

Tradeweb Government Bond Update

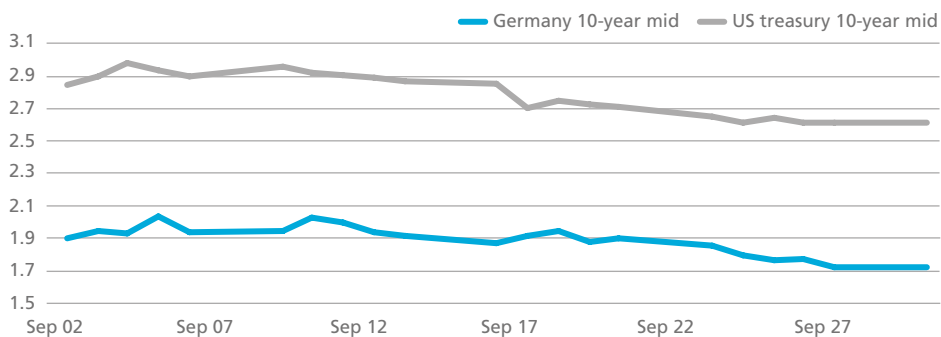
Key Points:

- U.S. Treasury yields fall from 26-month highs following FOMC meeting
- German bond yields down ahead of U.S. budget showdown
- Italian and Spanish 10-year bond yields invert

Yields on so-called safe-haven bonds in the U.S. and Germany declined significantly in September after hitting multi-year highs in the first week of the month. In the U.S., yields on 10-year Treasury bonds fell 13 basis points from August 2013 levels, after climbing to a 26-month high of 2.98% on September 5. By the end of the month, yields had declined to 2.64%.

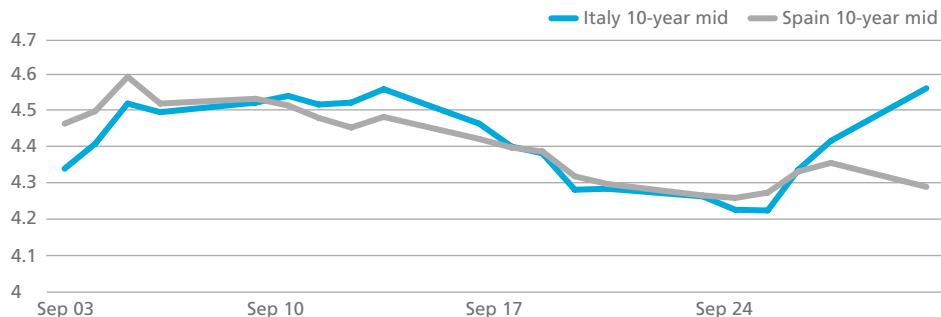
German bund yields followed a similar trajectory, reaching a 16-month high yield of 2.04% on September 5 before declining to 1.78% by the end of the month. Both U.S. and German yields were pushed sharply lower on September 18, following the conclusion of the U.S. Federal Reserve Open Market Committee meeting, during which the Fed voted to keep its QE3 stimulus program intact.

U.S. treasury and German bund 10-year benchmark bond yields



In the peripheral Eurozone, even though some economies have begun to show signs of improvement, renewed Italian political uncertainty caused over concerns that the coalition government could collapse, and created a volatile September. For the first time since March 2012, yields of Italy's 10-year benchmark bond were higher than the equivalent in Spain.

Italian and Spanish 10-year benchmark yields invert



SEPTEMBER 2013

ABOUT DATA POINTS

Data Points is a report prepared by Tradeweb. Information for Data Points is aggregated across Tradeweb's database of real-time fixed income and derivatives trading activity from the world's largest dealers.

ABOUT TRADEWEB

Tradeweb is a leading global provider of institutional markets, and a pioneer in the development of electronic trading and processing. Tradeweb provides services in the fixed income and derivatives markets to clients in more than 55 countries.

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Louise Collins

louise.collins@tradeweb.com
+44 (0)20 7776.0943

Clayton McGratty

clayton.mcgratty@tradeweb.com
+1 646.430.6054

www.tradeweb.com

Ten-Year Benchmark Government Bond Data

With the exception of Portugal, government bond yields generally fell in September

	SEPTEMBER 2013			
	Closing yield (%)	Change on previous month (bps)	Yield low (current month)	Yield high (current month)
United States	2.64	-10.60	2.61	2.98
United Kingdom	2.74	-3.40	2.74	3.02
Germany	1.78	-7.75	1.77	2.04
France	2.36	-10.70	2.34	2.63
Italy	4.34	-4.45	4.23	4.56
Spain	4.33	-19.00	4.26	4.60
Portugal	6.92	25.80	6.62	7.31
Ireland	3.86	-29.80	3.86	4.14
Greece	9.58	-58.75	9.58	10.40
Austria	2.24	-5.55	2.21	2.47
Belgium	2.61	-12.25	2.60	2.91
Netherlands	2.22	-6.80	2.20	2.46
Denmark	1.99	-5.15	1.99	2.23
Sweden	2.47	3.55	2.45	2.73
Finland	2.07	-6.05	2.06	2.31
Japan	0.69	-2.30	0.67	0.79
Australia	3.87	-1.25	3.85	4.16

All yields cited in this report are mid-yields.

Source for all data: Tradeweb Markets LLC, 30 September 2013

DataPoints Market Insight from Tradeweb

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