

## A MONTH OF HOT MONEY

March is rich with investment terms: hot money, deleveraging, margin call, fire sale of stocks, default, unregulated dark pools, etc. All are directly or indirectly related to the bond markets and shares and stocks. Friday, 26 March, was a tense night, with some worried **a final reckoning for the market** had arrived. But the market coped well. So how is the China corporate market? Default? Great returns? Safer than other investment vehicles? Let us dive in.

▶ [European funds win big from Chinese bond boom, report finds](#)

citywireselector.com

Europe-domiciled China bonds have experienced a huge increase in inflows and overall assets, as investors look to tap into one of the world's ...

▶ [China's government bonds are in a 'sweet spot' after sell off, says portfolio manager](#)

CNBC

Chinese 10-year government bond yields have settled at around 3.2%-3.3% in the last few weeks. In contrast, the 10-year U.S. Treasury yield has ...

▶ [Wall Street's \\$US20b fire sale raises unsettling questions](#)

The Sydney Morning Herald

The scale of the sales and their impact on the US companies' share prices ... Rising interest rates and tightening liquidity in China as the authorities try to ... When bond markets collide with stock markets the bond ...

▶ [Bond Market expected to reach highest CAGR with Top Players by 2028: US Treasury ...](#)

The Market Eagle

The study encompasses profiles of major companies operating in the Bond Market. U.S. ... Asia (China, India, Russia, and many other Asian nations.)

## WHAT ABOUT DEFAULTS?

On 30 March, FTSE Russell includes China government debt in flagship index. Reflecting on the news, Goldman Sachs remarked the inclusion will push US\$150 billion to US\$180 billion of new inflows into the China Bond markets this year. What an exciting piece of analysis? But what about the defaults?

▶ [State financial support for Chinese local SOEs](#)

Fitch Ratings

However, deteriorating bond market sentiment, coupled with large ... China's authorities strive to avoid public debt defaults by SOEs, while more ...

▶ [Will a collapse trigger global meltdown?](#)

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That's equivalent of 62% of the Chinese gross domestic product. In 2021, a record of \$1.1 trillion of such special local bonds come due and must ...

**China Bonds are like a sword with two sharpened sides!!**