

A Global Snapshot Of Government Bond Yields

2- & 10-Year Government Bond Yields (As of 2/22/21)

Country	2-Year		10-Year	
	Yield	YTD Change (Basis Points)	Yield	YTD Change (Basis Points)
Australia	0.12%	5	1.60%	63
Canada	0.23%	3	1.22%	55
China	2.74%	4	3.27%	14
France	-0.64%	11	-0.10%	25
Germany	-0.70%	3	-0.34%	23
Italy	-0.36%	6	0.60%	6
Japan	-0.13%	1	0.11%	10
Switzerland	-0.83%	5	-0.32%	29
United Kingdom	0.03%	21	0.68%	49
United States	0.11%	-1	1.36%	44

Source: Bloomberg. Yields as of 12:00 PM CST. **Past performance is no guarantee of future results.** This chart is for illustrative purposes only and not indicative of an actual investment.

View from the Observation Deck

1. Today's blog post shows the yields on a couple of benchmark government bond maturities from key countries/economies around the globe.
2. While bond yields still remain near their historic lows, they have been rising in 2021, particularly with respect to 10-year government bonds (see YTD Change in table).
3. The yield on the U.S. 10-year Treasury note (T-note) stood at 1.36% on 2/22/21 (12:00 PM CST), 464 basis points below its historical average yield of 6.00% since 1/5/62 (not in table), according to Bloomberg.
4. The yield spread between the U.S. 2-year T-note and the 10-year T-note was 125 basis points on 2/22/21 (12:00 PM CST), roughly in line with its 30-year average spread of 117 basis points, according to Bloomberg.
5. The Institute of International Finance reported that global debt stood at \$281 trillion in 2020, according to Reuters. That figure was \$210 trillion in 2013.
6. S&P Global estimates that the amount of debt issued by governments and companies will dip 3% year-over-year to \$8 trillion in 2021, according to Reuters. The \$8 trillion total is around 15% higher than pre-COVID levels.
7. As of 2/4/21, the total amount of negative-yielding debt surpassed the \$16 trillion mark worldwide, according to Bloomberg.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Financial professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.