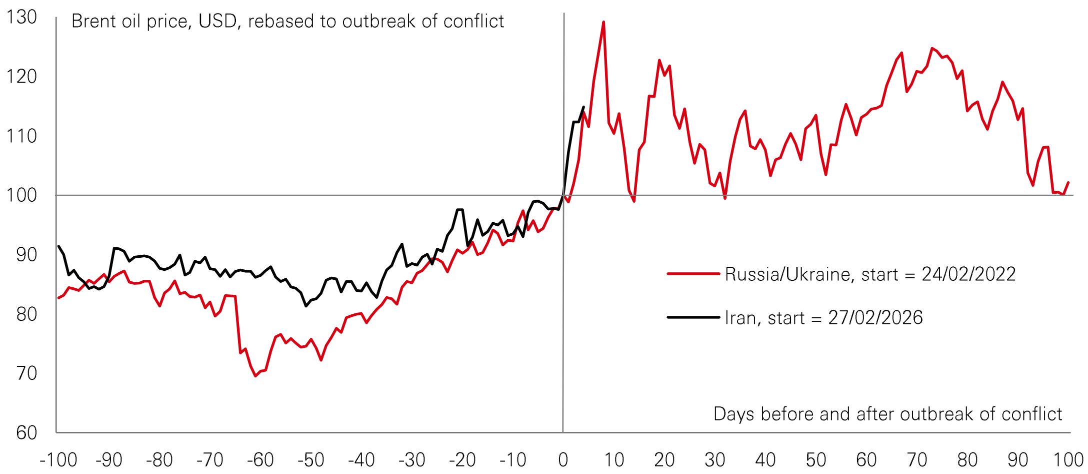
Investment Weekly

6 March 2026

For Professional Clients only. Marketing Communication.

Chart of the week – Oil price shocks



Geopolitical uncertainty has crystallised into market volatility this week. Historically, oil prices are the usual channel for how geopolitical risk impacts the economy and investment markets. This makes the trajectory of oil prices crucial and the key macro variable to watch. We see two possible scenarios:

First, the oil price shock is transitory as geopolitical risk abates – with prices spiking USD10-20 higher before stabilising, supported by still-high global supply. This is disruptive, but should leave our base case on track. Growth can be sustained by supportive policy, strong (and broadening) profits, and the AI capex boom. New inflation pressures might make prices stickier for longer, but still manageable, with room for rate cuts later in 2026. For markets, a short-term volatility spike would eventually give way to this year's theme of "the great rotation"; that would benefit value, non-tech sectors, and emerging markets.

Alternatively, a longer-lasting oil price spike could present a challenge to our investment outlook. A persistent shock of more than USD20, or oil above USD100 – as we last saw in 2022 – would be more disruptive to growth, which could hamper profits, and potentially undermine stock market multiples. With some parts of global markets, particularly in the US, now "priced for perfection", any adverse news could challenge performance. However, valuation gaps in emerging markets and developed market ex-US stocks, create some cushion against negative macro shocks.

If history is any guide, geopolitical stress in markets will be short-lived. It means a bumpier path for investors, but staying invested for the long run still makes sense. #oil #geopolitics #scenarios

Market Spotlight

The hunt for safety

Recent events in the Middle East have put traditional portfolio shock absorbers to the test. US Treasuries – which worked as a portfolio diversifier in February – have now sold off. This highlights a key challenge: bonds typically fail to protect when inflation is the main driver of risk aversion. It's a mini-repeat of the nightmare 2022 playbook – when stocks and bonds fell in tandem. Meanwhile, gold rallied at the start of the week, and then subsequently fell back.

So, what has worked? The US dollar. This makes sense if higher inflation forces a hawkish Fed, and it reflects US energy independence. Meanwhile, other haven currencies – like the yen or Swiss franc – have been hobbled by Japan and Europe's dependence on energy imports.

Interestingly, while EM local currency bonds moved lower with developed-market counterparts, in FX-hedged terms they haven't materially underperformed Treasuries, demonstrating increased EM resilience.

For investors searching for dependable diversifiers, the main takeaway is that no single hedge is consistently reliable across market regimes and economic shocks. The implication is clear: **resilience likely comes not from relying on a single safe asset, but from "diversifying the diversifiers"**. #bonds #diversifiers

Geopolitical Risk →
How measures of risk have reacted to recent events

Oil Price →
Exploring the winners and losers in a global oil shock

Credit Markets →
Why powering AI is reshaping credit markets

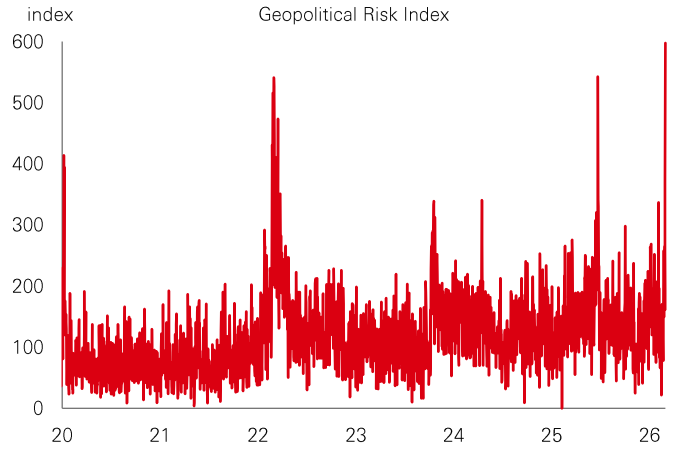
Read our latest views: Investment Monthly March 2026

Age of uncertainty

Sometimes the chart tells the story. The Geopolitical Risk Index (GPR) – a barometer of market uncertainty that scours the world's press for signs of international tension – is at its highest since early 2022, at the start of the Ukraine crisis. That follows last week's spike in the policy uncertainty index, driven by tariff developments and Fed headlines.

But how does it show up in markets? Stock market volatility – as represented by the VIX index – has hit its highest level since last November's tech-related wobble. Risk-off sentiment in global stocks has been centred on parts of Europe and Asia, where energy dependency is relatively high. And in terms of sectors, energy has been the obvious winner, while bond-proxy sectors such as consumer staples and utilities have underperformed amid higher bond yields.

Stepping back from short-term trends, the chart shows how geopolitical risk has been trending higher in recent years. It's a complex geo-economic world. For investors, **the best defence is a well-diversified portfolio across assets, factors, and sectors**. #geopolitics #risk

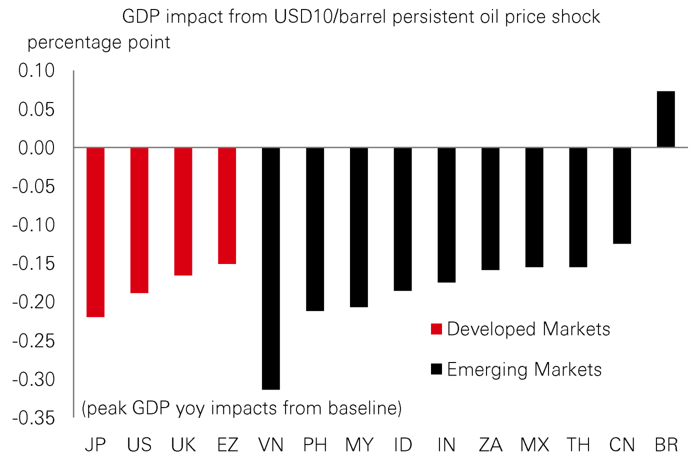


Winners and losers

In terms of oil price shocks, the size, speed, and persistence of the price move will determine the implications for the growth-inflation mix, profits, and investor sentiment. But they also impact countries differently.

So, what could a persistent USD10 shock do? Modelling shows that the growth and inflation impact on developed economies would be largely uniform. But in emerging markets, it's more variable. Growth in Asian oil importers, particularly ASEAN and South Korea, would be more vulnerable to disruption. And inflation in India and Thailand could see more upward pressure than most.

But as we've seen this week, the read-across for markets isn't linear. Sharp initial drawdowns in Korea, have partly reversed because of competing factors, including possible dip-buying by retail investors. Some of Korea's stocks are pivotal in the global AI supply chain, and its relative value and ongoing market reforms are keeping investors engaged. It's a reminder that while oil shocks are a risk, global themes like the AI cycle, and **strong structural stories in emerging markets**, remain powerful market drivers. #oilshock #growth

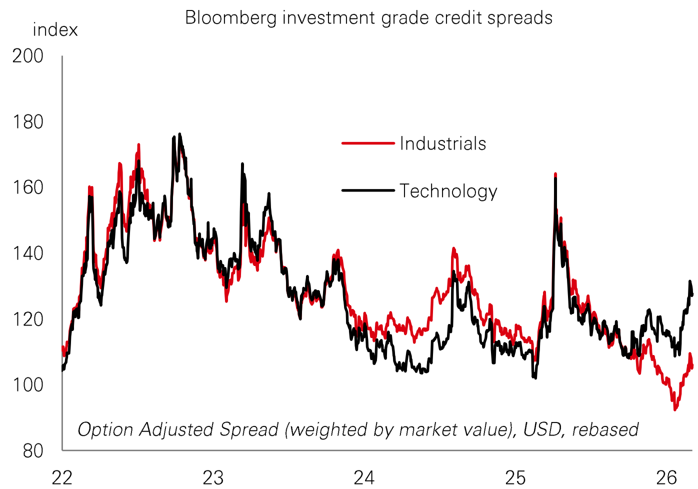


Watt a spread

The blistering pace of expansion in AI and data centres is driving up global demand for electricity. That means investment in power infrastructure is surging.

It's estimated – after accounting for regional variations – that AI could represent about 10% of the world's future electricity demand growth. In the US alone, annual capex to support AI-related power infrastructure is projected at USD30 billion over the next five years. That means credit markets are bracing for a lot more debt issuance from utilities, independent power producers, and energy infrastructure firms.

This rise in credit demand could result in a widening of spreads in some AI-related energy infrastructure sectors – as it has done recently in the technology sector itself. Nonetheless, our Fixed Income investment specialists believe the AI-driven power boom is creating differentiated credit opportunities. And for investors, active credit selection – focusing on utilities and infrastructure players with robust regulatory frameworks and exposure to AI-linked growth – will be key to capturing value as the cycle accelerates. #AI #credit



Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector, or security. Diversification does not ensure a profit or protect against loss. Any views expressed were held at the time of preparation and are subject to change without notice. Index returns assume reinvestment of all distributions and do not reflect fees or expenses. You cannot invest directly in an index. Any forecast, projection or target where provided is indicative only and is not guaranteed in any way. HSBC Asset Management accepts no liability for any failure to meet such forecast, projection or target. Costs may vary with fluctuations in the exchange rate. Source: HSBC Asset Management. Macrobond, Bloomberg, Oxford Economics. Data as at 7.30am UK time 06 March 2026.

Asset class views

Our baseline macro scenario is for solid global growth, some sticky inflation, modest interest rate cuts, and reduced policy uncertainty. But risk asset valuations are stretched in many areas. That means that any deterioration in corporate fundamentals could create market volatility. A cautiously pro-risk positioning in portfolios remains appropriate, which includes selective exposures to fixed income, risk assets, and private markets.

House view represents a 12-month investment view across major asset classes in our portfolios.

	Asset Class	- View +	Comments
Macro Factors	Global growth	□□□□□■□□□	Global growth has remained solid, but the outlook is highly uncertain, and inflation is sticky. Consequently, a cautiously pro-risk stance in investment portfolios appears appropriate. We prefer to access the growth factor in regions with lower valuations, such as Asia and emerging markets
	Duration	□□□□■□□□□	The shape of the yield curve is highly dependent on Fed policies, and the fiscal and inflation outlook. We expect a trend of modest steepening over the medium term, as US fiscal concerns build. If adverse economic outcomes prevail, there is scope for strong returns in global duration
	Emerging Markets	□□□□□□■□□	The EM growth outlook is a relative bright spot in a global context. Limited inflation pressures, Fed policy easing, and a weaker USD in 2025 have paved the way for more countries to cut rates. China policy remains supportive, but global trade fragmentation is a challenge
Bonds	US 10yr Treasuries	□□□□■□□□□	Yields have been in a relatively narrow channel of late and the near-term outlook appears range bound. Sticky inflation, fiscal concerns and better-than expected growth could push yields higher. Significantly lower yields are likely to require clear evidence that the labour market is cracking
	EMD Local	□□□□□□□■□	EM local currency bonds have benefited from a backdrop of high real yields, strong fundamentals, and a weaker US dollar. Real rates remain high in many EM majors. While EM disinflation is slowing, the trend for policy easing should continue, with some potentially significant rate cuts in places
	Asia Local	□□□□□□■□□	Asia's sound external fundamentals, debt profiles, and policy mix help lower the sensitivity of local rates to external financial volatility. Real yields are attractive in places, and the local inflation and liquidity backdrop is still supportive, though the monetary easing cycle is at a mature stage
Credits	Global Credit	□□□□□■□□□	IG credit spreads remain close to long-run tights, but all in yields are reasonable. IG issuance is picking up but corporate balance sheets are healthy, and the profits outlook remains positive. We think parts of the IG universe can be a potential hedge in portfolios
	Global High-Yield	□□■□□□□□□	Global high yield spreads have compressed further from already tight levels amid strong risk-on sentiment. Growth and inflation risks and policy uncertainty present potential risks, but strong corporate earnings could offset this. We prefer a defensive stance with a focus on quality credits
	Asia Credit	□□□□■□□□□	Asia IG benefits from attractive all-in yields and limited issuance amid accommodative onshore funding conditions. Credit fundamentals remain sound, and shorter duration helps reduce volatility. We emphasise a selective approach given idiosyncratic growth drivers
	EMD Hard Currency Bonds	□□□□□□■□□	EM hard currency sovereign bonds continue to benefit from strong fundamentals. Spreads have been well-behaved, reflecting the positive ratings stories of many EMs. EM corporate bonds are highly correlated to EM sovereigns but have also had a positive story in their own right
Equities	DM Equities	□□□□□■□□□	We expect a broadening out of global market leadership beyond the US, with episodic volatility. DM equity risk premiums remain positive, but there are downside risks to the earnings outlook if the macro backdrop deteriorates. The US market is also very concentrated
	EM Equities	□□□□□□■□□	EM equity valuations still exhibit material discounts to DMs. They could benefit from several structural and cyclical tailwinds, though ongoing uncertainties could trigger episodic volatility. Allocation strategies should increasingly consider country- and sector-specific factors
	Asia ex Japan	□□□□□□■□□	Asian markets offer broad sector diversification and high-quality growth opportunities. China's reflationary efforts, prudent policy support across the region, and other long-term themes still serve as positives. However, persistent external uncertainties could amplify market volatility
Alternatives	Private Markets	□□□□□□■□□	With elevated macro uncertainty, private credit yields remain attractive due to their continued illiquidity premium that suits long-term investors. In private equity, a recovery in PE-funded buy-out activity could widen its appeal as a source of long-term returns and a portfolio diversifier
	Hedge Funds	□□□□□□□■□	Hedge funds can be good diversifiers in an environment of elevated inflation and should there be sharp upticks in volatility. Macro and CTA strategies can be potentially attractive alternatives to bonds when there are positive stock-bond correlations
	Real Assets	□□□□□□□■□	Real estate investment activity shows signs of improvement, and the returns outlook appears healthy given yield expansion on the back of higher income. Meanwhile, infrastructure assets currently offer high dividend yields and provide exposure to key growth themes like AI and the energy transition

Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future. Diversification does not ensure a profit or protect against loss. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Any views expressed were held at the time of preparation and are subject to change without notice. Any forecast, projection or target where provided is indicative only and is not guaranteed in any way. Costs may vary with fluctuations in the exchange rate. HSBC Asset Management accepts no liability for any failure to meet such forecast, projection or target. Source: HSBC Asset Management. Data as at 7.30am UK time 06 March 2026.

Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 02 March	US	ISM Manufacturing Index	Feb	52.4	52.6	The headline index remained in expansion territory while the price component rose to its highest level since June 2022
	BR	Manufacturing PMI	Feb	47.3	47.0	Manufacturing sentiment remains low. New orders continued to contract but one ray of light was a small rise in employment
	MX	Manufacturing PMI	Feb	47.1	46.3	The manufacturing downturn persists with new orders, output and employment stuck in contraction territory
	IN	Industrial Production (yoy)	Jan	4.8%	8.0%	Industrial production growth moderated after strong Q4 readings. Infrastructure and construction goods output remains robust
Tue. 03 March	EZ	HICP, Flash (yoy)	Feb	1.9%	1.7%	Headline inflation edged up towards the 2% target, led by rising energy prices. Core services inflation increased on erratic items
	UK	Spring Statement				The OBR downgraded its 2026 growth forecast, whilst modestly lowering public sector borrowing over the medium-term
Wed. 04 March	US	ISM Services Index	Feb	56.1	53.8	The headline index rose to its highest level since July 2022. New orders surged and the employment index increased
	CN	NBS Composite PMI	Feb	49.5	49.8	The composite PMI slipped, with weakness evident in both manufacturing and services
	US	ADP Employment Report (mom)	Feb	63k	11k	The ADP employment measure is gently trending higher, led by health and education
Thu. 05 March	CN	The annual session of the NPC begins				A modest 4.5–5% growth target has been set, with fiscal support matching last year, as tech self-reliance remains a priority
Fri. 06 March	US	Change in Non-Farm Payrolls	Feb	-	130k	Non-farm payrolls should slow after January's surprisingly strong increase. Other labour market measures have been mixed
	US	Retail Sales (mom)	Jan	-	0.0%	Poor weather in January may weigh on spending but expected tax rebates could support consumption in the coming months

US - United States, BR - Brazil, MX - Mexico, IN - India, EZ - Eurozone, UK - United Kingdom, CN - China

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 09 March	US	Corporate Profits	Q4			S&P500 results almost over. Beats are in Tech and Staples, with Cons. Disc. the worst. Europe only 73% complete with mixed results
	CN	CPI (yoy)	Feb	0.9%	0.2%	Headline inflation is expected to rebound in February, largely reflecting the timing effects of the Lunar New Year holiday
	US	NFIB Index of Small Business Optimism	Feb	-	99.3	Small business optimism has been trending sideways since mid-2025 at around its average level
Tue. 10 March	CN	Trade Balance (USD)	Jan-Feb	-	114.1bn	Exports are expected to remain strong following a record trade surplus of USD1.2 trillion in 2025
Wed. 11 March	US	CPI (yoy)	Feb	2.4%	2.4%	Higher energy prices could offset a modest fall in core inflation. Headline inflation is likely to be sticky in the coming months
Thu. 12 March	BR	CPI (yoy)	Feb	-	4.4%	Headline inflation has moderated since mid-2025. Core inflation has softened despite tight labour market conditions
	TY	CBRT 1 Week Repo Lending Rate	Mar	37.00%	37.00%	Recent elevated inflation data mean no change in policy is likely in March and may also lessen the pace of easing near-term
	IN	CPI (yoy)	Feb	3.2%	2.8%	Fading base effects and the re-weighting of the CPI basket should lift inflation towards the 4% target in coming months
Fri. 13 March	US	JOLTS Job Openings	Jan	-	6.54mn	Job openings should rise after December's sharp fall. The quits rate is relatively stable, consistent with modest wage growth
	US	PCE Price Index (yoy)	Jan	-	2.9%	The latest solid PPI data and January's CPI points to a firm PCE inflation print at the start of the year
	US	GDP, 2nd Estimate (qoq annualised)	Q3	1.4%	4.3%	Little change is envisaged in the estimate of Q4 GDP. Consumer spending moderated in late 2025
	US	Univ. of Michigan Sentiment Index (Prelim)	Mar	57.0	56.6	The University of Michigan consumer confidence index has stabilised recently, mirroring the Conference Board measure

US - United States, CN - China, BR - Brazil, TY - Turkey, IN - India

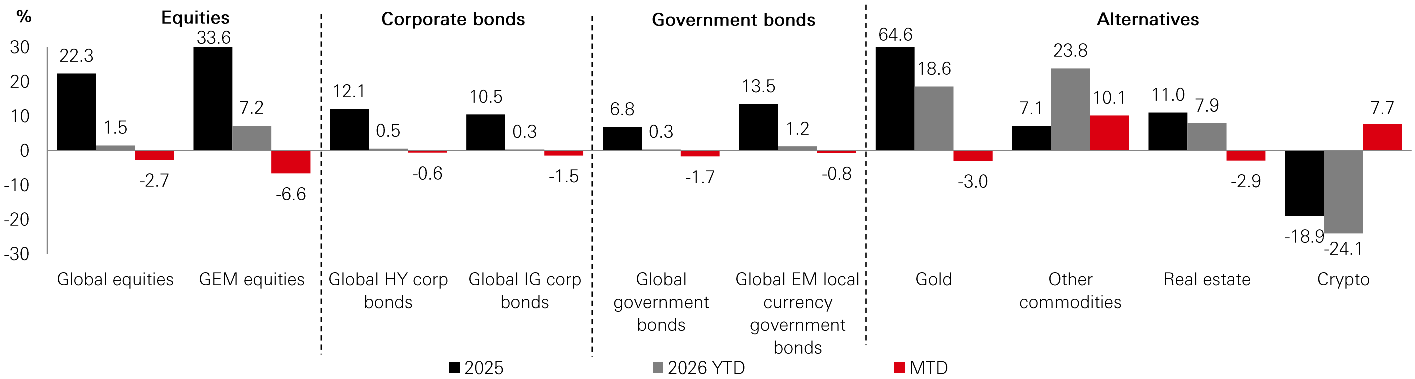
Source: HSBC Asset Management. Data as at 7.30am UK time 06 March 2026. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Any views expressed were held at the time of preparation and are subject to change without notice. Any forecast, projection or target where provided is indicative only and is not guaranteed in any way. HSBC Asset Management accepts no liability for any failure to meet such forecast, projection or target.

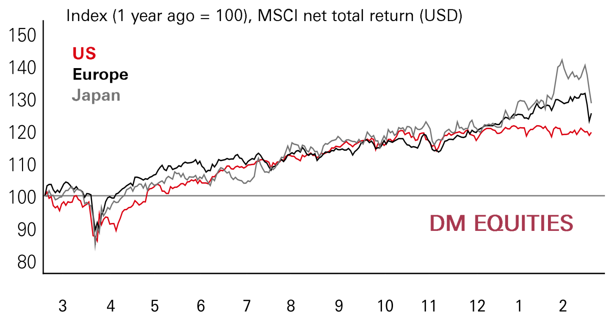
Market review

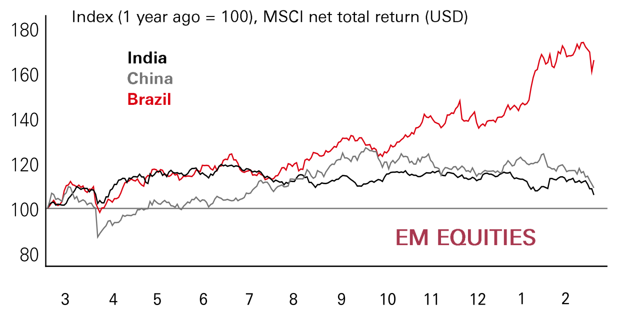
This week

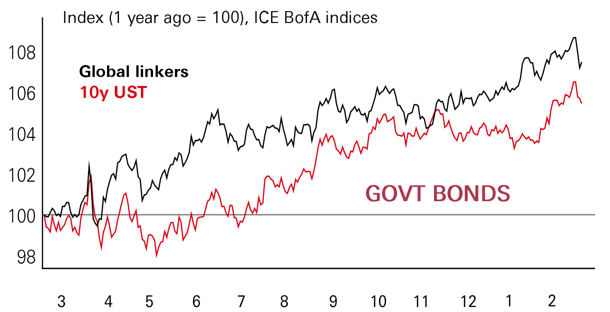
Equity markets saw substantial volatility in response to heightened tensions in the Middle East and a surge in the oil prices. The US dollar strengthened against major peers, with gold – which initially strengthened on the turmoil – now on course to close the week lower. Emerging markets saw widespread weakness, with EM Asia and Latin American benchmarks down across the board. Korea's Kospi, one of the best-performing global indices year-to-date, saw heavy sell-offs, with some ASEAN markets also posting marked losses. European shares followed suit, with the Euro Stoxx 50 and FTSE 100 declining. In Japan, the Nikkei 225 fell despite a weaker yen. In the US, the tech-heavy Nasdaq was stable after recent weakness, with small-cap stocks underperforming large caps. Rising concerns over inflation pushed up sovereign yields, including US Treasuries, UK Gilts, and German Bunds.

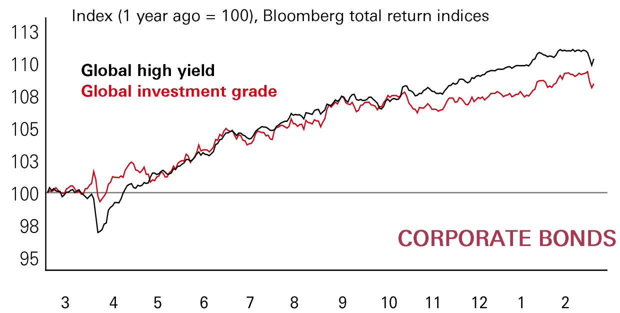
Selected asset performance

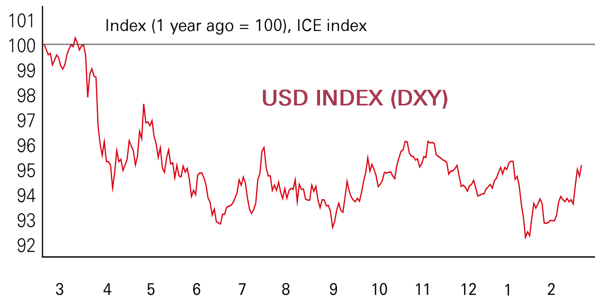


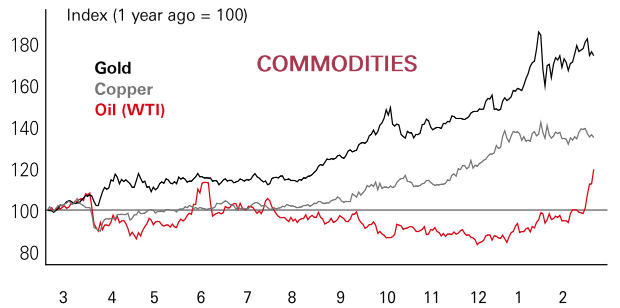












Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Any views expressed were held at the time of preparation and are subject to change without notice. Index returns assume reinvestment of all distributions and do not reflect fees or expenses. You cannot invest directly in an index. Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 7.30am UK time 06 March 2026. Note: Asset class performance is represented by different indices. Global Equities: MSCI ACWI Net Total Return USD Index. Gem Equities: MSCI Emerging Net Total Return USD Index. Corporate Bonds: Bloomberg Global HY Total Return Index value unhedged. Bloomberg Global IG Total Retrun Index unhedged. Government bonds: Bloomberg Global Aggregate Treasuries Total Return Index. JP Morgan EMBI Global Total Return local currency. Commodities and real estate: Gold Spot $/OZ/ Other commodities: S&P GSCI Total Return CME. Real Estate: FTSE EPRA/NAREIT Global Index TR USD. All the data above is in in USD, total return, month-to-date terms.

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)	1,028	-2.7	-1.4	1.7	20.9	1.3	1,064	723	18.8
North America									
US Dow Jones Industrial Average	47,955	-2.1	-4.3	0.0	12.6	-0.2	50,513	36,612	21.4
US S&P 500 Index	6,831	-0.7	-1.5	-0.6	19.0	-0.2	7,002	4,835	21.7
US NASDAQ Composite Index	22,749	0.4	-1.2	-3.5	25.9	-2.1	24,020	14,784	26.1
Canada S&P/TSX Composite Index	33,610	-2.1	3.5	7.3	36.7	6.0	34,544	22,228	17.4
Europe									
MSCI AC Europe (USD)	706	-6.4	-3.8	4.0	16.4	0.9	756	516	15.8
Euro STOXX 50 Index	5,783	-5.8	-3.6	1.0	4.8	-0.1	6,200	4,540	15.9
UK FTSE 100 Index	10,414	-4.6	0.4	7.7	19.9	4.9	10,935	7,545	14.0
Germany DAX Index*	23,816	-5.8	-3.7	-0.9	1.7	-2.8	25,508	18,490	15.4
France CAC-40 Index	8,046	-6.2	-2.8	-0.8	-1.9	-1.3	8,642	6,764	15.6
Spain IBEX 35 Index	17,245	-6.1	-3.9	3.3	30.3	-0.4	18,574	11,583	13.7
Italy FTSE MIB Index	44,609	-5.5	-2.8	2.7	15.0	-0.7	47,651	31,946	12.5
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	775	-6.2	1.1	8.6	30.2	7.3	831	507	17.8
Japan Nikkei-225 Stock Average	55,676	-5.4	2.6	10.3	47.7	10.6	59,332	30,793	22.7
Australian Stock Exchange 200	8,851	-3.8	1.6	2.5	9.3	1.6	9,201	7,169	17.8
Hong Kong Hang Seng Index	25,740	-3.3	-3.1	-1.3	5.6	0.4	28,056	19,260	12.1
Shanghai Stock Exchange Composite Index	4,121	-1.0	1.4	5.6	21.9	3.8	4,197	3,041	15.9
Hang Seng China Enterprises Index	8,618	-2.7	-4.6	-6.3	-3.6	-3.3	9,770	7,101	10.9
Taiwan TAIEX Index	33,600	-5.1	5.7	20.1	47.9	16.0	35,579	17,307	18.2
Korea KOSPI Index	5,585	-10.6	9.7	36.2	116.8	32.5	6,347	2,285	9.3
India SENSEX 30 Index	79,516	-2.2	-4.9	-7.2	7.0	-6.7	86,159	71,425	19.7
Indonesia Jakarta Stock Price Index	7,509	-8.8	-5.4	-13.0	13.5	-13.2	9,174	5,883	15.1
Malaysia Kuala Lumpur Composite Index	1,717	0.0	-0.9	6.2	10.2	2.2	1,771	1,387	15.1
Philippines Stock Exchange PSE Index	6,297	-4.7	-1.5	5.9	1.2	4.0	6,674	5,584	10.1
Singapore FTSE Straits Times Index	4,853	-2.8	-1.6	7.1	23.9	4.5	5,041	3,372	14.8
Thailand SET Index	1,410	-7.7	4.2	10.7	18.6	12.0	1,545	1,054	15.1
Latam									
Argentina Merval Index	2,570,733	-2.7	-13.7	-15.6	13.2	-15.8	3,296,502	1,635,451	20.6
Brazil Bovespa Index*	180,464	-4.4	-1.4	14.7	46.3	12.0	192,624	122,530	12.2
Chile IPSA Index	10,298	-5.3	-8.1	0.7	39.7	-1.8	11,721	7,136	13.3
Colombia COLCAP Index	2,182	-1.8	-7.9	3.3	36.1	5.5	2,562	1,536	9.3
Mexico S&P/BMV IPC Index	68,379	-4.2	-3.4	7.9	29.5	6.3	72,111	49,799	13.4
EEMEA									
Saudi Arabia Tadawul Index	10,776	0.6	-3.7	1.4	-8.8	2.7	12,075	10,194	N/A
South Africa JSE Index	120,167	-6.5	0.1	6.8	36.2	3.7	129,339	77,165	14.7
Turkey ISE 100 Index*	13,079	-4.7	-3.3	18.8	25.0	16.1	14,533	8,873	4.9

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	-2.7	-1.3	1.9	1.5	22.6	67.9	69.2
US equities	-0.7	-1.4	-0.7	-0.3	19.8	73.9	83.3
Europe equities	-6.3	-3.6	4.2	1.1	19.4	53.1	61.4
Asia Pacific ex Japan equities	-6.2	1.3	8.9	7.5	32.9	58.1	26.0
Japan equities	-6.9	-0.8	7.9	7.7	28.5	67.0	48.0
Latam equities	-6.5	-4.5	13.9	11.9	58.0	61.2	83.0
Emerging Markets equities	-6.6	-0.1	8.9	7.2	35.8	62.5	26.7

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.

Past performance does not predict future returns. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Index returns assume reinvestment of all distributions and do not reflect fees or expenses. You cannot invest directly in an index.
Source: HSBC Asset Management. Bloomberg. Data as at 7.30am UK time 06 March 2026.

Market data

Bond indices - Total Return	Close	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)
BarCap GlobalAgg (Hedged in USD)	614	-0.8	0.4	1.1	5.1	0.8
JPM EMBI Global	1030.0	-0.8	0.3	1.7	12.1	1.2
BarCap US Corporate Index (USD)	3570.8	-0.7	0.3	1.0	6.3	0.7
BarCap Euro Corporate Index (Eur)	267.0	-0.8	-0.3	0.4	4.1	0.5
BarCap Global High Yield (Hedged in USD)	695.7	-0.3	0.0	1.5	9.0	0.9
Markit iBoxx Asia ex-Japan Bond Index (USD)	244.2	-0.5	0.3	1.1	6.2	0.7
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	290	-0.5	0.1	2.5	8.0	1.7

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 2024	52-week High	52-week Low	1-week Change (%)
Developed markets									
EUR/USD	1.16	1.18	1.18	1.16	1.08	1.17	1.21	1.07	-1.8
GBP/USD	1.34	1.35	1.36	1.33	1.29	1.35	1.39	1.27	-0.9
CHF/USD	1.28	1.30	1.29	1.24	1.13	1.26	1.32	1.13	-1.5
CAD	1.37	1.36	1.37	1.38	1.43	1.37	1.45	1.35	-0.2
JPY	158	156	157	155	148	157	159	140	-1.2
AUD/USD	0.70	0.71	0.70	0.66	0.63	0.67	0.71	0.59	-1.2
NZD/USD	0.59	0.60	0.60	0.58	0.57	0.58	0.61	0.55	-1.6
Asia									
HKD	7.82	7.82	7.81	7.78	7.77	7.78	7.85	7.75	0.0
CNY	6.90	6.86	6.94	7.07	7.24	6.99	7.35	6.83	-0.6
INR	91.7	91.0	90.7	90.0	87.1	89.9	92.3	83.8	-0.8
MYR	3.95	3.89	3.95	4.11	4.43	4.06	4.51	3.88	-1.5
KRW	1476	1440	1464	1472	1448	1440	1507	1347	-2.5
TWD	31.7	31.2	31.7	31.2	32.9	31.4	33.3	28.8	-1.5
Latam									
BRL	5.26	5.13	5.22	5.45	5.76	5.47	6.10	5.12	-2.7
COP	3774	3752	3661	3843	4103	3778	4478	3581	-0.6
MXN	17.7	17.2	17.3	18.2	20.3	18.0	21.1	17.1	-2.7
ARS	1406	1398	1432	1434	1064	1452	1492	1063	-0.6
EEMEA									
RUB	78.6	77.0	77.0	76.5	89.0	78.8	91.5	74.1	-2.1
ZAR	16.6	15.9	16.0	16.9	18.1	16.6	19.9	15.6	-4.1
TRY	44.1	43.9	43.6	42.5	36.4	43.0	44.1	36.3	-0.3

Bonds	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2024	1-week basis point change*
US Treasury yields (%)							
3-Month	3.66	3.67	3.65	3.84	4.30	3.63	-2
2-Year	3.42	3.48	3.57	3.48	4.05	3.47	-6
5-Year	3.56	3.65	3.83	3.57	4.07	3.73	-9
10-Year	4.00	4.08	4.24	3.99	4.26	4.17	-9
30-Year	4.65	4.72	4.86	4.64	4.53	4.84	-7
10-year bond yields (%)							
Japan	2.11	2.11	2.28	1.79	1.40	2.06	0
UK	4.27	4.35	4.52	4.45	4.51	4.48	-8
Germany	2.69	2.74	2.87	2.68	2.41	2.85	-5
France	3.25	3.30	3.44	3.41	3.14	3.56	-5
Italy	3.30	3.34	3.47	3.40	3.54	3.55	-4
Spain	3.10	3.15	3.23	3.16	3.04	3.29	-5
China	1.81	1.79	1.83	1.85	1.80	1.86	2
Australia	4.65	4.73	4.84	4.49	4.34	4.74	-8
Canada	3.17	3.22	3.42	3.12	2.97	3.43	-4

*Numbers may not add up due to rounding.

Commodities		1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low
Gold	5,121	-3.0	3.2	22.0	75.9	18.6	5,595	2,880
Brent Oil	85.5	17.3	26.7	35.7	28.8	41.7	86	58
WTI Crude Oil	80.8	20.6	27.6	36.0	28.7	41.6	82	55
R/J CRB Futures Index	336.9	7.7	8.8	10.1	11.9	12.7	337	280
LME Copper	12,902	-3.3	-0.7	11.0	32.5	3.9	14,528	8,105

Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Index returns assume reinvestment of all distributions and do not reflect fees or expenses. You cannot invest directly in an index. Costs may vary with fluctuations in the exchange rate.
Source: HSBC Asset Management. Bloomberg. Data as at 7.30am UK time 06 March 2026.

Important Information

For Professional Clients and intermediaries within countries and territories set out below; and for Institutional Investors and Financial Advisors in the US. This document should not be distributed to or relied upon by Retail clients/investors.

The value of investments and the income from them can go down as well as up and investors may not get back the amount originally invested. The performance figures contained in this document relate to past performance, which should not be seen as an indication of future returns. Future returns will depend, inter alia, on market conditions, investment manager's skill, risk level and fees. Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries and territories with which they trade. These economies also have been and may continue to be affected adversely by economic conditions in the countries and territories in which they trade.

The contents of this document may not be reproduced or further distributed to any person or entity, whether in whole or in part, for any purpose. All non-authorised reproduction or use of this document will be the responsibility of the user and may lead to legal proceedings. The material contained in this document is for general information purposes only and does not constitute advice or a recommendation to buy or sell investments. Some of the statements contained in this document may be considered forward looking statements which provide current expectations or forecasts of future events. Such forward looking statements are not guarantees of future performance or events and involve risks and uncertainties. Actual results may differ materially from those described in such forward-looking statements as a result of various factors. We do not undertake any obligation to update the forward-looking statements contained herein, or to update the reasons why actual results could differ from those projected in the forward-looking statements. This document has no contractual value and is not by any means intended as a solicitation, nor a recommendation for the purchase or sale of any financial instrument in any jurisdiction in which such an offer is not lawful. The views and opinions expressed herein are those of HSBC Asset Management at the time of preparation and are subject to change at any time. These views may not necessarily indicate current portfolios' composition. Individual portfolios managed by HSBC Asset Management primarily reflect individual clients' objectives, risk preferences, time horizon, and market liquidity. Foreign and emerging markets: investments in foreign markets involve risks such as currency rate fluctuations, potential differences in accounting and taxation policies, as well as possible political, economic, and market risks. These risks are heightened for investments in emerging markets which are also subject to greater illiquidity and volatility than developed foreign markets. This commentary 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. This document is not contractually binding nor are we required to provide this to you by any legislative provision.

This document provides a high level overview of the recent economic environment. It is for marketing purposes and does not constitute investment research, investment advice nor a recommendation to any reader of this content to buy or sell investments. 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.

All data from HSBC Asset Management unless otherwise specified. Any third-party information has been obtained from sources we believe to be reliable, but which we have not independently verified.

HSBC Asset Management is the brand name for the asset management business of HSBC Group, which includes the investment activities that may be provided through our local regulated entities. HSBC Asset Management is a group of companies in many countries and territories throughout the world that are engaged in investment advisory and fund management activities, which are ultimately owned by HSBC Holdings Plc. (HSBC Group).

- In Australia, this document is issued by HSBC Bank Australia Limited ABN 48 006 434 162, AFSL 232595, for HSBC Global Asset Management (Hong Kong) Limited ARBN 132 834 149 and HSBC Global Asset Management (UK) Limited ARBN 633 929 718. This document is for institutional investors only and is not available for distribution to retail clients (as defined under the Corporations Act). HSBC Global Asset Management (Hong Kong) Limited and HSBC Global Asset Management (UK) Limited are exempt from the requirement to hold an Australian financial services license under the Corporations Act in respect of the financial services they provide. HSBC Global Asset Management (Hong Kong) Limited is regulated by the Securities and Futures Commission of Hong Kong under the Hong Kong laws, which differ from Australian laws. HSBC Global Asset Management (UK) Limited is regulated by the Financial Conduct Authority of the United Kingdom and, for the avoidance of doubt, includes the

Financial Services Authority of the United Kingdom as it was previously known before 1 April 2013, under the laws of the United Kingdom, which differ from Australian laws;

- In Bermuda, this document is issued by HSBC Global Asset Management (Bermuda) Limited, of 37 Front Street, Hamilton, Bermuda which is licensed to conduct investment business by the Bermuda Monetary Authority;
- In France, Belgium, Netherlands, Luxembourg, Portugal, Greece, Finland, Norway, Denmark and Sweden this document is issued by HSBC Global Asset Management (France), a Portfolio Management Company authorised by the French regulatory authority AMF (no. GP99026);
- In Germany, this document is issued by HSBC Global Asset Management (Deutschland) GmbH which is regulated by BaFin (German clients) respective by the Austrian Financial Market Supervision FMA (Austrian clients);
- In Hong Kong, this document is issued by HSBC Global Asset Management (Hong Kong) Limited, which is regulated by the Securities and Futures Commission. This content has not been reviewed by the Securities and Futures Commission;
- In India, this document is issued by HSBC Asset Management (India) Pvt Ltd. which is regulated by the Securities and Exchange Board of India;
- In Italy and Spain, this document is issued by HSBC Global Asset Management (France), a Portfolio Management Company authorised by the French regulatory authority AMF (no. GP99026) and through the Italian and Spanish branches of HSBC Global Asset Management (France), regulated respectively by Banca d'Italia and Commissione Nazionale per le Società e la Borsa (Consob) in Italy, and the Comisión Nacional del Mercado de Valores (CNMV) in Spain;
- In Malta, this document is issued by HSBC Global Asset Management (Malta) Limited which is regulated and licensed to conduct Investment Services by the Malta Financial Services Authority under the Investment Services Act;
- In Mexico, this document is issued by HSBC Global Asset Management (Mexico), SA de CV, Sociedad Operadora de Fondos de Inversión, Grupo Financiero HSBC which is regulated by Comisión Nacional Bancaria y de Valores;
- In the United Arab Emirates, this document is issued by HSBC Investment Funds (Luxembourg) S.A. – Dubai Branch (Level 20, HSBC Tower, PO Box 66, Downtown Dubai, United Arab Emirates) regulated by the Capital Market Authority (CMA) in the UAE to conduct investment fund management, portfolios management, fund administration activities (CMA Category 2 license No.20200000336) and promotion activities (CMA Category 5 license No.20200000327).
- In the United Arab Emirates, this document is issued by HSBC Global Asset Management MENA, a unit within HSBC Bank Middle East Limited, U.A.E Branch, PO Box 66 Dubai, UAE, regulated by the Central Bank of the U.A.E. and the Capital Market Authority in the UAE under CMA license number 602004 for the purpose of this promotion and lead regulated by the Dubai Financial Services Authority. HSBC Bank Middle East Limited is a member of the HSBC Group and HSBC Global Asset Management MENA are marketing the relevant product only in a sub-distributing capacity on a principal-to-principal basis. HSBC Global Asset Management MENA may not be licensed under the laws of the recipient's country of residence and therefore may not be subject to supervision of the local regulator in the recipient's country of residence. One of more of the products and services of the manufacturer may not have been approved by or registered with the local regulator and the assets may be booked outside of the recipient's country of residence.
- In Singapore, this document is issued by HSBC Global Asset Management (Singapore) Limited, which is regulated by the Monetary Authority of Singapore. The content in the document/video has not been reviewed by the Monetary Authority of Singapore;
- In Switzerland, this document is issued by HSBC Global Asset Management (Switzerland) AG. This document is intended for professional investor use only. For opting in and opting out according to FinSA, please refer to our website; if you wish to change your client categorization, please inform us. HSBC Global Asset Management (Switzerland) AG having its registered office at Gartenstrasse 26, PO Box, CH-8002 Zurich has a licence as an asset manager of collective investment schemes and as a representative of foreign collective investment schemes. Disputes regarding legal claims between the Client and HSBC Global Asset Management (Switzerland) AG can be settled by an ombudsman in mediation proceedings. HSBC Global Asset Management (Switzerland) AG is affiliated to the ombudsman FINOS having its registered address at Talstrasse 20, 8001 Zurich. There are general risks associated with financial instruments, please refer to the Swiss Banking Association ("SBA") Brochure "Risks Involved in Trading in Financial Instruments";
- In Taiwan, this document is issued by HSBC Global Asset Management (Taiwan) Limited which is regulated by the Financial Supervisory Commission R.O.C. (Taiwan);
- In Turkiye, this document is issued by HSBC Asset Management A.S. Turkiye (AMTU) which is regulated by Capital Markets Board of Turkiye. Any information here is not intended to distribute in any jurisdiction where AMTU does not have a right to. Any views here should not be perceived as investment advice, product/service offer and/or promise of income. Information given here might

not be suitable for all investors and investors should be giving their own independent decisions. The investment information, comments and advice given herein are not part of investment advice activity. Investment advice services are provided by authorized institutions to persons and entities privately by considering their risk and return preferences, whereas the comments and advice included herein are of a general nature. Therefore, they may not fit your financial situation and risk and return preferences. For this reason, making an investment decision only by relying on the information given herein may not give rise to results that fit your expectations.

- In the UK, this document is issued by HSBC Global Asset Management (UK) Limited, which is authorised and regulated by the Financial Conduct Authority;
- In the US, this document is issued by HSBC Securities (USA) Inc., an HSBC broker dealer registered in the US with the Securities and Exchange Commission under the Securities Exchange Act of 1934. HSBC Securities (USA) Inc. is also a member of NYSE/FINRA/SIPC. HSBC Securities (USA) Inc. is not authorized by or registered with any other non-US regulatory authority. The contents of this document are confidential and may not be reproduced or further distributed to any person or entity, whether in whole or in part, for any purpose without prior written permission.
- In Chile, operations by HSBC's headquarters or other offices of this bank located abroad are not subject to Chilean inspections or regulations and are not covered by warranty of the Chilean state. Obtain information about the state guarantee to deposits at your bank or on www.cmfchile.cl;
- In Colombia, HSBC Bank USA NA has an authorized representative by the Superintendencia Financiera de Colombia (SFC) whereby its activities conform to the General Legal Financial System. SFC has not reviewed the information provided to the investor. This document is for the exclusive use of institutional investors in Colombia and is not for public distribution;
- In Costa Rica, the Fund and any other products or services referenced in this document are not registered with the Superintendencia General de Valores (“SUGEVAL”) and no regulator or government authority has reviewed this document, or the merits of the products and services referenced herein. This document is directed at and intended for institutional investors only.
- In Peru, HSBC Bank USA NA has an authorized representative by the Superintendencia de Banca y Seguros in Perú whereby its activities conform to the General Legal Financial System - Law No. 26702. Funds have not been registered before the Superintendencia del Mercado de Valores (SMV) and are being placed by means of a private offer. SMV has not reviewed the information provided to the investor. This document is for the exclusive use of institutional investors in Perú and is not for public distribution;
- In Uruguay, operations by HSBC's headquarters or other offices of this bank located abroad are not subject to Uruguayan inspections or regulations and are not covered by warranty of the Uruguayan state. Further information may be obtained about the state guarantee to deposits at your bank or on www.bcu.gub.uy.

Content ID: D066334_v1.0 ; Expiry Date: 06.09.2026