.2	30.4
Latam equities	0.3	1.2	11.5	11.6	-5.3	80.1	9.6
Emerging Markets equities	0.3	3.4	6.3	7.7	-11.5	53.3	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 Emerging 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 15 February 2019.

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Bond indices - Total Return	Close	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)
BarCap GlobalAgg (Hedged in USD)	530	0.0	1.0	3.1	4.4	1.2
JPM EMBI Global	807	0.2	2.6	6.1	2.5	4.7
BarCap US Corporate Index (USD)	2,902	-0.1	2.2	4.1	2.7	2.6
BarCap Euro Corporate Index (Eur)	248	0.1	1.6	1.5	1.1	1.7
BarCap Global High Yield (Hedged in USD)	478	0.4	2.3	3.5	3.0	4.9
Markit iBoxx Asia ex-Japan Bond Index (USD)	199	0.2	1.7	4.1	3.3	2.4
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	255	0.5	2.9	5.8	1.5	4.3

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 2018	52-week High	52-week Low	1-week Change (%)
Developed markets									
EUR/USD	1.13	1.13	1.14	1.13	1.25	1.15	1.26	1.12	-0.2
GBP/USD	1.29	1.29	1.29	1.28	1.41	1.28	1.44	1.24	-0.4
CHF/USD	0.99	1.00	1.01	0.99	1.08	1.02	1.09	0.99	-0.5
CAD	1.32	1.33	1.33	1.32	1.25	1.36	1.37	1.25	0.3
JPY	110.47	109.73	108.68	113.64	106.13	109.69	114.55	104.56	-0.7
AUD	1.40	1.41	1.39	1.37	1.26	1.42	1.48	1.25	0.8
NZD	1.46	1.48	1.47	1.46	1.35	1.49	1.56	1.34	1.8
Asia									
HKD	7.85	7.85	7.84	7.83	7.82	7.83	7.85	7.79	0.0
CNY	6.77	6.75	6.76	6.94	6.34	6.88	6.98	6.24	-0.4
INR	71.23	71.31	71.02	71.98	63.91	69.77	74.48	63.82	0.1
MYR	4.09	4.07	4.11	4.19	3.89	4.13	4.20	3.85	-0.4
KRW	1,129	1,124	1,121	1,129	1,073	1,111	1,145	1,054	-0.4
TWD	30.85	30.82	30.82	30.85	29.04	30.55	31.17	28.96	-0.1
Latam									
BRL	3.70	3.73	3.72	3.79	3.23	3.88	4.21	3.20	0.8
COP	3,134	3,116	3,142	3,190	2,857	3,254	3,303	2,685	-0.6
MXN	19.25	19.08	19.00	20.23	18.50	19.65	20.96	17.94	-0.9
ARS	38.60	37.84	37.12	36.06	19.66	37.67	41.54	19.62	-2.0
EEMEA									
RUB	66.33	65.44	67.07	65.86	56.39	69.35	70.84	55.56	-1.4
ZAR	14.08	13.62	13.74	14.18	11.62	14.35	15.70	11.51	-3.4

Bonds	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2018	1-week Basis Point Change *
US Treasury yields (%)							
3-Month	2.42	2.41	2.42	2.36	1.59	2.35	1
2-Year	2.51	2.47	2.53	2.85	2.18	2.49	5
5-Year	2.49	2.44	2.53	2.94	2.65	2.51	5
10-Year	2.66	2.63	2.71	3.11	2.91	2.68	3
30-Year	2.99	2.98	3.07	3.36	3.16	3.01	1
10-year bond yields (%)							
Japan	-0.03	-0.03	0.01	0.10	0.06	-0.01	1
UK	1.16	1.15	1.26	1.37	1.65	1.28	1
Germany	0.10	0.09	0.20	0.36	0.76	0.24	2
France	0.54	0.54	0.62	0.75	1.01	0.71	0
Italy	2.80	2.96	2.87	3.49	2.06	2.74	-16
Spain	1.24	1.23	1.39	1.63	1.50	1.41	0
China	3.09	3.11	3.15	3.41	3.89	3.31	-2
Australia	2.10	2.10	2.29	2.72	2.92	2.32	0
Canada	1.90	1.88	1.97	2.39	2.38	1.97	2

*Numbers may not add up due to rounding

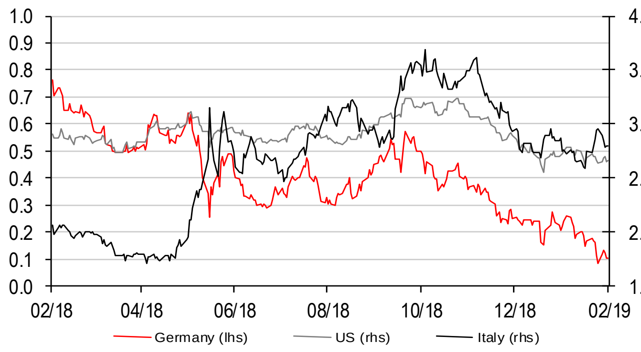
Commodities	Latest	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low
Gold	1,322	0.5	2.5	8.9	-2.4	3.0	1,365	1,160
Brent Oil	66.3	6.7	9.1	-1.4	9.9	22.7	85	50
WTI Crude Oil	55.8	5.8	6.5	-2.3	-0.5	22.0	76	43
R/J CRB Futures Index	181	1.8	1.3	-2.3	-6.3	6.8	207	168
LME Copper	6,137	-1.2	3.7	-0.8	-14.6	2.9	7,348	5,725

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 15 February 2019.

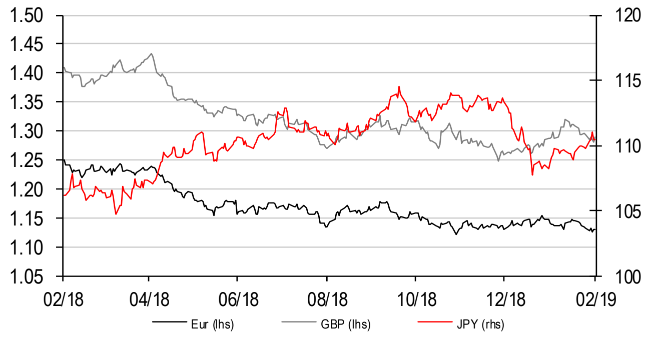
Past performance is not an indication of future returns.

Market trends

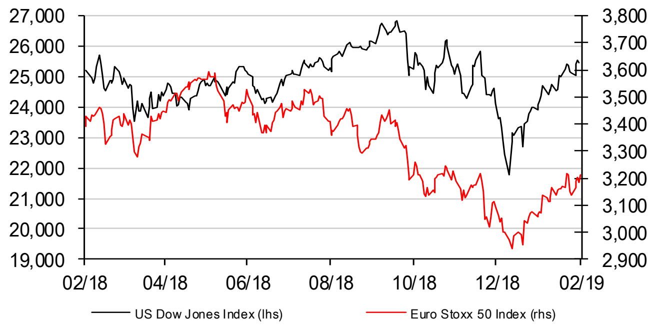
Government bond yields (%)



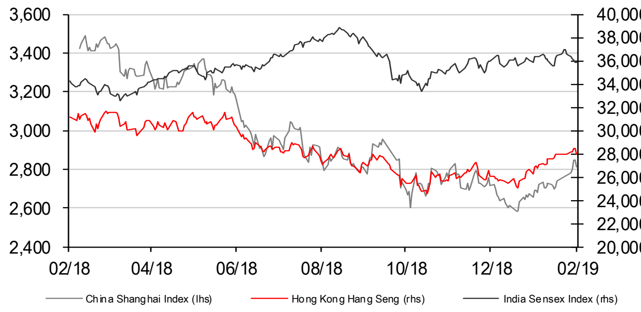
Major currencies (versus USD)



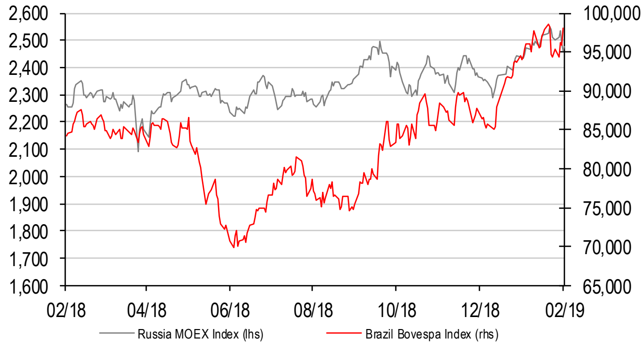
Global equities



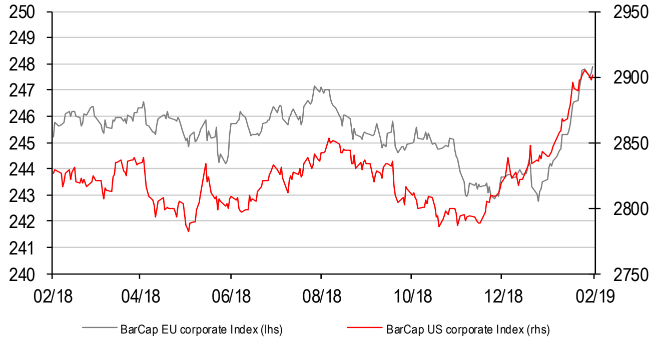
Emerging Asian equities



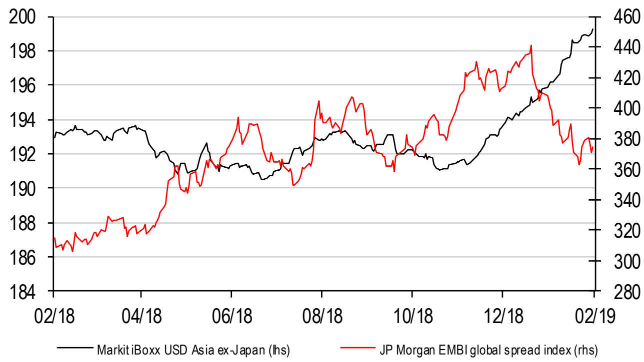
Other emerging equities



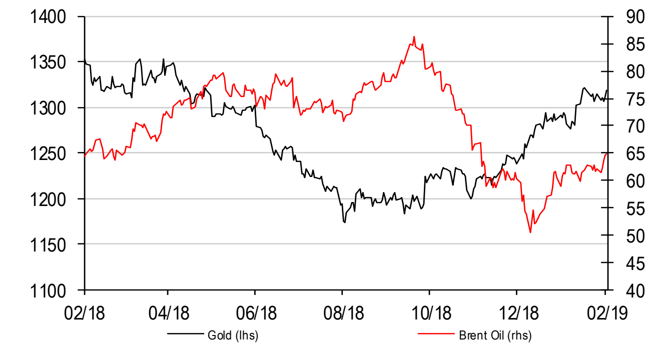
Global credit indices



Emerging markets spreads (USD indices)



Commodities (USD)



Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 15 February 2019.

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