

The Analysis Report of Bond Market in October, 2021

A・Macroeconomic Data

※America

| Event | Date | Survey | Actual | Prior |
|--|------|--------|--------|--------------|
| ISM Index in August | 9/1 | 58.5 | 59.9 | 59.5 |
| CPI MoM in August | 9/3 | 61.6 | 61.7 | 64.1 |
| ISM Service in August | 9/3 | 733K | 235K | 1,091K(Adj.) |
| Unemployment Rate in August | 9/3 | 5.2% | 5.2% | 5.4% |
| Hourly Earnings MoM in August | 9/3 | 0.3% | 0.6% | 0.4% |
| Average Workweek in August | 9/3 | 34.8 | 34.7 | 34.7(Adj.) |
| CORE CPI MoM in August | 9/10 | 0.6% | 0.7% | 1.0% |
| PPI MoM in August | 9/10 | 0.6% | 0.6% | 1.0% |
| CORE PPI MoM in August | 9/14 | 0.4% | 0.3% | 0.5% |
| NAHB Housing Market Index in September | 9/14 | 0.3% | 0.1% | 0.3% |
| Housing Starts MoM in August | 9/20 | 74 | 76 | 75 |
| Building Permits MoM in August | 9/21 | 1.0% | 3.9% | -6.2%(Adj.) |
| Existing Home Sales in August | 9/21 | -1.8% | 6.0% | 2.3%(Adj.) |
| New Home Sales in August | 9/22 | 5,890K | 5,880K | 6,000K(Adj.) |
| Durable Orders MoM in August | 9/24 | 715K | 740K | 729K(Adj.) |
| Durable Orders ex transportation MoM in August | 9/27 | 0.7% | 1.8% | 0.5%(Adj.) |
| GDP-adv | 9/27 | 0.5% | 0.2% | 0.8% |
| Personal Income MoM in August | 9/30 | 6.6% | 6.7% | 6.6% |
| Personal Spending MoM in August | 10/1 | 0.2% | 0.2% | 1.1% |

✧Taiwan

| Event | Date | Actual | Prior |
|-------------------------------------|------|----------------------|----------------------|
| Foreign Exchange Reserves in August | 9/6 | 543.58(US\$ Billion) | 543.08(US\$ Billion) |
| CPI YoY in August | 9/7 | 2.36% | 1.91%(Adj.) |
| Exports YoY in August | 9/7 | 26.9% | 34.7% |
| Unemployment Rate in August | 9/22 | 4.08% | 4.36% |
| Money Supply M2 YoY in August | 9/23 | 8.44% | 8.70% |
| Export Orders YoY in August | 9/24 | 17.6% | 21.4% |
| Industrial Production YoY in August | 9/27 | 13.69% | 14.36%(Adj.) |

B · The Analysis of Bond Market

As the U.S. Senate Republican leader said that the short-term debt was allowed to extend to December. This news promoted the price of risky assets to rise. Recently, the 10-year U.S. bond yield has shown an upward trend.

The rise in U.S. bond yields to recent high has stimulated short-term sentiment in the Taiwanese bond market, causing short-term 10-year benchmark bonds to enter the market and stimulated interest rates. Recently, 10-year Taiwanese bond yields have shown an upward trend.

Looking ahead, as the U.S. bond yields reached its peak in the short-term, traders are still not willing to bid. In the short term, it may drive the yields of various benchmark bonds to rebound. It is expected that the recent 10-year Taiwan bond yield should fluctuate between 0.42% and 0.52%.

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

