

Headline news

⇒ China's inbound capital flows remain strong, FX volumes high

China's State Administration of Foreign Exchange (SAFE) this week reported that capital inflows from trade and inbound investment rose strongly in the first 10 months of 2022. Cumulative FX transactions exceeded \$7tn for the year. This week the yuan strengthened to ¥7.04 against US dollars, from the previous week's ¥7.08.

⇒ Rates rise across the curves

Notwithstanding relative currency strength, Chinese rate markets continued the recent rise in yields, and almost all the gains of the previous month have now been eroded. For example, the benchmark DragonX10 fell by 6 points, a decline of 0.6%, and it is now only 0.8 points above its inception value on 30-9-22 of ¥1,000.

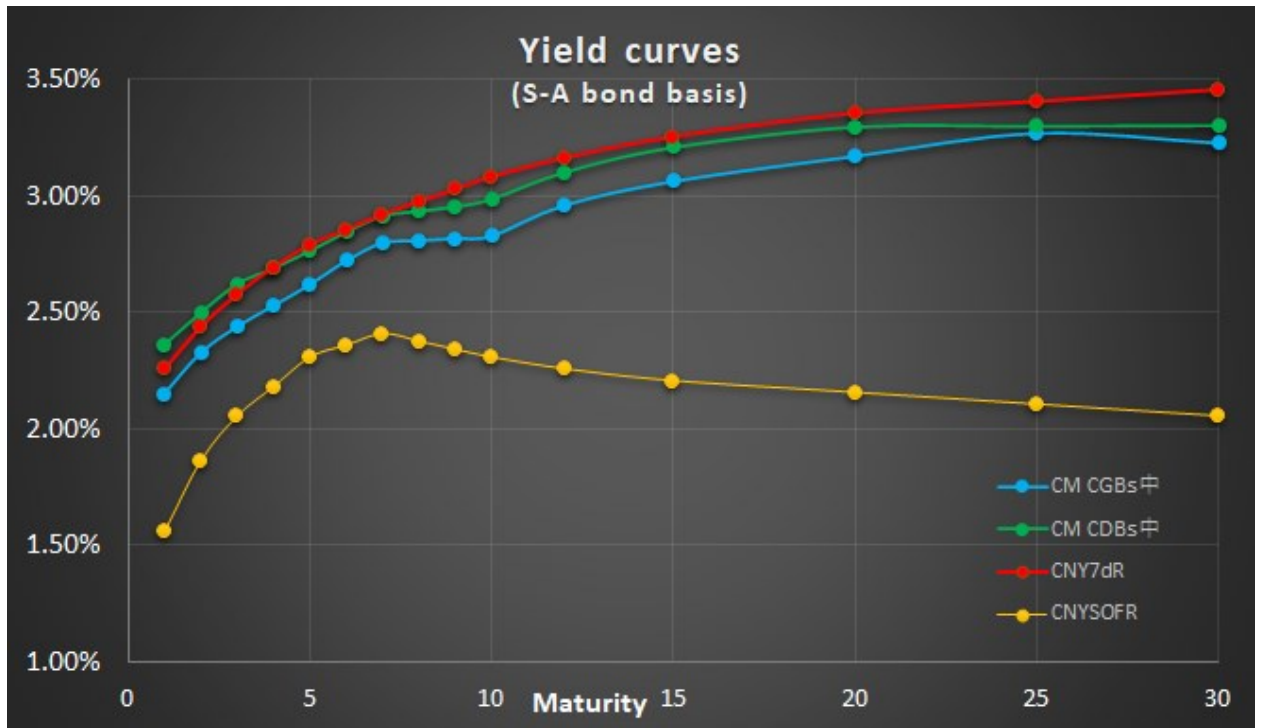
7-day repo 1.97% ▲

5Y CNY7dR 2.79% ▲

10Y CM CGB^中 2.82% ▲

DragonX10^中 ¥1,000.8 ▼

Arrows indicate direction v. previous week. ^中 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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