

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.28%	(2.06)
UST 10Y	0.62%	(2.95)
UST 30Y	1.3%	(3.20)
Bund 5Y	-0.62%	4.40
Bund 10Y	-0.42%	4.80
Bund 30Y	0.01%	5.30
DOW JONES	26085.80	0.04 %
NASDAQ	10390.84	(2.13)%
S&P 500	3155.22	(0.94)%
DAX	12799.97	1.32 %
FTSE 100	6176.19	1.33 %
CAC 40	5056.23	1.73 %
EUR/USD	1.13	0.13 %
USD/JPY	107.19	0.11 %
USD/CNY	7.01	0.19 %
US 5Y CDS	--	--
Germany 5Y CDS	14.50	(0.36)
Italy 5Y CDS	161.23	(2.97)
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	21.33	(0.94)
Japan 5Y CDS	18.19	(0.21)
China 5Y CDS	45.65	0.42
Korea 5Y CDS	26.74	1.53

US & European Bond Markets

US & European Government Bond :

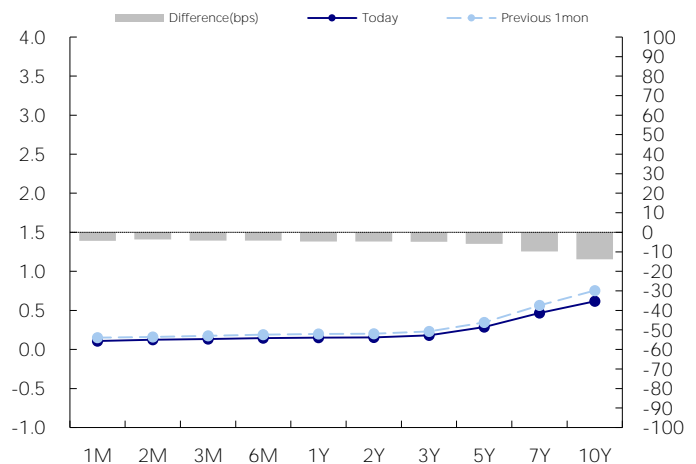
Treasuries held their ground Monday after erasing declines from earlier in the day, advancing slightly across much of the curve even as U.S. stock prices remained firm and yields in most European government bond markets climbed. They also weathered a call by Goldman Sachs to sell U.S. 10-year notes outright and a \$6b investment-grade credit issuance slate.

US & European Corporate Bonds:

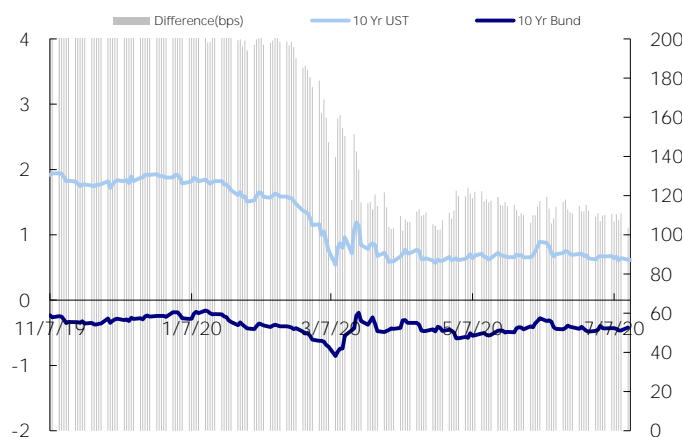
Asia IG recovering from the weak close last Friday after a positive US session and Asia stock rally at open . Benchmark name such as SINOPE/TENCNT/SHPORT have 2 way flow , and more skew to buying at 5YR tranches . Primary market are also actively with lots new deals and mandate come out , such as BOCOM/ICBCAS/NACF were all priced yesterday . HY market have a tepid start to the week as tone felt slightly softer amid raising new Covid-19 cases in HK . Therefore , buyers step aside for property name , and seller wont sell with equity rally then market turned more quiet . Market kicked off this week with weak Q2 earnings , which are expected to decrease 44% compared to a year ago .

Date	Event	Forecast	Previous
07/14	Monthly Budget Statement	-\$863.0b	-\$398.8b
07/14	NFIB Small Business Optimism	98.000	94.400
07/14	Real Avg Weekly Earnings YoY	--	0.074
07/14	Real Avg Hourly Earning YoY	--	0.065
07/14	CPI MoM	0.005	(0.001)
07/14	CPI Ex Food and Energy MoM	0.001	(0.001)
07/14	CPI YoY	0.006	0.001
07/14	CPI Ex Food and Energy YoY	0.011	0.012
07/14	CPI Index NSA	257.727	256.394
07/14	CPI Core Index SA	265.800	265.441
07/15	MBA Mortgage Applications	--	0.022
07/15	Import Price Index MoM	0.010	0.010
07/15	Import Price Index ex Petroleum MoM	(0.001)	0.001
07/15	Import Price Index YoY	(0.035)	(0.060)
07/15	Export Price Index MoM	0.008	0.005
07/15	Empire Manufacturing	8.400	(0.200)
07/15	Export Price Index YoY	--	(0.060)
07/15	Capacity Utilization	0.677	0.648

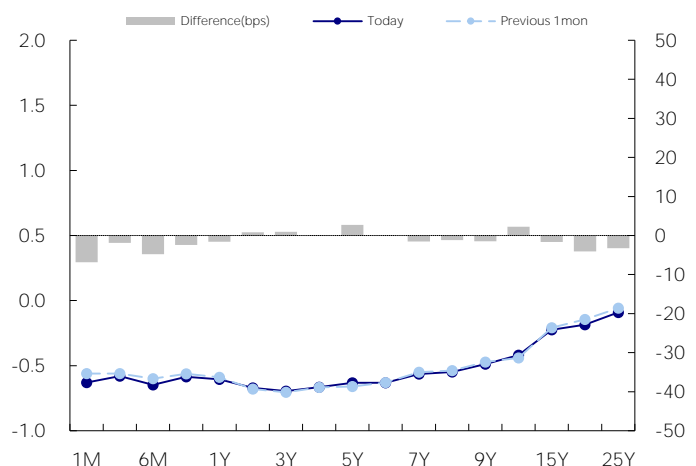
US Treasury Curve



UST V.S. Bund 10Y Yield



Bund Curve



China Bond Market

CNY & CNH Market Data

Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	2.83%	2.55%	(3.26)	(0.03)
CGB 10Y	3.03%	2.98%	(3.25)	(0.03)
CGB 20Y	3.42%	3.3%	--	(0.01)
Chinese Renminbi Spot	7.01	7.01	-0.17%	(0.12)%
USDCNY 1M Forward	7.02	7.02	(0.15)%	(0.09)%
USDCNY 3M Forward	7.04	7.04	(0.15)%	(0.08)%
USDCNY 6M Forward	7.08	7.08	(0.15)%	(0.09)%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.42%	2.63%	2.00	5.50
CNY IRS 2Y	2.505%	2.85%	1.00	4.50
CNY IRS 3Y	2.605%	3.005%	2.50	4.00
CNY IRS 4Y	2.685%	3.13%	2.50	5.00
CNY IRS 5Y	2.755%	3.25%	2.50	6.00

Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.82%	-3.497
SDBC 3.68 02/26/26	3.56%	8.000
SDBC 3.48 01/08/29	3.73%	5.961
SDBC 3 1/2 11/04/46	3.87%	0.750

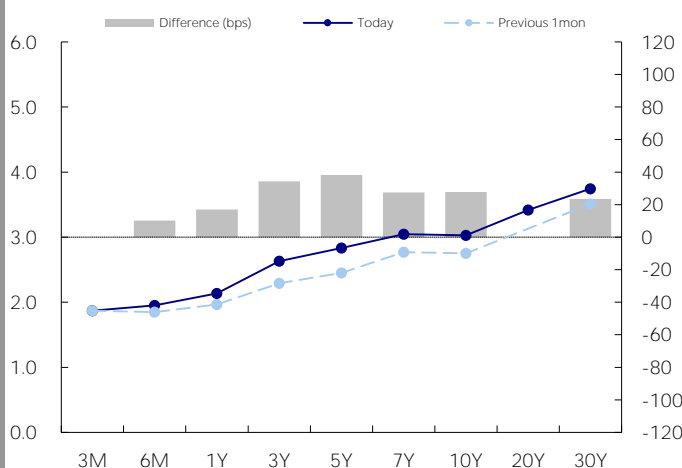
CNH CCS 3M	2.19%	(1.10)
CNH CCS 6M	2.20%	0.05
CNH CCS 12M	2.21%	1.84
CNH CCS 3Y	2.14%	2.78
CNH CCS 5Y	2.09%	1.45

Date	Event	Forecast	Previous
07/14	Exports YoY CNY	0.035	0.014
07/14	Imports YoY CNY	(0.047)	(0.127)
07/14	Exports YoY	(0.020)	(0.033)
07/14	Imports YoY	(0.090)	(0.167)
07/14	Trade Balance CNY	425.00b	442.75b
07/14	Trade Balance	\$59.10b	\$62.93b
07/16	New Home Prices MoM	--	0.005
07/16	Industrial Production YoY	0.048	0.044
07/16	GDP YoY	0.022	(0.068)
07/16	Industrial Production YTD YoY	(0.015)	(0.028)
07/16	GDP SA QoQ	0.095	(0.098)
07/16	Retail Sales YoY	0.005	(0.028)
07/16	GDP YTD YoY	(0.024)	(0.068)
07/16	Retail Sales YTD YoY	(0.110)	(0.135)
07/16	Property Investment YTD YoY	0.010	(0.003)
07/16	Fixed Assets Ex Rural YTD YoY	(0.033)	(0.063)
07/16	Surveyed Jobless Rate	0.059	0.059
07/17	FX Net Settlement - Clients CNY	--	142.9b

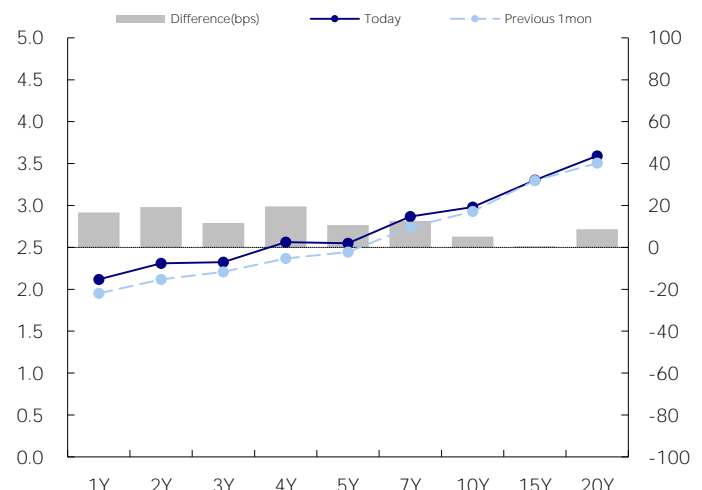
China Bond Market

Regarding bond market, The Chinese stock market resumed its rally on Monday after a brief adjustment, and the newly stabilized Chinese bond market was hit again. The yield of spot bonds in the inter-bank bond market has risen generally, among which policy financial bonds have been selling hugely. The yield of 10-year bonds has risen by about 10 bp; relatively speaking, the performance of national bonds is slightly better. Treasury futures also have a limited decline. In terms of exchange rate, The RMB against the US dollar spot closed up slightly on Monday, the intraday volatility was only more than 100 points, and the central parity fell by 22 points to end the four consecutive rises. Traders said that despite the optimism of stock market investors, the bottom of the dollar rebounded, which obviously restricted the willingness of the RMB to go long, but the market continued to expect the RMB is still expected.

Onshore CNY Government Bond Curve



Offshore CNH Government Bond Curve



Taiwan Bond Market

Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.34%	(0.10)
TWGB 10Y	0.45%	0.05
USD/TWD	29.47	(0.18)%
EUR/TWD	33.43	0.06 %
HKD/TWD	3.80	(0.21)%
VNY/TWD	4.20	(0.18)%
TWD Overnight Rate	0.084%	0.10
TWD Secondary CP 10D	0.7125%	(1.61)
TWD Secondary CP 30D	0.7544%	(1.35)
TWD Secondary CP 90D	0.8081%	(1.97)

Taiwan Bond Secondary Market

Taiwanese Stock market index continued its rally as well as TWD 5yr IRS, notwithstanding the treasury yield, with 5 year treasury yield closed at 0.3440%. Strong demand for TWD currency continues to drive its rate against USD higher, provided supports for government bonds market.

Taiwan Bond Primary Market

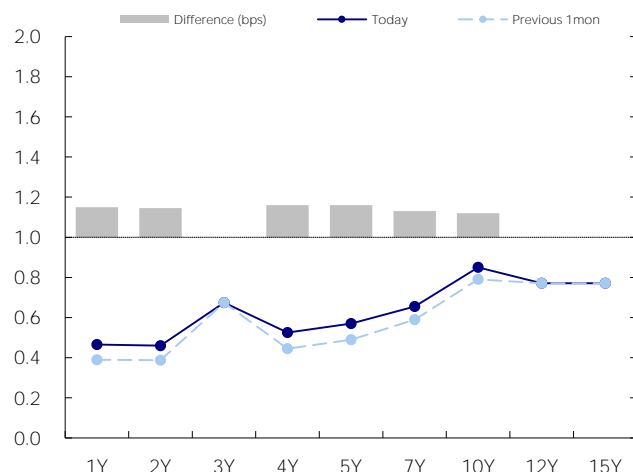
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 13th July : ASE Technology Holding Co., Ltd. plan to issue its second corporate bonds in 2020, with the total size not exceeding NTD 10BN and tenor not exceeding 7 years.
Bonds issued on 14th July : Taiwan Semiconductor Manufacturing Co., Ltd. issued NTD 13.9 BN of senior unsecured corporate bonds in 3 tranches: NTD 5.7BN of 5-year bond at a coupon rate of 0.58%, NTD 6.3BN of 7-year bond at a coupon rate of 0.65%, NTD 1.9BN of 10-year bond at a coupon rate of 0.67%.

Date _____ Event _____ Forecast _____ Previous _____

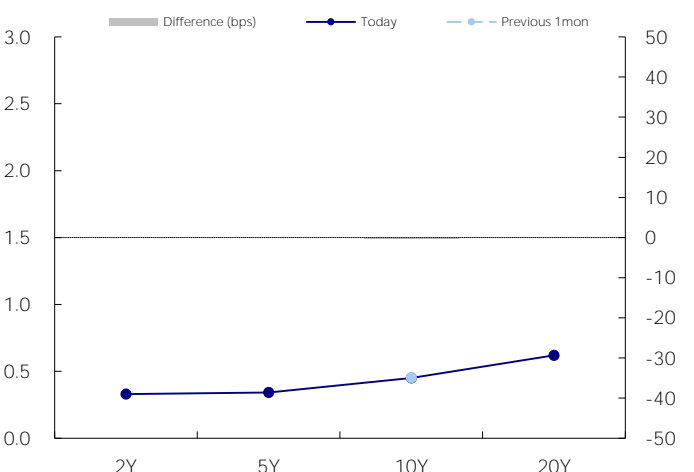
Money Market

With sufficient fund in the market by the end of the last quarter, short term repo rate remains stable. Last month, central bank kept its monetary policy and base rate. We expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.23%-0.30%, while corporate bond repo rate at 0.34%-0.37%.

TWD IRS Curve



Taiwan Government Bond Yield curve



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