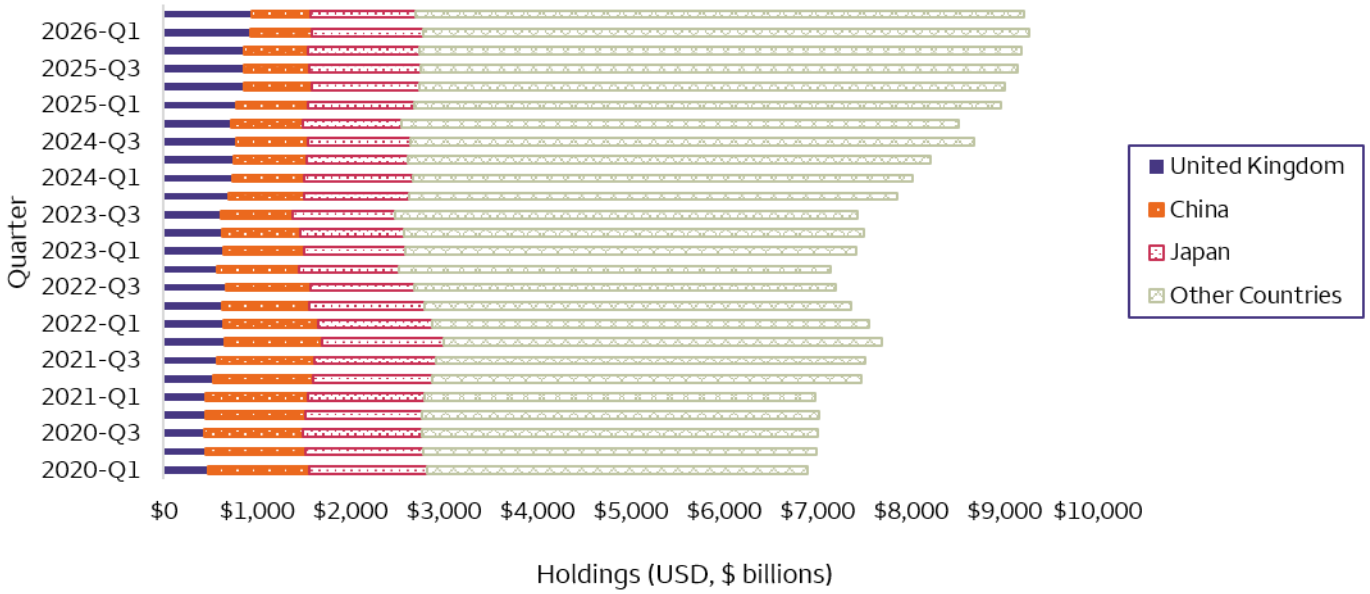
WELLS FARGO
Investment Institute

Chart of the Week



Weekly analysis of key themes in markets **November 10, 2026**

Treasury holdings tell a resilient story



Sources: Treasury International Capital Data and Wells Fargo Investment Institute. Quarterly data as of June 30, 2026. Represents holdings of U.S. Treasury bonds by foreign investors, including private and institutional. Q1 = first quarter. Q3 = third quarter. USD = U.S. dollars.

Foreign holdings remain strong despite China's gradual decline

Concerns that foreign investors are retreating from U.S. Treasuries may be overstated. While some foreign official buyers have reduced their exposure, the chart above shows that total foreign holdings of U.S. Treasuries have increased over the past six years, supported by continued demand from private and institutional investors. Major holders such as Japan and the U.K. have maintained or increased their Treasury positions, helping offset the gradual decline in China's holdings.

China held nearly $630 billion in U.S. Treasuries as of July 2026, down substantially from more than $1.3 trillion in 2014, reflecting a long-running effort to diversify its reserve assets. Yet, global demand for Treasuries remains broad, with foreign holdings exceeding $9.2 trillion in July 2026. This deep investor base underscores the structural importance of Treasuries in global markets and can help absorb shifts in demand from individual holders, including China.

What it may mean for investors

Persistent foreign demand should continue to provide structural support for U.S. Treasuries despite political volatility and concerns around rising debt issuance. While yields may still move higher, the depth and liquidity of the U.S. market suggest that fears of a broad foreign retreat from Treasuries is not currently evident in the overall holdings data.

Tony Miano, CFA, CAIA *Global Fixed Income Analyst*

Excerpted from Special Report: Filtering the noise on "Sell America" (October 27)

Investment and Insurance Products: ➤ NOT FDIC Insured ➤ NO Bank Guarantee ➤ MAY Lose Value

© 2026 Wells Fargo Investment Institute. All rights reserved.

Risk Considerations

Each asset class has its own risk and return characteristics. The level of risk associated with a particular investment or asset class generally correlates with the level of return the investment or asset class might achieve. **Bonds** are subject to market, interest rate, price, credit/default, liquidity, inflation, and other risks. Prices tend to be inversely affected by changes in interest rates. Although **Treasuries** are considered free from credit risk, they are subject to other types of risks. These risks include interest rate risk, which may cause the underlying value of the bond to fluctuate.

General Disclosures

Global Investment Strategy (GIS) is a division of Wells Fargo Investment Institute, Inc. (WFII). WFII is a registered investment adviser and wholly owned subsidiary of Wells Fargo Bank, N.A., a bank affiliate of Wells Fargo & Company.

The information in this report was prepared by Global Investment Strategy. Opinions represent GIS' opinion as of the date of this report and are for general information purposes only and are not intended to predict or guarantee the future performance of any individual security, market sector or the markets generally. GIS does not undertake to advise you of any change in its opinions or the information contained in this report. Wells Fargo & Company affiliates may issue reports or have opinions that are inconsistent with, and reach different conclusions from, this report.

The information contained herein constitutes general information and is not directed to, designed for, or individually tailored to, any particular investor or potential investor. This report is not intended to be a client-specific suitability or best interest analysis or recommendation, an offer to participate in any investment, or a recommendation to buy, hold or sell securities. Do not use this report as the sole basis for investment decisions. Do not select an asset class or investment product based on performance alone. Consider all relevant information, including your existing portfolio, investment objectives, risk tolerance, liquidity needs and investment time horizon. The material contained herein has been prepared from sources and data we believe to be reliable but we make no guarantee to its accuracy or completeness.

Wells Fargo Advisors is registered with the U.S. Securities and Exchange Commission and the Financial Industry Regulatory Authority, but is not licensed or registered with any financial services regulatory authority outside of the U.S. Non-U.S. residents who maintain U.S.-based financial services account(s) with Wells Fargo Advisors may not be afforded certain protections conferred by legislation and regulations in their country of residence in respect of any investments, investment transactions or communications made with Wells Fargo Advisors.

Wells Fargo Advisors is a trade name used by Wells Fargo Clearing Services, LLC and Wells Fargo Advisors Financial Network, LLC, Members SIPC, separate registered broker-dealers and non-bank affiliates of Wells Fargo & Company. PM-05062028-6095562

© 2026 Wells Fargo Investment Institute. All rights reserved.