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Q3 2024 Investment Outlook – Broadening opportunities to put cash to work

HSBC Global Private Banking is advising high net worth and ultra high net worth clients that there is likely to be a richer set of opportunities to put their cash to work in the second half of 2024, despite uncertainties around global elections and central bank rate decisions.

HSBC Global Private Banking's Q3 2024 investment outlook, [Power Up with Income and Growth](#), sets out how clients should take advantage of attractive yields in bond and private credit markets to build a solid income stream in portfolios, and to power returns in the equity markets.

With the wide range of choices, the outlook suggests that holding large cash balances is likely to be sub-optimal.

Our four investment priorities are:

- **Broadening our equity exposure:** The improvement in economic data should support companies' earnings growth across more geographies and sectors. By broadening the exposure, equity investors capture more opportunities and diversify, while addressing concerns about the rich valuations in the tech sector.
- **Putting cash to work:** Bond yields are currently near decade-high levels, and an allocation to bonds and multi-asset strategies can help generate a stable income stream, while providing portfolio diversification to mitigate against tail risk events.
- **Tapping into private assets and infrastructure:** As more companies are staying private for longer, the depth, diversity, liquidity and ways to access the market continue to grow, while infrastructure returns are often linked to inflation.
- **Unlocking the best opportunities in Asia:** Asia's economic and earnings growth continue to far exceed the global average, with the best opportunities to tap into Asia's structural growth themes in Japan, India and South Korea.

Willem Sels, Global Chief Investment Officer at HSBC Global Private Banking and Wealth, said: "Investors have been facing many uncertainties this year, but we take the view that it is better to stay invested in resilient portfolios with a broad set of high-quality sources of returns, rather than staying in cash or trying to time and second-guess geopolitical events."

Cheuk Wan Fan, Chief Investment Officer for Asia at HSBC Global Private Banking and Wealth, said: "Asia remains the most important growth engine of the global economy, and we find promising and diverse opportunities from Asia's corporate governance reforms and supply chain revamp, the rise of India and ASEAN region, and high-quality bonds."

Media enquiries

Jeremy Cheung +852 6131 6315 jeremy.k.y.cheung@hsbc.com.hk
Darren Lazarus +44 (0)7984 067 235 darren.lazarus@hsbc.com

Notes to Editors**About HSBC Global Private Banking**

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