Daily Fixed-Income Insights

June 14, 2022 (market close)
Government Nominal Yield Curves

US Government Yield Curve (%)

Germany Government Yield Curve (%)

UK Government Yield Curve (%)

Japan Government Yield Curve (%)

*See Appendix for data sources
Daily & Monthly US Corporate Spreads vs Equities

10-Yr BBB OAS (bps)

Equity Return (%)

10-Yr BBB OAS (bps)

Equity Return (%)

10-Yr Corporate OAS: Cumulative Change (bps)

10-Yr Corporate OAS: Cumulative Change (bps)

*As of June 14
**See Appendix for data sources
Euro Corporate and Sovereign Spreads vs Equities

10-Yr BBB OAS (bps)*

Equity Return (%)*

10-Yr Sovereign OAS (bps)*

Equity Return (%)*

**Option Adjusted Spread in basis points to German government curve. Equity return expressed in USD

*Option Adjusted Spread in basis points to German government curve. Equity return expressed in USD

**As of June 14

***See Appendix for data sources

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Spread Term Structure: BBB Corporates & Sovereigns

US BBB OAS (bps)

Euro BBB OAS (bps)*

Euro Sovereign OAS (bps)*

Italy Sovereign OAS (bps)*

*Spread to German government curve

**See Appendix for data sources
Trends in Government Yields and Actual Inflation

**10-Yr Government Nominal Yields (%)**

**10-Yr Government Breakeven Inflation Yields (%)**

**10-Yr Government Real Yields (%)**

**Realized Inflation (12-Month, in %)**

*US: PCE ex food/energy; Eurozone: HICP ex food/energy/alcohol/tobacco
UK: CPIH ex food/energy/alcohol/tobacco; Japan: CPI ex food/energy

*UK breakeven inflation and real yields are adjusted to reflect historical differences between the Retail Price Index (RPI) and the Consumer Price Index (CPI)

**See Appendix for data sources**
Spreads on Corporates & Euro / EM Sovereigns

10-Yr US Corporate OAS (bps)

10-Yr Euro Sovereign OAS (bps)*

10-Yr Euro OAS (bps)*

10-Yr Emerging Markets Sovereign OAS (bps)*

*Spread to German government curve
**See Appendix for data sources

*Spread to US Treasury curve

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Inflation: US Market Implied (BEI) and Actual CPI / PCE

US Government Breakeven Inflation Yield Curve (%)

US CPI vs Breakeven Inflation Yields (%)

US CPI (%)

US Inflation: CPI vs PCE (%)

*CPI all items inflation (yoy) 8.6% as of May 2022
**See Appendix for data sources

*CPI all items inflation (yoy) 6.0% as of May 2022

*PCE ex food/energy inflation (yoy) 4.9% as of Apr 2022

**See Appendix for data sources
US Govt Yield Drilldown: Nominal, Real and BEI

10-Yr US Government Yields (%)

10-Yr Yields: Cumulative Change (bps)

*See Appendix for data sources
China Government Bond Drilldown

China Sovereign (CNY) Yield Curve (%)

10-Yr China Sovereign Yield (%)  
Equity Return (%)*

Realized Inflation (%)**

10-Yr Yields (%)

***See Appendix for data sources

**China inflation (yoy) 0.0% as of May 2022 
Inflation measured by All Items CPI includes food and energy prices
Long-Run Trends in Yields and Inflation

10-Yr Government Nominal Yields (%)

Realized Inflation (12-Month, in %)

10-Yr Government Breakeven Inflation Yields (%)

10-Yr Government Real Yields (%)

*UK breakeven inflation and real yields are adjusted to reflect historical differences between the Retail Price Index (RPI) and the Consumer Price Index (CPI)

**See Appendix for data sources
Long-Run Trends in Spreads

10-Yr US Corporate OAS (bps)

10-Yr Euro Sovereign OAS (bps)*

10-Yr Euro OAS (bps)*

10-Yr Emerging Markets Sovereign OAS (bps)*

*Spread to US Treasury curve

*Spread to German government curve

**See Appendix for data sources
Trends in Yield and Return Volatilities

10-Yr Government Nominal Yield Volatility (bps)*

US Nominal Yield Volatility Curve (bps)*

10-Yr US Yield Volatility (bps)*

Equity and 10-Yr US Government Return Volatility (%)*

*Realized volatility using exponential time decay with half life of 18-weeks
**See Appendix for data sources
Trends in Correlations and Yield Curve Slope

Return Correlations: Equities & 10-Yr US Government*

Return Correlations: US Equity & 10-Yr US Real, BEI*

Yield Correlations: 10-Yr US Government*

Yield Curve Slope: 10-Yr less 3-Month (bps)

*Realized correlation using exponential time decay with half life of 2-years
**See Appendix for data sources
FX Trends

Strength of US Dollar

FX Forward Curve: Strength of US Dollar*

FX Volatility (%)**

*As of June 14
**Realized volatility using exponential time decay with half life of 18-weeks

***See Appendix for data sources
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<thead>
<tr>
<th>Region</th>
<th>GDP (%)</th>
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<tr>
<td>US</td>
<td>-0.4</td>
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<tr>
<td>Eurozone</td>
<td>0.6</td>
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<td>1.3</td>
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<td>UK</td>
<td>0.8</td>
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<td>Germany</td>
<td>0.2</td>
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*Most recent quarterly GDP: -0.4
*Most recent quarterly GDP: 0.6
*Most recent quarterly GDP: 1.3
*Most recent quarterly GDP: -0.1
*Most recent quarterly GDP: 0.8
*Most recent quarterly GDP: 0.2

**See Appendix for data sources
Data Sources

Yields and Spreads
MSCI zero coupon yield and spread curves

Indexes
MSCI USA Index, MSCI World ex USA Index, MSCI Europe Index,
MSCI China, MSCI Emerging Market Index

Relative Strength of Currencies
MSCI

Inflation and GDP
OECD, Eurostat, UK Office of National Statistics, Cabinet Office of Japan,
National Bureau of Statistics China
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* = toll free

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