

# US & Europe Bond Markets

## Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.22%	1.57
UST 10Y	0.56%	2.94
UST 30Y	1.24%	4.49
Bund 5Y	-0.71%	1.10
Bund 10Y	-0.52%	0.10
Bund 30Y	-0.1%	0.20
DOW JONES	26664.40	0.89 %
NASDAQ	10902.80	1.47 %
S&P 500	3294.61	0.72 %
DAX	12646.98	2.71 %
FTSE 100	6032.85	2.29 %
CAC 40	4875.93	1.93 %
EUR/USD	1.18	0.38 %
USD/JPY	106.12	0.01 %
USD/CNY	6.98	0.01 %
US 5Y CDS	--	--
Germany 5Y CDS	12.26	0.26
Italy 5Y CDS	151.73	(0.54)
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	19.06	(0.09)
Japan 5Y CDS	17.85	(0.13)
China 5Y CDS	42.80	(0.45)
Korea 5Y CDS	23.48	0.00

## US & European Bond Markets

### US & European Government Bond :

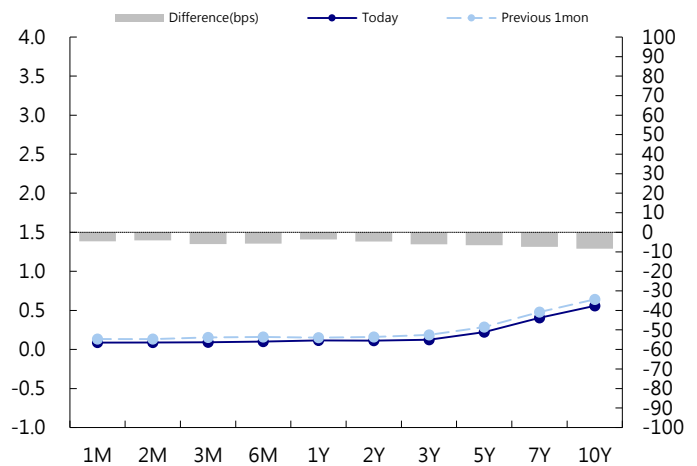
Treasuries bear steepened with long-end yields cheaper by up to 5.5bp. Robust IG issuance slate helped yields grind higher over U.S. session, while stocks extended gains adding to cheapening pressure. Dollar deal slate was headed by Google's parent company, Alphabet Inc., who brought a \$10 billion jumbo bond. Yields cheaper by 0.5bp to 5.5bp across the curve with 2s10s, 5s30s steeper by 2.9bp and 3.7bp; 10-year yields ended around 0.56%, cheaper by 3.3bp vs. Friday close.

### US & European Corporate Bonds:

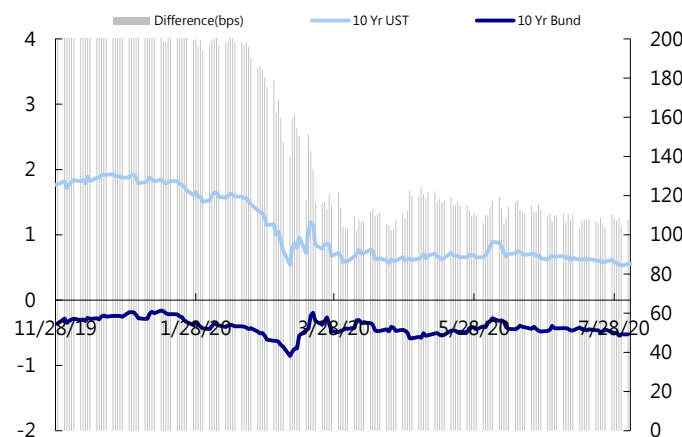
Typical Monday to start the month. Volume is light but yet sentiment is firm and skewed to more buying. Low beta names -1 to -2 bps for the day. Balancing two ways in most of TMT names including WB/TENCNT/JD and spreads are largely flat. China HY has a slowed debut this week, traded unchanged to 0.25pt lower. Risk sentiment continued to fade away as China-US conflict intensified over the weekend. High beta and benchmark long end traded down 0.25-0.375pt, on names like CHFOTN/EVERRE/KAISAG/SUNAC.

Date	Event	Forecast	Previous
08/04	Factory Orders	0.050	0.080
08/04	Factory Orders Ex Trans	--	0.026
08/04	Durable Goods Orders	0.073	0.073
08/04	Durables Ex Transportation	--	0.033
08/04	Cap Goods Orders Nondef Ex Air	--	0.033
08/04	Cap Goods Ship Nondef Ex Air	--	0.034
08/05	MBA Mortgage Applications	--	(0.008)
08/05	ADP Employment Change	1200k	2369k
08/05	Trade Balance	-\$50.0b	-\$54.6b
08/05	Markit US Services PMI	49.600	49.600
08/05	Markit US Composite PMI	--	50.000
08/05	ISM Services Index	55.000	57.100
08/06	Challenger Job Cuts YoY	--	3.055
08/06	Initial Jobless Claims	1415k	1434k
08/06	Continuing Claims	16940k	17018k
08/06	Bloomberg Consumer Comfort	--	44.300
08/07	Two-Month Payroll Net Revision	--	90k
08/07	Change in Nonfarm Payrolls	1578k	4800k

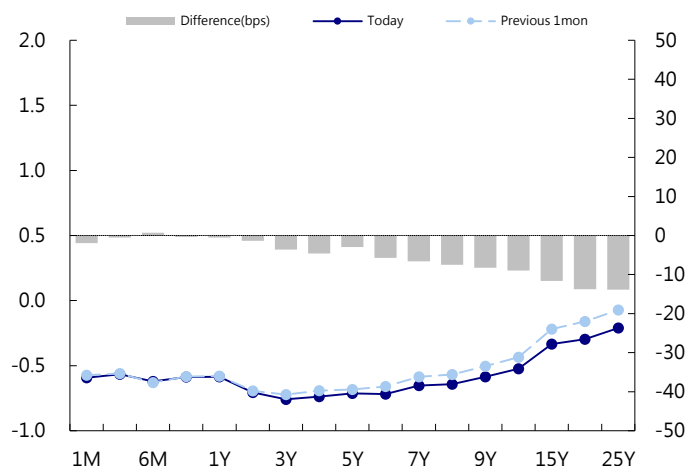
### US Treasury Curve



### UST V.S. Bund 10Y Yield



### Bund Curve



# China Bond Market

## CNY & CNH Market Data

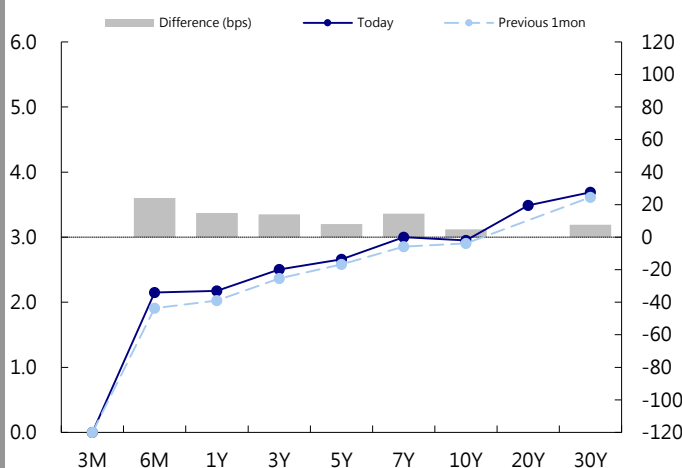
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	2.66%	2.43%	0.50	(0.04)
CGB 10Y	2.95%	2.83%	0.00	(0.02)
CGB 20Y	3.49%	3.1%	--	(0.01)
Chinese Renminbi Spot	6.98	6.98	-0.01%	(0.02)%
USDCNY 1M Forward	7.00	7.00	0.01%	(0.01)%
USDCNY 3M Forward	7.03	7.02	0.00%	(0.01)%
USDCNY 6M Forward	7.07	7.06	(0.01)%	(0.02)%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.38%	2.7%	(0.50)	1.00
CNY IRS 2Y	2.46%	2.845%	0.50	1.50
CNY IRS 3Y	2.545%	3%	(1.00)	2.00
CNY IRS 4Y	2.62%	3.12%	(1.00)	2.00
CNY IRS 5Y	2.695%	3.235%	(1.50)	2.00
Benchmarks	Value		Net Change (bps)	
SDBC 3.03 01/18/22	2.76%		-2.004	
SDBC 3.68 02/26/26	3.35%		-0.001	
SDBC 3.48 01/08/29	3.62%		-0.990	
SDBC 3 1/2 11/04/46	3.82%		-3.000	
CNH CCS 3M	2.51%		9.89	
CNH CCS 6M	2.44%		7.72	
CNH CCS 12M	2.36%		6.41	
CNH CCS 3Y	2.19%		3.04	
CNH CCS 5Y	2.10%		1.64	

## China Bond Market

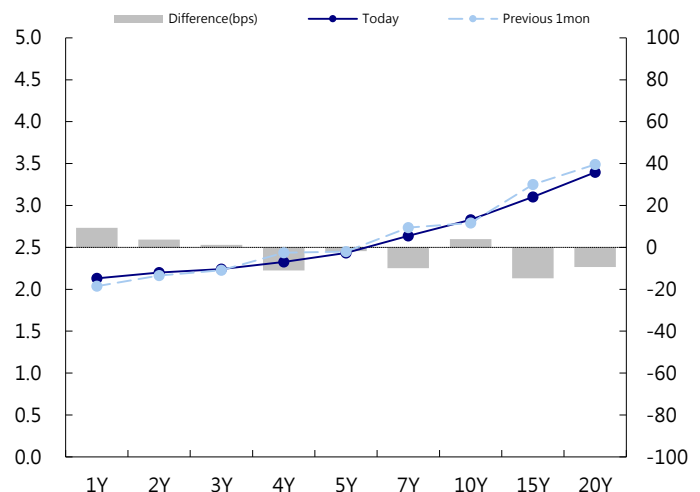
Regarding bond market, Foreign institutions got a new high for net purchases through Bond Connect in July. Traders in the Chinese bond market said that in the short term, China and the US bond spreads remain high and the weaker U.S. dollar is expected to continue to support foreign investment in the purchase of RMB bonds; In terms of domestic institutions, considering their own capital costs, they believe that the next stage of the bond market is expected to be mainly turbulence, and those who are on the sidelines have the upper hand. In terms of exchange rate, The RMB against the US dollar closed slightly higher on Monday and continued to hit a new high in more than four and a half months, while the central parity fell to a new low in a week. Traders said that short covering temporarily helped stabilize the U.S. dollar, but the news from China and the United States is still stable, China A shares are performing well, and market sentiment is relatively stable; the short-term RMB is expected to continue to absorb the impact of dividend purchases and China-US tensions.

Date	Event	Forecast	Previous
08/05	Caixin China PMI Composite	--	55.700
08/05	Caixin China PMI Services	57.900	58.400
08/07	Exports YoY CNY	--	0.043
08/07	Imports YoY CNY	--	0.062
08/07	Exports YoY	(0.012)	0.005
08/07	Imports YoY	0.010	0.027
08/07	Trade Balance CNY	--	328.94b
08/07	Trade Balance	\$42.50b	\$46.42b
08/07	BoP Current Account Balance	--	-\$33.7b
08/07	Foreign Reserves	\$3126.35b	\$3112.33b

## Onshore CNY Government Bond Curve



## Offshore CNH Government Bond Curve



# Taiwan Bond Market

## Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.31%	(0.57)
TWGB 10Y	0.41%	0.20
USD/TWD	29.40	(0.19)%
EUR/TWD	34.60	(0.14)%
HKD/TWD	3.79	(0.23)%
VNY/TWD	4.21	(0.06)%
TWD Overnight Rate	0.079%	(0.60)
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

Treasury yield continues to trade at the lower bound of range. The strong demand reflected excess liquidity in the market. Strong demand for TWD currency continues to drive its rate against USD higher, provided supports for government bond market. 10YR treasury yields closed at 0.408%.

## Taiwan Bond Primary Market

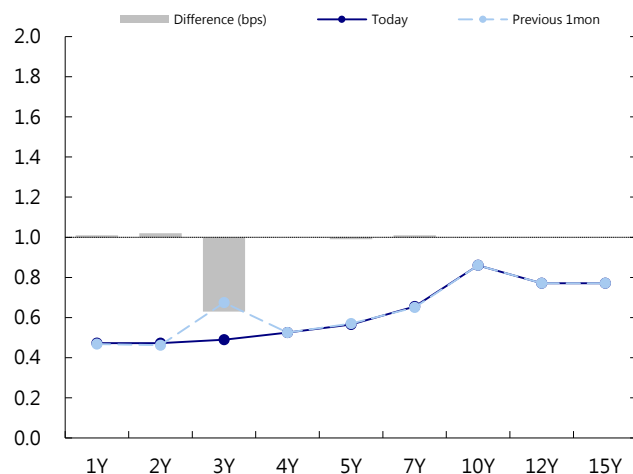
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 31st July : None.  
Bonds issued on 4th August : None.

## Money Market

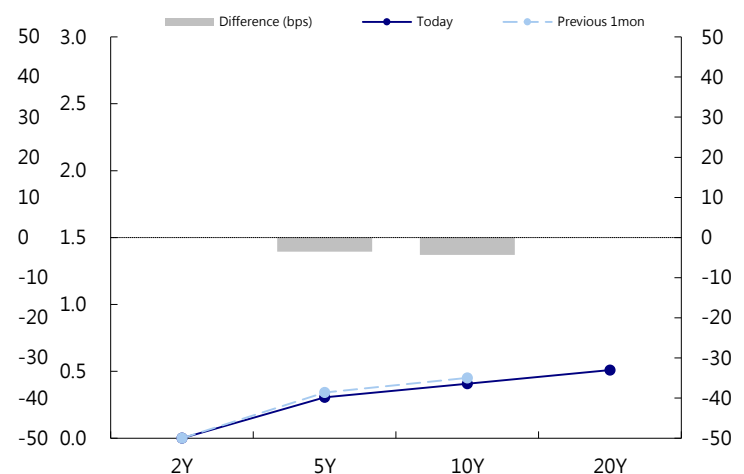
With sufficient fund in the market by the end of the last quarter, short term repo rate remains stable. Last month, central bank kept its monetary policy and base rate. We expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.23%-0.29%, while corporate bond repo rate at 0.34%-0.36%.

Date	Event	Forecast	Previous
08/05	Foreign Reserves	--	\$488.69b
08/06	WPI YoY	--	-10.4%
08/06	CPI Core YoY	0.1%	0.1%
08/06	CPI YoY	-0.4%	-0.8%
08/07	Trade Balance	\$4.20b	\$4.84b

## TWD IRS Curve



## Taiwan Government Bond Yield curve



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