

Fixed Income Insights

MONTHLY REPORT – FEBRUARY 2024 | CHINA EDITION

FOR PROFESSIONAL INVESTORS ONLY

More reflation from the PBoC, as it reduces bank cash reserves

China's central bank continues its independent policy easing, as G7 central banks remain on hold. Chinese govt. bonds attracted safe haven buying, as the renminbi showed resilience to the US dollar recovery. Evergrande's liquidation could have wider impact on property, since it underscores the risks of distressed asset sales.

Macroeconomic backdrop – Liquidity takes priority as spring festival approaches

Increased government spending boosted the IMF's 2024 growth forecast for China. The PBoC provided liquidity by cutting the reserve requirement ratio, while keeping 1-year MLF rate unchanged. (page 2)

Chinese bonds – Longer Chinese bond yields fell to four-year lows, driving yield curves bull flattening

Both 10s/2s and 20s/2s curves bull flattened in China, as longer Chinese bond yields fell further to new lows. Domestic spreads converged after Covid shock. Foreign buying of CGBs rebounded strongly in Q4 2023. (page 3)

Chinese and Asian bonds – Asian yields rose in January, tracking Treasury yields, except in China and India

Asian 7-10-year spreads fell in January vs the US, led by emerging markets, as Treasury yields increased. Chinese \$ HY property spreads stabilized, with much fewer (vs in 2020) eligible bonds in the index due to default. (page 4)

Performance – Emerging Asian bonds outperformed in January, but weaker currencies reduced returns in USD

Indian government bonds gained up to 2.3%. Australasian bonds lost 3.2-3.8%, largely driven by lower currencies vs US dollar. US credits, both IG and HY, barely moved. Chinese \$ IG made modest gains of 0.4%. (pages 5-6)

Appendix – Global bond market returns, historical bond yields, duration and market value, foreign exchange returns.

Chart 1: A sharp decline in exports to the US, China's once top trading partner for exports, drove annual total exports falling in 2023.

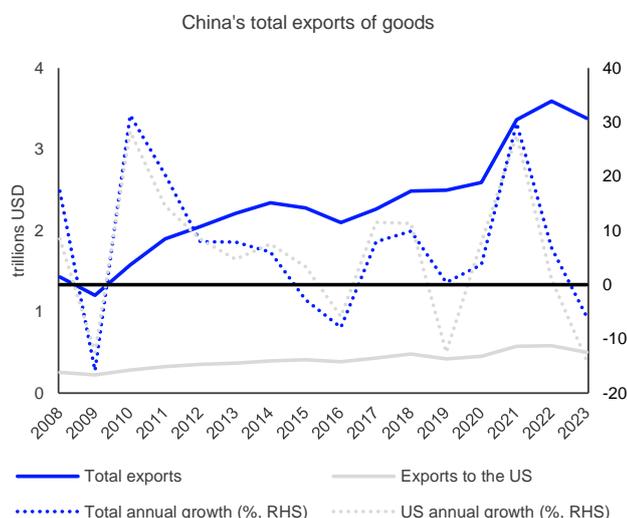
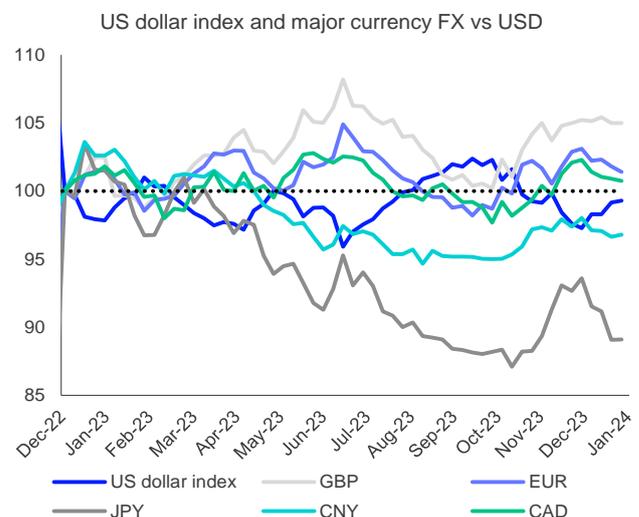


Chart 2: The US dollar recovered in January, after Fed caution on rate cuts, lower Japanese inflation and ECB discussion of easing.



Source: FTSE Russell. All data as of January 31, 2024. Past performance is no guarantee of future results. This report should not be considered 'research' for the purposes of MIFID II. Please see the end for important legal disclosures. Bond market data is derived from FTSE Fixed Income Indices. See Appendix for list of Indices used for each market.

Macroeconomic Backdrop – Growth and Inflation Expectations

After 2023's soft landing for growth and inflation, the IMF's January growth forecasts for 2024 reflect the same narrative, though with variations. Very low growth is forecast for Europe, but stronger growth for the US and China. While the PBOC eased policy again in January, G7 central banks remained on hold, awaiting further disinflation. China's M2 growth remains at a comparable pace vs growth in GDP and credit loans, despite easing recently.

The IMF adjusted upward projections for 2024 global economic growth in January, showing significant upgrades to US growth to 2.1%, after 2023's soft landing, and China, to 4.6% from 4.2%, offset by downward adjustments in the Euro area, Canada and Japan (Chart 1). Delayed policy easing, Middle east geo-political tension, Red sea trade disruption, and higher energy prices remain 2024 growth threats.

Inflation mostly ticked up in December, as energy prices stabilised (Chart 2). Most central banks forecast a rebound in inflation in H1, 2024, reflecting less favourable base effects, and pass through of labour cost increases. China's CPI y/y growth stayed negative in December, showing -0.3%, but inflation may recover moderately in 2024, helped by base effects. The PBoC Governor confirmed price stability remains a key consideration.

The PBoC kept the policy rate - 1 year MLF rate - unchanged in January, stabilizing the rate differentials between China and G7 countries, as rate hikes stalled in G7. However, an easy monetary policy stance remains as the central bank announced the reserve requirement ratio (RRR) cut of 50 bps, effective February 5, to meet liquidity demands, which are usually high during Chinese New Year holidays.

China's money supply M2 y/y growth fell in December, but remains at 9.7% growth y/y (Chart 4). Total social financing (TSF) growth increased further to 9.5% y/y in December, boosted by government bond sales. More inclusive loans to small and micro enterprises were extended in 2023 to fund their businesses, with a y/y growth of 23%, higher than the growth of 10.4% in overall RMB loans.

Chart 1: China's 2024 growth forecast is upgraded to 4.6%, from 4.2% in October, helped by increased government spending. 2024 growth outlook also improved in the US, but not in other G7 countries.

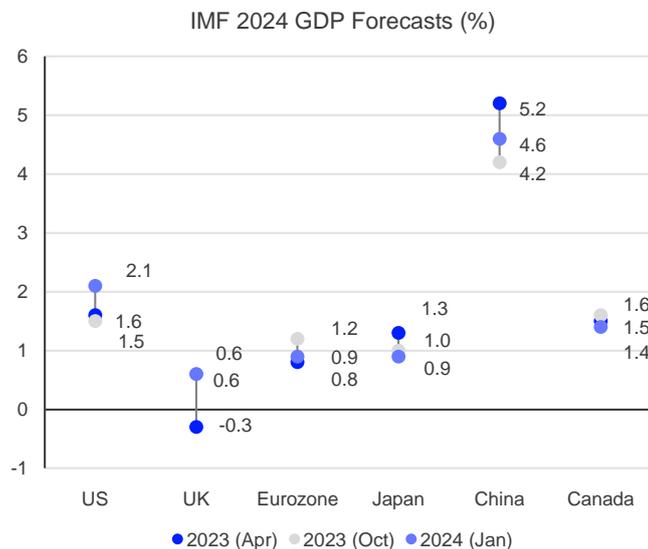


Chart 2: Maintaining price stability and promoting a moderate price recovery is an important factor to set the monetary policy, as PBoC governor said. Favorable base effects may help inflation to improve.

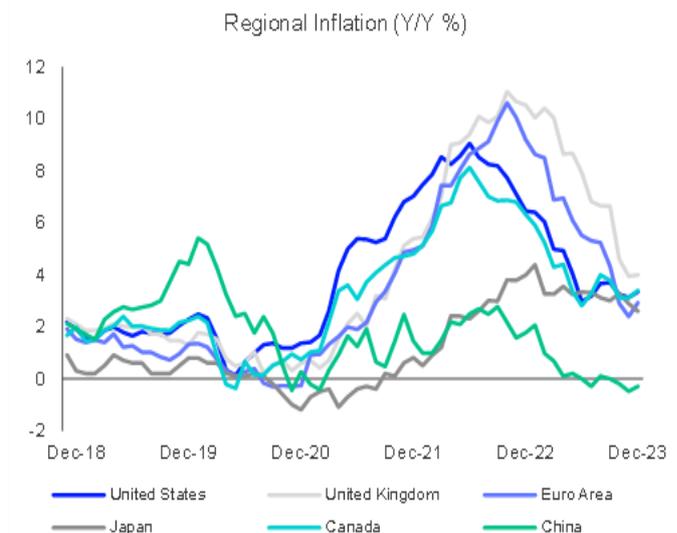


Chart 3: A RRR cut of 0.5%, effective February, is expected to provide about 1 trillion RMB to the financial market and real economy in longer terms. Last move in RRR was in September. 1-year MLF unchanged.

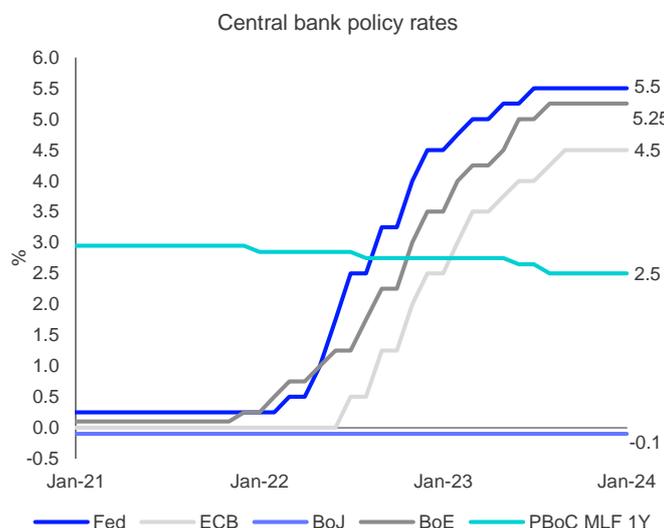
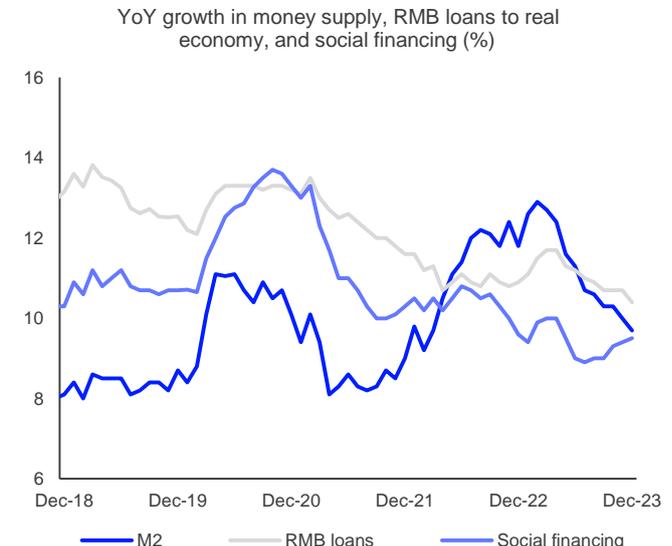


Chart 4: Despite slower growth of total RMB loans in 2023 (from 11.1% to 10.4%), a larger proportion of loans were distributed to small and micro businesses, with lower average interest rates.



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Chinese Government and Corporate Bonds

Chart 1: Longer Chinese government yields fell to four-year lows in January, despite additional bond supply in Q4. Shorter yields also trended lower recently, with ample short-term liquidity.

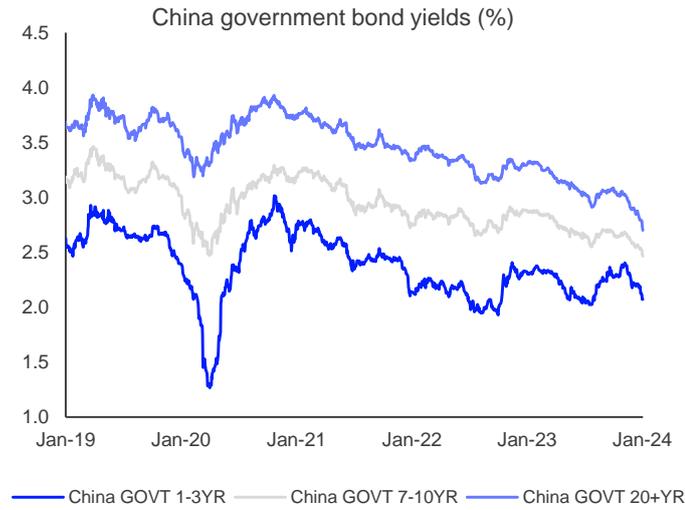


Chart 2: Like the Chinese 10s/2s curve, the 20s/2s curve also bull flattened in 2023, driven by lower long yields. The US 20s/2s curve returned to a flat shape in January, as 20yr yields rose.

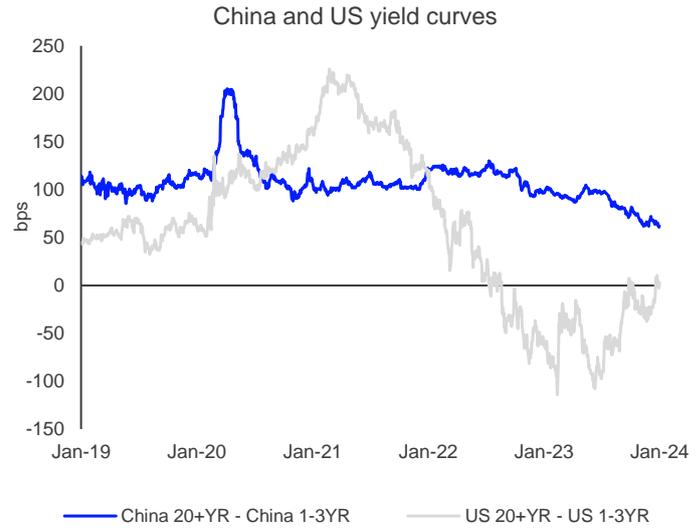


Chart 3: Domestic spreads remain near 4-year lows since Covid spikes. Longer corporates tightened more vs shorts. Regional govt. spreads tightened but are wider than during the Covid shock.

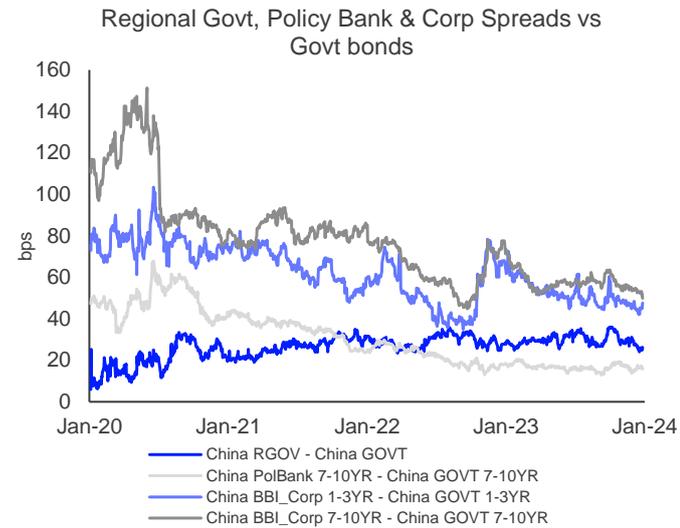


Chart 4: Yield differentials between USD & RMB bonds are now much wider than during the Covid shock, due to divergent policy. EM \$ IG bonds show marginally higher yields vs Chinese \$ IG.

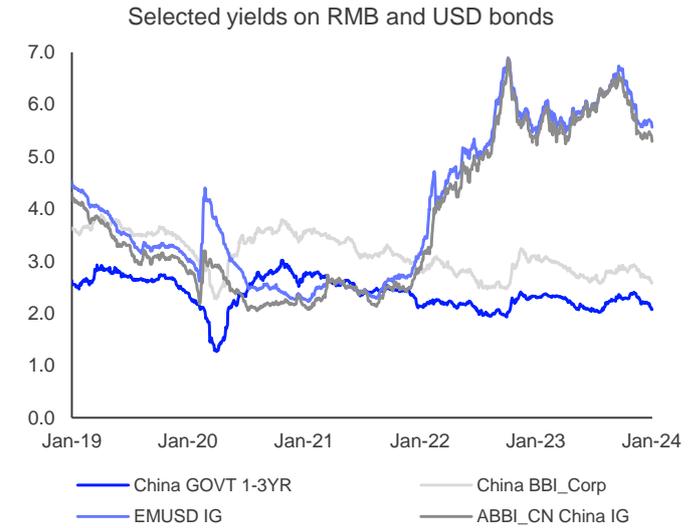


Chart 5: Foreign holdings of Chinese govt bonds ended 2023 at 2.29 trillion RMB, after a Q4 surge, as investors renewed interest in RMB bonds. Regulatory improvements also helped.

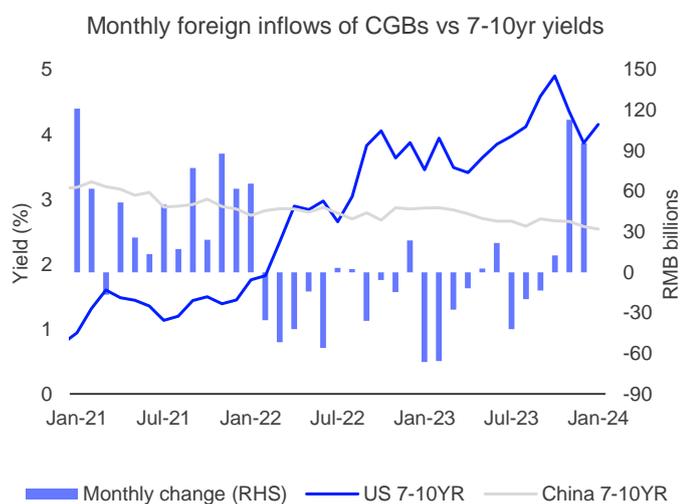
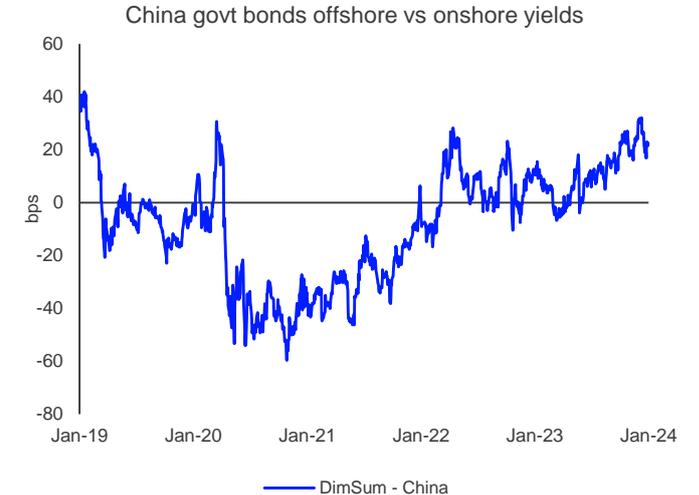


Chart 6: Yield differentials between offshore and onshore sovereign bonds remain positive, after tightening in January, although the offshore duration (3.2 years) is shorter vs onshore (5.6 years).



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China and Asian Bonds in Global Context

Chart 1: APAC 7-10yr yields broadly ticked up in January, tracking Treasury yields. Chinese and Indian yields are exceptions, as index inclusion helped boost foreign buying of Indian govt. bonds.

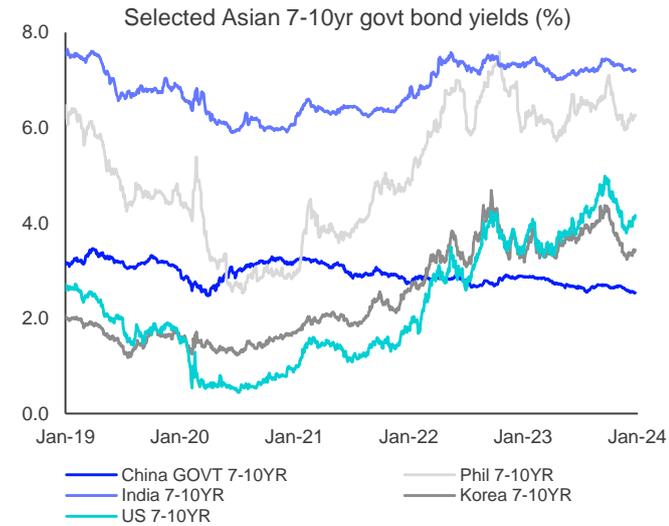


Chart 2: Slopes of Asian 10s/2s yield curves stayed at 5-year lows, after moderate increases in January. The US curve dis-inverted, driven by higher 7-10yr yields, before the anticipated rate cuts.

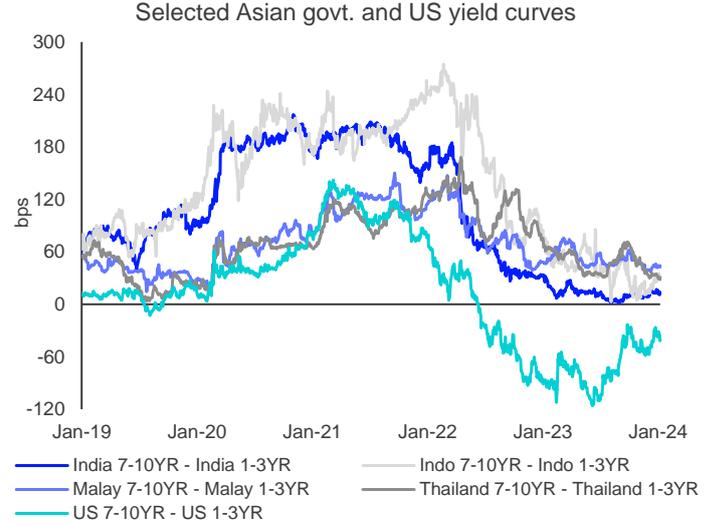


Chart 3: China's yield correlation with G7 yields has remained low since the Covid crisis first erupted in 2020. Chinese yields fell steadily since then, versus the rising G7 trend.

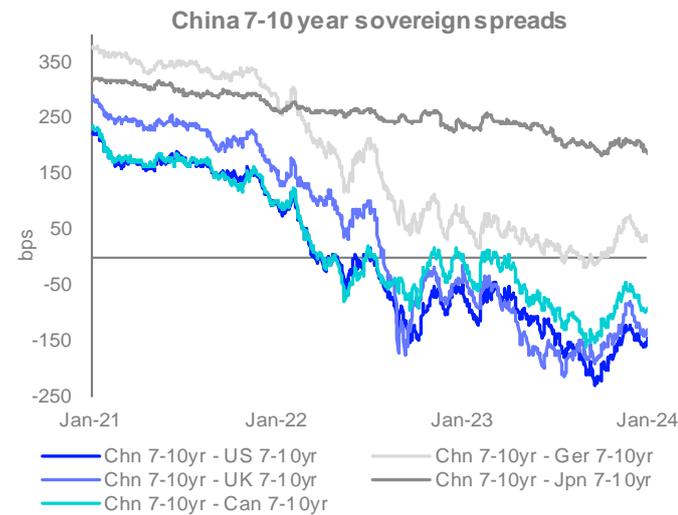


Chart 4: Asian 7-10yr spreads generally fell in January versus the US, as US yields surged more than elsewhere. Emerging market spreads fell more than developed peers including Korean yields.

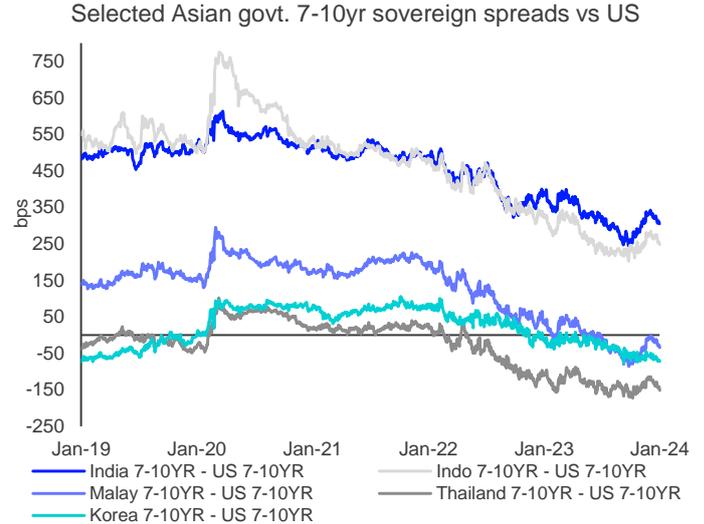


Chart 5: Chinese \$ HY spreads eased to 2400bps in January, as Treasury yields rose. But the number of issues within Chinese HY property has dropped to less than 20, from a peak of 140+ in 2020.

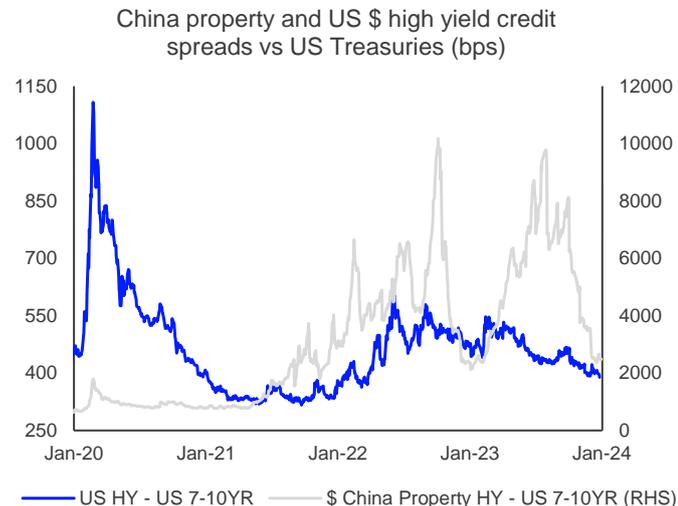
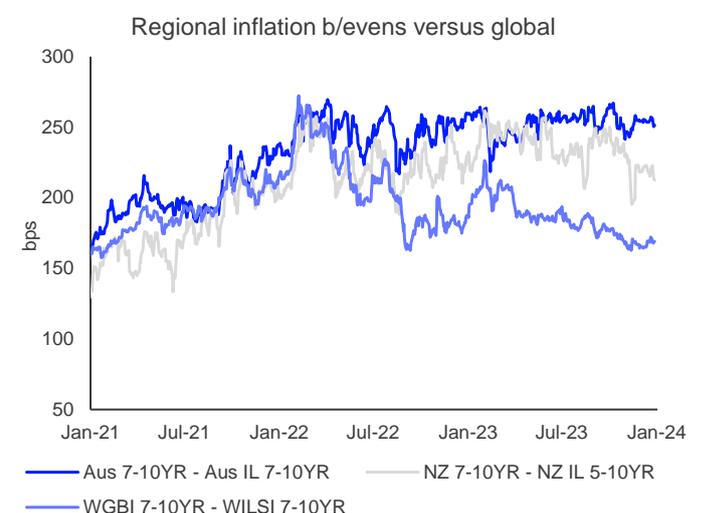


Chart 6: New Zealand breakevens fell further to 210 bps in January, as y/y inflation dropped in Q4 to 4.7%, the lowest in over two years. Breakevens in Australia stay elevated at 250bps (vs 170 globally).



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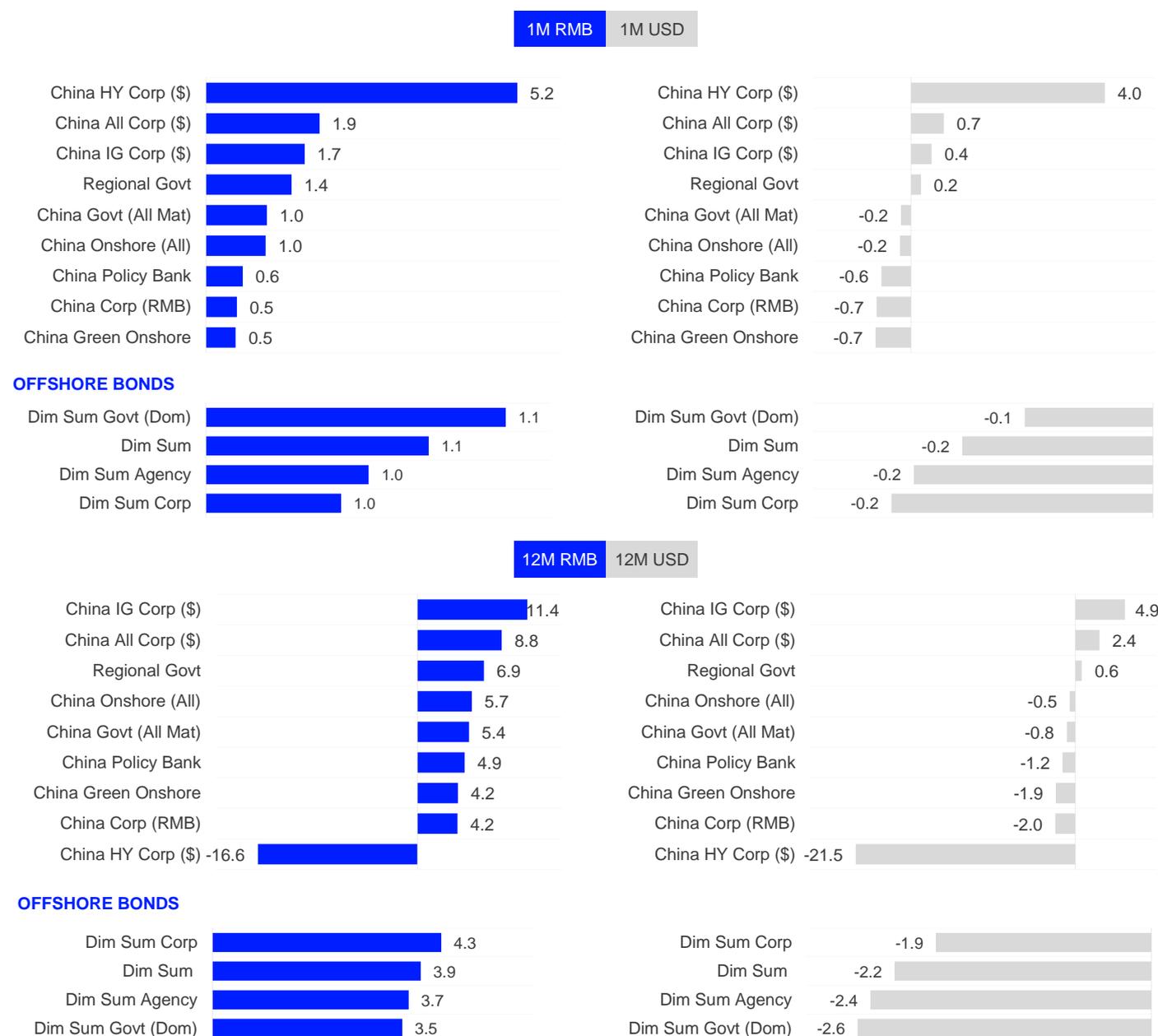
China Bond Market Returns – 1M & 12M in RMB & USD (TR) as of January 31, 2024

Duration proved the investor’s friend in longer Chinese bonds, e.g. regional governments, on 1M and 12M, as yields fell further. Corporates and green bonds lagged over 12M, with shorter duration. Onshore bonds’ January returns of 0.5-1.4% in RMB terms were offset for dollar investors, by renminbi weakness. Wanda bonds again boosted Chinese \$ HY in January.

Chinese regional government bonds led gains in renminbi terms, returning 1.4% in January. Sovereign bonds gained 1%, while shorter-dated corporates and green bonds underperformed with returns of 0.5%. A weaker yuan vs US dollar drove returns in US dollar terms lower. Regional government bonds remained top performers on 12M, helped by longer duration.

DimSum sovereign bonds slightly outperformed onshore peers in January, posting returns of 1.1% vs onshore returns of 1%. Over 12M, offshore sovereigns (3.5%) lagged onshore peers (5.4%), with shorter duration (see page 9).

Chinese \$ HY corporates gained 4% in January, helped by Wanda Properties bonds (after approval was granted in December to extend the period for bond repayment). But China \$ HY credits were hit hard by property bonds, with losses of 21% on 12M. Chinese \$ IG credits managed to avoid losses in January, returning 0.4%, despite higher Treasury yields.



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Global Bond Market Returns – 1M & 12M RMB & USD (TR) as of January 31, 2024

Indian government bonds gained up to 2.6% in January, helped by an index inclusion event, and foreign buying. The rupee held up well against a strong US dollar. Other emerging Asian bonds also outperformed developed peers, with Australasian bonds suffering currency losses of about 3% as rate cut expectations rose. US credits barely moved in January.

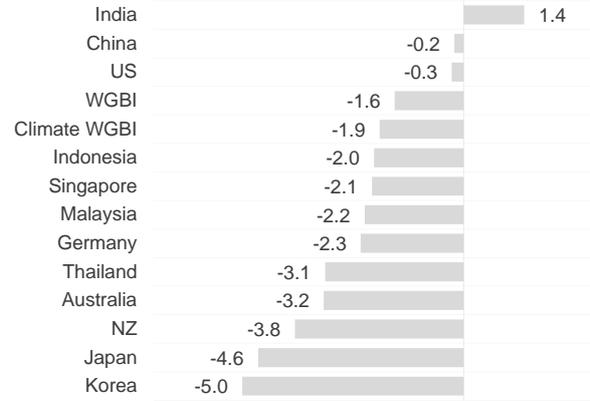
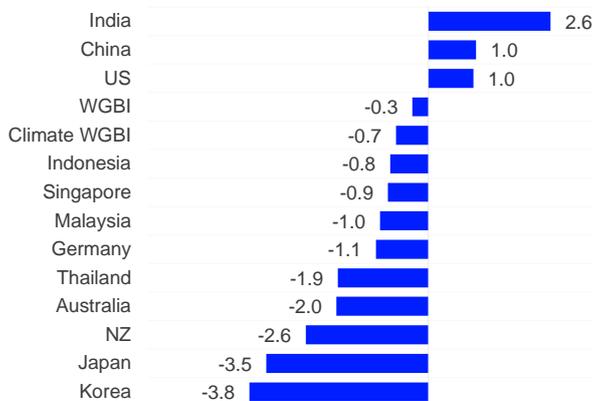
Indian bonds outperformed in January, with returns of 1.4-2.6%, helped by both local currency returns and a resilient rupee. Indian bonds are also 12M top performers, helped by the stronger rupee and surging foreign investors. All the other returns in US dollar terms were negative in January, due to a stronger dollar, with Korean bonds and JGBs as worst performers.

Besides India, other Asian emerging markets' government bonds also outperformed developed Asian bonds in January, despite showing negative returns in RMB and USD terms. January returns in RMB terms show the impact of a stronger yuan versus most other currencies, despite weakening against the US dollar.

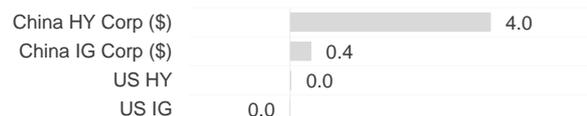
US IG and HY corporates were flat in January, outperforming Treasuries (-0.3%). Chinese \$ IG corporates made modest gains of 0.4%. Chinese \$ HY corporate rose 4%, but this is now a much smaller group of bonds - only those not defaulted. Evergrande's liquidation, by court order, after failures in debt restructuring, has had limited impact on the broader Chinese \$ HY bonds to date. US HY, with shorter durations, outperformed IG peers on 12M.

1M RMB 1M USD

CONVENTIONAL GOVT BONDS



CORPORATE BONDS



12M RMB 12M USD

CONVENTIONAL GOVT BONDS



CORPORATE BONDS



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Appendix – Global Bond Market Returns % (RMB vs USD, TR), January 31, 2024

Government bond returns

Top 15% Bottom 15%

Green highlight indicates highest 15%, red indicates lowest 15%.

		1M		3M		6M		12M	
		USD	RMB	USD	RMB	USD	RMB	USD	RMB
US	1-3YR	0.36	1.60	2.54	0.59	3.29	3.76	3.95	10.45
	7-10YR	-0.13	1.11	8.55	6.49	2.38	2.85	0.24	6.51
	20+YR	-2.72	-1.52	16.67	14.46	-1.63	-1.18	-6.61	-0.77
	IG All	-0.01	1.22	10.48	8.39	4.81	5.30	4.37	10.89
	HY All	0.03	1.26	8.40	6.35	5.96	6.45	9.29	16.13
China	1-3YR	-0.83	0.39	2.90	0.96	0.76	1.23	-3.13	2.93
	7-10YR	-0.14	1.09	4.32	2.35	2.51	2.98	-0.21	6.04
	20+YR	2.56	3.82	9.75	7.67	7.22	7.71	7.88	14.63
	All	-0.20	1.02	4.19	2.22	2.12	2.59	-0.82	5.38
China Policy Bank		-0.61	0.62	3.61	1.65	1.74	2.21	-1.25	4.93
Regional Govt		0.21	1.44	5.55	3.55	3.03	3.50	0.64	6.94
China Corp (LC)		-0.71	0.52	3.45	1.49	1.31	1.78	-1.96	4.18
China Onshore (All)		-0.23	1.00	4.39	2.41	2.26	2.73	-0.54	5.68
China Green Onshore		-0.72	0.50	3.41	1.45	1.31	1.77	-1.90	4.24
China All Corp (\$)		0.67	1.91	6.60	4.58	4.02	4.50	2.38	8.78
China IG Corp (\$)		0.42	1.66	6.19	4.18	4.09	4.57	4.88	11.44
China HY Corp (\$)		3.97	5.25	11.99	9.87	3.63	4.10	-21.53	-16.63
Offshore Govt (DimSum)		-0.11	1.12	3.57	1.61	0.79	1.25	-2.56	3.54
Asia-Pac	1-3YR	-1.37	-0.16	3.32	1.37	0.19	0.65	-3.10	2.96
	7-10YR	-1.62	-0.40	6.63	4.61	1.22	1.69	-1.59	4.57
	20+YR	-1.71	-0.50	12.82	10.68	5.03	5.51	2.33	8.73
	All	-1.58	-0.37	6.04	4.03	1.18	1.65	-1.78	4.36
Australia	1-3YR	-2.77	-1.58	7.04	5.01	0.70	1.17	-3.82	2.20
	7-10YR	-3.19	-1.99	13.06	10.92	0.80	1.26	-5.60	0.30
	20+YR	-4.66	-3.49	22.63	20.31	-0.47	-0.02	-10.24	-4.63
	All	-3.16	-1.96	11.94	9.82	0.95	1.41	-5.07	0.87
India	1-3YR	0.95	2.19	2.62	0.68	2.75	3.22	6.02	12.65
	7-10YR	1.11	2.35	3.65	1.69	2.82	3.29	7.19	13.89
	20+YR	2.16	3.42	4.45	2.47	3.49	3.96	8.14	14.90
	All	1.37	2.62	3.68	1.71	2.99	3.46	7.32	14.03
Indonesia	1-3YR	-1.69	-0.48	3.66	1.70	-1.97	-1.52	0.46	6.75
	7-10YR	-2.10	-0.89	5.98	3.97	-2.68	-2.23	1.66	8.02
	20+YR	-1.89	-0.69	6.03	4.02	-3.15	-2.70	4.29	10.81
	All	-2.02	-0.82	5.48	3.49	-2.85	-2.40	1.73	8.10
Japan	1-3YR	-3.60	-2.42	3.74	1.78	-2.86	-2.42	-11.08	-5.52
	7-10YR	-4.03	-2.84	6.01	4.00	-2.91	-2.47	-10.45	-4.85
	20+YR	-6.28	-5.12	6.32	4.31	-9.27	-8.85	-13.32	-7.90
	All	-4.64	-3.47	5.90	3.90	-5.00	-4.57	-11.22	-5.67
Korea	1-3YR	-3.35	-2.16	3.25	1.30	-2.13	-1.68	-4.31	1.67
	7-10YR	-4.34	-3.16	8.67	6.61	-0.30	0.16	-4.74	1.21
	20+YR	-7.03	-5.88	17.69	15.46	4.14	4.61	-3.87	2.15
	All	-5.00	-3.83	9.83	7.75	0.69	1.15	-4.12	1.88
Malaysia	1-3YR	-2.46	-1.25	2.05	0.11	-2.86	-2.42	-6.56	-0.71
	7-10YR	-2.62	-1.42	3.79	1.82	-2.54	-2.09	-6.21	-0.35
	20+YR	-1.68	-0.47	7.17	5.14	-1.75	-1.30	-3.77	2.25
	All	-2.23	-1.03	4.21	2.24	-2.31	-1.86	-5.54	0.37
New Zealand	1-3YR	-2.70	-1.50	8.45	6.40	2.06	2.53	-1.14	5.04
	7-10YR	-4.13	-2.95	15.35	13.16	2.43	2.90	-3.62	2.41
	20+YR	-6.67	-5.52	22.60	20.28	1.50	1.97	-7.82	-2.05
	All	-3.81	-2.62	13.55	11.40	2.40	2.87	-2.78	3.30
Singapore	1-3YR	-0.88	0.34	4.35	2.38	1.64	2.11	1.65	8.00
	7-10YR	-2.44	-1.24	7.22	5.19	2.18	2.65	2.45	8.85
	20+YR	-3.35	-2.16	9.84	7.76	-3.96	-3.52	-1.93	4.20
	All	-2.07	-0.86	6.68	4.66	0.80	1.26	1.41	7.75
Thailand	1-3YR	-3.45	-2.27	2.45	0.51	-2.36	-1.91	-5.64	0.26
	7-10YR	-3.14	-1.95	6.58	4.56	-2.44	-2.00	-5.42	0.49
	20+YR	-1.95	-0.74	11.26	9.15	-4.11	-3.67	-5.35	0.57
	All	-3.13	-1.93	5.62	3.62	-2.29	-1.84	-5.30	0.62

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Appendix – Global Bond Market Yields %, January 31, 2024

Green highlight indicates highest 15%, red indicates lowest 15%.

Top 15% Bottom 15%

		Conventional government bonds				Inflation-linked bonds			Inv Grade	High Yld
		1-3YR	3-5YR	7-10YR	20+YR	1-5YR	5-10YR	20+YR	All Mat	All Mat
US	Current	4.33	3.93	3.93	4.31	1.98	1.64	2.01	5.14	7.97
	3M Ago	5.17	4.87	4.90	5.19	2.82	2.50	2.64	6.38	9.46
	6M Ago	5.01	4.33	3.97	4.11	2.44	1.72	1.80	5.50	8.34
	12M Ago	4.35	3.74	3.46	3.71	1.85	1.32	1.54	5.01	8.22
UK	Current	4.21	3.73	3.75	4.39	0.16	0.21	1.25		
	3M Ago	4.67	4.45	4.43	4.91	0.65	0.71	1.51		
	6M Ago	5.04	4.69	4.25	4.39	1.86	0.65	1.00		
	12M Ago	3.42	3.19	3.24	3.68	0.12	-0.18	0.29		
Japan	Current	0.04	0.20	0.59	1.73	-1.65	-0.83			
	3M Ago	0.09	0.34	0.83	1.82	-1.55	-0.65			
	6M Ago	-0.04	0.08	0.50	1.40	-1.70	-0.74			
	12M Ago	-0.02	0.11	0.52	1.50	-1.20	-0.37			
China	Current	2.07	2.22	2.46	2.70					
	3M Ago	2.27	2.42	2.67	3.08					
	6M Ago	2.08	2.34	2.66	3.04					
	12M Ago	2.30	2.59	2.87	3.31					
EM	Current	3.34	3.81	4.64	4.17	4.38	4.41	5.03	5.56	9.29
	3M Ago	3.71	4.43	5.00	4.55	4.20	4.73	5.46	6.68	11.30
	6M Ago	3.58	4.17	4.80	4.41	3.05	4.07	4.88	5.93	11.51
	12M Ago	3.59	4.46	4.87	4.58	1.69	3.49	5.31	5.52	10.25
Germany	Current	2.57	2.07	2.06	2.38	0.81	0.20	0.27		
	3M Ago	3.09	2.66	2.70	3.05	0.90	0.45	0.65		
	6M Ago	3.09	2.60	2.41	2.53	0.60	0.07	0.01		
	12M Ago	2.59	2.78	2.59	2.57	0.22	0.08	0.03		
Italy	Current	2.96	2.93	3.47	4.21	1.08	1.58	1.94		
	3M Ago	3.77	3.88	4.45	5.06	1.77	2.35	2.53		
	6M Ago	3.60	3.55	3.86	4.35	1.30	1.64	1.69		
	12M Ago	3.17	3.93	4.28	4.57	0.70	1.63	1.82		
France	Current	2.62	2.34	2.52	3.13	0.44	0.37	0.78		
	3M Ago	3.21	3.01	3.23	3.88	0.93	0.78	1.28		
	6M Ago	3.15	2.90	2.90	3.35	0.58	0.37	0.60		
	12M Ago	2.71	2.94	2.89	3.22	-0.07	0.23	0.63		
Sweden	Current	2.68	2.21	2.18		1.26	0.76			
	3M Ago	3.43	3.05	2.94		1.34	1.30			
	6M Ago	3.33	2.83	2.57		0.96	0.74			
	12M Ago	2.50	2.53	2.28		-0.07	0.20			
Australia	Current	3.69	3.60	3.97	4.42	1.04	1.39	1.81		
	3M Ago	4.49	4.48	4.87	5.33	1.47	2.04	2.53		
	6M Ago	4.02	3.86	4.03	4.40	1.03	1.47	1.79		
	12M Ago	3.17	3.03	3.32	3.83	0.12	0.93	1.54		
NZ	Current	4.89	4.44	4.55	4.87	1.72	2.39			
	3M Ago	5.49	5.37	5.55	5.69	2.47	3.05			
	6M Ago	5.21	4.80	4.70	4.87	1.94	2.39			
	12M Ago	4.67	4.17	4.10	4.34	1.01	1.70			
Canada	Current	3.99		3.35	3.30			1.70	4.94	7.04
	3M Ago	4.55		4.08	3.93			0.00	5.88	8.32
	6M Ago	4.55		3.58	3.34			1.78	5.49	7.60
	12M Ago	3.68		2.91	3.00			1.20	4.83	6.99

Source: FTSE Russell. All data as of January 31, 2024. Past performance is no guarantee of future results. Please see the end for important legal disclosures. Bond market data is derived from FTSE Fixed Income Indices. See Appendix Glossary for list of Indices used for each market. For professional investors only.

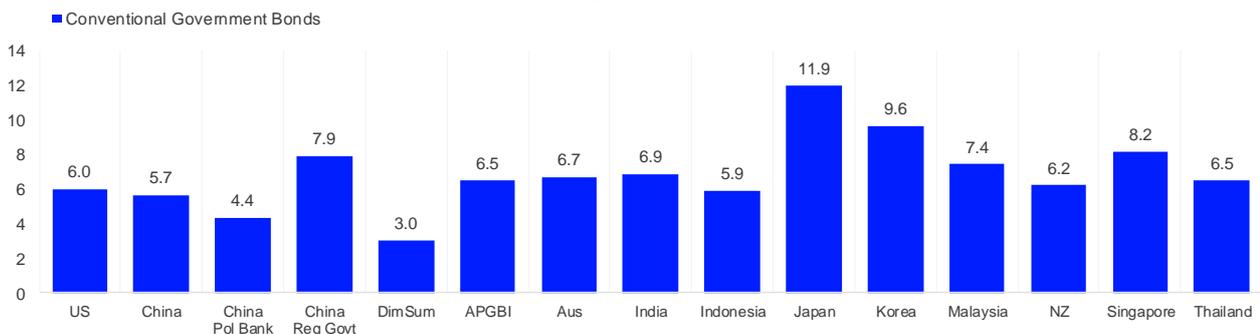
Appendix – Duration and Market Value (USD, Bn), January 31, 2024

Conventional Government Bonds								
	Duration				Market Value			
	3-5YR	7-10YR	20+YR	Overall	3-5YR	7-10YR	20+YR	Total
US	3.7	7.3	16.9	6.0	2,559.5	1,136.5	1,323.2	10,942.7
China	3.7	7.6	17.9	5.7	571.0	374.7	287.4	2,454.8
China Pol Bank				4.4				2,839.2
China Reg Govt				7.9				2,410.3
DimSum				3.0				11.8
APGBI	3.7	7.4	18.1	6.5	829.0	711.8	551.3	4,146.3
Aus	3.6	7.6	17.0	6.7	47.5	92.1	20.7	321.7
India	3.1	6.2	11.9	6.9	116.3	192.7	261.0	1,122.0
Indonesia	3.3	6.0	11.3	5.9	30.9	54.5	11.7	227.9
Japan	3.9	8.1	23.6	11.9	353.5	358.8	629.6	2,989.9
Korea	3.6	7.3	19.0	9.6	84.5	85.8	190.6	626.9
Malaysia	3.6	7.1	15.3	7.4	18.2	18.2	14.8	116.7
NZ	3.5	7.3	16.9	6.2	10.9	15.7	2.8	56.0
Singapore	3.4	7.6	20.3	8.2	16.3	14.7	16.9	97.1
Thailand	3.7	7.3	16.8	6.5	30.7	30.1	6.4	134.9

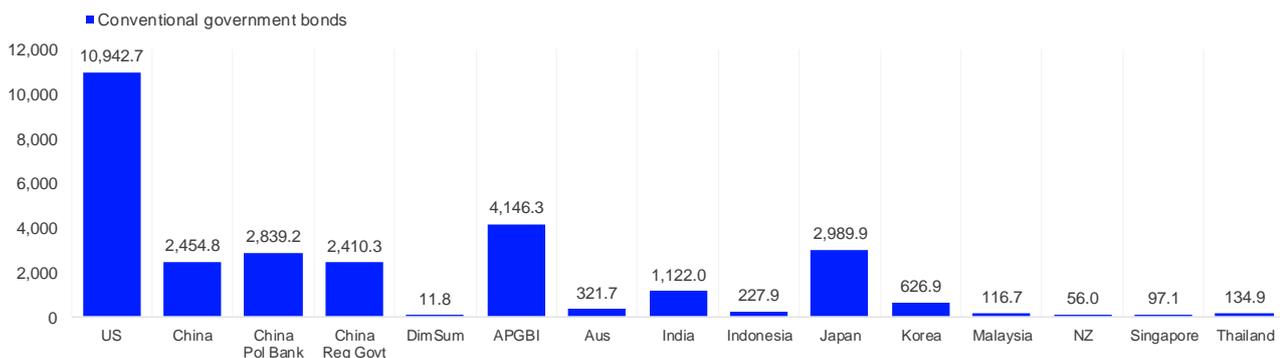
Corporate Bonds						
	Duration			Market Value		
	Inv Grade	High Yield	Overall	Inv Grade	High Yield	Overall
US	7.0	3.8		6,739.9	1,035.8	
China Corp (LC)			2.2			559.8
China Green Onshore			2.3			157.2
China Corp (\$)	4.1	2.2	7.9	224.0	17.5	241.5
DimSum			2.1			14.4
EM	5.1	3.3	4.6	568.9	183.5	752.4
EUxUK	4.4	3.0		2,993.4	421.1	

Other Sectors						
	Duration			Market Value		
	Supra	Agency	Corp NR	Supra	Agency	Corp NR
Offshore (DimSum)	1.8	2.5		1.6	5.8	

Average Duration



Total Market Value (USD Billions)

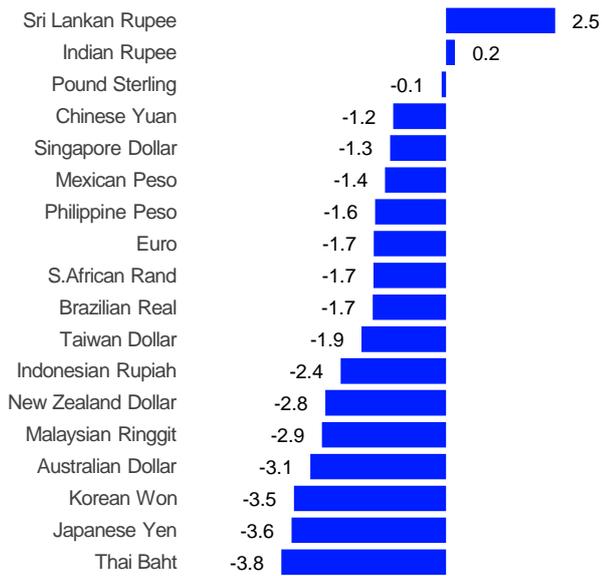


Data as of 2024-01-31

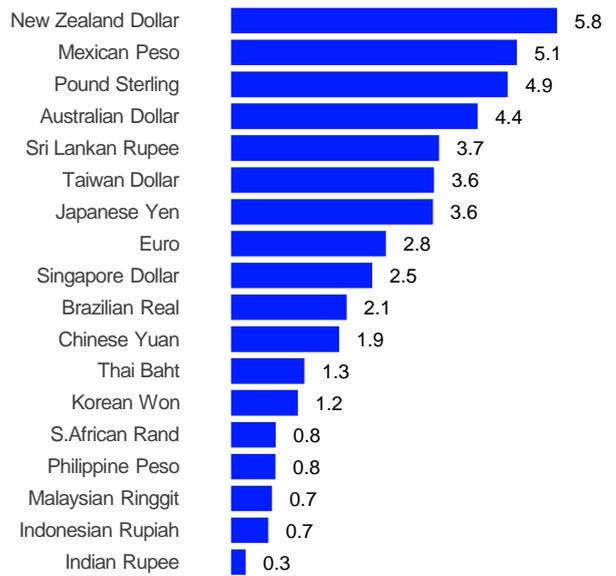
Source: FTSE Russell. All data as of January 31, 2024. Past performance is no guarantee of future results. Please see the end for important legal disclosures. Bond market data is derived from FTSE Fixed Income Indices. See Appendix Glossary for list of Indices used for each market. For professional investors only.

Appendix – Foreign Exchange Returns % as of January 31, 2024

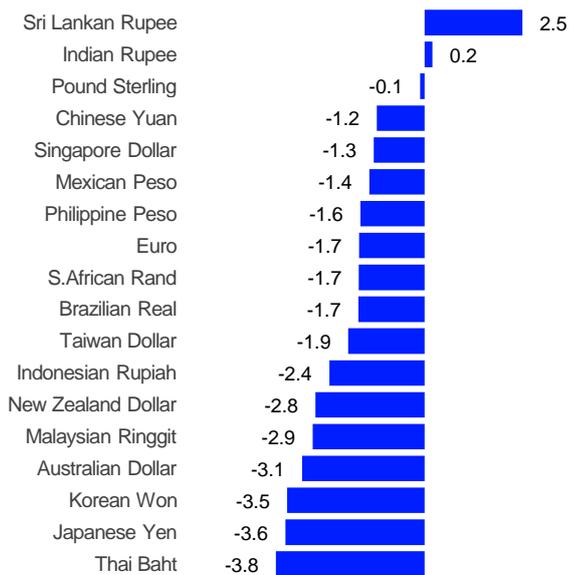
FX Moves vs USD - 1M



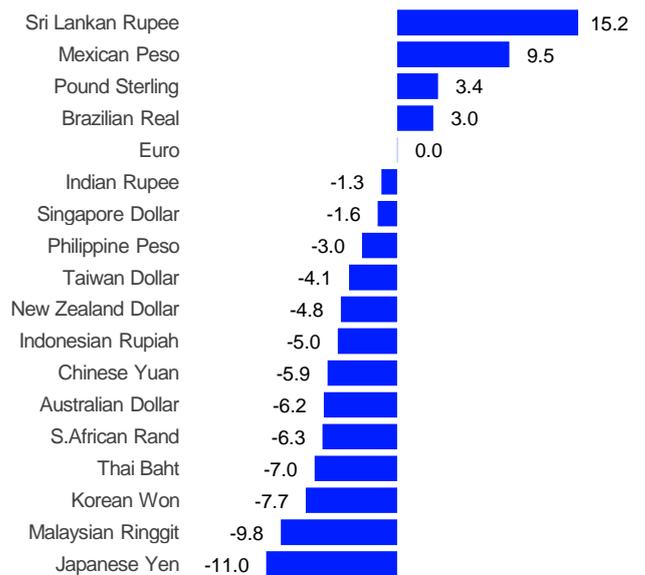
FX Moves vs USD - 3M



FX Moves vs USD - YTD



FX Moves vs USD - 12M



Source: FTSE Russell and Refinitiv. All data as of January 31, 2024. Past performance is no guarantee of future results. Please see the end for important legal disclosures. Bond market data is derived from FTSE Fixed Income Indices. See Appendix Glossary for list of Indices used for each market. For professional investors only.

Appendix – Glossary

Bond markets are based on the following Indices:

- FTSE World Government Bond Index (WGBI) for all global government bond markets
- FTSE World Inflation-Linked Securities Index (WorldILSI) for all global inflation-linked bond markets
- FTSE US Broad Investment-Grade Bond Index (USBIG®) for the US corporate bond market
- FTSE US High-Yield Market Index for the US high yield bond market
- FTSE Euro Broad Investment-Grade Bond Index (EuroBIG®) for the Euro-denominated corporate bond market
- FTSE European High-Yield Market Index for the European high yield market
- FTSE Chinese Government and Policy Bank Bond Index (CNGPBI) for the Chinese government bond market
- FTSE Emerging Markets Inflation-Linked Securities Index (EMILSI) for the emerging markets inflation-linked bond market
- FTSE Emerging Markets Government Bond Index (EMGBI) for the emerging markets government bond market. Please note that over 50% of this index is invested in China.
- FTSE Emerging Markets Broad Bond Index (EMUSDBBI) for the emerging markets corporate bond market

List of Abbreviations used in charts:

- IL = Inflation-linked bonds
- IG = Investment-grade bonds
- HY = High-yield bonds
- BPS = Basis points
- EM = Emerging market
- LC = Local currency

Total Returns

Historical Yields

Growth/Inflation

Financial Conditions

Curves

Spreads

Credit/Equities

MBS

Appendix

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