

The Analysis Report of Bond Market in July, 2022

A、Macroeconomic Data

※America

Event	Date	Survey	Actual	Prior
ISM Index in May	6/1	54.5	56.1	55.4
ISM Service in May	6/3	56.5	55.9	57.1
Nonfarm Payrolls in May	6/3	318K	390K	436K(Adj.)
Unemployment Rate in May	6/3	3.5%	3.6%	3.6%
Hourly Earnings MoM in May	6/3	0.4%	0.3%	0.3%
Average Workweek in May	6/3	34.6	34.6	34.6
CPI MoM in May	6/10	0.7%	1.0%	0.3%
CORE CPI MoM in May	6/10	0.5%	0.6%	0.6%
PPI MoM in May	6/14	0.8%	0.8%	0.4%(Adj.)
CORE PPI MoM in May	6/14	0.6%	0.5%	0.2%(Adj.)
NAHB Housing Market Index in June	6/15	67	67	69
Housing Starts MoM in May	6/16	-1.8%	-14.4%	5.5%(Adj.)
Building Permits MoM in May	6/16	-2.5%	-7.0%	-3.0%(Adj.)
Existing Home Sales in May	6/21	5,400K	5,410K	5,600K(Adj.)
New Home Sales in May	6/24	590K	696K	629K(Adj.)
Durable Orders MoM in May	6/27	0.1%	0.7%	0.4%(Adj.)
Durable Orders ex transportation MoM in May	6/27	0.3%	0.7%	0.2%(Adj.)
GDP-adv	6/29	-1.5%	-1.6%	-1.5%
Personal Income MoM in May	6/30	0.5%	0.5%	0.5%(Adj.)
Personal Spending MoM in May	6/30	0.4%	0.2%	0.6%(Adj.)

✧Taiwan

Event	Date	Actual	Prior
Foreign Exchange Reserves in May	6/6	548.854(US\$ Billion)	545.061(US\$ Billion)
CPI YoY in May	6/7	3.39%	3.38%
Exports YoY in May	6/8	12.5%	18.8%
Export Orders YoY in May	6/20	6.0%	-5.5%
Unemployment Rate in May	6/23	3.73%	3.68%
Industrial Production YoY in May	6/23	4.48%	6.42%(Adj.)
Money Supply M2 YoY in May	6/24	7.94%	8.12%

B · The Analysis of Bond Market

The United States announced that the quarterly GDP growth rate in the first quarter was negative and lower than expected, and the forecast for the quarterly GDP growth rate in the second quarter was still negative. If the forecast is true, the U.S. GDP will show negative growth for two consecutive quarters, thus intensifying the market's concern that the economy will fall into recession as well as the concern about the risk aversion. The 10-year U.S. bond yield showed a downward trend recently.

Last month, the Taiwan bond market coincided with the end of the quarter, so the buying orders continued to support the market, causing Taiwan bond yields to fall. The benchmark 10-year Taiwan bond yields showed a downward trend recently.

Looking ahead, although the Taiwan bond market coincides with the end of the quarter and there are buying orders one after another, the buying force is not strong enough to chase down the price as the future interest rate increases. It is estimated that the 10-year Taiwan bond yield may fluctuate in a range recently. The recent trading range of the 10-year Taiwan bond yield may fluctuate between 1.15% and 1.25%.

C、The Chart of Benchmark GB Yield for 5 terms & 10 terms

