

# The Analysis Report of Bond Market in July, 2021

## A、Macroeconomic Data

### ※America

Event	Date	Survey	Actual	Prior
ISM Index in May	6/1	61.0	61.2	60.7
CPI MoM in May	6/3	63.2	64.0	62.7
ISM Service in May	6/4	675K	559K	269K(Adj.)
Unemployment Rate in May	6/4	5.9%	5.8%	6.1%
Hourly Earnings MoM in May	6/4	0.2%	0.5%	0.7%
Average Workweek in May	6/4	34.9	34.9	34.9(Adj.)
CORE PPI MoM in May	6/10	0.5%	0.6%	0.8%
NAHB Housing Market Index in June	6/10	0.5%	0.7%	0.9%
CORE CPI MoM in May	6/15	0.5%	0.8%	0.6%
PPI MoM in May	6/15	0.5%	0.7%	0.7%
Housing Starts MoM in May	6/15	83	81	83
Building Permits MoM in May	6/16	3.9%	3.6%	-12.1%(Adj.)
Existing Home Sales in May	6/16	-0.2%	-3.0%	-1.3%(Adj.)
New Home Sales in May	6/22	5,730K	5,800K	5,850K
Durable Orders MoM in May	6/23	865K	769K	817K(Adj.)
Durable Orders ex transportation MoM in May	6/24	2.8%	2.3%	-0.8%(Adj.)
GDP-adv	6/24	0.7%	0.3%	1.7%(Adj.)
Personal Income MoM in May	6/24	6.4%	6.4%	6.4%
Personal Spending MoM in May	6/25	-2.5%	-2.0%	-13.1%

✧Taiwan

Event	Date	Actual	Prior
Foreign Exchange Reserves in May	6/4	542.98(US\$ Billion)	541.11(US\$ Billion)
CPI YoY in May	6/8	2.48%	2.10%(Adj. )
Exports YoY in May	6/8	38.6%	38.4%(Adj. )
Export Orders YoY in May	6/21	34.50%	42.60%
Industrial Production YoY in May	6/23	16.51%	14.10%(Adj. )
Money Supply M2 YoY in May	6/24	9.21%	8.83%
Unemployment Rate in May	7/6	4.15%	3.71%

## B · The Analysis of Bond Market

According to the latest data, with the gradual recovery of the US economy, the non-agricultural employment population in the US surged by 850,000 in June, far better than market expectations. However, due to the rising unemployment, the recent 10-year U.S. bond yield has shown a downward trend.

Affected by the fall in U.S. bond yields, benchmark bonds fell simultaneously, but the willingness of buying bonds remained cautious and limited trading volume. Recently, the 10-year Taiwan bond yields have shown a downward trend.

Looking ahead, although the extended pre-issuance trading period of the Taiwanese bond market is beneficial to short-term risk hedging operations, the market does not have much consensus on the market, so that traders lack trading momentum. It is expected that trading will continue to remain thin in the short term. For the time being, it is difficult to break away from the narrow consolidation pattern. It is expected that the recent 10-year Taiwan bond yield should fluctuate between 0.40% and 0.50%.

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

