

# The Analysis Report of Bond Market in January, 2024

## A、Macroeconomic Data

### ※America

Event	Date	Survey	Actual	Prior
ISM Index in November	12/01	47.8	46.7	46.7
ISM Service in November	12/05	52.3	52.7	51.8
Nonfarm Payrolls in November	12/08	185K	199K	150K
Unemployment Rate in November	12/08	3.90%	3.70%	3.90%
Hourly Earnings MoM in November	12/08	0.30%	0.40%	0.20%
Average Workweek in November	12/08	34.3	34.4	34.3
PPI MoM in November	12/13	0.00%	0.00%	-0.40%(Adj.)
CORE PPI MoM in November	12/13	0.20%	0.00%	0.00%
NAHB Housing Market Index in December	12/18	37	37	34
Housing Starts MoM in November	12/19	-0.90%	14.80%	0.20%(Adj.)
Building Permits MoM in November	12/19	-2.20%	-2.50%	1.80%(Adj.)
Existing Home Sales in November	12/20	3,780K	3,820K	3,790K
GDP-adv	12/21	5.20%	4.90%	5.20%
Personal Income MoM in November	12/22	0.40%	0.40%	0.30%(Adj.)
Personal Spending MoM in November	12/22	0.30%	0.20%	0.10%(Adj.)
Durable Orders ex transportation MoM in November	12/22	0.10%	0.50%	-0.30%(Adj.)
Durable Orders MoM in November	12/22	2.30%	5.40%	-5.10%(Adj.)
New Home Sales in November	12/22	690K	590K	672K(Adj.)

✧Taiwan

Event	Date	Actual	Prior
Foreign Exchange Reserves in November	12/05	567.52(US\$ Billion)	561.08(US\$ Billion)
CPI YoY in November	12/06	2.90%	3.05%
Exports YoY in November	12/08	3.80%	-4.50%
Export Orders YoY in November	12/20	1.00%	-4.60%
Unemployment Rate in November	12/22	3.37%	3.41%
Industrial Production YoY in November	12/25	-2.48%	-2.27%(Adj. )
Money Supply M2 YoY in November	12/25	5.33%	5.70%

## B · The Analysis of Bond Market

The U.S. economic data released recently has been mixed. The ISM Service index was lower than market expectations, causing the 10-year US Treasury bond yield to fluctuate after rebounding. Although the slightly higher-than-expected CPI data once led to an increase in yields, the 30-year US Treasury bond auction rate was lower than the pre-issue level, causing the 10-year US Treasury bond yield to fall again. Recently, the 10-year US Treasury bond yield has shown a downward trend ◦

Despite the recent rebound and subsequent fall of the US Treasury bond yield, the Taiwan bond market has remained tepid, with trading volume remaining low. The 10-year Taiwan bond yield has remained flat recently ◦

With a large amount of government bonds due in the first quarter of this year, it is expected that the demand for rolling over will be strong. However, our central bank has not changed the monetary policy, and the domestic cost of capital is still high. The space for the Taiwan bond yield to decline is limited, and in the short-term, Taiwan bond market will show a consolidation pattern. The recent trading range of the 10-year Taiwan bond yield may fall between 1.16% and 1.26% ◦

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

