

Bond Yields Have Spiked Unexpectedly

10-Year Government Bond Yields

Country	5/12/15	4/13/15	12/31/14
United States	2.26%	1.93%	2.17%
Canada	1.81%	1.35%	1.78%
Germany	0.67%	0.16%	0.54%
United Kingdom	1.98%	1.59%	1.75%
Japan	0.44%	0.32%	0.31%
Australia	3.04%	2.34%	2.73%
Brazil	4.52%	4.25%	4.10%
China	3.37%	3.63%	3.59%
India	7.95%	7.80%	7.86%
South Korea	2.60%	2.10%	2.62%

Source: Bloomberg

View from the Observation Deck

1. Today's blog post is an update of one we did on 4/14/15 ([click here to view](#)). It is also related to another we did on 6/1/12 ([click here to view](#)).
2. While the post from 6/1/12 illustrates how quickly U.S. Treasury yields can rise, today's post shows how much rates have spiked worldwide over the past month.
3. We have been commenting on the potential for rising interest rates since the launch of our "Market Commentary Blog" in October 2011.
4. Our goal has been to make investors aware of the risks associated with rising rates. All of our previous posts are archived at [ftportfolios.com](#) (click on Bob Carey's photo on home page).
5. Yields are up unexpectedly, in our opinion, because little has changed with respect to global economic growth rates or inflation.
6. While opinions vary, investors could just be rebalancing their portfolios to some degree in anticipation of a potential shift in monetary policy from the Federal Reserve in the months ahead.
7. We will continue to follow the global capital markets closely and provide commentary as warranted.

This chart is for illustrative purposes only and not indicative of any actual investment. There can be no assurance that any of the projections cited will occur.