

# The Analysis Report of Bond Market in July, 2025

## A、Macroeconomic Data

### ※America

Event	Date	Survey	Actual	Prior
ISM Index in May	06/02	49.50	48.50	48.70
ISM Service in May	06/04	52	49.9	51.6
Nonfarm Payrolls in May	06/06	126K	139K	147K(Adj.)
Unemployment Rate in May	06/06	4.20%	4.20%	4.20%
Hourly Earnings MoM in May	06/06	0.30%	0.40%	0.20%
Average Workweek in May	06/06	34.3	34.3	34.3
PPI MoM in May	06/12	0.20%	0.10%	-0.20%(Adj.)
CORE PPI MoM in May	06/12	0.30%	0.10%	-0.20%(Adj.)
NAHB Housing Market Index in June	06/17	36	32	34
Housing Starts MoM in May	06/18	-0.80%	-9.80%	2.70%(Adj.)
Building Permits MoM in May	06/18	0.00%	-2.00%	-4.00%
Existing Home Sales in May	06/23	3,950K	4,030K	4,000K
New Home Sales in May	06/25	693K	623K	722K(Adj.)
Durable Orders ex transportation MoM in May	06/26	0.00%	0.50%	0.00%(Adj.)
Durable Orders MoM in May	06/26	8.50%	16.40%	-6.60%(Adj.)
GDP-adv	06/26	-0.20%	-0.50%	-0.20%
Personal Income MoM in May	06/27	0.30%	-0.40%	0.70%(Adj.)
Personal Spending MoM in May	06/27	0.10%	-0.10%	0.20%

✧Taiwan

Event	Date	Actual	Prior
Foreign Exchange Reserves in May	06/05	592.95(US\$ Billion)	582.83(US\$ Billion)
CPI YoY in May	06/05	1.55%	2.03%
Exports YoY in May	06/09	38.60%	29.90%
Money Supply M2 YoY in May	06/19	3.33%	3.88%
Export Orders YoY in May	06/20	18.50%	19.80%
Unemployment Rate in May	06/23	3.34%	3.36%
Industrial Production YoY in May	06/24	22.60%	23.71%(Adj. )

## B · The Analysis of Bond Market

Recently, US Treasury yields have been trending downwards. This decline follows ongoing pressure from US President Trump on the Federal Reserve Chair, urging swift interest rate cuts to prevent the US from losing hundreds of billions in interest. Trump has even considered appointing a successor in early 2026. Additionally, several Fed officials have indicated a potential rate cut as early as July.

The Taiwan bond market has also seen yields fall across all maturities recently. This is largely due to the expanded appreciation of the New Taiwan Dollar, which has led to ample market liquidity. Furthermore, the Ministry of Finance announced a significant reduction in third-quarter bond issuance to NT\$65 billion. This "more capital, less supply" scenario has driven bond yields lower, with the 10-year benchmark Taiwan bond yield also showing a downward trend.

Looking ahead, while the Taiwan bond market currently enjoys a more bullish sentiment due to the appreciating New Taiwan Dollar, the short-term appreciation has been substantial. Given that Taiwan's economic situation hasn't significantly worsened, there's little incentive for the central bank to alter its monetary policy. Therefore, Taiwan bond yields are expected to trade within a range, with the 10-year Taiwan bond yield likely to fluctuate between 1.38% and 1.48% in the near term.

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

