

The Analysis Report of Bond Market in June, 2024

A、Macroeconomic Data

※America

Event	Date	Survey	Actual	Prior
ISM Index in April	5/1	50.00	49.20	50.30
Nonfarm Payrolls in April	5/3	240K	175K	315K(Adj.)
Unemployment Rate in April	5/3	3.80%	3.90%	3.80%
Hourly Earnings MoM in April	5/3	0.30%	0.20%	0.30%
Average Workweek in April	5/3	34.4	34.3	34.4
ISM Service in April	5/3	52	49.4	51.4
PPI MoM in April	5/14	0.30%	0.50%	-0.10%(Adj.)
CORE PPI MoM in April	5/14	0.20%	0.50%	-0.10%(Adj.)
NAHB Housing Market Index in May	5/15	50	45	51
Housing Starts MoM in April	5/16	7.60%	5.70%	-16.80%(Adj.)
Building Permits MoM in April	5/16	0.90%	-3.00%	-5.00%(Adj.)
Existing Home Sales in April	5/22	4,230K	4,140K	4,220K(Adj.)
New Home Sales in April	5/23	678K	634K	665K(Adj.)
Durable Orders ex transportation MoM in April	5/24	0.10%	0.40%	0(Adj.)
Durable Orders MoM in April	5/24	-0.80%	0.70%	0.80%(Adj.)
GDP-adv	5/30	1.30%	1.30%	1.60%
Personal Income MoM in April	5/31	0.30%	0.30%	0.50%
Personal Spending MoM in April	5/31	0.30%	0.20%	0.70%(Adj.)

✧Taiwan

Event	Date	Actual	Prior
Foreign Exchange Reserves in April	5/6	567.02(US\$ Billion)	568.10(US\$ Billion)
CPI YoY in April	5/7	1.95%	2.15%(Adj.)
Exports YoY in April	5/8	4.30%	18.90%
Export Orders YoY in April	5/20	10.80%	1.20%
Unemployment Rate in April	5/22	3.39%	3.40%
Industrial Production YoY in April	5/23	14.61%	4.20%(Adj.)
Money Supply M2 YoY in April	5/24	6.06%	6.15%

B · The Analysis of Bond Market

In recent times, the US Federal Reserve' s hawkish statements, coupled with the Treasury Department' s auction of 7-year bonds at unexpectedly high yields, initially triggered a significant rise in US bond yields. However, subsequent economic growth rate and inflation data releases caused these yields to retreat after the initial surge.

Turning our attention to the Taiwanese bond market, local bond yields did not closely mirror the fluctuations seen in US bond yields. While the 10-year benchmark bond yield in Taiwan experienced a slight increase, other benchmark bonds remained inactive, resulting in overall subdued trading activity. The 10-year Taiwanese benchmark bond yield ultimately closed slightly higher.

Looking ahead, despite the recent volatility in US bond yields, they remain within a range of oscillation. The short-term outlook for Taiwanese bond yields lacks significant guidance. Given the current domestic economic conditions, investors are likely to closely monitor decisions by Taiwan' s central bank regarding interest rates. It is anticipated that the Taiwanese bond yields will continue to exhibit a range-bound trend, with the 10-year yield trading in the vicinity of 1.55% to 1.65%.

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

