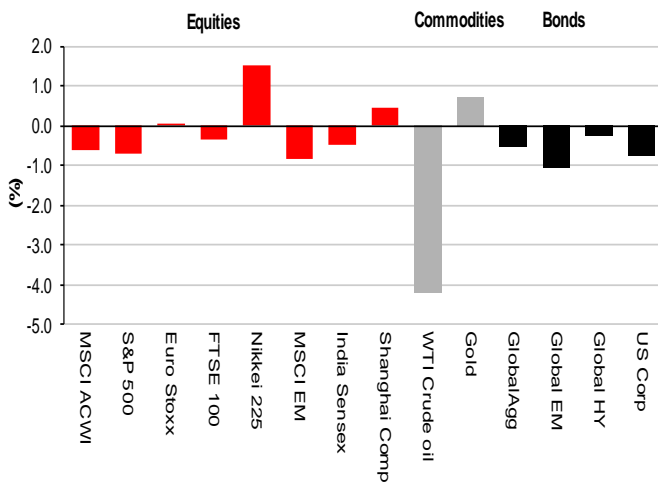


- ▶ Global equities broadly fell this week as disappointing corporate earnings and lower oil prices weighed, although the Nikkei 225 Index rose, supported by Japan yen weakness
- ▶ The preliminary release of UK Q3 GDP showed the economy expanded 0.5% qoq. This was lower than Q2 (+0.7%) but beat market expectations of 0.3%
- ▶ In the coming week, the Federal Open Market Committee (FOMC), Bank of Japan (BoJ) and Bank of England (BoE) policy meetings are highlights of the calendar

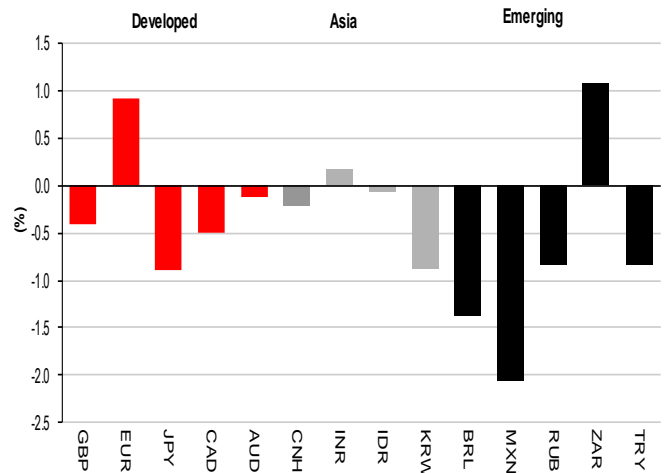
## Movers and shakers

Oil fell for the first time in six weeks

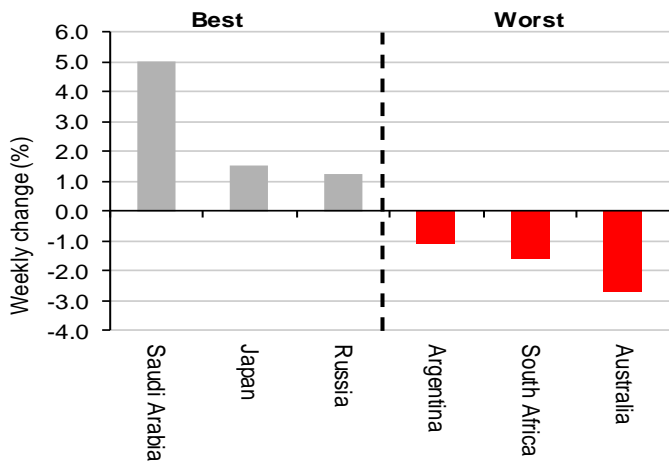


## Currencies (vs. USD)

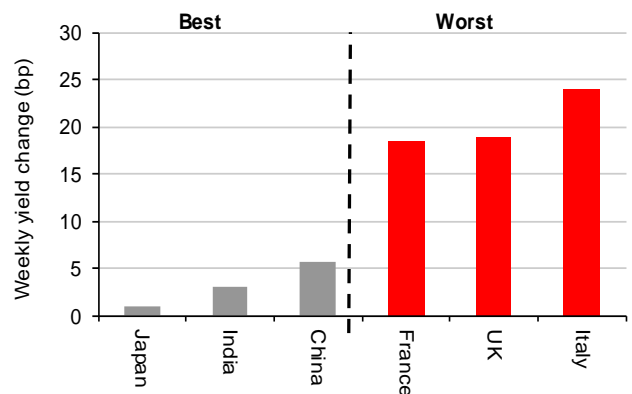
The euro outperformed amid robust Eurozone economic data



## Equities



## Bonds (10-year)



# Macro Data and Key Events

Past Week (24 – 28 October 2016)

Date	Country	Indicator	Data as of	Survey	Actual	Prior
Monday 24 October	Japan	Trade balance adjusted (JPY billion)	Sep	211.0	349.0	364.4
	Eurozone	Markit Composite PMI	Oct P	52.8	53.7	52.6
Tuesday 25 October	Germany	IFO business climate	Oct	109.6	110.5	109.5
	US	S&P CoreLogic Case Shiller Composite 20-City Home Price Index (yoy)	Aug	5.00%	5.13%	4.98%
	US	Conference Board Consumer Confidence Index	Oct	101.5	98.6	103.5
Wednesday 26 October	US	New home sales (mom)	Sep	-1.5%	3.1%	-8.6%
Thursday 27 October	Sweden	Riksbank interest rate decision	Oct	-0.50%	-0.50%	-0.50%
	UK	GDP (qoq)	Q3 A	0.3%	0.5%	0.7%
	US	Durable goods orders (mom)	Sep P	0.0%	-0.1%	0.3%
	US	Pending home sales (mom)	Sep	1.0%	1.5%	-2.5%
Friday 28 October	Japan	Jobless rate	Sep	3.1%	3.0%	3.1%
	Japan	National CPI ex. fresh food, energy (yoy)	Sep	0.3%	0.2%	0.4%
	Russia	Central bank of Russia interest rate decision	Oct	10.00%	10.00%	10.00%
	US	GDP annualised (qoq)	Q3 A	2.5%	2.9%	1.4%
	US	University of Michigan Consumer Sentiment	Oct F	88.0	87.2	87.9

A – Advance, P – Preliminary, F – Final

- ▶ The first estimate of US Q3 GDP, at 2.9% qoq annualised, was stronger than 2.5% expected and up from 1.4% in Q2. However, the underlying composition was slightly less favourable than the headline number suggests. The main weighting (consumer spending) was weaker than anticipated (+2.1% qoq against +2.6% expected), contributing 1.47 percentage points (pts) to the headline number. Similarly, the headline number was boosted by two of the more volatile components. Firstly, inventories, after weighing on growth for five straight quarters, added 0.61pts to the headline number, while net exports added 0.83pts (the strongest since Q4-2013), boosted by a surge in soybean exports. Interestingly, despite the rise in the rig count over the last quarter, the drag from lower activity in mining and gas exploration extended to seven straight quarters (-0.6pts). Meanwhile, October's **US Conference Board Consumer Confidence Index** fell more than expected to 98.6 (consensus 101.5, 103.5 previously revised down from 104.1). The downward revision to September's number means it no longer marks a nine year high. Similarly, labour market optimism, as measured by the labour market differential, dipped to 2.2 from +5.3pts previously. Regardless, this release is still consistent with a strong level of consumer confidence and robust consumer spending. A slew of housing market data was released this week. Firstly, August **S&P Core Logic Case-Shiller 20-City Home Price Index** showed home prices in 20 major cities rose marginally more than expected at 0.24% mom against 0.10% mom expected. This lifted the annual rate of increase to 5.13% yoy, slightly above expectations (5.00%) and the previous reading of 4.98%. The yearly appreciation was broad-based, although highly dispersed, with home prices in Portland and Seattle increasing the most (+11.7% yoy and +11.4% yoy, respectively) while Washington DC and New York rose the least (+2.32% yoy and +1.74% yoy, respectively). Secondly, September's US **New Home Sales** totalled 593,000 annualised, slightly lower than expectations of 600,000. The figure was however 3.1% higher than August's downwardly revised 575,000 homes. The underlying trend remains robust (three-month moving average at 563,000 – an almost nine-year high) as demand continues to be supported by employment gains and historically low mortgage rates. Finally, September **pending home sales** rose more than expected (+1.5% mom against +1.0% expected and -2.5% previously). Sales in the West (+4.7% mom vs. -5.5% previously) and South (+1.9% mom versus -3.2%) both partially reversed previous declines. Meanwhile, Midwestern sales declined (-0.2% mom) for the third month in a row, while sales in the North East (-1.6% mom) dropped for the first time in three months.
- ▶ Over in Europe, the **preliminary eurozone PMIs** for October came in much stronger than expected, with the composite index rising 1.1pts to 53.7, its highest level since December 2015. However, given the previous month's sharp decline, the 12-month moving average composite PMI remains steady at around 53.0. Both the services and manufacturing components saw solid gains, including a surge in the manufacturing employment index to a five-and-a-half-year high of 53.7. Also encouraging was a further uptick in the composite output prices index, to 50.5, signalling gradually accelerating inflationary pressures in the region. The country breakdown available for France and Germany indicates the latter continues to outperform. Germany's **Ifo Business Climate Index** rose to a two-and-a-half year high in October (110.5), beating consensus expectations of a stabilisation at the previous month's level (109.5). The uptick was predominantly driven by a substantial increase in the expectations component (1.6pts to 106.1). Following the strong October PMI data released earlier this week, this data also points to a pick-up in German activity in Q4. Elsewhere, reflecting the economic resilience after the Brexit vote, **UK GDP** expanded by 0.5% qoq in Q3, beating expectations of 0.3%. Nevertheless, this represents a slowdown from Q2 growth (+0.7%). The breakdown by industry showed that the services sector continues to do the heavy lifting (+0.8% qoq), offsetting declines in production and construction.
- ▶ In Asia, **Japan trade data** for September declined less than anticipated. Exports came in slightly stronger than expected, down 6.9% yoy (consensus at -10.8%), an improvement compared to the 9.6% yoy decline observed in August. Meanwhile, imports continued to drop at double digit rates (-16.3% yoy in September), mostly due to a 33.6% yoy collapse in mineral fuels imports. On a seasonally adjusted basis, the trade surplus beat expectations, at JPY349 billion, although the balance for August was revised downwards. **Japan's** September national core CPI (excluding fresh food) came in at -0.5% yoy, unchanged from August. Core-core CPI (excluding food and energy) slowed further to 0.0% from +0.2% in August, despite smaller negative contributions from energy. The Bank of Japan's core **CPI measure (excluding fresh food and energy)** slowed for a seventh month to 0.2% from 0.4% in August.

Meanwhile, the October Tokyo CPI showed some signs of stabilisation, with core-core CPI (+0.1% yoy) recovering from -0.1% in September.

## Coming Week (31 October – 04 November 2016)

Date	Country	Indicator	Data as of	Survey	Prior
Monday 31 October	Eurozone	GDP (qoq)	Q3 A	0.3%	0.3%
	Eurozone	CPI estimate (yoy)	Oct	0.5%	0.4%
	US	Core Personal Consumption Expenditures (yoy)	Sep	1.7%	1.7%
	Mexico	GDP seasonally adjusted (qoq)	Q3 P		-0.2%
Tuesday 01 November	Japan	Bank of Japan interest rate decision	Nov	-0.10%	-0.10%
	China	Official Manufacturing PMI	Oct	50.3	50.4
	Australia	Reserve Bank of Australia interest rate decision	Nov	1.50%	1.50%
	US	ISM Manufacturing	Oct	51.7	51.5
Wednesday 02 November	US	FOMC interest rate decision	Nov	0.50%	0.50%
Thursday 03 November	Turkey	CPI (yoy)	Oct	7.4%	7.3%
	Eurozone	Unemployment rate	Sep	10.0%	10.1%
	UK	Bank of England interest rate decision	Nov	0.25%	0.25%
	US	ISM non-manufacturing	Oct	56.0	57.1
Friday 04 November	Eurozone	Markit Composite PMI	Oct F	53.7	53.7 P
	US	Change in nonfarm payrolls	Oct	175k	156k

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

## US

- ▶ While the **FOMC** is expected to keep monetary policy unchanged at its November meeting, the market will look for confirmation that the case for a rate increase has “strengthened” further since September. The market is currently pricing in around a 75% chance of a rate hike in December. It is also likely that the statement will reflect the continued increase in hawkish Fed speak, especially the recent multiple explicit references to the likelihood of a rate increase this year. Most officials have highlighted that international factors appear to have had little impact on the US recently, although they remain a risk. While core Personal Consumption Expenditures has held stubbornly around 1.6%-1.7% all year, slightly below the 2% target, it is running at 1.9% year-to-date. Although some US Federal Reserve (Fed) officials are cautious about falling behind the curve, the continued lack of wage pressure remains a hurdle, but Fed President Janet Yellen acknowledged that the inflation-wage relationship appears weaker than historically was the case. This meeting does not bring a new set of “dot plots” or economic forecasts. Similarly, the assessment of the balance of risks will be important to gauge the committee’s level of comfort with the near-term outlook, especially after September saw three members dissent favouring a rate hike. While it would surprise the market, both Janet Yellen and New York Fed President William Dudley have highlighted that November should be considered a “live” meeting.
- ▶ After a volatile Q3, where **nonfarm payroll growth** drifted lower from 252,000 in July to September’s 156,000, the rate of October’s job additions is anticipated to start Q4 at 175,000. This would signal the continued tightening of the US labour market, in line with low initial jobless claims, a low unemployment-to-applicant ratio and a still elevated labour market differential as reported by the conference board. The unemployment rate is expected to edge slightly lower to 4.9% from 5.0% in September. Meanwhile, average hourly earnings are expected to grow by 0.3% mom (+2.6% yoy), although faster acceleration would indicate greater labour market tightness, potentially troubling the hawks on the FOMC.
- ▶ October’s **ISM Manufacturing Index** is expected to rise slightly to 51.7 from 51.5 previously, which would help confirm the weakness seen in August’s data was an anomaly. Encouragingly both new orders (55.1 versus 49.1 prior) and production (52.8 versus 49.6) recovered well in September, and further improvement would indicate a potential acceleration of Q4 activity. Meanwhile, October’s **ISM Non-Manufacturing index** is expected to ease (56.0 from 57.1), however September saw the biggest headline series increase since its introduction in 1997. September saw business activity (60.3) experience a very swift recovery after August’s collapse (51.8), which the market will look to be maintained. Ahead of Friday’s nonfarm payroll release the employment subcomponent will also be closely watched.

## Europe

- ▶ The first estimate of **Q3 eurozone GDP** is expected to show growth in the region remained stable at 0.3% qoq, with data already released for Spain (+0.7% qoq) and France (+0.2%) showing the former continues to outperform the eurozone average.
- ▶ Meanwhile, **eurozone headline CPI inflation** is anticipated to accelerate by 0.1ppts to 0.5% yoy in October, predominantly driven by fuel costs (which rose over the month and fell during October 2015). However, core inflation is expected to hold steady at 0.8% yoy, reflecting the lack of underlying inflationary pressures in the region amid continuing slack in the labour market and strong competition between firms.
- ▶ In the UK, most recent data continues to show a resilient economy, with GDP expanding by 0.5% qoq in Q3, beating expectations of 0.3%. Although this represents a slowdown from Q2 growth (+0.7%), this should provide the **BoE** with enough confidence to keep policy on hold at its November meeting. The release of the November inflation report will present the Bank’s latest growth and inflation forecasts for the UK economy, with slight upgrades for 2016 and 2017 growth likely given the recent resilience of activity data. Meanwhile, the further decline in sterling since the August report should be reflected in higher inflation numbers expected over the forecast horizon.

## Emerging markets/Japan

- ▶ **The BoJ** is likely to keep policy unchanged at its two-day meeting ending 1 November, after it introduced a new monetary policy framework in September focusing on yield-curve control. Recent yen depreciation and buoyant oil prices could also ease pressure on the BoJ to change policy. The BoJ may lower its inflation forecasts and could push back the timing of achieving the 2% inflation target.
- ▶ China's **October official manufacturing PMI** is expected to have edged slightly lower to 50.3 from 50.4 in September but remained in expansionary territory for a third straight month, likely reflecting some moderation in real estate activity following recent policy tightening in selected cities. Industrial profits continue on an overall moderate upward trend and domestic commodity prices have rebounded on a sequential basis, while power coal consumption and steel production have also held up, indicating near-term stabilisation in industrial activity.
- ▶ Turkey's October **inflation** is expected to print 7.4% yoy up from 7.3% in September. Meanwhile, annual core CPI inflation might have declined to 7.2% yoy from 7.7%. A weaker core inflation print may provide an extra incentive for monetary easing by the Central Bank of Turkey, although this is only likely if the lira does not decline further.
- ▶ **Mexico's Q3 GDP** is expected to slow from 2.5% yoy to 1.9% yoy, dropping out of the 2.3%-2.6% yoy range occupied for the last two years. While consumer spending is likely to remain robust, weaker government spending and the July drop in industrial production is expected to weigh on this release.

## Market Moves

### Major equity bourses, apart from Japan, fell on weak earnings results and lower oil prices

- ▶ **US equities** gave up early-week gains to close lower as weak earnings results dominated investor sentiment. Falling oil prices also eroded risk appetite, while a stronger dollar on the back of firming expectations that the Fed would hike interest rates in December weighed on exporter shares. Overall, the S&P500 Index finished down (-0.7%). Consumer discretionary stocks fared the worst, followed by material and energy shares, offsetting gains in utilities and financial sectors. Next week, 133 members of the index are due to report.
- ▶ **The Euro Stoxx 50** opened this week higher, as October's better-than-expected preliminary PMIs signalled a continued eurozone economic recovery. However, gains were swiftly pared by a host of disappointing corporate earnings results and lower oil prices, which eventually saw the index close lower over the week (+0.1%). Meanwhile, financial shares gained amid upward moves in long-term interest rates as government bonds sold off (supporting the outlook for profitability in the sector), helping Spain's IBEX to outperform (+1.1%).
- ▶ **Japanese stocks** rose last week (Nikkei 225 at +1.5%), as the yen weakened to a three-month low against the US dollar, boosting the outlook for exporters' earnings. Across the region, investors assessed corporate earnings. China's Shanghai Composite Index posted a third weekly advance (+0.4%) as coal producers gained on optimism that supplies will remain strained as the government steps up efforts to cut excess capacity in the industry. Hong Kong's Hang Seng fell to a two-month low (-1.8%), as buying through the Shanghai-Hong Kong Stock Connect slowed and the valuation gap with onshore A-shares narrowed. Philippines stocks slumped 3.2%, as a selloff by foreign funds accelerated amid high valuations and concerns over President Rodrigo Duterte's political rhetoric and his realignment of foreign policy away from the US towards China.

### Government bond yields rose sharply on expectations of less accommodative monetary policy

- ▶ **US Treasury yields** rose this week as better-than-expected economic data fuelled expectations that the Fed will raise rates by year-end. Markit's preliminary US Composite PMI survey rose to 54.9 for October, the highest level since November 2015. Moreover, the first estimate of US third quarter GDP came in at an annualised rate of 2.9%, confirming analysts' expectations that growth had accelerated from Q2. Based on current pricing of Fed Fund futures, the market is now attaching an over 70% probability of a Fed rate hike by the end of the year. Overall, US Treasury 2-year yields closed the week up 3bp to 0.85% and 5-year yields rose 8bp to 1.32%. At the longer end, 10-year rose 12bp to 1.85% respectively.
- ▶ **European bond yields** moved higher this week as investors reassessed their outlook for monetary policy in the region. Economic data surprised to the upside, with the preliminary eurozone Composite PMI survey rising to 53.7 points in October (from 52.6 the previous month), and the UK's third quarter GDP print spurring optimism over the resilience of the economy after its vote to leave the European Union in June. Better cyclical data, coupled with questions over the efficacy of further monetary easing and a preference towards implementing fiscal measures instead, drove bond yields higher. German 10-year bond yields closed the week up 17bps to 0.17% and French 10-year yields rose 18bp to 0.46%. Elsewhere, Italian 10-year yields rose 21bp to 1.58% and Spanish 10-year yields increased 12bp to 1.23%. UK 10-year gilt yields also rose 17bp to 1.26%.

### Most currencies fell against the US dollar; euro gained however on positive macro data flow

- ▶ The **British pound** posted its sixth weekly decline in eight weeks (-0.4%) as investors continued to assess the likelihood of a "hard Brexit". In a volatile week, the highlight was Tuesday's testimony by BoE Governor Mark Carney to the House of Lords. Carney's comment that the BoE is not "indifferent to the exchange rate" provided some support. Meanwhile, the euro snapped a three week losing streak (+0.9%) amid a continued upbeat macroeconomic data flow for the region. Perhaps the only slight setback was France's GDP for Q3, which rebounded 0.2% qoq against expectations of 0.3%.
- ▶ **Most Asian currencies** weakened against the US dollar last week, led by the Japanese yen and Korean won, on the back of growing market expectations of a Fed rate hike before year-end. The depreciation in the Korean won came amid growing political risks over a scandal involving President Park Geun-hye. Meanwhile, the Offshore Chinese Renminbi fell on worries that Chinese policymakers may become more tolerant of currency weakness as exports remain weak and as the US dollar rises. Lower oil prices weighed on the Malaysian ringgit.

Source: Bloomberg, HSBC Global Asset Management. Data as at close of business 28 October 2016.  
Past performance is not an indication of future returns

## Oil prices hit by increasing doubts over effectiveness of OPEC deal

- ▶ **Oil prices** fell this week, with the majority of the decline occurring on Tuesday amid growing concerns about the effectiveness of the OPEC deal to stabilize prices. This came after Russia's OPEC envoy said output cuts is not an option the nation is considering. This offset support from the Energy Information Administration (EIA) weekly report which showed an unexpected 553,000 barrel decline in US crude inventories last week. Overall, WTI fell (-4.2% to USD48.7) as did Brent crude (-4.0% to USD49.7per barrel).
- ▶ **Gold prices** ended the week (+0.7% to USD1,276) amid growing expectations of a US interest rate increase this year, raising the opportunity cost of holding the non-yield generating asset.

## 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)
<b>Equity Indices</b>									
<b>World</b>									
MSCI AC World Index (USD)	411	-0.6	-1.9	-0.5	-0.7	2.9	425	351	16.7
<b>North America</b>									
US Dow Jones Industrial Average	18,161	0.1	-1.0	-1.6	2.1	4.2	18,668	15,451	16.7
US S&P 500 Index	2,126	-0.7	-2.1	-2.0	1.7	4.0	2,194	1,810	17.9
US NASDAQ Composite Index	5,190	-1.3	-2.4	0.7	1.9	3.6	5,343	4,210	21.8
Canada S&P/TSX Composite Index	14,785	-1.0	0.4	1.6	6.7	13.6	14,964	11,531	19.9
<b>Europe</b>									
MSCI AC Europe (USD)	390	-0.4	-2.3	-0.6	-10.0	-5.2	436	354	15.6
Euro STOXX 50 Index	3,079	0.1	2.9	3.8	-10.0	-5.8	3,524	2,673	14.7
UK FTSE 100 Index	6,996	-0.3	2.1	4.1	8.7	12.1	7,130	5,500	17.0
Germany DAX Index*	10,696	-0.1	2.5	4.1	-1.3	-0.4	11,431	8,699	13.4
France CAC-40 Index	4,549	0.3	2.6	2.9	-7.0	-1.9	5,012	3,892	14.9
Spain IBEX 35 Index	9,201	1.1	5.3	8.5	-11.7	-3.6	10,632	7,580	16.2
<b>Asia Pacific</b>									
MSCI AC Asia Pacific ex Japan (USD)	443	-1.4	-2.4	1.0	3.2	7.7	459	357	14.5
Japan Nikkei-225 Stock Average	17,446	1.5	6.0	5.9	-7.7	-8.3	20,012	14,864	17.5
Australian Stock Exchange 200	5,284	-2.7	-2.4	-4.9	-1.0	-0.2	5,611	4,707	16.0
Hong Kong Hang Seng Index	22,955	-1.8	-2.8	3.5	0.0	4.7	24,364	18,279	12.7
Shanghai Stock Exchange Composite Index	3,104	0.4	3.9	3.7	-8.0	-12.3	3,685	2,638	14.7
Hang Seng China Enterprises Index	9,515	-1.8	-2.1	4.8	-9.9	-1.5	10,736	7,499	8.4
Taiwan TAIEX Index	9,307	0.0	1.2	2.5	7.4	11.6	9,400	7,628	14.9
Korea KOSPI Index	2,019	-0.7	-1.6	-0.1	-1.1	3.0	2,074	1,818	11.4
India SENSEX 30 Index	27,942	-0.5	-1.2	-0.9	3.3	7.0	29,077	22,495	18.6
Indonesia Jakarta Stock Price Index	5,410	0.0	-0.3	2.1	17.4	17.8	5,483	4,331	17.7
Malaysia Kuala Lumpur Composite Index	1,670	0.0	0.3	0.7	-1.0	-1.3	1,729	1,601	16.7
Philippines Stock Exchange PSE Index	7,405	-3.2	-2.4	-7.7	1.6	6.5	8,118	6,084	18.7
Singapore FTSE Straits Times Index	2,816	-0.5	-1.5	-3.5	-7.4	-2.3	3,044	2,528	13.5
Thailand SET Index	1,494	-0.4	1.0	-2.0	6.0	16.0	1,558	1,221	15.6
<b>Latam</b>									
Argentina Merval Index	17,869	-2.1	6.6	15.6	44.9	53.1	18,432	9,200	19.7
Brazil Bovespa Index*	64,308	0.3	8.3	13.5	37.6	48.3	64,728	37,046	16.1
Chile IPSA Index	4,290	0.7	5.6	3.6	10.7	16.6	4,321	3,419	16.1
Colombia COLCAP Index	1,361	-0.1	0.4	3.3	10.7	18.0	1,419	1,046	14.5
Mexico Index	48,007	-0.8	-0.1	2.5	7.3	11.7	48,956	39,924	21.6
<b>EEMEA</b>									
Russia MICEX Index	1,982	1.2	0.1	1.4	14.8	12.5	2,063	1,583	6.8
South Africa JSE Index	50,798	-1.6	-1.9	-4.7	-5.5	0.2	54,761	45,976	16.0
Turkey ISE 100 Index*	78,333	-0.6	0.8	4.1	-0.3	9.2	86,931	68,230	9.3

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

	3-month Change (%)	YTD Change (%)	1-year Change (%)	3-year Change (%)	5-year Change (%)
<b>Equity Indices - Total Return</b>					
Global equities	-0.1	4.8	1.4	9.5	43.1
US equities	-1.6	5.2	3.1	25.5	77.9
Europe equities	-0.1	-2.5	-7.2	-10.3	16.6
Asia Pacific ex Japan equities	1.6	10.3	6.2	0.6	18.1
Japan equities	6.5	3.5	3.4	10.5	38.7
Latam equities	10.9	44.6	30.8	-19.3	-24.9
Emerging Markets equities	3.6	16.1	7.5	-6.2	1.1

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.

## Market Data (cont)

	1-week	1-month	3-month	1-year	YTD
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Source: Bloomberg, HSBC Global Asset Management. Data as at close of business 28 October 2016.

Past performance is not an indication of future returns

<b>Bond indices - Total Return</b>	Close	Change (%)	Change (%)	Change (%)	Change (%)	Change (%)
BarCap GlobalAgg (Hedged in USD)	506	-0.5	-1.2	-1.0	4.8	5.4
JPM EMBI Global	761	-1.1	-1.3	0.8	11.3	13.4
BarCap US Corporate Index (USD)	2,783	-0.7	-1.0	-0.6	6.8	8.3
BarCap Euro Corporate Index (Eur)	242	-0.6	-1.0	-0.5	4.8	5.2
BarCap Global High Yield (USD)	430	-0.3	0.8	3.2	11.3	15.1
Markit iBoxx Asia ex-Japan Bond Index (USD)	190	-0.3	-0.7	0.0	6.8	7.5
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	236	0.1	0.5	1.7	11.4	13.4

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

<b>Currencies (vs USD)</b>	Latest	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2015	52-week High	52-week Low
<b>Developed markets</b>								
EUR/USD	1.10	1.09	1.12	1.11	1.09	1.09	1.16	1.05
GBP/USD	1.22	1.22	1.30	1.32	1.53	1.47	1.55	1.18
CHF/USD	1.01	1.01	1.03	1.02	1.01	1.00	1.06	0.97
CAD	1.34	1.33	1.31	1.32	1.32	1.38	1.47	1.25
JPY	104.74	103.80	100.69	105.27	121.09	120.22	123.76	99.02
AUD	1.32	1.31	1.30	1.33	1.41	1.37	1.46	1.28
NZD	1.40	1.40	1.37	1.41	1.49	1.46	1.58	1.34
<b>Asia</b>								
HKD	7.76	7.76	7.75	7.76	7.75	7.75	7.83	7.75
CNY	6.78	6.77	6.68	6.66	6.36	6.49	6.79	6.32
INR	66.78	66.89	66.47	67.04	64.93	66.15	68.79	65.11
MYR	4.20	4.18	4.14	4.05	4.27	4.29	4.44	3.84
KRW	1,145	1,135	1,097	1,125	1,131	1,175	1,245	1,090
TWD	31.64	31.67	31.35	31.95	32.50	32.86	33.79	31.01
<b>Latam</b>								
BRL	3.20	3.16	3.22	3.29	3.91	3.96	4.17	3.10
COP	2,988	2,933	2,912	3,094	2,919	3,175	3,453	2,785
MXN	18.98	18.59	19.38	18.89	16.64	17.21	19.93	16.36
<b>EEMEA</b>								
RUB	62.90	62.37	63.08	66.90	63.92	72.52	85.96	61.83
ZAR	13.84	13.98	13.62	14.15	13.71	15.47	17.92	13.20
TRY	3.11	3.08	2.98	3.01	2.92	2.92	3.13	2.76

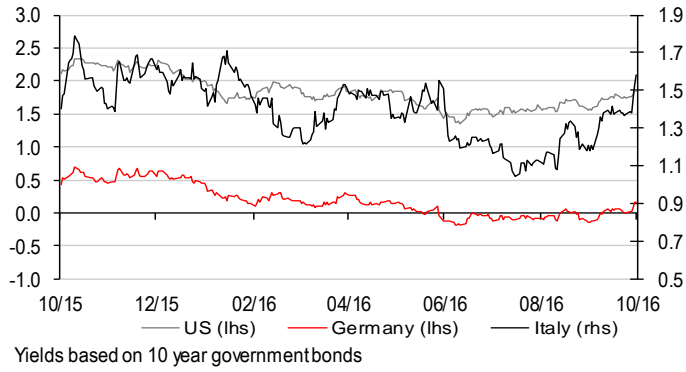
<b>Bonds</b>	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2015
<b>US Treasury yields (%)</b>						
3-Month	0.28	0.32	0.27	0.24	0.04	0.16
2-Year	0.85	0.82	0.76	0.71	0.70	1.05
5-Year	1.32	1.24	1.13	1.08	1.47	1.76
10-Year	1.85	1.73	1.57	1.50	2.10	2.27
30-Year	2.62	2.48	2.29	2.23	2.88	3.02
<b>Developed market 10-year bond yields (%)</b>						
Japan	-0.05	-0.06	-0.10	-0.28	0.28	0.26
UK	1.26	1.09	0.68	0.71	1.80	1.96
Germany	0.17	0.01	-0.15	-0.09	0.44	0.63
France	0.46	0.28	0.16	0.13	0.78	0.99
Italy	1.58	1.37	1.18	1.20	1.41	1.59
Spain	1.23	1.11	0.89	1.09	1.56	1.77

<b>Commodities</b>	Latest	1-week ago (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low
Gold	1,276	0.7	-3.5	-4.5	10.3	20.2	1,375	1,046
Brent Oil	49.7	-4.0	2.1	16.4	1.3	33.3	54	27
WTI Crude Oil	48.7	-4.2	3.5	18.4	6.0	31.5	52	26
R/J CRB Futures Index	189	-0.1	1.8	5.6	-3.0	7.4	198	155
LME Copper	4,790	3.3	-0.6	-2.2	-8.0	1.8	5,229	4,318

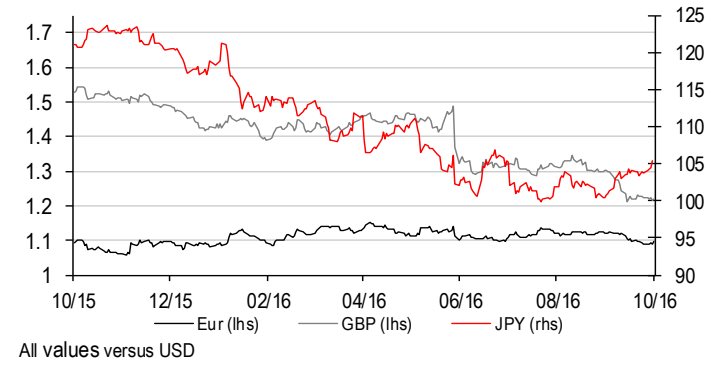
Source: Bloomberg, HSBC Global Asset Management. Data as at close of business 28 October 2016.  
Past performance is not an indication of future returns

# Market Trends

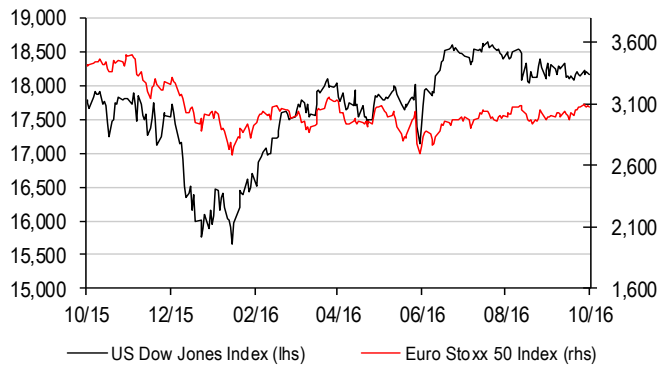
## Government bond yields (%)



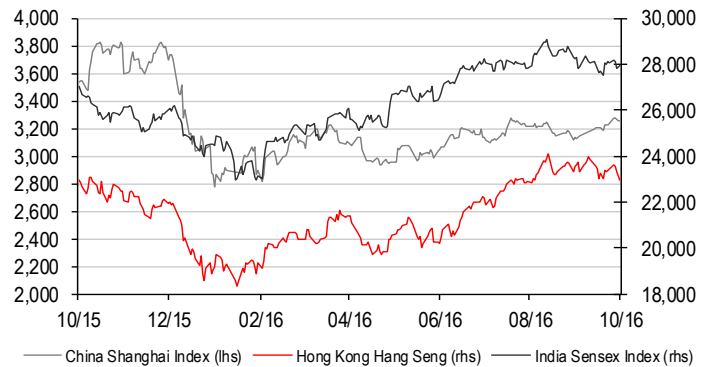
## Major currencies (versus USD)



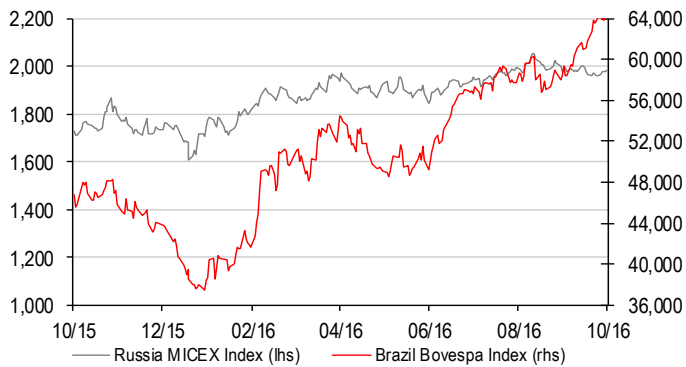
## Global equities



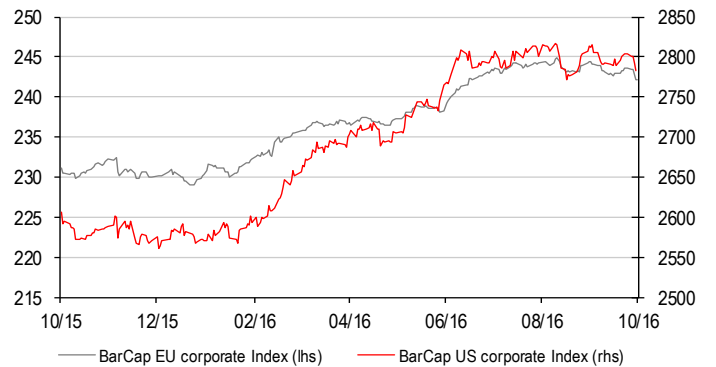
## Emerging Asian equities



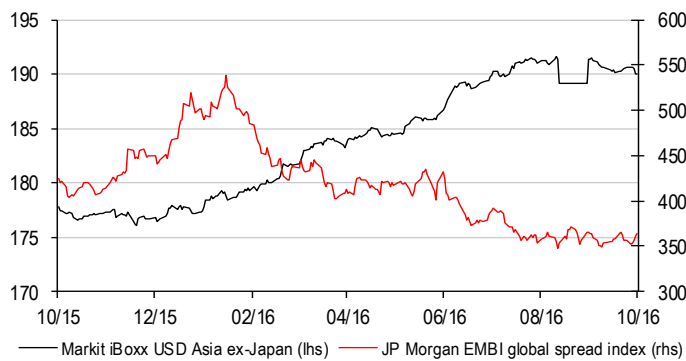
## Other emerging equities



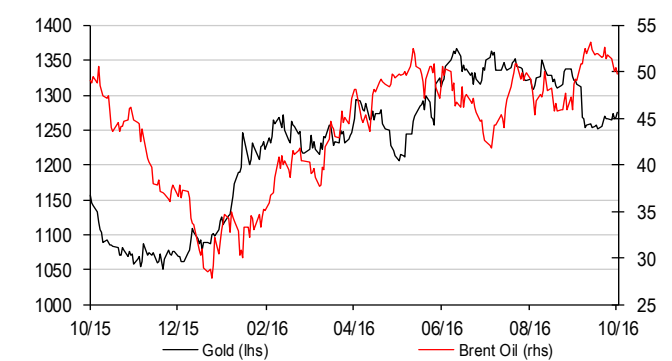
## Global credit indices



## Emerging markets spreads (USD indices)



## Commodities (USD)



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Source: Bloomberg, HSBC Global Asset Management. Data as at close of business 28 October 2016.  
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CA#M1600462

Expiry: November 28 2016