

# The Analysis Report of Bond Market in January, 2021

## A、Macroeconomic Data

### ※America

Event	Date	Survey	Actual	Prior
ISM Index in November	12/1	58.0	57.5	59.3
ISM Service in November	12/3	55.8	55.9	56.6
Nonfarm Payrolls in November	12/4	460K	245K	610K(Adj.)
Unemployment Rate in November	12/4	6.7%	6.7%	6.9%
Hourly Earnings MoM in November	12/4	0.1%	0.3%	0.1%
Average Workweek in November	12/4	34.8	34.8	34.8
CPI MoM in November	12/10	0.1%	0.2%	0.0%
CORE CPI MoM in November	12/10	0.1%	0.2%	0.0%
PPI MoM in November	12/11	0.1%	0.1%	0.3%
CORE PPI MoM in November	12/11	0.2%	0.1%	0.1%
NAHB Housing Market Index in December	12/16	88	86	90
Housing Starts MoM in November	12/17	0.3%	1.2%	6.3%(Adj.)
Building Permits MoM in November	12/17	1.0%	6.2%	-0.1%(Adj.)
GDP-adv	12/22	33.1%	33.4%	33.1%
Existing Home Sales in November	12/22	6,700K	6,690K	6,860K(Adj.)
New Home Sales in November	12/23	995K	841K	945K(Adj.)
Durable Orders MoM in November	12/23	0.6%	0.9%	1.8%(Adj.)
Durable Orders ex transportation MoM in November	12/23	0.5%	0.4%	1.9%(Adj.)
Personal Income MoM in November	12/23	-0.3%	-1.1%	-0.6%(Adj.)
Personal Spending MoM in November	12/23	-0.2%	-0.4%	0.3%(Adj.)

✧Taiwan

Event	Date	Actual	Prior
Foreign Exchange Reserves in November	12/4	513.40(US\$ Billion)	501.24(US\$ Billion)
Exports YoY in November	12/7	12.0%	11.20%
CPI YoY in November	12/8	0.09%	-0.26%(Adj. )
Export Orders YoY in November	12/21	29.70%	9.10%
Industrial Production YoY in November	12/23	7.84%	6.44%(Adj. )
Unemployment Rate in November	12/24	3.77%	3.77%
Money Supply M2 YoY in November	12/24	7.60%	7.05%

## B、The Analysis of Bond Market

Affected by the accelerated approval of vaccines by governments of various countries, the confidence of market investors has been boosted. In addition, the December ISM manufacturing index announced by the United States reached a new high since August 2018 and was better than expected. Therefore, the 10-year U.S. bond yields have shown an upward trend recently under the influence of acceptable economic data performance and US stock's upward trend.

Due to the active entry of life insurance buying orders in the Taiwanese bond market and the dealers are reluctant to sell bonds, the 10-year Taiwan bond yields have shown a downward trend recently.

Looking ahead to the future, in the first half of this year, with the continued inflow of funds and the unabated enthusiasm for stock investment, as well as Taiwan's economic outlook may be more optimistic than other countries, the impact of this phenomenon suppress the performance of the bond market, but the bargaining chip advantage is still an important factor that supports bond prices. Therefore, under the battle of long and short positions, the Taiwan bond market may continue to maintain a range of consolidation in a short period of time. It is expected that the 10-year Taiwan bond yield should fluctuate between 0.25% and 0.35% this week.

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

