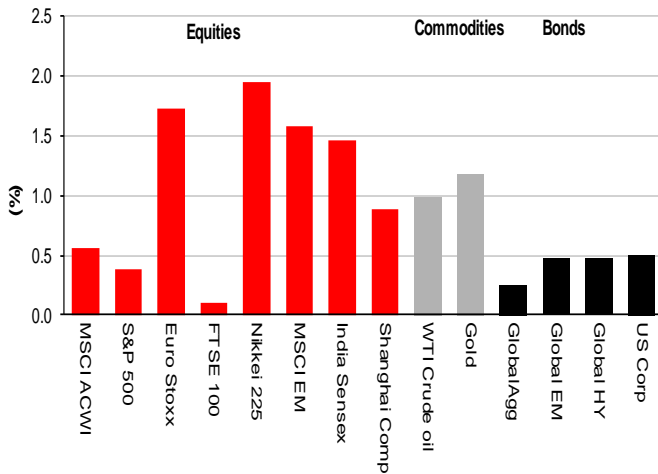


- ▶ Global equities rose this week amid upbeat earnings releases and expectations of continued accommodative European Central Bank (ECB) policy
- ▶ As expected, the ECB kept monetary policy on hold at its October meeting. Crucially, ECB President Mario Draghi stated that an “abrupt end to bond purchases is unlikely”
- ▶ China’s real GDP growth stabilised at 6.7% yoy in Q3, in line with expectations
- ▶ In the coming week, preliminary estimates of UK and US Q3 GDP are the calendar highlights

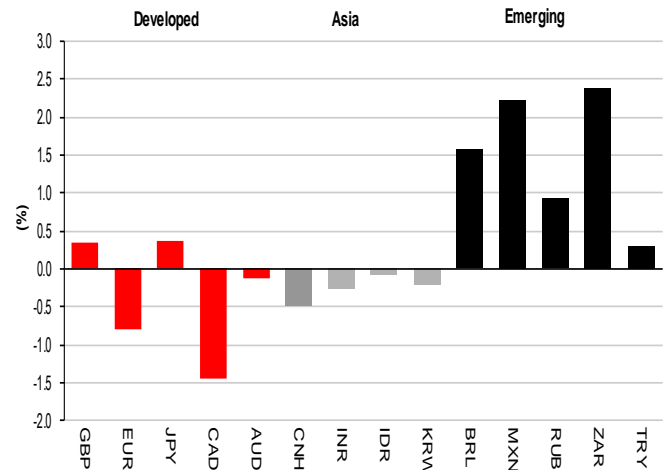
Movers and shakers

Dovish ECB comments supported global equities...

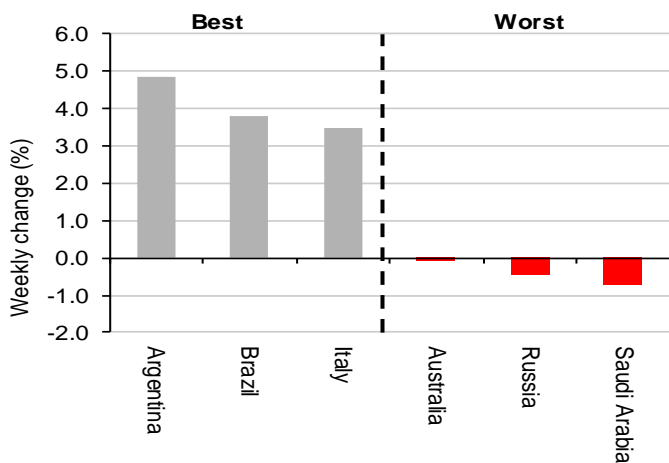


Currencies (vs. USD)

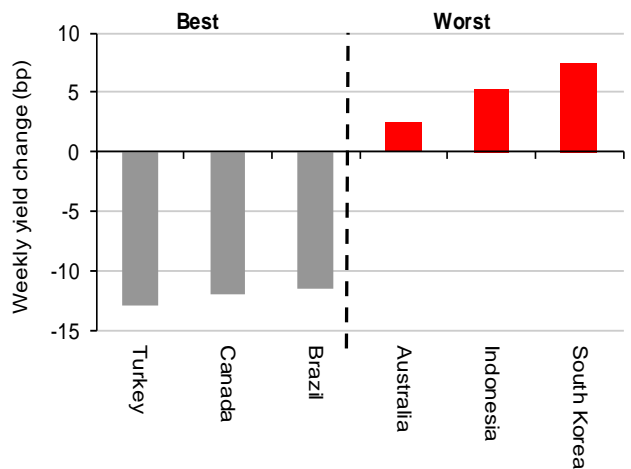
...but also put downward pressure on the euro



Equities



Bonds (10-year)



Macro Data and Key Events

Past Week (17–21 October 2016)

Date	Country	Indicator	Data as of	Survey	Actual	Prior
Monday 17 October	Japan	Industrial production (yoy)	Aug F	-	4.5%	4.6% P
	Eurozone	CPI (yoy)	Sep F	0.4%	0.4%	0.4% P
	US	Industrial production (mom)	Sep	0.1%	0.1%	-0.5%
Tuesday 18 October	UK	CPI (yoy)	Sep	0.9%	1.0%	0.6%
	US	CPI (yoy)	Sep	1.5%	1.5%	1.1%
	US	NAHB Housing Market Index	Oct	63	63	65
Wednesday 19 October	Brazil	COPOM interest rate decision	Oct	14.00%	14.00%	14.25%
	China	Industrial production (yoy)	Sep	6.4%	6.1%	6.3%
	China	Retail sales (yoy)	Sep	10.7%	10.7%	10.6%
	China	GDP (yoy)	Q3	6.7%	6.7%	6.7%
	UK	ILO unemployment rate (3 months)	Aug	4.9%	4.9%	4.9%
	US	Housing starts (mom)	Sep	2.9%	-9.0%	-5.6%
	Canada	Bank of Canada interest rate decision	Oct	0.50%	0.50%	0.50%
Thursday 20 October	UK	Retail sales ex. auto fuel (yoy)	Sep	4.4%	4.0%	6.2%
	Turkey	CBRT interest rate decision (overnight lending rate)	Oct	8.00%	8.25%	8.25%
	Eurozone	ECB interest rate decision	Oct	-0.40%	-0.40%	-0.40%
	US	Existing home sales (mom)	Sep	0.3%	3.2%	-0.9%
Friday 21 October	Brazil	IBGE inflation IPCA-15 (yoy)	Oct	8.3%	8.3%	8.8%

P – Preliminary, Q – Quarter, F – Final

- ▶ In the US, **CPI inflation** came in at 0.3% mom in September, in line with expectations, pushing the annual growth rate to a 2-year high of 1.5% yoy as anticipated. Meanwhile, core inflation rose by 0.1% mom, slightly lower than expected (+0.2% mom). Medical care services (+0.6% mom) saw particularly strong gains and shelter (+0.4% mom) rose the most since May 2016; however, apparel fell firmly (-0.7% mom). This saw the annual core rate slow slightly to 2.2% from 2.3% yoy but remain above 2.0% for the eleventh straight month. October's **NAHB/Wells Fargo Housing Market Index** dipped as expected from the post-crisis high of 65 to 63. This was driven by a decline in both present (69 vs. 71 prior) and prospective buyer traffic (46 vs. 47 previously); however, both series remain strong. Encouragingly future family sales at 72 rose to the second strongest level since their 2009 low. This release provides continued evidence of housing market strength, with a robust US labour market and close to record low mortgage interest rates providing support. Meanwhile, September saw **existing Home Sales** increase 3.2% mom, a three-month high, beating expectations of a 0.3% mom rise. The improvement was broad-based, with all regions rising. The increase in the headline figure to an annualised 5.47 million home sales was driven by the 4.1% mom increase in single family homes, with the drop of 3.2% in condominium sales weighing marginally. In the same month, **housing starts** were notably lower at 1.05 million annualised against an expected 1.18 million. This was a 9% mom drop from the 1.15 million observed in August. The weakness was driven by a collapse in multi-family home starts, which fell 41% mom to their lowest level in four years. Conversely, single family starts rose strongly (+8.1% mom) to their highest level in seven months. The same report also showed **building permits** rise 6.3% mom to 1.23 million (consensus 1.17 million; 1.15 million previously) with a particularly strong rise in multifamily home permits (+16.8% mom) to 486,000 annualised, while single family permits rose only 0.4% mom to 739,000. These releases send contradictory messages, but are unlikely to reflect a long run departure from the underlying positive trend.
- ▶ As expected, the **ECB** kept monetary policy on hold at its **October meeting**. At the post-meeting press conference, ECB President Mario Draghi confirmed that the Governing Council "didn't discuss tapering or the intended horizon of our asset purchase programme", emphasising that the next policy meeting in December would "define the monetary policy environment" in the coming months. In terms of the quantitative easing (QE) programme, Draghi also added the council had discussed "various options in case we are confronted with a shortage of purchasable bonds in some jurisdictions," but argued "it is not a problem now." He also confirmed that an "abrupt end to bond purchases is unlikely."
- ▶ **UK CPI inflation** accelerated to a marginally higher than expected 1.0% yoy in September, its highest rate since November 2014. The largest positive contribution to the 0.4 percentage points (ppts) monthly jump in annual CPI came from clothing and footwear (+0.2ppts), which rose by 5.2% mom. However, a rise in clothing prices in September is in line with normal trends and follows a sustained fall in prices between March and July. Meanwhile, restaurant and hotel annual inflation rose to a 3 ½ year high (+2.9% yoy), adding 0.1ppts to annual CPI. Interestingly, food and non-alcoholic beverage price deflation was little changed (coming in at -2.3% yoy), so far impervious to the recent plunge in sterling. The **UK ILO unemployment rate** for the three months to August held steady at 4.9%. Meanwhile, basic pay growth accelerated by 0.1ppts to 2.3% yoy. However, on the back of recent inflation gains, real wage growth fell to 1.7% yoy (on a three-month moving average basis), the weakest print since February 2015. The data reiterates the UK economy's resilience following the referendum vote to leave the European Union. **UK retail sales (excluding auto fuel)** for September were flat on a mom basis (versus expectations of a +0.2% mom increase), with a second consecutive month of weak sales of clothing and footwear (-2.8% mom). Overall, the yoy growth rate edged lower to 4.0%, in line with the 12-month moving average.

- ▶ As expected, the **Central Bank of Brazil** cut its benchmark Selic interest rate for the first time in four years, from 14.25% to 14.00%, as inflation fell in September to its lowest level in 16 months (+8.5%). Brazil remains mired in the deepest recession in its history with growth not expected to return until Q2-2017.
- ▶ **China's real GDP growth** stabilised at 6.7% yoy in Q3, in line with expectations. This week also saw **industrial production** growth ease to 6.1% yoy from 6.3% in August, below the consensus forecast of 6.4%. However, this print may have been impacted by one-off factors such as bad weather and temporary factory shutdowns ahead of the G20 meeting in early September. Weaker exports may have also contributed. **Urban fixed asset investment** growth picked up for a second month, partly reflecting favourable base effects and a recovery in real estate and manufacturing. Meanwhile, nominal **retail sales** growth edged up to 10.7% yoy from 10.6% in August. However, real retail sales growth fell to 9.6% from 10.2% the previous month.
- ▶ After cutting the overnight lending rate by 250 basis points (bps) over the past seven months, **the Central Bank of Turkey** (CBRT) unexpectedly left the rate unchanged at 8.25%. The decision was driven by lira weakness as the bank highlighted that "the recent developments in exchange rates and other cost factors restrain the improvement in inflation outlook and thus necessitate the maintenance of a cautious monetary policy stance." Nevertheless, the central bank kept the door open for further rate cuts if the lira stabilises.

Coming Week (24–28 October 2016)

Date	Country	Indicator	Data as of	Survey	Prior
Monday 24 October	Japan	Trade balance adjusted (JPY billion)	Sep	211.0	408.4
	Eurozone	Markit composite PMI	Oct P	52.8	52.6
Tuesday 25 October	Germany	Ifo business climate	Oct	109.6	109.5
	US	S&P CoreLogic Case Shiller Composite-20 (yoy)	Aug	5.1%	5.0%
Wednesday 26 October	US	New home sales (mom)	Sep	-1.2%	-7.6%
Thursday 27 October	Sweden	Riksbank interest rate decision	Oct	-0.50%	-0.50%
	UK	GDP (qoq)	Q3 A	0.3%	0.7%
	US	Durable goods orders (mom)	Sep P	0.1%	0.1%
	US	Pending home sales (mom)	Sep	1.2%	-2.4%
Friday 28 October	Japan	Jobless rate	Sep	3.1%	3.1%
	Japan	National CPI ex. fresh food, energy (yoy)	Sep	0.3%	0.4%
	Russia	Central bank of Russia interest rate decision	Oct	10.00%	10.00%
	US	GDP annualised (qoq)	Q3 A	2.5%	1.4%
	US	University of Michigan consumer sentiment	Oct F	88.1	87.9

A – Advance, P – Preliminary, Q – Quarter, F – Final

US

- ▶ The first estimate of **Q3 GDP** is expected to show growth of 2.5% qoq annualised, up from 1.4% qoq annualised in Q2. The main GDP components are anticipated to be expansionary, with the consumer likely to be the main driver. The strongest quarter of growth since Q2-2015 should be supported by the resumption of private investment (after three straight quarters of decline), a slight increase in government spending and rising net trade assuming export growth outstrips that of imports.
- ▶ October's final release of the **University of Michigan Consumer Sentiment Index** is expected to tick marginally higher against the preliminary release, rising by 0.2 points to 88.1. This would still leave the series at the lower end of the 86-98 range it has occupied since October 2014. The surprise dip in the preliminary release was driven by the drop in future expectations (76.6 from 82.7 prior) while conversely, the current conditions improved to 105.5 from 104.2. Despite political uncertainty potentially weighing on consumers' outlook, the series remain similar to the levels seen in during 2003-2006 and consistent with firm consumer spending.
- ▶ August's **S&P/Case-Shiller 20-City Composite Home Price Index** is expected to rise by 5.1% yoy, with the monthly growth rate expected to be around 0.15% mom. US home prices remain supported by low mortgage rates, firm demand and a limited supply of for-sale homes amid below average growth in building activity. **Pending home sales**, which tend to lead existing home sales by a couple of months, registered a surprise dip in August (-2.4% mom), although expectations are for a 1.2% mom rebound in September. This would leave the annual growth rate at 25.3% yoy due to a sharp decline in August 2016. **September new home sales** are expected to edge down by -1.2% mom to 602,000 annualised, after dropping 7.6% in August, but this follows a very strong July (+13.8% mom). Encouragingly, sales on a three-month moving average basis are up 22.2% year to date, so the recent declines simply bring the series more in line with the underlying trend, bolstered by record low mortgage rates and a strong labour market.

Europe

- ▶ The preliminary **eurozone** manufacturing **PMI** for October is expected to tick up (+0.1pts to 52.7), with new orders buoyed by recent euro weakness against the US dollar. Combined with a small increase in the services component, the **composite** index is anticipated to edge up slightly from the prior month (+0.2pts to 52.8).

- ▶ Germany's **Ifo Business Climate** Index came in at 109.5 in September to reach its highest level in over two years. October's reading is expected to stabilise, with expectations for a slight uptick in the current assessment component (+0.2pts to 114.9) remaining consistent with robust growth momentum in the German economy. Nevertheless, rising concerns of a 'hard Brexit' could have weighed on sentiment.
- ▶ Reflecting the resilience of the post-Brexit vote **UK** economy, the preliminary estimate of **Q3 GDP** is expected to show an expansion of 0.3% qoq. Nevertheless, this represents a significant slowdown from Q2 growth (+0.7%) and below the 12-quarter moving average (+0.6%). Given soft industrial production and construction prints for July and August, the breakdown of components by industry is likely to show that the services sector continues to do the heavy lifting.

Emerging markets/Japan

- ▶ In **Japan**, **headline CPI inflation** is likely to have stabilised at -0.5% yoy in September, unchanged from August, while the Bank of Japan preferred measure, which excludes fresh food and energy, is expected to have slowed to 0.3% yoy from 0.4% prior. The negative contribution from energy items should have continued to decline, especially in a context of stabilising yen. Meanwhile, **Japan's unemployment rate** is expected to have remained steady in September at 3.1%, while the job-to-applicant ratio is also expected to remain stable at 1.38.

Market Moves

Global equities rose this week amid upbeat earnings and expectations of continued accommodative ECB policy

- ▶ **US equities** rose this week as positive earnings results for Q3, especially in the financial sector, buoyed risk appetite. Gains were however pared by some soft housing data and a rising dollar on higher expectations of a US Federal Reserve (Fed) rate hike by year-end. The S&P 500 rebounded from a two-week losing streak (+0.4%). Most sectors gained while telecom shares underperformed.
- ▶ **The Euro Stoxx 50** advanced this week (+1.7%), amid firmer oil prices and generally upbeat corporate earnings releases. On Thursday, ECB President Draghi's comments that there would not be an abrupt end to the bank's asset purchase program also injected some optimism. Financial shares led gains in many bourses, resulting in outperformance of Spain's IBEX (+3.8%).
- ▶ **Asian stock markets** advanced last week, following a rebound in oil/commodity prices, speculation that Fed monetary tightening would remain gradual, and Chinese economic data showing broad stability in activity. Gains in Japan's Nikkei 225 (+1.9%) came as investors looked ahead to the Q3 earnings season. India's Sensex rose 1.5% over the week as the Goods & Service Tax (GST) Council meeting on 18-19 October concluded without a final decision on tax rates (and slabs) and how they would be administered. Meanwhile, Philippine stocks rallied (+3.5%), amid optimism that President Rodrigo Duterte's visit to China will improve bilateral relations and boost investment and tourist arrivals from China.

US Treasuries gained amid some weak data releases; most European bonds also advanced

- ▶ Most **European government bonds** gained this week (yields fell) as the ECB kept monetary policy on hold as ECB President Draghi confirmed that the Governing Council "didn't discuss tapering or the intended horizon of our asset purchase programme" while also reassuring that an "abrupt end to bond purchases is unlikely." Benchmark German 10-year bund yields closed 6bps lower at 0.00%. Equivalent maturity gilts also gained (-1bp to +1.09%) as easing concerns over a hard Brexit outweighed data showing UK inflation edging up to its highest level since late-2014.
- ▶ **The US Treasury yield** curve flattened (yields fell) over the week on slightly weaker than expected core CPI and disappointing housing starts data. Longer-dated treasuries outperformed with 10-year yields closing 6bps lower at 1.73%. Meanwhile, policy sensitive 2-year treasuries ended little changed even as the market prospects of a rate hike by year-end strengthened further.

The euro fell amid the ECB's dovish rhetoric

- ▶ **The euro** fell for the third week against the dollar (-0.8%) with the majority of losses occurring on Thursday after the ECB signalled it was in no hurry to end the current QE program. Meanwhile, the **British pound** spent most of the week in positive territory on easing "hard Brexit" fears as a UK government lawyer suggested it was "very likely" that parliament would need to ratify a British deal to leave the EU. However, dollar strength on Friday moderated gains. In the end, pound ended 0.4%.
- ▶ **In Asia**, the Thai baht recovered steep losses against the US dollar to outperform regional currencies (+0.6%) amid confidence surrounding a smooth royal succession. Elsewhere, the Malaysian ringgit found support from higher oil prices to also end the week higher (+0.4%). In the Philippines, optimism over President Duterte's visit to China boosted equity fund inflows and therefore gains in the peso (+0.2%). However, the Chinese renminbi underperformed (-0.6%) amid lingering concerns about capital outflows.

Oil prices buoyed by unexpectedly large decline in US stockpiles

- ▶ **Oil prices** were little changed over the week, with gains on Wednesday on the back of the Energy Information Administration report showing an unexpected 5.2 million barrels decline in US crude inventories last week offset by comments by Russian official

Igor Sechin that Russia “can significantly increase oil production.” Nigeria’s decision to cut oil prices to regain market share also dampened sentiment. Overall, WTI edged up (+1.0% to USD50.9) while Brent crude underperformed (-0.3% to USD51.8 per barrel).

► **Gold** prices edged up this week (+1.2% to USD1,266) despite a stronger US dollar and growing expectations of a US interest rate increase this year. Evidence that policy makers could tolerate faster inflation has supported demand for the precious metal as an inflation hedging tool. This follows comments from Bank of England Governor Mark Carney last week that he’ll tolerate an inflation-target overshoot, echoed by Fed Chair Janet Yellen.

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)	414	0.6	-1.0	0.3	2.2	3.6	425	351	16.8
North America									
US Dow Jones Industrial Average	18,146	0.0	-0.8	-2.0	5.7	4.1	18,668	15,451	16.7
US S&P 500 Index	2,141	0.4	-1.0	-1.1	6.1	4.8	2,194	1,810	18.1
US NASDAQ Composite Index	5,257	0.8	-0.7	3.6	8.6	5.0	5,343	4,210	22.1
Canada S&P/TSX Composite Index	14,939	2.4	1.6	2.6	9.0	14.8	14,959	11,531	20.2
Europe									
MSCI AC Europe (USD)	391	0.1	-1.5	0.1	-8.8	-4.8	437	354	15.7
Euro STOXX 50 Index	3,078	1.7	3.2	3.7	-5.9	-5.8	3,524	2,673	14.8
UK FTSE 100 Index	7,020	0.1	2.7	4.8	10.6	12.5	7,130	5,500	17.1
Germany DAX Index*	10,711	1.2	2.6	5.5	4.6	-0.3	11,431	8,699	13.7
France CAC-40 Index	4,536	1.5	2.9	3.7	-3.4	-2.2	5,012	3,892	14.8
Spain IBEX 35 Index	9,100	3.8	3.9	6.0	-10.4	-4.6	10,632	7,580	16.1
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	449	0.7	-0.2	3.5	5.0	9.2	459	357	14.7
Japan Nikkei-225 Stock Average	17,185	1.9	2.2	2.2	-7.4	-9.7	20,012	14,864	17.3
Australian Stock Exchange 200	5,430	-0.1	1.7	-1.5	3.5	2.5	5,611	4,707	16.4
Hong Kong Hang Seng Index	23,374	0.6	-1.2	6.2	1.7	6.7	24,364	18,279	12.8
Shanghai Stock Exchange Composite Index	3,091	0.9	2.2	1.7	-6.9	-12.7	3,685	2,638	14.5
Hang Seng China Enterprises Index	9,686	0.9	-1.7	6.9	-9.0	0.3	10,885	7,499	8.5
Taiwan TAIEX Index	9,307	1.5	0.8	2.8	8.1	11.6	9,348	7,628	15.0
Korea KOSPI Index	2,033	0.5	-0.1	1.0	-0.5	3.7	2,074	1,818	11.5
India SENSEX 30 Index	28,077	1.5	-1.5	1.3	2.9	7.5	29,077	22,495	18.5
Indonesia Jakarta Stock Price Index	5,409	0.2	1.2	3.7	17.5	17.8	5,483	4,331	17.8
Malaysia Kuala Lumpur Composite Index	1,670	0.7	0.7	0.8	-2.2	-1.3	1,729	1,601	16.7
Philippines Stock Exchange PSE Index	7,650	3.5	-0.3	-5.6	7.9	10.0	8,118	6,084	19.4
Singapore FTSE Straits Times Index	2,831	0.6	-0.7	-3.7	-6.4	-1.8	3,105	2,528	13.6
Thailand SET Index	1,500	1.5	0.9	-0.2	6.0	16.5	1,558	1,221	15.7
Latam									
Argentina Merval Index	18,257	4.8	12.1	15.7	68.7	56.4	18,313	9,200	19.9
Brazil Bovespa Index*	64,108	3.8	9.8	13.2	36.3	47.9	64,372	37,046	16.5
Chile IPSA Index	4,259	2.8	4.5	3.3	11.1	15.7	4,265	3,419	15.9
Colombia COLCAP Index	1,363	1.3	1.6	2.6	9.5	18.1	1,419	1,046	14.6
Mexico Index	48,418	1.5	3.2	2.2	9.0	12.7	48,956	39,924	21.7
EEMEA									
Russia MICEX Index	1,958	-0.4	-2.0	1.6	14.5	11.1	2,063	1,583	6.8
South Africa JSE Index	51,629	0.9	1.7	-2.5	-2.6	1.8	54,761	45,976	16.0
Turkey ISE 100 Index*	78,844	1.7	1.2	10.1	-1.2	9.9	86,931	68,230	9.5

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

	3-month Change (%)	YTD Change (%)	1-year Change (%)	3-year Change (%)	5-year Change (%)
Equity Indices - Total Return					
Global equities	0.7	5.4	4.4	10.7	52.0
US equities	-0.7	5.9	7.5	27.5	86.0
Europe equities	0.5	-2.1	-5.9	-9.3	24.5
Asia Pacific ex Japan equities	4.2	11.9	8.0	1.3	31.3
Japan equities	4.9	3.1	4.0	9.2	44.4
Latam equities	9.1	44.6	33.1	-19.0	-17.2
Emerging Markets equities	5.1	17.1	8.6	-6.1	11.9

All total returns quoted in USD 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 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 21 October 2016.

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	0.3	0.0	-0.1	5.6	5.9
JPM EMBI Global	769	0.5	0.2	1.6	13.2	14.6
BarCap US Corporate Index (USD)	2,804	0.5	0.5	0.4	7.5	9.1
BarCap Euro Corporate Index (Eur)	244	0.3	0.2	0.4	6.3	5.8
BarCap Global High Yield (USD)	431	0.5	1.8	3.4	12.0	15.4
Markit iBoxx Asia ex-Japan Bond Index (USD)	191	0.2	0.8	0.8	7.4	7.9
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	236	0.1	0.8	2.0	12.1	13.3

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 2015	52-week High	52-week Low
Developed markets								
EUR/USD	1.09	1.10	1.12	1.10	1.13	1.09	1.16	1.05
GBP/USD	1.22	1.22	1.30	1.32	1.54	1.47	1.55	1.18
CHF/USD	1.01	1.01	1.03	1.01	1.04	1.00	1.06	0.97
CAD	1.33	1.31	1.31	1.31	1.31	1.38	1.47	1.25
JPY	103.80	104.18	100.32	105.82	119.93	120.22	123.76	99.02
AUD	1.31	1.31	1.31	1.33	1.39	1.37	1.46	1.28
NZD	1.40	1.41	1.36	1.43	1.49	1.46	1.58	1.34
Asia								
HKD	7.76	7.76	7.76	7.76	7.75	7.75	7.83	7.75
CNY	6.77	6.73	6.67	6.68	6.35	6.49	6.77	6.32
INR	66.89	66.72	67.02	67.18	65.13	66.15	68.79	64.77
MYR	4.18	4.19	4.14	4.04	4.29	4.29	4.44	3.84
KRW	1,135	1,132	1,120	1,136	1,132	1,175	1,245	1,090
TWD	31.67	31.67	31.42	32.03	32.46	32.86	33.79	31.01
Latam								
BRL	3.16	3.21	3.21	3.27	3.94	3.96	4.17	3.11
COP	2,933	2,922	2,894	2,942	2,960	3,175	3,453	2,785
MXN	18.59	19.01	19.74	18.58	16.66	17.21	19.93	16.36
EEMEA								
RUB	62.37	62.96	63.93	64.32	63.01	72.52	85.96	61.64
ZAR	13.98	14.32	13.58	14.23	13.53	15.47	17.92	13.20
TRY	3.08	3.09	2.96	3.07	2.90	2.92	3.11	2.76

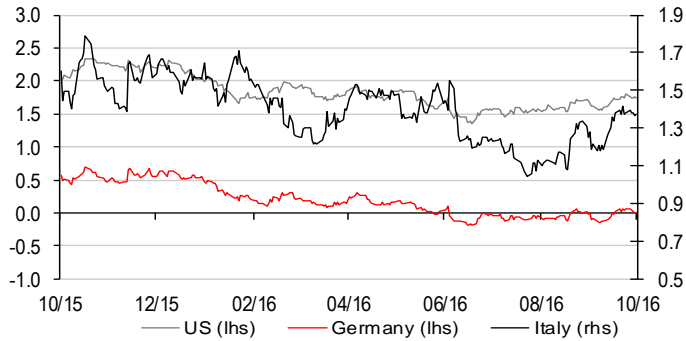
Bonds	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2015
US Treasury yields (%)						
3-Month	0.32	0.29	0.20	0.31	0.00	0.16
2-Year	0.82	0.83	0.77	0.68	0.62	1.05
5-Year	1.24	1.29	1.19	1.09	1.35	1.76
10-Year	1.73	1.80	1.65	1.56	2.02	2.27
30-Year	2.48	2.56	2.37	2.29	2.86	3.02
Developed market 10-year bond yields (%)						
Japan	-0.06	-0.06	-0.03	-0.22	0.31	0.26
UK	1.09	1.10	0.80	0.83	1.80	1.96
Germany	0.00	0.06	0.00	-0.02	0.57	0.63
France	0.28	0.33	0.30	0.22	0.93	0.99
Italy	1.37	1.38	1.28	1.24	1.60	1.59
Spain	1.11	1.12	1.00	1.12	1.74	1.77

Commodities	Latest	1-week ago (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low
Gold	1,266	1.2	-5.1	-4.9	8.5	19.3	1,375	1,046
Brent Oil	51.8	-0.3	10.6	12.1	8.2	38.9	54	27
WTI Crude Oil	50.9	1.0	12.2	13.6	12.5	37.3	52	26
R/J CRB Futures Index	189	0.0	2.5	3.1	-3.2	7.5	198	155
LME Copper	4,652	-0.5	-2.3	-6.5	-10.1	-1.1	5,320	4,318

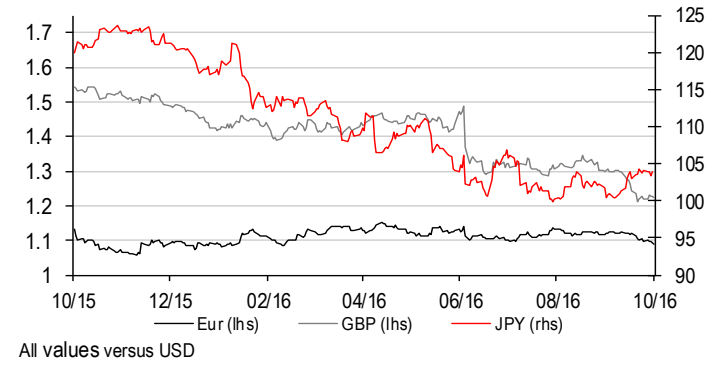
Source: Bloomberg, HSBC Global Asset Management. Data as at close of business 21 October 2016.
Past performance is not an indication of future returns

Market Trends

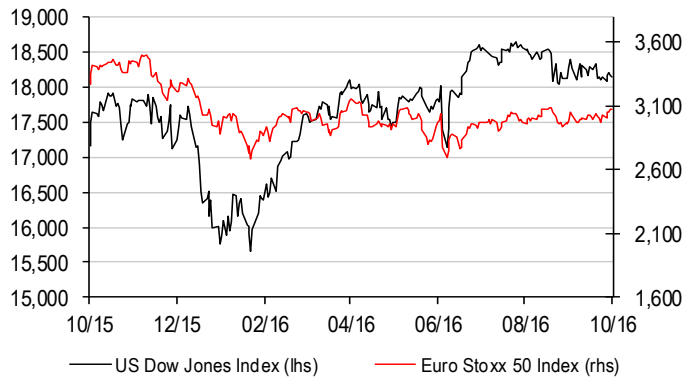
Government bond yields (%)



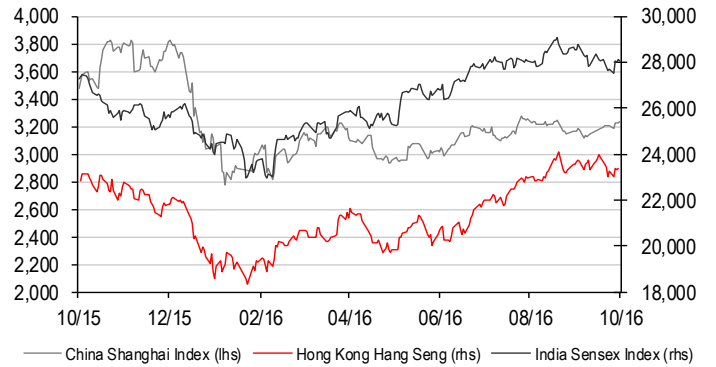
Major currencies (vs. USD)



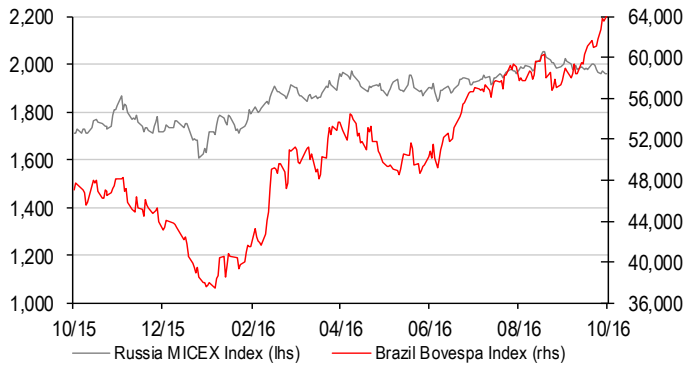
Global equities



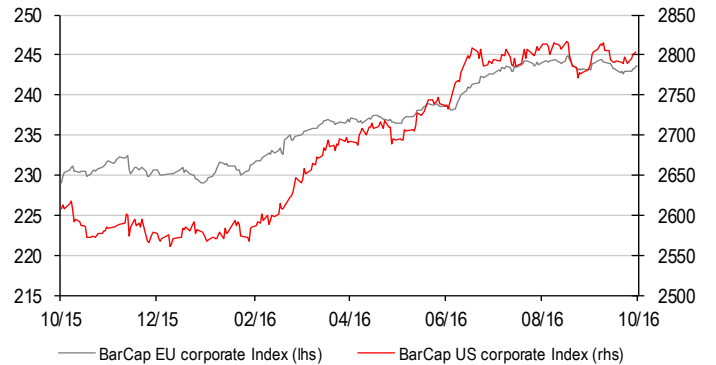
Emerging Asian equities



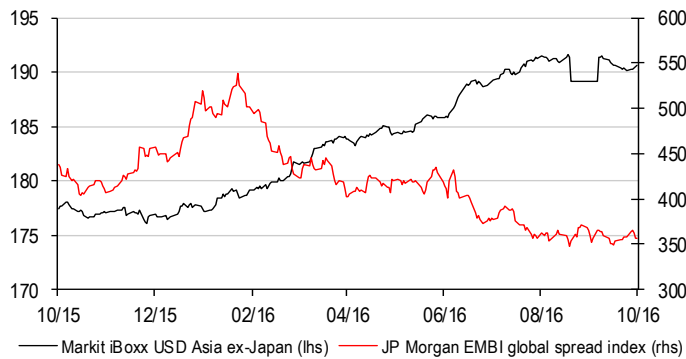
Other emerging equities



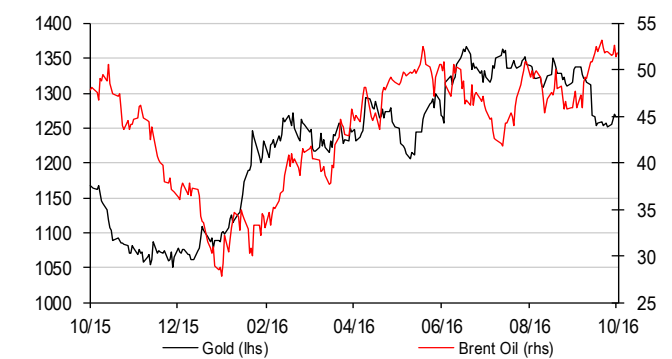
Global credit indices



Emerging markets spreads (USD indices)



Commodities (USD)



Source: Bloomberg, HSBC Global Asset Management. Data as at close of business 21 October 2016.
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Expiry: November 28 2016