

Fixed Income Insights

MONTHLY REPORT – SEPTEMBER 2023 | CHINA EDITION

FOR PROFESSIONAL INVESTORS ONLY

Chinese bond yields fall, and curve flattens, on growth challenges

Chinese bond yields fell on lower policy rates and weaker growth expectations. More home-buyers are made eligible for favourable mortgage rates, as real estate sales and investments continue to fall. Chinese dollar HY bond losses deepened as default concerns remain. Chinese yuan weakened, alongside global peers.

Macroeconomic backdrop – PBoC cuts rates again as net exports slow, inflation falls and loan growth falters

China's international trade reported sharp declines. Lower inflation and slower growth prospects resulted in another rate cut after June. Increases in money supply and loan growth lose momentum. (page 2)

Chinese bonds – Onshore bond yields fell further in August with lower rates, and 10s/2s yield curve flattened

Chinese government bond yields fell sharply YTD, as did corporates. The Chinese 10s/2s yield curve flattened on lower growth expectations, while the US curve dis-inverted. (page 3)

Chinese and Asian bonds – Asian curves flattest in four years, sovereign spreads vs US mainly negative

Asian 10s/2s yield curves stayed near four-year lows, led by Korea and India. Asian spreads are positive only in India, Indonesia and Philippines. Chinese spreads versus G7 fell to new lows relative to October levels. (page 4)

Performance – A stronger US dollar drove losses in APAC bonds in US dollar terms, particularly in Australasia

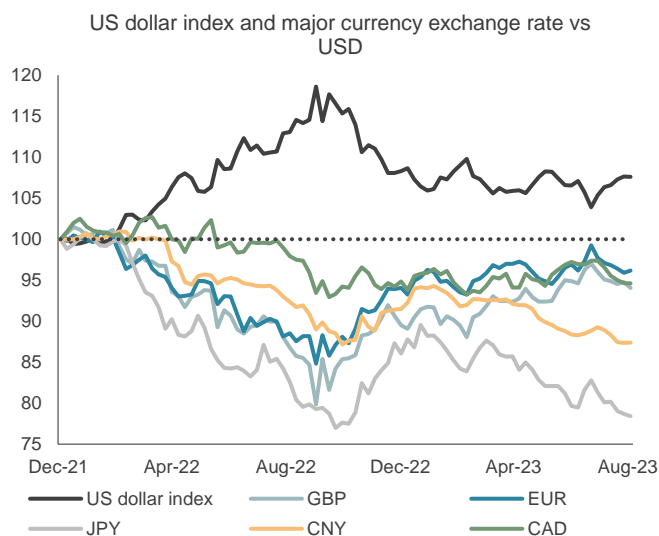
Developed Asian Pacific bonds lost most in August and year-to-date. Higher-yielding Indonesia and India remained outperformers YTD, while Japan and NZ lagged, partly on currency weakness. (pages 5-6)

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

Chart 1: China's sales of commercial buildings slowed down, increasing pressure on the economic recovery.



Chart 2: The RMB fell to its lowest level since October, as did the yen. Major currencies weakened in August as the US dollar rallied.



Macroeconomic Backdrop – Growth and Inflation Expectations

Global growth has withstood higher rates in 2022-23, without recessions (apart from a mild Eurozone version) helped by buoyant consumer spending, but Chinese net exports slowed sharply, and inflation turned negative in July. Chinese monetary growth slowed further and the distressed property sector and weak consumer spending increase deflation risks.

China's exports fell by 14.5% y/y in July, the largest drop since Covid in 2020, implying weaker demands globally. Imports also dropped by 12.4% as Chinese demands weakened, with lower imported goods prices an important factor (Chart 1).

The US "immaculate disinflation" continues, but Chinese headline CPI fell 0.3% y/y in July (Chart 2), driven by lower pork prices. Overall food prices decreased 0.5% y/y, while service prices increased. Concerns about deflation risks mounted, though base effects from energy prices falling in 2023, after the sharp increases in 2022, may overstate the risks.

The PBoC cut key policy rates again in August, with the seven-day reverse repo rate down to 1.8% and 1-year MLF rate at 2.5% (from 2.65%), as weaker exports, property and investments remain a drag on growth (Chart 3). The Loan prime rate (LPR) for 1-year was cut to 3.45%, but not the five year rate. Signs of a major fiscal stimulus remain scarce, but monetary policy continues to ease.

China's money supply y/y growth fell to a YTD low of 10.7% in July. China's relatively high M2/GDP ratio reflects the high share of bank finance for economic activity, compared to more securitised financial systems (like the US). China's social financing y/y growth fell marginally to 8.9%, as Chart 4 shows, driven by slowing RMB loans growth of 11%, despite resilient bond financing.

Chart 1: China's international trade flows slowed further in July, with both exports and imports falling in double digits y/y. Recovery prospects are further weakened by a vulnerable property market.

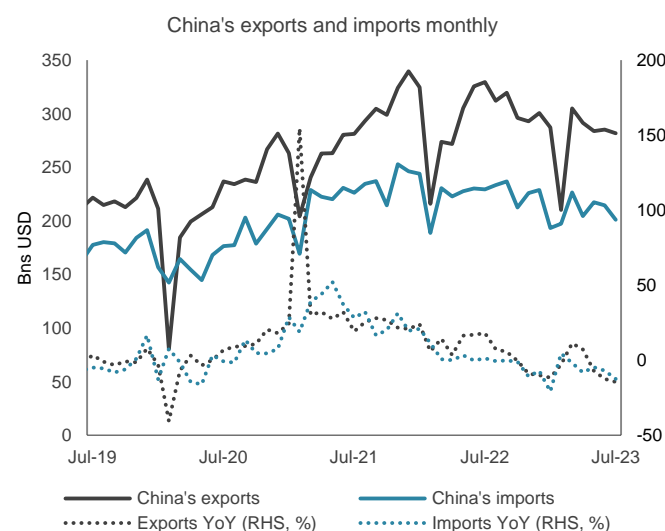


Chart 2: Headline US inflation continues to fall, though core inflation is stickier at around 5%, reflecting shelter costs. China's CPI fell to -0.3%, with lower prices for food but higher for services.

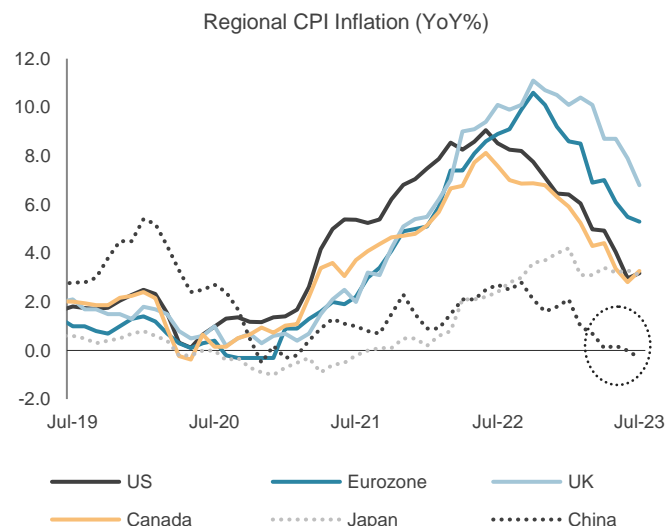


Chart 3: The PBoC delivered another policy rate cut in August, following such a move in June to boost demand and growth. Loan prime rate was lowered for 1Y, but the 5Y rate was unchanged.

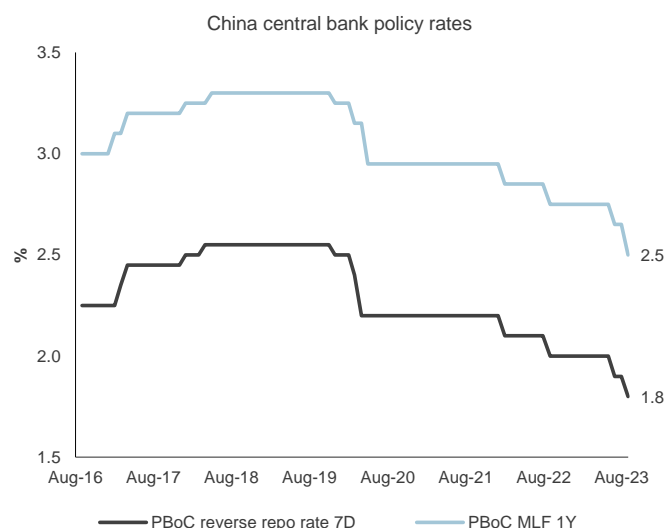
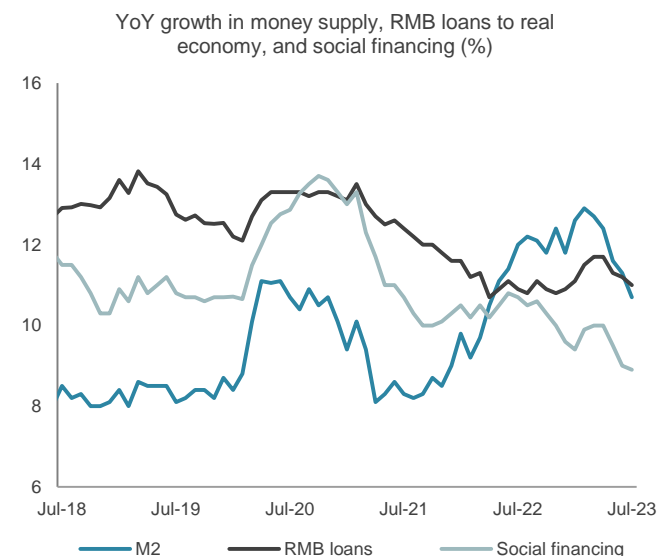


Chart 4: China's monetary growth slowed to 10.7% in July. On the demand side, RMB loans registered the smallest m/m increases in this cycle, driving total social financing growth lower to 8.9%.



Source: FTSE Russell and Refinitiv, China unemployment rate data from National Bureau of Statistics of China. All data as of August 31, 2023. 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.

Chinese Government and Corporate Bonds

Chart 1: Chinese govt yields fell in August, as the PBoC lowered key policy rates to support the economy, following the rate cut in June. China remains cautious on a massive fiscal stimulus.

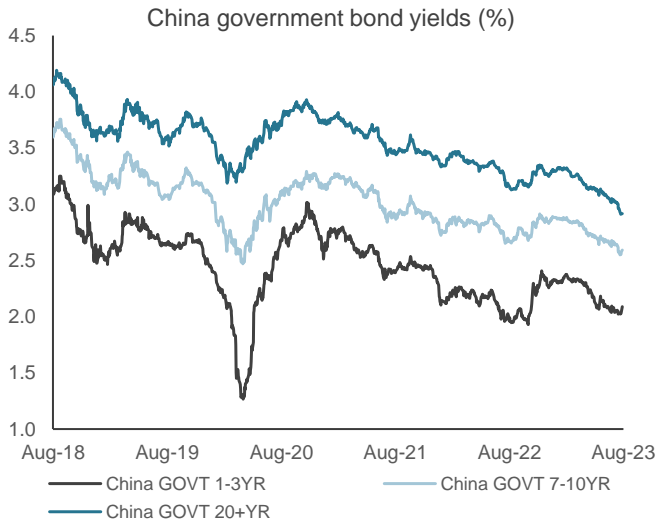


Chart 2: The Chinese 10s/2s curve movement shows several effects, in addition to lower short-term rates. The US curve dis-inverted in August, as 7-10 year yields increased.



Chart 3: Policy bank spreads are now lower than pre-Covid levels, as are more volatile corporate spreads. But regional government spreads widened modestly, reflecting greater bond issuance.

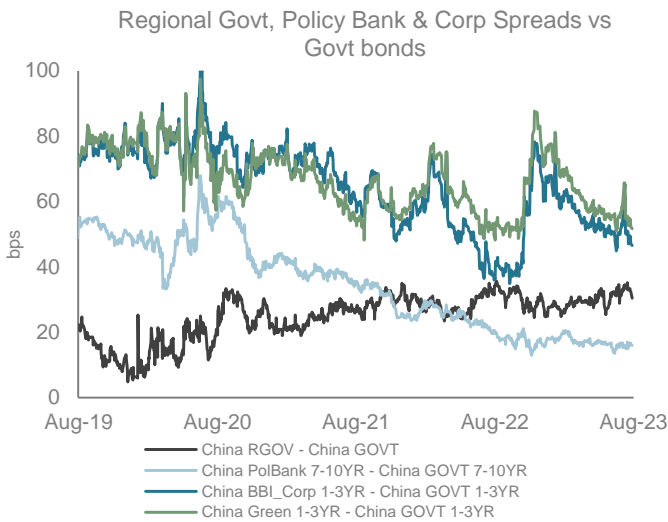


Chart 4: Chinese onshore corporate and green yields fell most YTD. Sovereign yields also fell near October lows, though remain well above the Covid lows of 2020.

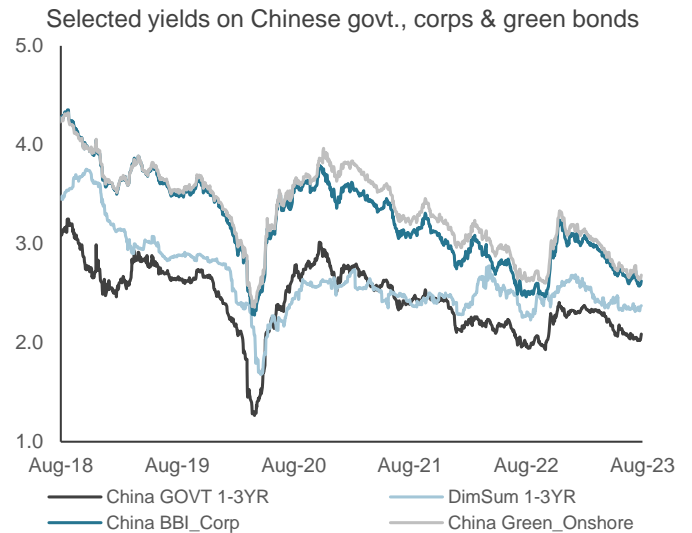


Chart 5: Foreign investor holdings of Chinese government bonds fell sharply in July, as US Treasury yields surged to a 16-year high and yield differentials moved further against Chinese bonds.

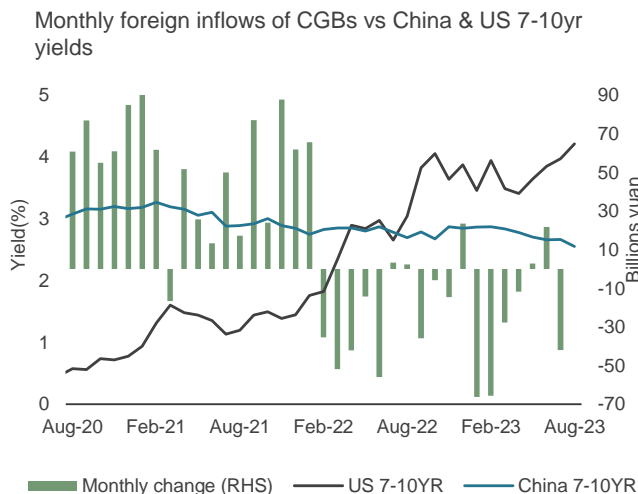
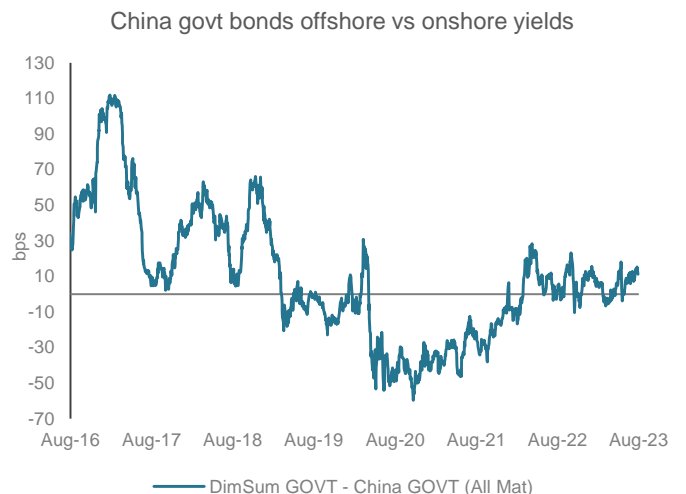


Chart 6: Offshore RMB government bond yields trended lower in August, tracking onshore yields, but remained slightly higher than onshore yields, in line with the recent-year trend.



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China and Asian Bonds in Global Context

Chart 1: China's 7-10-year yields have stayed consistently below Treasury and Korean yields. Philippine 7-10-year yields are among the highest in Asia, joining India and Indonesia.

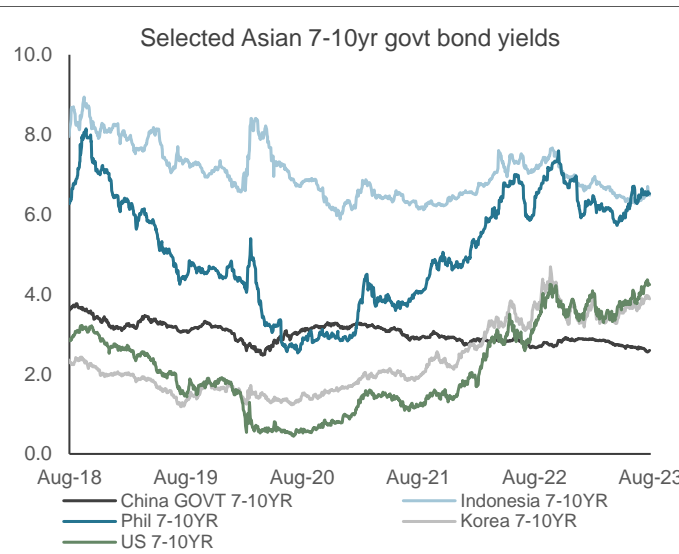


Chart 2: The Malaysian and Thai 10s/2s yield curves stabilised at pre-Covid levels, like the Chinese curve. Indian and Korean 10s/2s yield curves are almost flat, as the US curve dis-inverted.

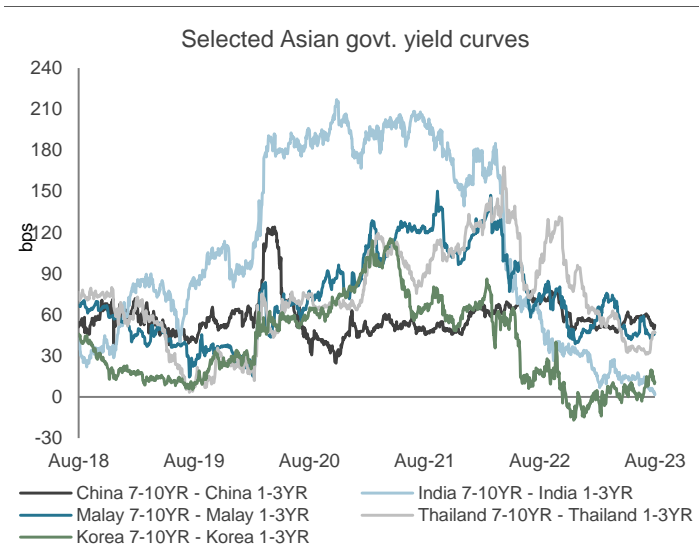


Chart 3: China 7-10 year sovereign spreads vs G7 fell further, led by spreads vs UK and US. Chinese spreads are only positive vs Japan, which also narrowed after the BoJ lifted 10-year yield cap.

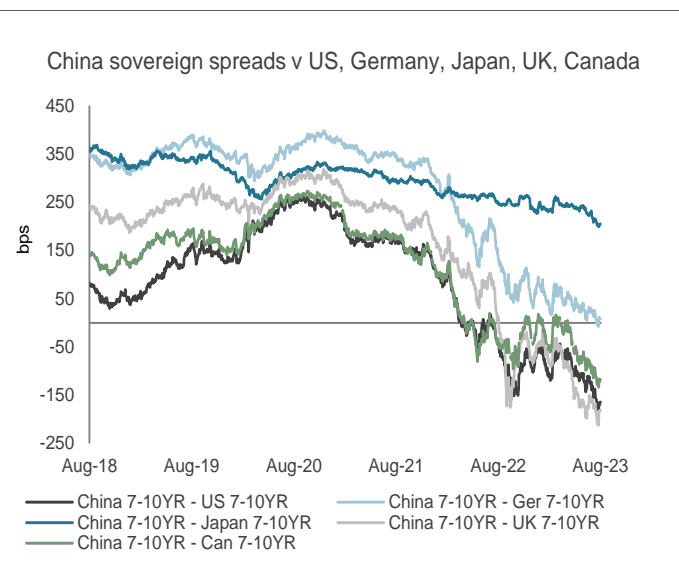


Chart 4: Asian 7-10yr spreads versus the US became negative except in India, Indonesia and Philippines, as US yields rose again in August. Higher-yielding bond spreads also narrowed.

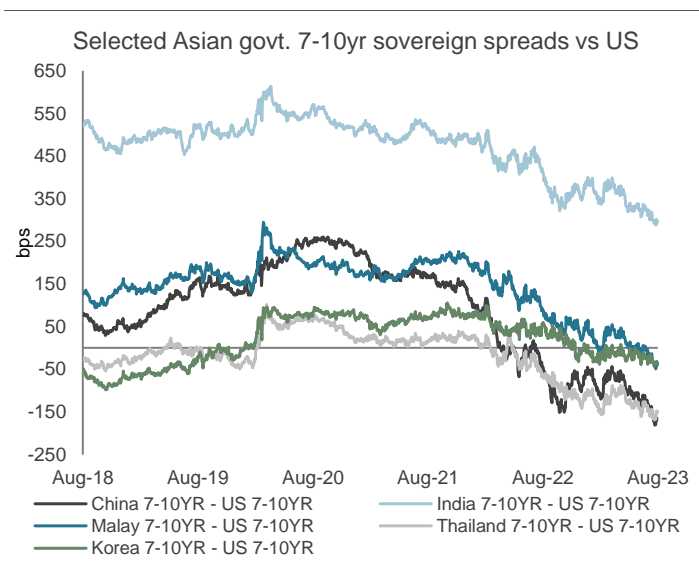
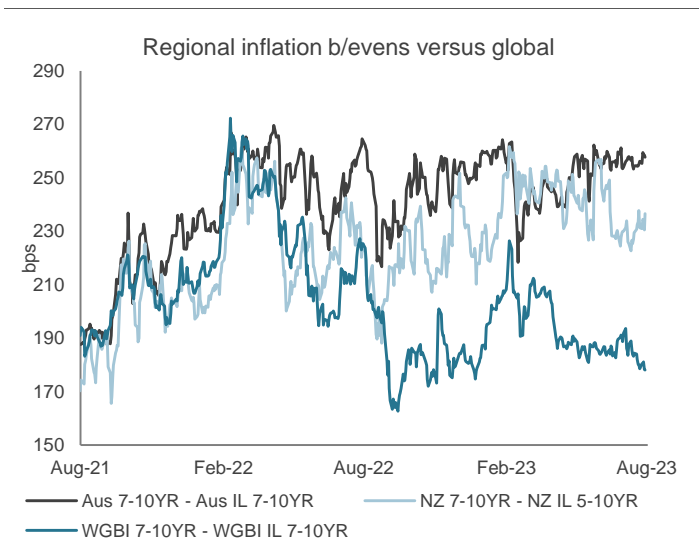


Chart 5: Chinese \$ HY spreads surged back to November highs, after a quick recovery in February. Wider yield spreads didn't reflect the easier mortgage policies unveiled late August.



Chart 6: Australasian breakevens remain elevated at 2.3-2.5%, with inflation down to 6% by June. These breakevens are on a par with or above their global peers, only lower than the UK (at 3.7%).



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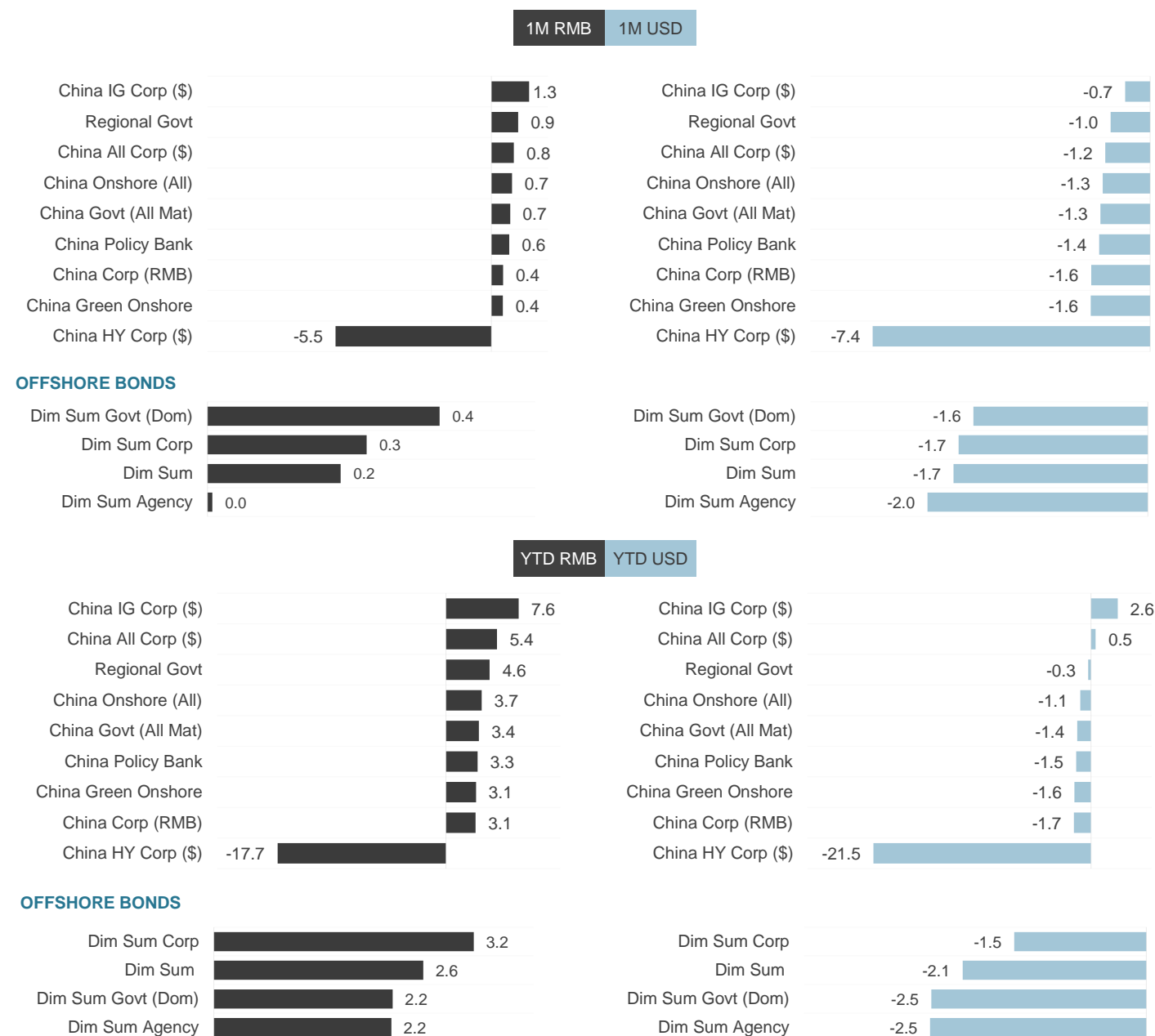
China Bond Market Returns – 1M & YTD in RMB & USD (TR) as of August 31, 2023

Onshore bonds gained 0.4-0.9% in August in RMB terms, led by regional governments, but reported losses in US dollar terms due to a weaker yuan. Offshore RMB bonds underperformed onshore YTD, except corporates. Chinese dollar HY credit fell 7% in August, despite the stimulus to the property market effected by easing terms on mortgage loans.

Chinese onshore sovereigns gained 0.7% in RMB terms in August, but a weaker yuan drove returns in US dollar terms negative by -1.3%. Regional governments outperformed with RMB returns of 0.9%, as year-to-date issuance fell below 2022 levels.

DimSum bonds' performance year-to-date was weaker vs onshore, except for corporates. YTD losses of 1.5-2.5% in US dollar terms were largely caused by the August weakness.

Chinese IG in dollars lost 0.7% in August, as yields rose with Treasuries. Chinese \$ HY corporates lost 7.4% over the month, led by property sector issuers, New Metro Global and Gemdale Ever Prosperity, which have lost 21% YTD. Property remains a drag on GDP growth, leading to easier policies on mortgage loans. New Evergrande's filing for bankruptcy protection doesn't help to relieve pressures on the vulnerable market.



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Global Bond Market Returns – 1M & YTD RMB & USD (TR) as of August 31, 2023

A stronger US dollar squeezed APAC government bond returns in August, with losses of 0.9-5%. Australasian bonds suffered most, as China's weak economic recovery drove regional commodity currencies lower. Emerging markets outperformed in US dollar terms YTD, led by Indonesian and Indian bonds, which gained 6-10% in US dollar terms.

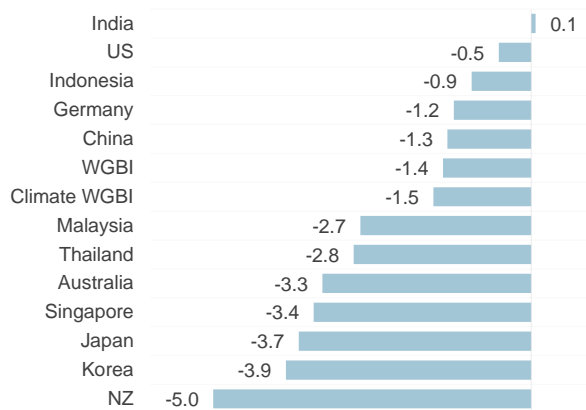
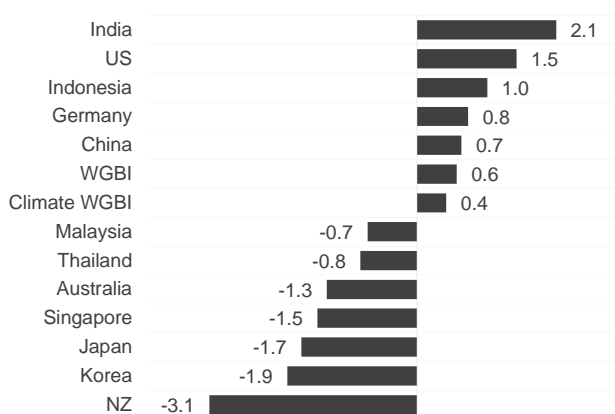
Australasian bonds lost most (3.3-5%) in US dollar terms in August, as commodity currencies weakened versus US dollar, as China's economic slowdown drove commodity prices and currencies lower.

Other Asian Pacific government bonds lost 0.9-3.9% in US dollar terms over the month, driven by currency effects. Developed markets, including Korea, Singapore, and Japan, fell more than emerging markets. Indian bonds managed almost flat returns in US dollar terms with a shallower currency depreciation.

In credit, US HY held up well in August, and outperformed with YTD returns of 7.4%, as risk rallied on higher-than-expected US growth. Both US and Chinese IG credit outperformed US Treasuries year-to-date, with gains of up to 3%. But Chinese HY corporates lost 21% year-to-date, with weaker property market data and disappointment on the scale of stimulus measures to date.

1M RMB 1M USD

CONVENTIONAL GOVT BONDS

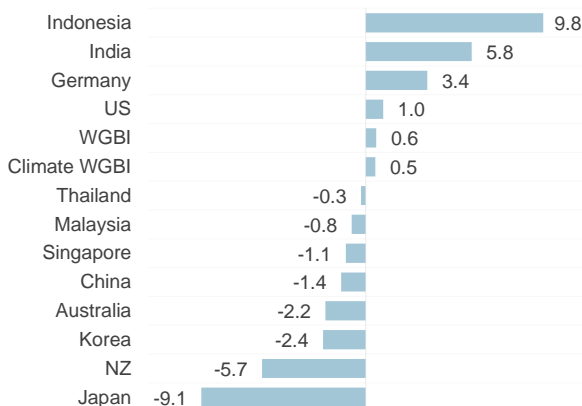


CORPORATE BONDS

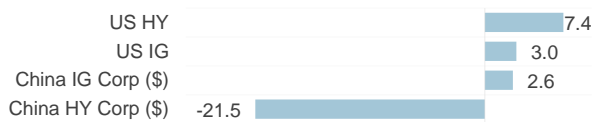


YTD RMB YTD USD

CONVENTIONAL GOVT BONDS



CORPORATE BONDS



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Appendix – Global Bond Market Returns % (RMB vs USD, TR), August 31, 2023

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	0.39	2.41	0.26	2.88	1.78	6.92	1.33	7.16
	7-10YR	-0.74	1.25	-2.59	-0.05	0.40	5.47	-3.51	2.04
	20+YR	-3.14	-1.20	-5.37	-2.89	-3.33	1.55	-11.00	-5.89
	IG All	-0.72	1.27	-0.02	2.59	2.02	7.18	0.82	6.62
	HY All	0.22	2.23	3.51	6.21	4.71	10.00	6.75	12.88
China	1-3YR	-1.75	0.22	-1.86	0.71	-3.05	1.85	-3.18	2.38
	7-10YR	-1.16	0.82	-0.99	1.60	-1.44	3.54	-2.06	3.57
	20+YR	0.07	2.08	1.70	4.36	3.31	8.53	1.39	7.22
	All	-1.32	0.66	-1.15	1.43	-1.68	3.29	-2.19	3.43
China Policy Bank		-1.35	0.63	-1.26	1.32	-1.74	3.23	-2.16	3.47
Regional Govt		-1.04	0.94	-0.77	1.82	-0.86	4.15	-1.13	4.55
China Corp (LC)		-1.56	0.41	-1.60	0.98	-2.42	2.51	-2.80	2.79
China Onshore (All)		-1.26	0.73	-1.09	1.49	-1.49	3.49	-1.90	3.74
China Green Onshore		-1.57	0.41	-1.61	0.96	-2.39	2.54	-2.82	2.77
China All Corp (\$)		-1.19	0.79	-1.35	1.23	-1.39	3.59	0.60	6.38
China IG Corp (\$)		-0.66	1.34	-0.57	2.03	1.38	6.51	1.95	7.81
China HY Corp (\$)		-7.35	-5.49	-10.12	-7.77	-28.03	-24.39	-13.41	-8.44
Offshore Govt (DimSum)		-1.55	0.42	-1.06	1.53	-2.31	2.63	-2.82	2.77
Asia-Pac	1-3YR	-2.09	-0.12	-1.10	1.48	-1.80	3.16	-1.29	4.38
	7-10YR	-2.00	-0.04	-1.09	1.49	-0.38	4.65	0.04	5.79
	20+YR	-2.16	-0.19	0.15	2.77	1.52	6.65	1.85	7.71
	All	-2.11	-0.15	-1.01	1.58	-0.68	4.34	-0.17	5.57
Australia	1-3YR	-3.27	-1.33	0.33	2.95	-2.82	2.10	-3.84	1.69
	7-10YR	-3.22	-1.28	-2.01	0.55	-3.18	1.72	-4.96	0.51
	20+YR	-3.93	-2.00	-4.15	-1.65	-5.84	-1.08	-11.33	-6.23
	All	-3.29	-1.35	-1.43	1.15	-3.18	1.71	-4.99	0.48
India	1-3YR	-0.20	1.81	1.21	3.85	3.71	8.96	2.16	8.03
	7-10YR	0.04	2.05	0.77	3.41	5.05	10.36	3.25	9.18
	20+YR	0.46	2.48	0.04	2.65	4.95	10.25	5.66	11.73
	All	0.07	2.08	0.67	3.30	4.79	10.09	3.69	9.65
Indonesia	1-3YR	-0.86	1.13	-1.05	1.54	3.40	8.63	3.07	8.99
	7-10YR	-0.63	1.37	0.20	2.82	6.05	11.41	8.97	15.24
	20+YR	-0.52	1.47	1.49	4.14	8.58	14.07	11.97	18.41
	All	-0.94	1.05	-0.05	2.56	5.85	11.20	7.88	14.08
Japan	1-3YR	-2.45	-0.49	-4.15	-1.65	-6.50	-1.77	-4.93	0.54
	7-10YR	-2.59	-0.63	-5.25	-2.77	-5.96	-1.20	-6.42	-1.05
	20+YR	-5.72	-3.83	-10.93	-8.60	-10.07	-5.52	-12.68	-7.66
	All	-3.66	-1.73	-7.03	-4.60	-7.26	-2.57	-8.33	-3.06
Korea	1-3YR	-3.33	-1.39	0.98	3.62	1.96	7.11	4.83	10.86
	7-10YR	-3.76	-1.83	-0.60	2.00	1.88	7.03	4.37	10.37
	20+YR	-4.56	-2.64	-0.53	2.07	-0.49	4.54	1.98	7.84
	All	-3.87	-1.94	-0.11	2.50	1.15	6.26	3.80	9.77
Malaysia	1-3YR	-2.51	-0.56	0.27	2.89	-1.61	3.36	-0.02	5.73
	7-10YR	-2.47	-0.51	-0.30	2.31	-0.85	4.16	1.66	7.50
	20+YR	-3.22	-1.28	-1.03	1.56	0.27	5.34	5.15	11.19
	All	-2.69	-0.74	-0.18	2.43	-0.82	4.19	1.78	7.63
New Zealand	1-3YR	-4.10	-2.17	-0.85	1.75	-2.82	2.09	-1.77	3.88
	7-10YR	-5.30	-3.40	-4.03	-1.52	-3.97	0.88	-5.55	-0.12
	20+YR	-7.01	-5.15	-9.35	-6.98	-8.02	-3.37	-10.55	-5.41
	All	-5.01	-3.10	-3.36	-0.83	-3.91	0.95	-4.56	0.92
Singapore	1-3YR	-1.52	0.46	0.84	3.48	1.67	6.81	5.16	11.21
	7-10YR	-2.28	-0.32	-0.91	1.69	2.87	8.07	5.03	11.07
	20+YR	-9.72	-7.90	-11.52	-9.20	-2.66	2.26	5.10	11.15
	All	-3.43	-1.49	-2.42	0.14	1.61	6.74	5.18	11.22
Thailand	1-3YR	-2.16	-0.19	-0.40	2.20	1.30	6.42	4.85	10.88
	7-10YR	-3.44	-1.50	-2.14	0.42	0.45	5.53	5.10	11.14
	20+YR	-3.12	-1.17	-0.56	2.04	3.02	8.22	13.49	20.02
	All	-2.80	-0.84	-1.17	1.41	1.16	6.27	6.05	12.14

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Appendix – Global Bond Market Yields %, August 31, 2023

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	4.99	4.39	4.12	4.32	2.50	1.94	2.01	5.65	8.44
	3M Ago	4.61	3.92	3.65	3.94	2.08	1.52	1.68	5.43	8.86
	6M Ago	4.90	4.34	3.93	4.01	1.82	1.57	1.65	5.55	8.62
	12M Ago	3.49	3.44	3.19	3.46	0.87	0.75	1.14	4.86	8.37
UK	Current	4.91	4.63	4.31	4.53	1.11	0.67	1.12		
	3M Ago	4.55	4.33	4.10	4.45	1.18	0.54	1.06		
	6M Ago	3.95	3.79	3.72	4.07	0.45	0.18	0.67		
	12M Ago	3.04	2.99	3.00	3.33	-1.97	-1.34	-0.31		
Japan	Current	-0.02	0.14	0.53	1.55	-1.82	-0.76			
	3M Ago	-0.08	0.01	0.33	1.22	-1.51	-0.77			
	6M Ago	-0.04	0.11	0.53	1.35	-1.25	-0.36			
	12M Ago	-0.10	-0.02	0.24	1.18	-1.28	-0.81			
China	Current	2.06	2.28	2.59	2.93					
	3M Ago	2.13	2.36	2.70	3.14					
	6M Ago	2.38	2.62	2.86	3.32					
	12M Ago	1.96	2.35	2.71	3.14					
EM	Current	3.50	4.22	4.80	4.34	2.84	4.28	5.01	6.14	
	3M Ago	3.74	4.16	4.62	4.44	4.34	4.24	5.00	5.78	
	6M Ago	3.71	4.48	4.88	4.57	1.46	3.33	5.35	5.95	
	12M Ago	3.49	4.18	4.90	4.68	2.63	3.35	5.09	5.25	
Germany	Current	3.03	2.53	2.38	2.55	0.64	0.13	0.11		
	3M Ago	2.71	2.30	2.20	2.40	0.37	-0.04	-0.13		
	6M Ago	3.09	2.78	2.59	2.57	0.22	0.08	0.03		
	12M Ago	0.97	1.91	2.07	2.06	-0.64	-0.20	-0.17		
Italy	Current	3.56	3.53	3.87	4.41	1.37	1.72	1.86		
	3M Ago	3.35	3.42	3.89	4.43	1.11	1.62	1.80		
	6M Ago	3.65	3.81	4.18	4.55	0.84	1.69	1.90		
	12M Ago	2.11	3.13	3.83	4.11	0.34	1.78	1.82		
France	Current	3.09	2.85	2.87	3.36	0.48	0.37	0.71		
	3M Ago	2.83	2.63	2.68	3.24	0.22	0.20	0.53		
	6M Ago	3.18	3.03	3.01	3.37	-0.05	0.24	0.69		
	12M Ago	1.21	2.26	2.64	3.15	-0.59	0.28	0.72		
Sweden	Current	3.43	3.00	2.75		1.33	1.14			
	3M Ago	2.97	2.62	2.31		0.74	0.55			
	6M Ago	3.18	2.96	2.65		0.64	0.72			
	12M Ago	2.24	2.38	2.24		-0.93	-0.36			
Australia	Current	3.85	3.75	3.99	4.42	0.97	1.43	1.84		
	3M Ago	3.51	3.38	3.58	4.12	0.42	1.03	1.59		
	6M Ago	3.66	3.65	3.83	4.19	0.50	1.26	1.78		
	12M Ago	3.11	3.71	4.03	4.37	0.67	1.53	2.05		
NZ	Current	5.30	4.96	4.89	5.07	2.15	2.58			
	3M Ago	5.08	4.35	4.28	4.46	1.23	1.85			
	6M Ago	5.06	4.68	4.57	4.67	1.40	2.07			
	12M Ago	3.85	4.51	4.48	4.78	1.57	2.22			
Canada	Current	4.50		3.65	3.44			1.88	5.55	
	3M Ago	4.04		3.22	3.18			1.44	5.24	
	6M Ago	4.04		3.35	3.26			1.34	5.16	
	12M Ago	3.56		3.14	3.06			1.23	4.96	

Source: FTSE Russell. All data as of August 31, 2023. 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.

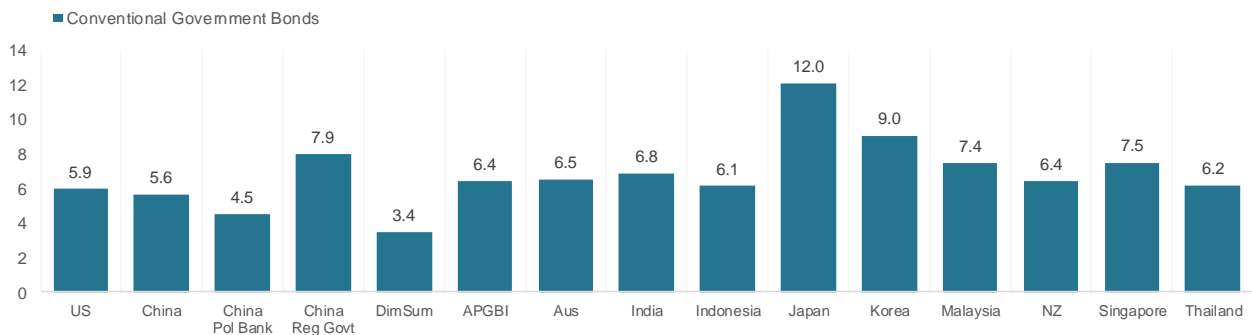
Appendix – Duration and Market Value (USD, Bn), August 31, 2023

Conventional Government Bonds								
	Duration				Market Value			
	3-5YR	7-10YR	20+YR	Overall	3-5YR	7-10YR	20+YR	Total
US	3.7	7.4	17.1	5.9	2,326.2	1,094.2	1,242.6	10,402.0
China	3.7	7.5	17.7	5.6	479.2	337.8	256.1	2,158.8
China Pol Bank				4.5				2,726.5
China Reg Govt				7.9				2,019.4
DimSum	3.5			3.4	1.8			6.1
APGBI	3.6	7.3	17.8	6.4	742.0	673.3	485.5	3,815.1
Aus	3.5	7.7	17.4	6.5	50.5	86.0	14.8	317.1
India	3.2	6.1	11.7	6.8	136.4	194.2	245.0	1,056.8
Indonesia	3.2	6.1	11.6	6.1	34.3	70.7	11.4	229.2
Japan	3.9	8.1	23.8	12.0	353.3	356.3	646.4	3,009.1
Korea	3.6	7.1	18.7	9.0	87.6	87.6	165.7	610.2
Malaysia	3.7	7.2	14.9	7.4	21.4	13.9	15.7	112.2
NZ	3.8	7.6	16.7	6.4	9.4	13.2	2.3	47.4
Singapore	3.6	7.0	19.5	7.5	18.7	14.0	13.1	95.2
Thailand	3.8	7.5	17.0	6.2	27.4	27.5	6.5	140.4

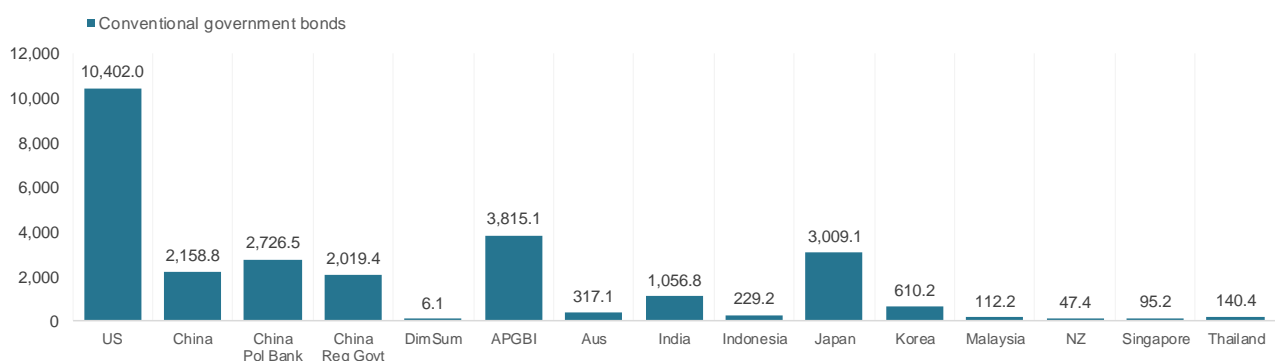
Corporate Bonds						
	Duration			Market Value		
	Inv Grade	High Yield	Overall	Inv Grade	High Yield	Overall
US	7.0	4.0		6,388.7	1,031.8	
China Corp (LC)			2.3			548.0
China Green Onshore			2.4			149.2
China Corp (\$)	4.0	2.3	7.9	242.0	19.4	261.4
DimSum	2.1		2.2	9.8		10.8
EM	5.0	3.4	4.6	585.1	186.0	771.2
EUxUK	4.5	3.1		2,809.7	416.0	

Other Sectors						
	Duration			Market Value		
	Supra	Agency	Corp NR	Supra	Agency	Corp NR
Offshore (DimSum)	2.1	2.5	2.5	1.4	5.7	1.1

Average Duration



Total Market Value (USD Billions)

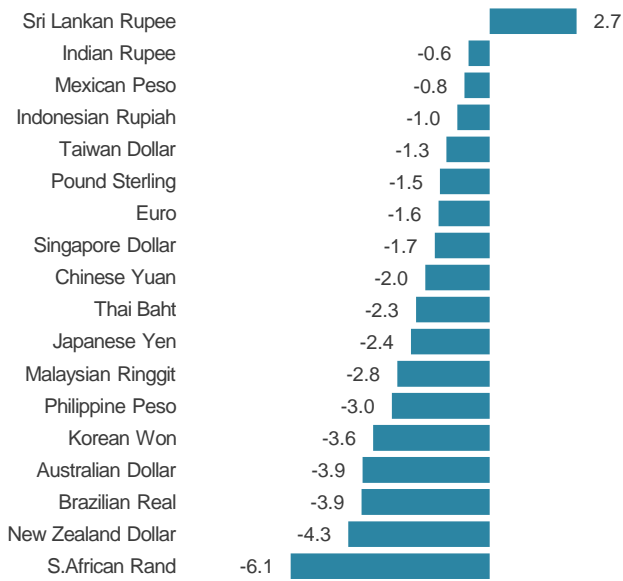


Data as of 2023-08-31

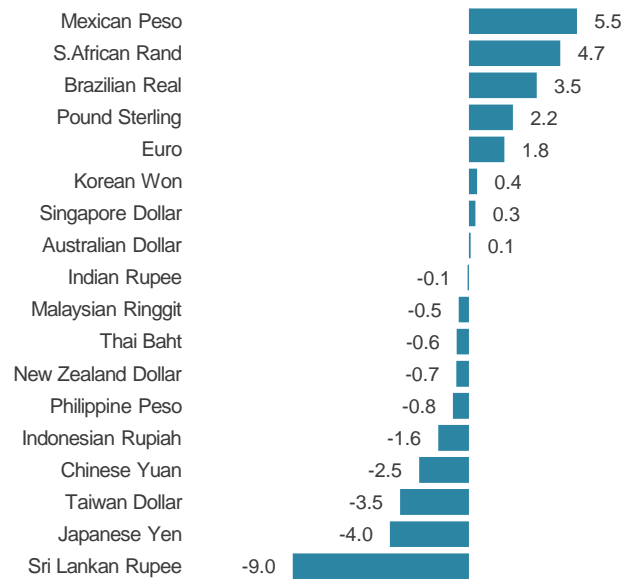
Source: FTSE Russell. All data as of August 31, 2023. Past performance is no guarantee of future results. Please see the end for important legal disclosures. Bond market data is derived from FTSE Fixed Income Indices. See Appendix Glossary for list of Indices used for each market. For professional investors only.

Appendix – Foreign Exchange Returns % as of August 31, 2023

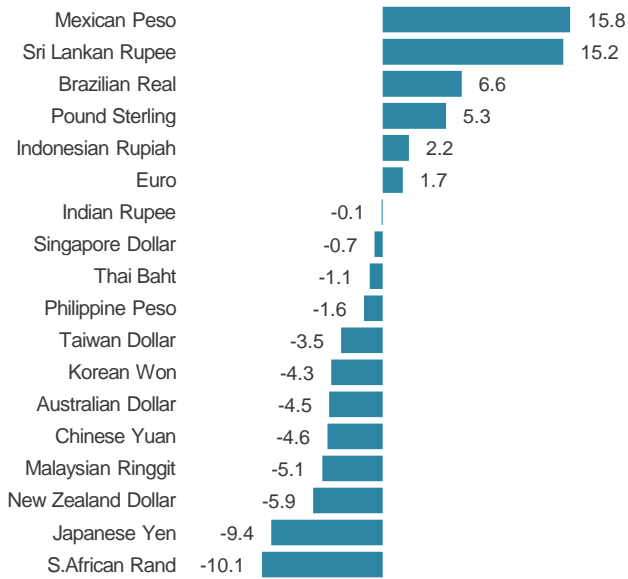
FX Moves vs USD - 1M



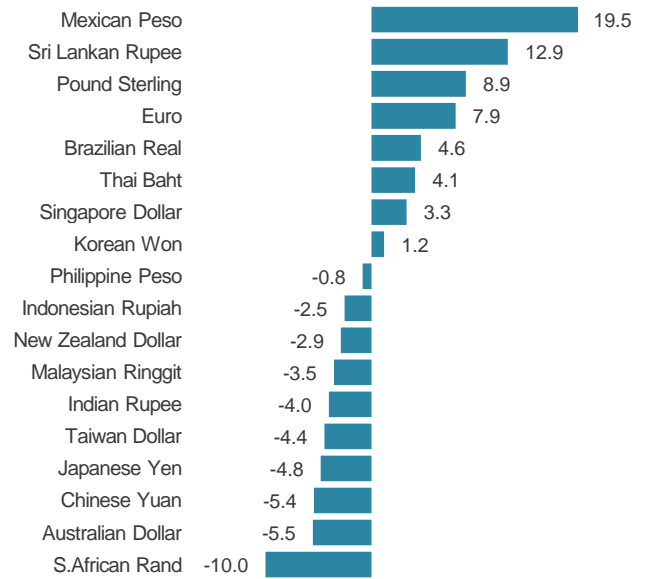
FX Moves vs USD - 3M



FX Moves vs USD - YTD



FX Moves vs USD - 12M



Source: FTSE Russell and Refinitiv. All data as of August 31, 2023. 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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