

# The Analysis Report of Bond Market in March, 2025

## A、Macroeconomic Data

### ※America

Event	Date	Survey	Actual	Prior
ISM Index in January	01/03	50.00	50.90	49.2(Adj.)
ISM Service in January	01/07	54	52.8	54(Adj.)
Nonfarm Payrolls in January	01/10	175K	143K	307K(Adj.)
Unemployment Rate in January	01/10	4.10%	4.00%	4.10%
Hourly Earnings MoM in January	01/10	0.30%	0.50%	0.30%
Average Workweek in January	01/10	34.3	34.1	34.2(Adj.)
PPI MoM in January	01/14	0.30%	0.40%	0.50%(Adj.)
CORE PPI MoM in January	01/14	0.30%	0.30%	0.40%(Adj.)
NAHB Housing Market Index in February	01/16	46	42	47
Housing Starts MoM in January	01/17	-7.30%	-9.80%	16.10%(Adj.)
Building Permits MoM in January	01/17	-1.50%	0.10%	-0.70%
Existing Home Sales in January	01/24	4,130K	4,080K	4,290K(Adj.)
New Home Sales in January	01/27	680K	657K	734K(Adj.)
Durable Orders ex transportation MoM in January	01/28	0.30%	0.00%	0.10%(Adj.)
Durable Orders MoM in January	01/28	2.00%	3.10%	-1.80%(Adj.)
GDP-adv	01/30	2.30%	2.30%	2.30%
Personal Income MoM in January	01/31	0.40%	0.90%	0.40%
Personal Spending MoM in January	01/31	0.20%	-0.20%	0.80%(Adj.)

✧Taiwan

Event	Date	Actual	Prior
Foreign Exchange Reserves in January	02/05	577.58(US\$ Billion)	576.68(US\$ Billion)
CPI YoY in January	02/07	2.66%	2.11%(Adj.)
Exports YoY in January	02/07	4.40%	9.20%
Export Orders YoY in January	02/20	-3.00%	20.80%
Money Supply M2 YoY in January	02/24	5.53%	5.51%
Industrial Production YoY in January	02/25	5.07%	19.76%(Adj.)
Unemployment Rate in January	02/26	3.37%	3.38%(Adj.)

## B · The Analysis of Bond Market

Recent US economic data and consumer confidence figures have fallen short of market expectations. This has led to a decline in US Treasury yields as safe-haven buying entered the market. Subsequently, increased market concerns regarding the potential economic impact of the new president's tariff policies, coupled with softening inflation, have further driven US Treasury yields lower.

Despite the significant decline in US Treasury yields, the Taiwan bond market has reacted relatively mildly. While yields on 5-year and 10-year benchmark Taiwan bonds initially followed the downward trend of US Treasury yields, they subsequently reversed and moved higher. The 10-year benchmark Taiwan bond yield ultimately closed higher.

Looking ahead, while the US Treasury market sentiment is currently bullish, the Taiwan bond market faces concerns regarding potential electricity price hikes by Taipower. Furthermore, the central bank's board members have indicated no room for interest rate cuts and potential upward pressure on interest rates. Amidst these conflicting domestic and international factors, Taiwan bond yields are expected to fluctuate within a range, with the 10-year Taiwan bond yield likely trading between 1.55% and 1.65% in the near term.

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

