

Fixed Income Insights

MONTHLY REPORT – MAY 2024 | CHINA EDITION

FOR PROFESSIONAL INVESTORS ONLY

Lower Chinese yields, and higher G7 yields, push spreads to new lows

Chinese govt bond yields fell overall in April, although yields reversed somewhat after the PBOC warning on duration risks in long bonds. Both Chinese sovereign spreads and the RMB are near cycle lows. Chinese \$ HY property bonds gained traction from stimulus measures and improved performance of developers.

Macroeconomic backdrop – China’s Q1 growth of 5.3% kept the PBoC on hold, as deflationary risk re-emerged

Q1 growth exceeded expectations, helped by export, but not properties and industrial output. Credit growth remains weak despite sufficient liquidity in the financial system. (page 2)

Chinese bonds – Chinese bond yields fell further in April before reversing, after authorities warn of duration risk

Longer Chinese sovereign yields fell to new lows, causing the gradient of the 20s/10s curve to remain near 20+ bps. Domestic spreads narrowed, led by corporates. Foreign holdings of Chinese bonds are approaching 4 trillion yuan. (page 3)

Chinese and Asian bonds – Other Asian yields tracked Treasury yields higher; Chinese spreads vs G7 fell further

APAC 7-10-year yields rose in April, led by Philippines, except in China. Chinese spreads versus the G7 close to cycle lows, driven by higher G7 yields and lower Chinese yields. (page 4)

Performance – Indian and Chinese bonds outperformed YTD, as JGBs lost 12.6% due to a weaker yen

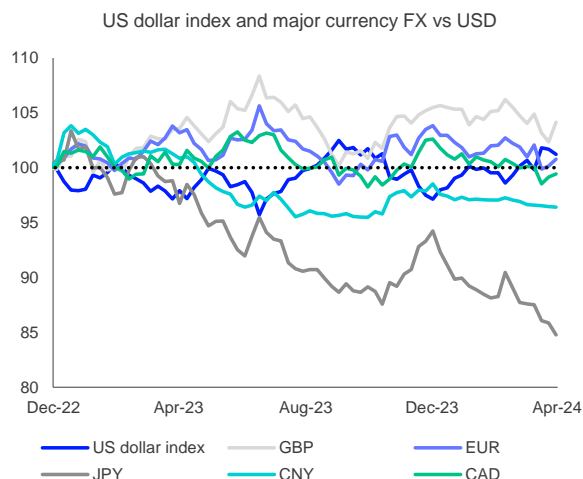
Growth prospect and a resilient rupee helped Indian government bonds gain 2.5% YTD in US dollar terms. Chinese bond returns of 2.3% were offset by a weaker yuan. JGBs remained the worst performers as yen weakened further. (pages 5-6)

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

Chart 1: China’s exports fell 7.5% y/y in March, after rising in Jan-Feb period. Imports also fell, reflecting weak domestic demand.



Chart 2: Exchange rate moves were driven by the return of the higher for longer narrative on US policy rates. RMB at 2024 lows.



Source: FTSE Russell. All data as of April 30, 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

Better-than-expected GDP growth of 5.3% y/y in Q1 allowed the PBoC to stay on hold, delaying further easing. But IMF forecasts show slower growth in China for 2024/25 as one-off factors that supported 2023 growth are fading. China's deflation risks re-emerged, after a technical inflation recovery in February, owing to lower food prices. Ample liquidity in the financial system may not be flowing into the real economy, judging by slower growth in RMB loans and broader total social financing.

IMF forecasts show upward revision to US growth for 2024, as easier fiscal policy, low unemployment and positive consumer wealth effects from equity market gains, offset the impact of Fed tightening (Chart 1). China's GDP grew 5.3% y/y in Q1, helped by export volume growth (despite weaker net exports in March), but not by properties, industrial output or retail sales, which missed expectations. A weaker yuan may help to boost China's exports further. China's property investments fell 9.5% y/y in Q1, reflecting the excess supply in the sector.

Headline inflation rates show reduced G7 dispersion (Chart 2), and underlying dynamics are similar, with far lower goods inflation than sticky services inflation. Deflation risks re-emerged in China, as the CPI only grew 0.1% y/y in March due to lower food prices, after the Lunar New Year holiday boosted inflation in February. Core CPI shows y/y growth of 0.6%. Weak domestic demand continues to weigh on China's inflation.

The PBoC again made a net withdrawal of 70 billion yuan in excess liquidity from the banking system in April, following a similar move in March, while keeping the one-year MLF rate unchanged at 2.5% (Chart 3). Higher-than-expected growth in Q1 puts less pressure on the PBoC to ease further. Interest rate differentials between the US and China stabilized and remained wide, with the Fed in no rush to cut rates.

China's total social financing (TSF) growth y/y fell further to 8.7% in March, driven by slower growth in RMB loans (9.2%) and government borrowing (14.7%), as Chart 4 shows. But corporate bonds financing growth accelerated to 1.3%, reflecting improving corporate financing conditions. China's money supply growth y/y fell to 8.3%, partly due to slower credit demand. Despite ample liquidity in the financial system, the real economy is still facing relatively weak domestic demand, reflected in weak M2 growth.

Chart 1: IMF forecasts show a notable revision higher for US growth. But it shows a slower growth of China in 2024/25, as the positive effects of one-off factors ease and weakness in the property sector persists.

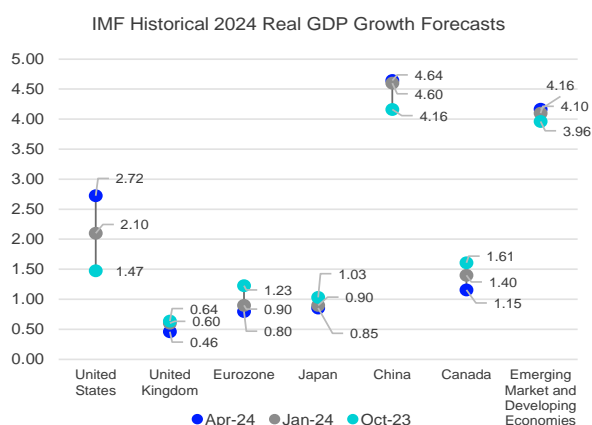


Chart 2: The move from 3 to 2% inflation is proving the most difficult leg of the journey for the Fed, and Bank of England, after the rapid disinflation in 2023, helped by base effects. China still shows around-zero inflation.

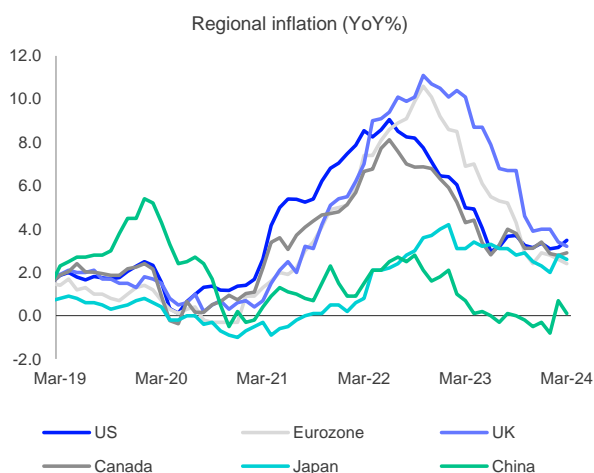


Chart 3: The PBoC made another net withdrawal of 70 bn yuan from the banking system in April. The Q1 GDP growth of 5.3% helped the PBoC hold steady, preventing the rate differential vs US widening further.

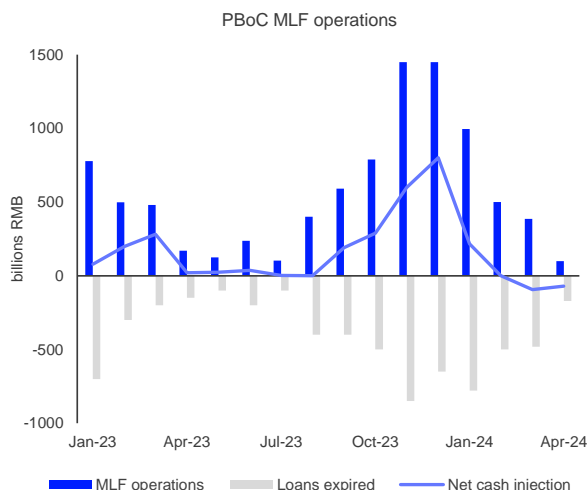
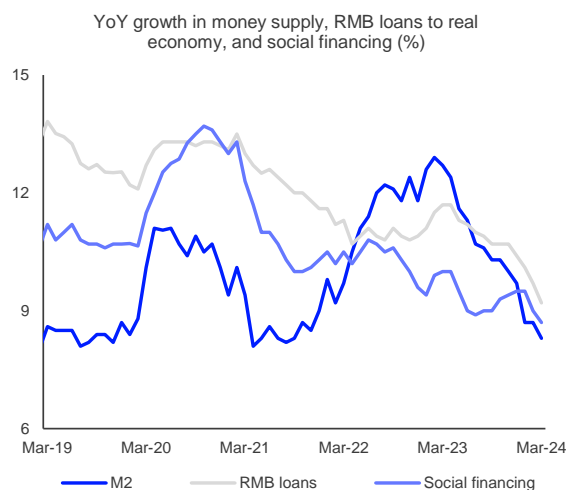


Chart 4: Both China's RMB loans and government financing drove TSF growth lower in March, despite a faster growth in corporate bonds financing. M2 growth fell to the lowest level since September 2021.



Chinese Government and Corporate Bonds

Chart 1: CGB yields fell to new lows in April across the curve, partly due to slower bond issuance in Q1, before reversing modestly at end-month. Additional bond issuance may help longer yields rise.



Chart 3: Domestic spreads tightened further in April, led by corporates. Policy bank spreads are approaching zero, while regional govt. spreads hold above 20 bps. Spreads of PB and RGOV were at par two years ago.

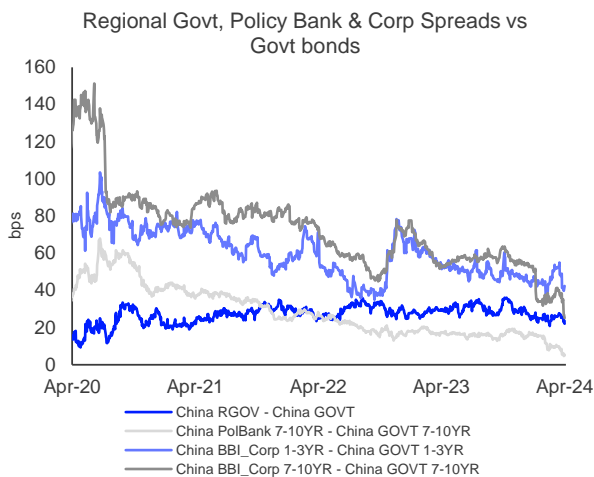


Chart 5: Foreign holdings of onshore RMB bonds have increased to nearly 4 trillion yuan in March, helped by a surge in holdings of bonds registered under the SHCH. However, holdings of CGBs retreated in March.

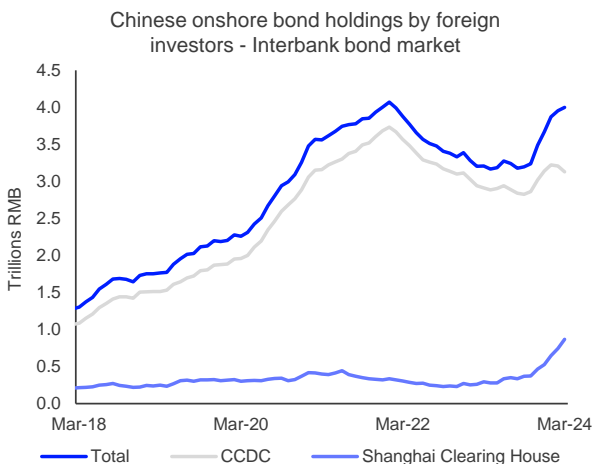


Chart 2: The Chinese yield curves maintained their slopes well in April, as yields fell by similar degrees across the curve. With 20+yr yields as low as 2.5%, the gradient of 20s/10s curve remained at about 20+ bps.

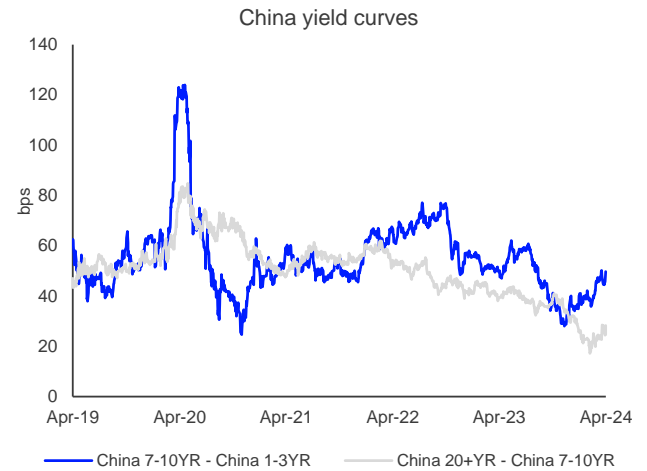


Chart 4: Significantly wide yield differentials between Chinese \$ bonds and RMB bonds have been a key feature since the Fed hiked. Domestic corporate and RGOV yields converged, despite their duration difference.

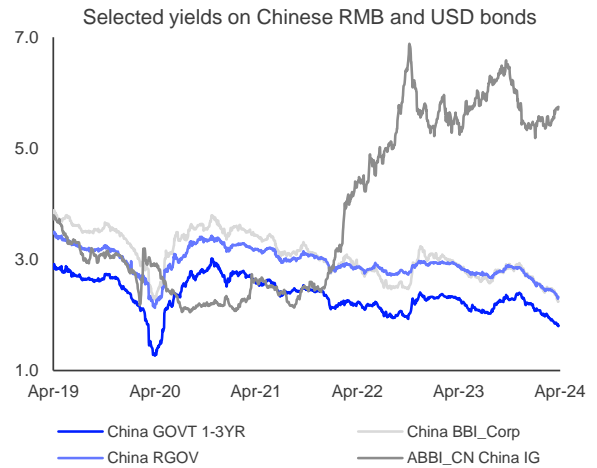
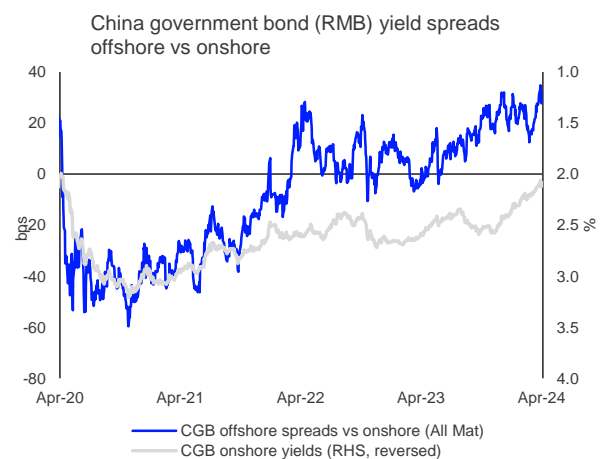


Chart 6: Both lower onshore yields and marginally higher offshore yields drove offshore CGB spreads sharply wider in April. Larger supply of Dimsum bonds may have supported spread widening.



Source: FTSE Russell and LSEG, China Bond. All data as of April 30, 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.

China and Asian Bonds in Global Context

Chart 1: Other APAC 7-10yr yields rose further in April, led by Philippines, tracking Treasuries yields higher. Indian 7-10yr yields also edged higher, but yield moves YTD were modest after falling in Q1.

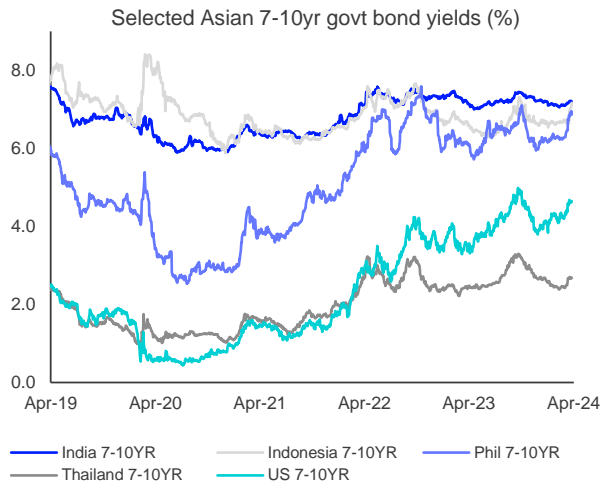


Chart 2: Some Asian 10s/2s yield curves continued to steepen in April, including the Philippines and Korea, as the US curve dis-inverted. But the Indonesian 10s/2s flattened, as short yields rose on the policy rate hike.

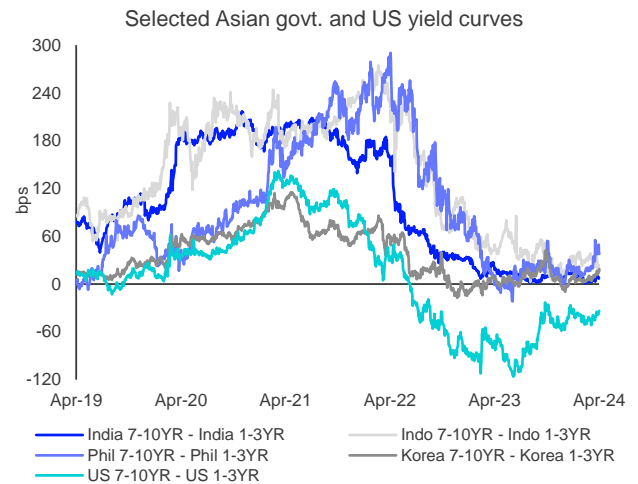


Chart 3: Chinese spreads tightened further versus the G7, partly on higher G7 yields, and partly on lower Chinese yields, as monetary easing continued. Sovereign spreads are either at, or very close to, cycle lows.

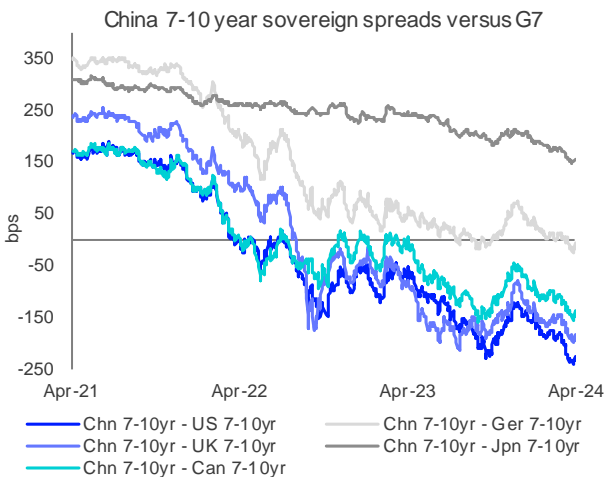


Chart 4: Other Asian 7-10yr spreads fell further in April, as Treasury 7-10yr yields rose back to Q4 levels. Higher-yielding Indian and Indonesian bonds show spreads of ~250 bps, which have fallen from 600+ bps.

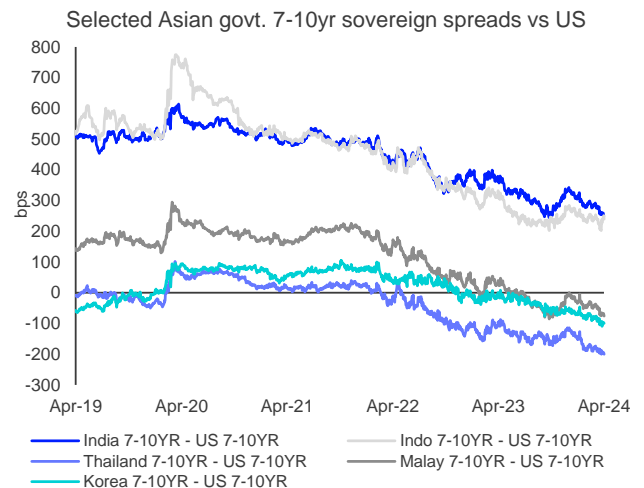
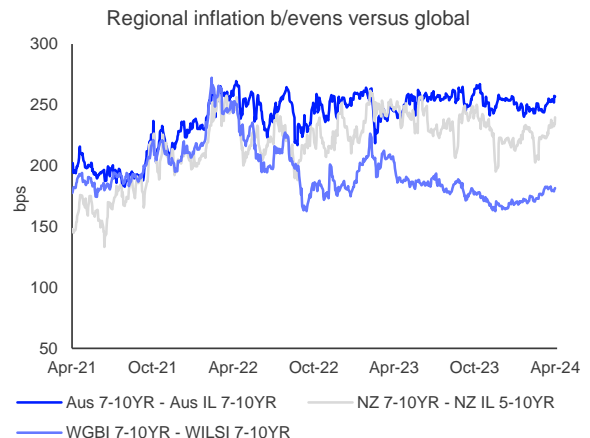


Chart 5: Spreads tightening in Q1 for both US and Chinese \$ HY stalled in April, as Treasury yields surged to levels last seen in November. China's property bond spreads stabilized at about 2400 bps.



Chart 6: Australasian breakevens increased more than global in April. AU annual inflation slowed to 3.6% in Q1 from 4.1% in Q4, with housing, food and beverages, and alcohol and tobacco contributing the most.



Source: FTSE Russell and LSEG. All data as of April 30, 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.

China Bond Market Returns – 1M & YTD in LCY & USD (TR)

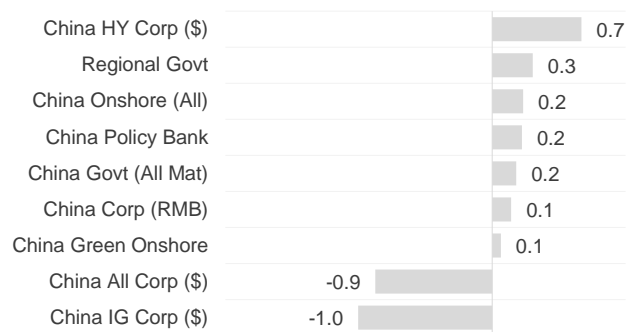
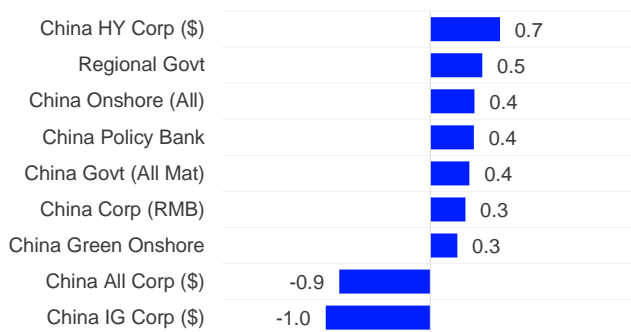
The reported PBOC warning on the duration risks in long dated Chinese government bonds suppressed bond returns to 0.4% in RMB terms, lagging regional government and policy bank bonds. The Chinese yuan held up well against a stronger dollar, with rate differentials between the US and China changing little in April. Longfor and New Metro bonds drove Chinese \$ high yield property bonds up by 0.7% in April.

Chinese domestic bonds delivered modest returns of up to 0.5% in April, led by regional government bonds. Chinese sovereign bonds gained 0.4% in RMB terms, as the central bank warned long bond investors about duration mismatch risks. A marginally weaker yuan against US dollar reduced Chinese bond returns for dollar investors, by only 0.2%. Longer-date regional government bonds were top YTD performers as interest rates stayed on a downward trend.

DimSum bonds barely moved in April, but marginally higher offshore RMB vs the US dollar increased bond returns in USD terms. Dimsum government bonds outperformed corporates and agency YTD.

Chinese \$ HY corporates gained 0.7% in April, driven by both gains from bonds issued by Longfor Group (following March's gains) and New Metro, and losses from RKPF Overseas bonds. Chinese \$ IG lost 1%, as Treasury yields backed up to Q4 levels.

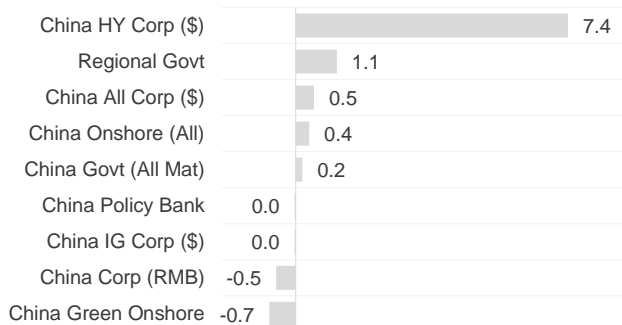
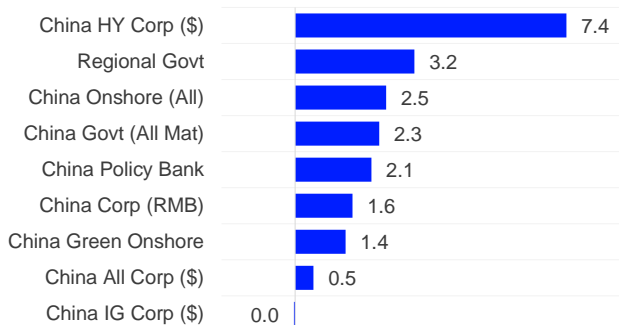
1M LCY 1M USD



OFFSHORE BONDS



YTD LCY YTD USD



OFFSHORE BONDS



Global Bond Market Returns – 1M & YTD in LCY & USD (TR)

Indian and Chinese government bonds were top performers in April and YTD, helped by growth prospects and resilient currencies. Developed Asian bonds underperformed YTD, with losses of up to 12.6%, led by Japan, Korea, and New Zealand. Chinese \$ HY outperformed YTD, helped by Q1 gains, while US IG credits lagged.

Chinese and Indian government bonds outperformed in April, in both local currency and US dollar terms, helped by resilient currencies against a stronger dollar. Only Chinese bonds made gains in April, benefitting from easy policy and demand outpacing supply. Indian and Chinese bonds also outperformed YTD, with returns of up to 2.8%.

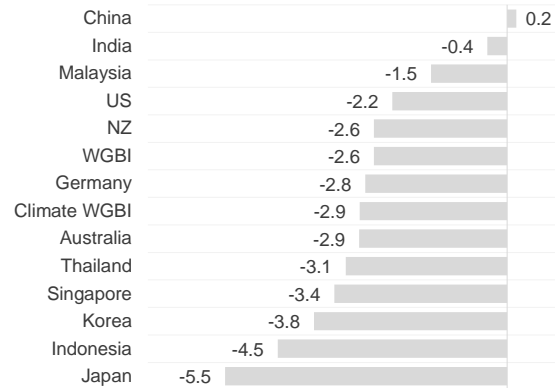
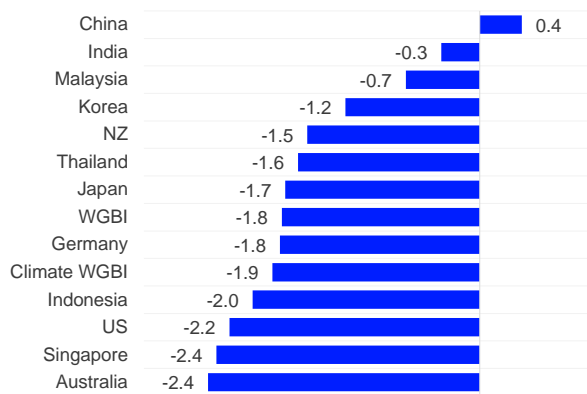
Australian bonds lost 2.9% in US dollar terms in April, with the Australian dollar depreciating only 0.5% (outperforming most peers). Sticky inflation boosted hawkish expectations on RBA's move in May.

Indonesian bonds lost 2-4.5% in April, as the Bank of Indonesia (BI) raised policy rates to defend the weaker rupiah. Japanese and Korean bonds lost 3.8-5.5% in US dollar terms, suffering the most from currency effects. Unlike the BI, the BoJ didn't raise rate further to support the currency value.

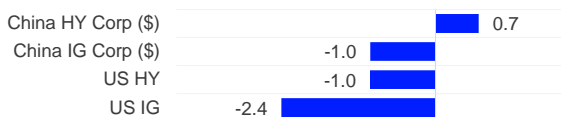
US IG lost most on 1M and YTD, squeezed by higher govt. yields. Chinese \$ HY gained 7.4% YTD, helped by stimulus measures.

1M LCY 1M USD

CONVENTIONAL GOVT BONDS

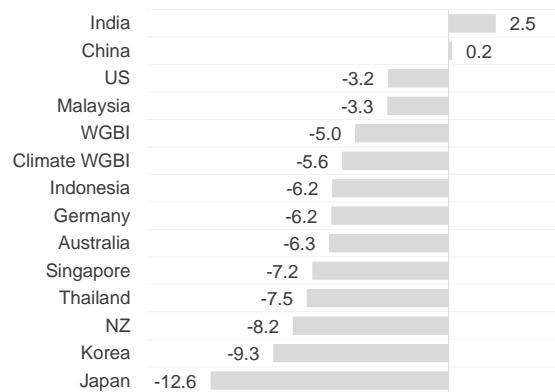
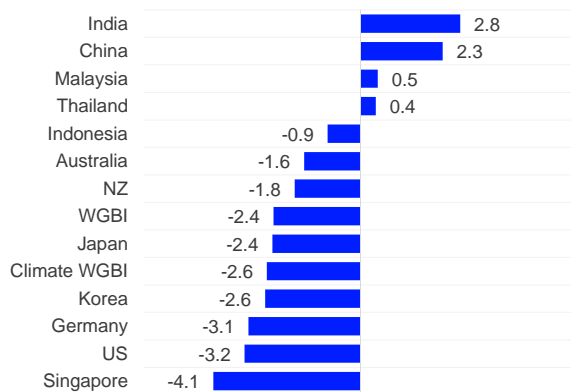


CORPORATE BONDS

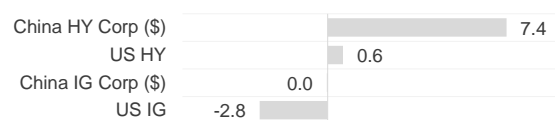
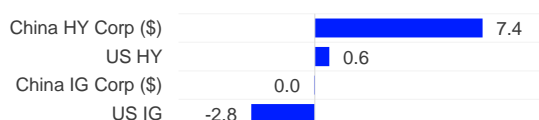


YTD LCY YTD USD

CONVENTIONAL GOVT BONDS



CORPORATE BONDS



Source: FTSE Russell. All data as of April 30, 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 – Global Bond Market Returns % (RMB vs USD, TR) as of April 30, 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	-0.32	-0.13	-0.41	0.45	2.12	1.05	2.38	7.01
	7-10YR	-3.06	-2.87	-4.36	-3.54	3.82	2.73	-5.30	-1.02
	20+YR	-6.40	-6.22	-7.64	-6.84	7.75	6.63	-13.82	-9.92
	IG All	-2.38	-2.19	-2.79	-1.95	7.40	6.28	1.13	5.70
	HY All	-1.01	-0.82	0.61	1.48	9.07	7.92	9.12	14.05
China	1-3YR	0.04	0.23	0.01	0.87	2.91	1.83	-1.33	3.13
	7-10YR	0.23	0.43	0.60	1.47	4.95	3.85	1.53	6.12
	20+YR	0.12	0.31	1.22	2.10	11.10	9.93	8.54	13.45
	All	0.18	0.38	0.38	1.25	4.59	3.49	0.87	5.43
China Policy Bank		0.22	0.42	0.58	1.45	4.21	3.12	0.61	5.16
Regional Govt		0.30	0.50	0.91	1.78	6.51	5.39	2.55	7.19
China Corp (LC)		0.14	0.34	0.17	1.04	3.63	2.54	-0.46	4.04
China Onshore (All)		0.23	0.43	0.59	1.46	5.01	3.91	1.25	5.83
China Green Onshore		0.06	0.26	0.01	0.87	3.42	2.34	-0.63	3.86
China All Corp (\$)		-0.88	-0.68	-0.17	0.69	6.41	5.30	2.65	7.30
China IG Corp (\$)		-1.01	-0.81	-0.46	0.40	5.71	4.60	3.41	8.08
China HY Corp (\$)		0.67	0.86	3.28	4.17	15.67	14.46	-4.30	0.03
Offshore Govt (DimSum)		0.23	0.42	0.16	1.02	3.73	2.64	-1.11	3.37
Asia-Pac	1-3YR	-0.54	-0.35	-0.71	0.15	2.59	1.52	-1.12	3.35
	7-10YR	-1.62	-1.43	-1.65	-0.80	4.87	3.77	-1.19	3.28
	20+YR	-2.31	-2.12	-2.15	-1.31	10.39	9.24	2.72	7.36
	All	-1.29	-1.10	-1.39	-0.54	4.57	3.47	-0.82	3.66
Australia	1-3YR	-0.87	-0.68	-1.67	-0.82	5.26	4.16	-0.03	4.49
	7-10YR	-3.34	-3.15	-3.62	-2.79	8.97	7.83	-5.37	-1.09
	20+YR	-6.37	-6.18	-6.04	-5.23	15.23	14.02	-12.13	-8.16
	All	-2.88	-2.69	-3.27	-2.43	8.28	7.14	-4.00	0.35
India	1-3YR	0.38	0.57	1.06	1.93	3.71	2.62	4.82	9.56
	7-10YR	-0.25	-0.05	1.04	1.91	4.73	3.63	4.75	9.48
	20+YR	-1.15	-0.96	1.41	2.28	5.92	4.81	4.99	9.74
	All	-0.38	-0.19	1.11	1.98	4.83	3.73	4.86	9.61
Indonesia	1-3YR	-3.12	-2.93	-2.66	-1.82	0.90	-0.16	-5.55	-1.27
	7-10YR	-5.00	-4.82	-4.93	-4.11	0.75	-0.30	-7.22	-3.03
	20+YR	-4.02	-3.84	-4.11	-3.28	1.68	0.61	-4.65	-0.33
	All	-4.47	-4.28	-4.23	-3.40	1.02	-0.03	-6.37	-2.13
Japan	1-3YR	-3.96	-3.77	-7.35	-6.55	-3.88	-4.89	-13.81	-9.92
	7-10YR	-4.87	-4.69	-8.03	-7.24	-2.51	-3.53	-15.50	-11.68
	20+YR	-7.17	-6.99	-9.46	-8.67	-3.73	-4.74	-24.51	-21.10
	All	-5.50	-5.31	-8.34	-7.55	-2.94	-3.95	-18.22	-14.52
Korea	1-3YR	-2.54	-2.35	-2.98	-2.14	0.18	-0.87	-0.05	4.47
	7-10YR	-3.71	-3.52	-4.44	-3.62	3.85	2.76	-1.68	2.77
	20+YR	-4.89	-4.71	-5.81	-5.00	10.85	9.69	-1.26	3.20
	All	-3.76	-3.58	-4.51	-3.68	4.88	3.78	-0.98	3.50
Malaysia	1-3YR	-0.79	-0.60	-0.36	0.50	1.68	0.61	-3.83	0.52
	7-10YR	-1.40	-1.21	-1.05	-0.20	2.70	1.62	-4.12	0.22
	20+YR	-2.28	-2.09	-1.62	-0.77	5.44	4.34	-3.53	0.83
	All	-1.48	-1.29	-1.04	-0.19	3.13	2.05	-3.84	0.51
New Zealand	1-3YR	-1.06	-0.87	-3.11	-2.28	5.08	3.98	-0.66	3.84
	7-10YR	-2.92	-2.73	-4.83	-4.00	9.78	8.63	-5.19	-0.91
	20+YR	-4.78	-4.60	-7.30	-6.50	13.65	12.46	-14.26	-10.39
	All	-2.59	-2.40	-4.61	-3.79	8.31	7.18	-4.42	-0.10
Singapore	1-3YR	-1.08	-0.89	-2.08	-1.24	2.18	1.11	0.22	4.76
	7-10YR	-3.31	-3.13	-5.24	-4.42	1.60	0.54	-3.59	0.77
	20+YR	-7.54	-7.36	-11.00	-10.23	-2.24	-3.26	-17.05	-13.30
	All	-3.37	-3.18	-5.26	-4.44	1.07	0.01	-5.19	-0.90
Thailand	1-3YR	-1.83	-1.64	-3.97	-3.14	-1.62	-2.65	-6.50	-2.27
	7-10YR	-3.51	-3.32	-4.75	-3.93	1.52	0.45	-7.08	-2.88
	20+YR	-4.89	-4.70	-3.64	-2.81	7.21	6.08	-8.29	-4.14
	All	-3.14	-2.95	-4.52	-3.70	0.84	-0.21	-6.99	-2.78

Source: FTSE Russell. All data as of April 30, 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 – Global Bond Market Yields %, as of April 30, 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	5.09	4.80	4.69	4.85	2.41	2.24	2.44	5.75	8.22
	3M Ago	4.33	3.93	3.93	4.31	1.98	1.64	2.01	5.14	7.97
	6M Ago	5.17	4.87	4.90	5.19	2.82	2.50	2.64	6.38	9.46
	12M Ago	4.24	3.62	3.41	3.75	1.68	1.23	1.58	5.15	8.47
UK	Current	4.64	4.31	4.28	4.72	0.30	0.49	1.38		
	3M Ago	4.21	3.73	3.75	4.39	0.16	0.21	1.25		
	6M Ago	4.67	4.45	4.43	4.91	0.65	0.71	1.51		
	12M Ago	4.05	3.77	3.64	4.02	0.39	0.14	0.63		
Japan	Current	0.21	0.39	0.76	1.86	-1.21	-0.76			
	3M Ago	0.04	0.20	0.59	1.73	-1.65	-0.83			
	6M Ago	0.09	0.34	0.83	1.82	-1.55	-0.65			
	12M Ago	-0.07	0.02	0.30	1.20	-1.31	-0.63			
China	Current	1.89	2.06	2.34	2.61					
	3M Ago	2.07	2.22	2.46	2.70					
	6M Ago	2.27	2.42	2.67	3.08					
	12M Ago	2.28	2.51	2.78	3.17					
EM	Current	3.42	3.86	4.56	3.94	5.65	5.21	5.67	6.01	9.15
	3M Ago	3.34	3.81	4.64	4.17	4.38	4.41	5.03	5.58	9.35
	6M Ago	3.71	4.43	5.00	4.55	4.20	4.73	5.46	6.71	11.34
	12M Ago	3.74	4.37	4.66	4.46	3.84	4.04	5.15	5.60	11.79
Germany	Current	3.08	2.67	2.53	2.69	1.12	0.46	0.43		
	3M Ago	2.57	2.07	2.06	2.38	0.81	0.20	0.27		
	6M Ago	3.09	2.66	2.70	3.05	0.90	0.45	0.65		
	12M Ago	2.72	2.35	2.25	2.37	0.16	-0.06	-0.11		
Italy	Current	3.45	3.38	3.68	4.24	1.25	1.54	1.79		
	3M Ago	2.96	2.93	3.47	4.21	1.08	1.58	1.94		
	6M Ago	3.77	3.88	4.45	5.06	1.77	2.35	2.53		
	12M Ago	3.36	3.49	3.97	4.45	0.80	1.65	1.83		
France	Current	3.17	2.93	2.96	3.39	0.72	0.65	0.86		
	3M Ago	2.62	2.34	2.52	3.13	0.44	0.37	0.78		
	6M Ago	3.21	3.01	3.23	3.88	0.93	0.78	1.28		
	12M Ago	2.84	2.66	2.73	3.23	-0.06	0.17	0.58		
Sweden	Current	3.14	2.68	2.50		1.60	0.85			
	3M Ago	2.68	2.21	2.18		1.26	0.76			
	6M Ago	3.43	3.05	2.94		1.34	1.30			
	12M Ago	2.89	2.59	2.31		0.71	0.73			
Australia	Current	4.16	4.05	4.36	4.75	1.40	1.71	2.06		
	3M Ago	3.69	3.60	3.97	4.42	1.04	1.39	1.81		
	6M Ago	4.49	4.48	4.87	5.33	1.47	2.04	2.53		
	12M Ago	3.13	3.05	3.30	3.88	0.09	0.84	1.50		
New Zealand	Current	5.16	4.77	4.85	5.17	2.29	2.51			
	3M Ago	4.89	4.44	4.55	4.87	1.72	2.39			
	6M Ago	5.49	5.37	5.55	5.69	2.47	3.05			
	12M Ago	4.89	4.15	4.08	4.23	0.95	1.61			
Canada	Current	4.47	3.92	3.82	3.70	1.97	1.98	1.90		
	3M Ago	4.21	3.50	3.36	3.28	1.55	1.60	1.72		
	6M Ago	4.70	4.18	4.09	3.88	2.25	2.32	2.21		
	12M Ago	3.81	3.09	2.82	2.93	1.12	1.06	1.32		

Source: FTSE Russell. All data as of April 30, 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.

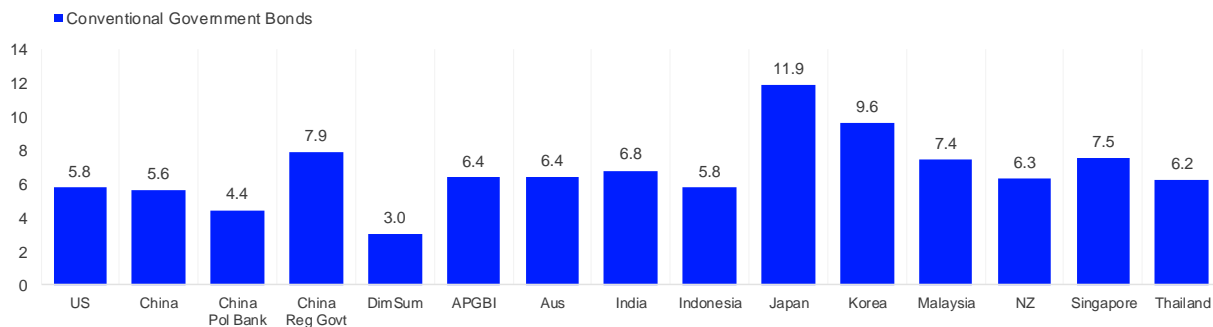
Appendix – Duration and Market Value (USD, Bn), as of April 30, 2024

Conventional Government Bonds								
	Duration				Market Value			
	3-5YR	7-10YR	20+YR	Overall	3-5YR	7-10YR	20+YR	Total
US	3.7	7.2	16.3	5.8	2,616.2	1,102.1	1,256.2	10,925.6
China	3.7	7.6	18.0	5.6	614.4	420.5	300.0	2,613.4
China Pol Bank				4.4				2,813.1
China Reg Govt				7.9				2,496.2
DimSum				3.0				13.4
APGBI	3.6	7.3	18.0	6.4	859.0	756.0	560.8	4,267.2
Aus	3.4	7.3	16.6	6.4	46.5	88.9	19.3	313.8
India	3.2	6.1	11.9	6.8	137.3	199.0	275.5	1,155.1
Indonesia	3.2	6.2	11.5	5.8	35.5	54.6	10.4	222.5
Japan	4.0	8.2	23.5	11.9	325.3	351.8	575.8	2,769.1
Korea	3.6	7.1	18.8	9.6	68.3	87.9	188.3	606.4
Malaysia	3.4	6.9	15.1	7.4	18.1	20.0	15.5	115.0
NZ	3.3	7.1	15.7	6.3	11.3	15.8	5.0	57.7
Singapore	3.6	7.4	19.3	7.5	9.6	13.8	16.2	95.5
Thailand	3.8	7.0	16.6	6.2	29.8	28.6	6.1	134.4

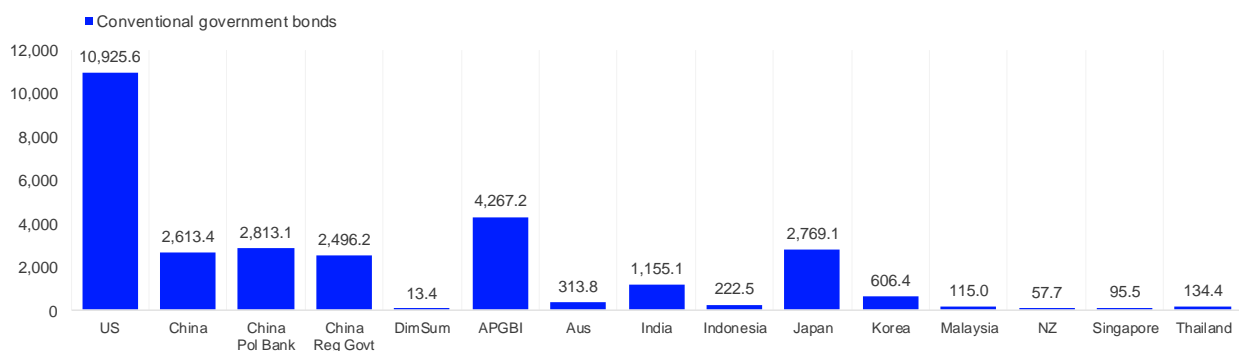
Corporate Bonds						
	Duration			Market Value		
	Inv Grade	High Yield	Overall	Inv Grade	High Yield	Overall
US	6.8	3.8		6,645.6	1,040.9	
China Corp (LC)			2.2			506.4
China Green Onshore			2.2			146.3
China Corp (\$)	4.1	2.2	7.9	203.0	17.3	220.2
DimSum			2.1			15.0
EM	5.3	3.3	4.8	525.7	170.6	696.2
EUxUK	4.4	2.9		2,962.9	343.1	

Other Sectors						
	Duration			Market Value		
	Supra	Agency	Corp NR	Supra	Agency	Corp NR
Offshore (DimSum)	2.1	2.4		2.1	5.4	

Average Duration



Total Market Value (USD Billions)

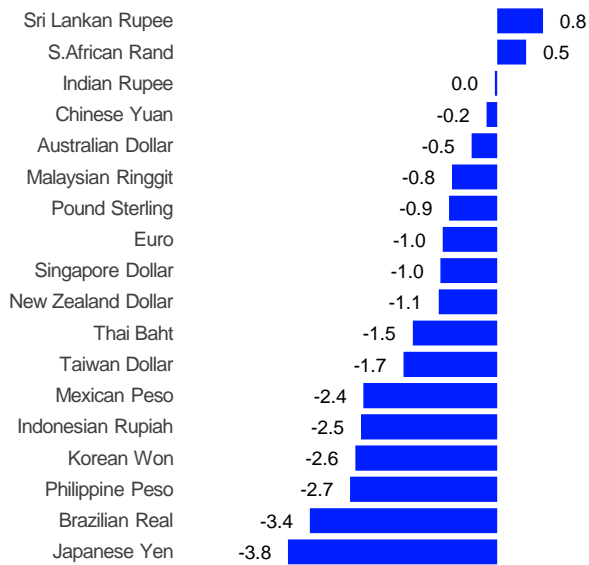


Data as of 2024-04-30

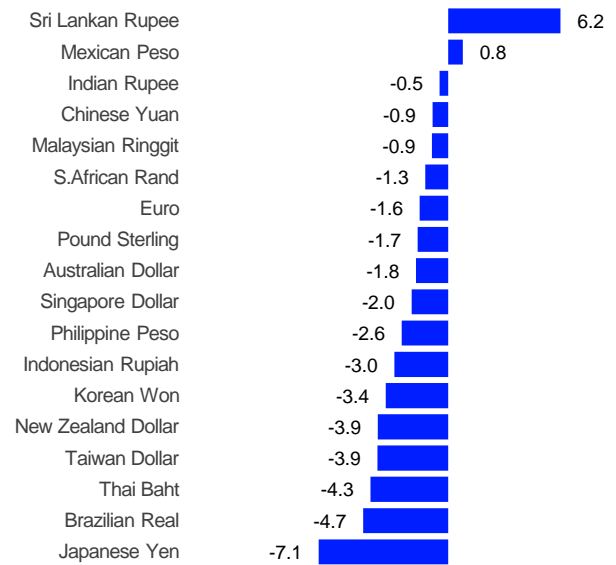
Source: FTSE Russell. All data as of April 30, 2024. Past performance is no guarantee of future results. Please see the end for important legal disclosures. Bond market data is derived from FTSE Fixed Income Indices. See Appendix Glossary for list of Indices used for each market. For professional investors only.

Appendix – Foreign Exchange Returns % as of April 30, 2024

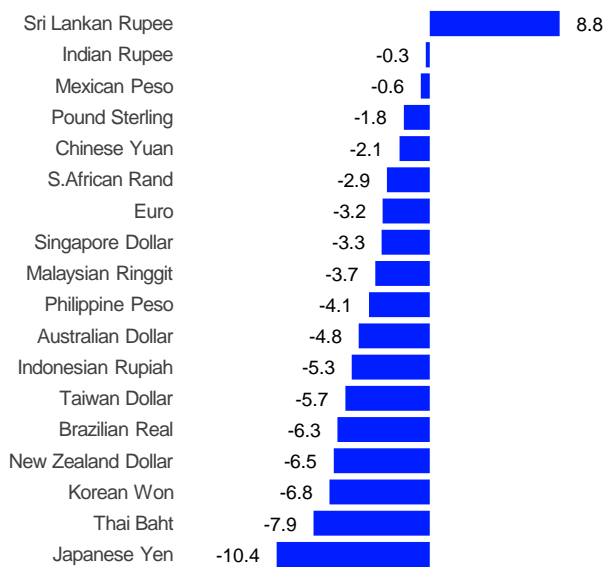
FX Moves vs USD - 1M



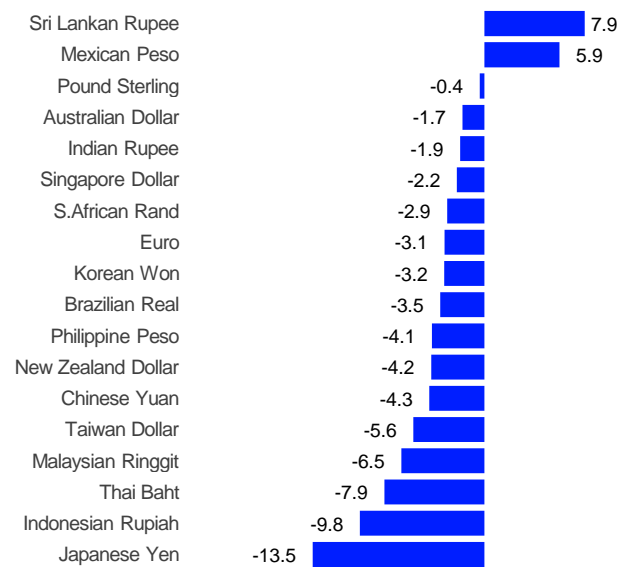
FX Moves vs USD - 3M



FX Moves vs USD - YTD



FX Moves vs USD - 12M



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

ABOUT FTSE RUSSELL

FTSE Russell is a leading global provider of index and benchmark solutions, spanning diverse asset classes and investment objectives. As a trusted investment partner we help investors make better-informed investment decisions, manage risk, and seize opportunities.

Market participants look to us for our expertise in developing and managing global index solutions across asset classes. Asset owners, asset managers, ETF providers and investment banks choose FTSE Russell solutions to benchmark their investment performance and create investment funds, ETFs, structured products, and index-based derivatives. Our clients use our solutions for asset allocation, investment strategy analysis and risk management, and value us for our robust governance process and operational integrity.

For over 35 years we have been at the forefront of driving change for the investor, always innovating to shape the next generation of benchmarks and investment solutions that open up new opportunities for the global investment community.

CONTACT US

To learn more, visit lseg.com/ftse-russell; email info@ftserussell.com; or call your regional Client Service team office:

EMEA +44 (0) 20 7866 1810	Asia-Pacific
North America +1 877 503 6437	Hong Kong +852 2164 3333
	Tokyo +81 3 6441 1430
	Sydney +61 (0) 2 7228 5659

© 2024 London Stock Exchange Group plc and its applicable group undertakings ("LSEG"). LSEG includes (1) FTSE International Limited ("FTSE"), (2) Frank Russell Company ("Russell"), (3) FTSE Global Debt Capital Markets Inc. and FTSE Global Debt Capital Markets Limited (together, "FTSE Canada"), (4) FTSE Fixed Income Europe Limited ("FTSE FI Europe"), (5) FTSE Fixed Income LLC ("FTSE FI"), (6) FTSE (Beijing) Consulting Limited ("WOFE") (7) LSEG Benchmark Services (UK) Limited ("RBSL"), (8) LSEG Limited ("RL") and (9) Beyond Ratings S.A.S. ("BR"). All rights reserved.

FTSE Russell® is a trading name of FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL, and BR. "FTSE®", "Russell®", "FTSE Russell®", "FTSE4Good®", "ICB®", "LSEG", "Beyond Ratings®", "WMR™", "FR™" and all other trademarks and service marks used herein (whether registered or unregistered) are trademarks and/or service marks owned or licensed by the applicable member of LSEG or their respective licensors and are owned, or used under licence, by FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL or BR. FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator. LSEG Benchmark Services (UK) Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.

All information is provided for information purposes only. All information and data contained in this publication is obtained by LSEG, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical inaccuracy as well as other factors, however, such information and data is provided "as is" without warranty of any kind. No member of LSEG nor their respective directors, officers, employees, partners or licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the accuracy, timeliness, completeness, merchantability of any information or LSEG Products, or of results to be obtained from the use of LSEG products, including but not limited to indices, rates, data and analytics, or the fitness or suitability of the LSEG products for any particular purpose to which they might be put. The user of the information assumes the entire risk of any use it may make or permit to be made of the information.

No responsibility or liability can be accepted by any member of LSEG nor their respective directors, officers, employees, partners or licensors for (a) any loss or damage in whole or in part caused by, resulting from, or relating to any inaccuracy (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analysing, editing, transcribing, transmitting, communicating or delivering any such information or data or from use of this document or links to this document or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if any member of LSEG is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, such information.

No member of LSEG nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing in this document should be taken as constituting financial or investment advice. No member of LSEG nor their respective directors, officers, employees, partners or licensors make any representation regarding the advisability of investing in any asset or whether such investment creates any legal or compliance risks for the investor. A decision to invest in any such asset should not be made in reliance on any information herein. Indices and rates cannot be invested in directly. Inclusion of an asset in an index or rate is not a recommendation to buy, sell or hold that asset nor confirmation that any particular investor may lawfully buy, sell or hold the asset or an index or rate containing the asset. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.

Past performance is no guarantee of future results. Charts and graphs are provided for illustrative purposes only. Index and/or rate returns shown may not represent the results of the actual trading of investable assets. Certain returns shown may reflect back-tested performance. All performance presented prior to the index or rate inception date is back-tested performance. Back-tested performance is not actual performance, but is hypothetical. The back-test calculations are based on the same methodology that was in effect when the index or rate was officially launched. However, back-tested data may reflect the application of the index or rate methodology with the benefit of hindsight, and the historic calculations of an index or rate may change from month to month based on revisions to the underlying economic data used in the calculation of the index or rate.

This document may contain forward-looking assessments. These are based upon a number of assumptions concerning future conditions that ultimately may prove to be inaccurate. Such forward-looking assessments are subject to risks and uncertainties and may be affected by various factors that may cause actual results to differ materially. No member of LSEG nor their licensors assume any duty to and do not undertake to update forward-looking assessments.

No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of the applicable member of LSEG. Use and distribution of LSEG data requires a licence from LSEG and/or its licensors.

The information contained in this report should not be considered "research" as defined in recital 28 of the Commission Delegated Directive (EU) 2017/593 of 7 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council ("MiFID II") and is provided for no fee.