

## Macro Roundup Article

**Headline:** [Bond Vigilantes Snooze As Treasury Market Shrugs Off Vast US Borrowing](#)

**Article Link:** <https://www.ft.com/content/05933a27-a461-4001-a3dd-43441c623495>

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**Summary:** The yield on the 10-year Treasury has fallen from a peak of 5% in October to 4.3%, reflecting higher bond prices. Inflows into US bond funds in the first week of March reached the highest level since 2021, according to EPFR data. In the wake of the coronavirus pandemic, large Fed purchases thwarted the vigilantes, despite the US's record borrowing needs. But as the Fed turned from buyer to seller, the quantity of US Treasury sales remained high, suggesting that conditions might finally be turning in the vigilantes' favour. The quantity of Treasuries outstanding is set to rise by \$1.7tn this year, according to Goldman Sachs. While this is lower than last year's increase, it will be more weighted to longer-dated bonds, which are riskier for investors and harder for markets to digest.

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**Primary Topic:** Fiscal Deficits

**Topics:** Financial Markets, Fiscal Deficits, Fiscal Policy, GDP, Government Spending, News article, Politics

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