

Headline news

⇒ Cross-border RMB volumes rise in 2022 for trade and investment

China's Ministry of Commerce announced this week that cross-border RMB transactions in settlement of trade amounted to ¥7.9tn (\$1.2tn) in 2022, an increase of 37% on the year. Meanwhile, direct investment transactions rose to ¥6.8tn (\$1tn), an increase of nearly 17% on 2021. The ministry attributed the rise in transactions partly to record export volumes and partly to increasing currency volatility, presumably leading more exporters to price exports in renminbi.

⇒ Rates rise across the board

"A bad week for rates, as all tenors saw increases, as much as 10bps in the middle of the curve. The benchmark DragonX10 fell by 4 points, roughly 0.4%. The increase is likely due to expectations that inflation will continue to rise. The PBOC's announcement today that they will continue to provide liquidity via policy loans may offset potentially rising rates to an extent, though.

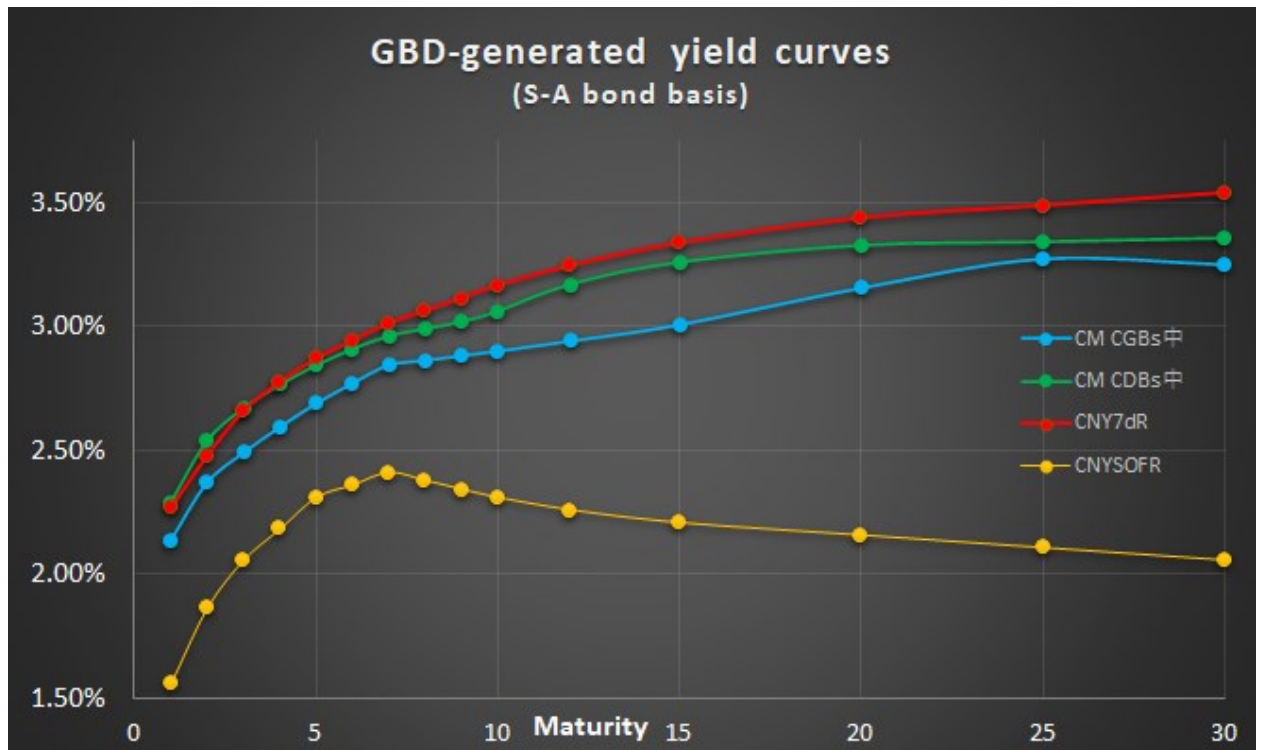
7-day repo 1.95%▲

5Y CNY7dR 2.87%▲

10Y CM CGB[#] 2.90%▲

DragonX10[#] ¥998.5▼

Arrows indicate direction v. previous week. # denotes a GBD product



GB Dragon's current proprietary data

- Our performance DragonX indices (1, 5, 10 and 30y) for CGBs
- 30-year curves for
 - ◊ Swaps and currency forwards in a broad range of markets
 - ◊ Par and zero-coupon interest rate swap curves
 - ◊ Constant maturity (CM) China Government and China Development Bank bonds

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