

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.21%	2.35
UST 10Y	0.54%	3.10
UST 30Y	1.21%	2.85
Bund 5Y	-0.69%	3.70
Bund 10Y	-0.51%	4.70
Bund 30Y	-0.09%	5.20
DOW JONES	27201.52	1.39 %
NASDAQ	10998.40	0.52 %
S&P 500	3327.77	0.64 %
DAX	12660.25	0.47 %
FTSE 100	6104.72	1.14 %
CAC 40	4933.34	0.90 %
EUR/USD	1.19	0.32 %
USD/JPY	105.57	(0.24)%
USD/CNY	6.94	0.12 %
US 5Y CDS	--	--
Germany 5Y CDS	12.16	0.49
Italy 5Y CDS	149.39	0.00
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	18.84	0.27
Japan 5Y CDS	17.57	(0.01)
China 5Y CDS	41.43	(0.34)
Korea 5Y CDS	23.48	--

US & European Bond Markets

US & European Government Bond :

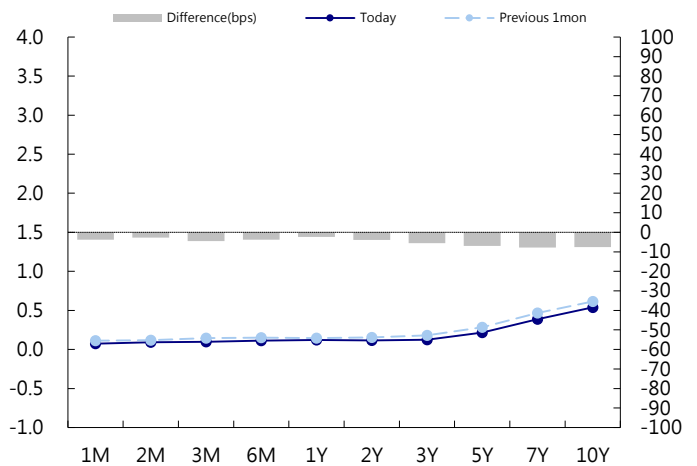
Treasuries extended declines and the curve steepened after U.S. Treasury announced bigger-than-expected auction sizes for the August-to-October quarter, starting with next week's record \$112 billion refunding, and as U.S. stocks advanced. Yields reached cheapest levels of the day following a block sale in Bond futures, and ended higher by 1bp-3.5bp, slightly off their highs. The sell-off lifted 2- to 10-year yields from record or near-record lows reached Tuesday.

US & European Corporate Bonds:

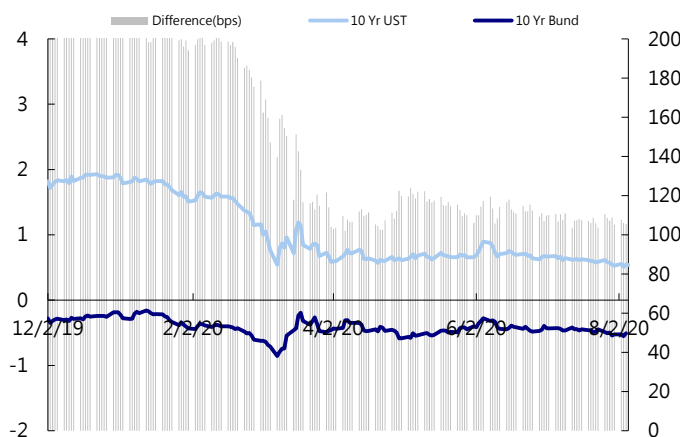
Asia credit feel firm with optimism outlook on deal of pandemic relief and encouraging news on the vaccine, overall spreads have another 1-5bps tighter led by BM tech/soe names. Other sector with higher spread like AMC/Leasing/CCB T2 / CICCHK, are also tighten 4-5 bps after buyers chasing. However, the buying turn to more selective and cautious after 3 days rally and waiting for risk event like NFP. Otherwise, HY finally caught up with the strong performance in IG recently, driven by active primary markets. Property and AT1 bonds jumped ~0.25-0.5pts and HSBC outperformed, moreover, the new deal of BACR AT1 should have stellar performance today with high coupon and reset.

Date	Event	Forecast	Previous
08/06	Challenger Job Cuts YoY	--	3.055
08/06	Initial Jobless Claims	1400k	1434k
08/06	Continuing Claims	16900k	17018k
08/06	Bloomberg Consumer Comfort	--	44.300
08/07	Two-Month Payroll Net Revision	--	--
08/07	Change in Nonfarm Payrolls	1500k	4800k
08/07	Change in Private Payrolls	1500k	4767k
08/07	Change in Manuf. Payrolls	280k	356k
08/07	Unemployment Rate	0.105	0.111
08/07	Average Weekly Hours All Employees	34.400	34.500
08/07	Average Hourly Earnings YoY	0.042	0.050
08/07	Average Hourly Earnings MoM	(0.005)	(0.012)
08/07	Labor Force Participation Rate	0.618	0.615
08/07	Underemployment Rate	--	0.180
08/07	Wholesale Inventories MoM	(0.020)	(0.020)
08/07	Wholesale Trade Sales MoM	--	0.054

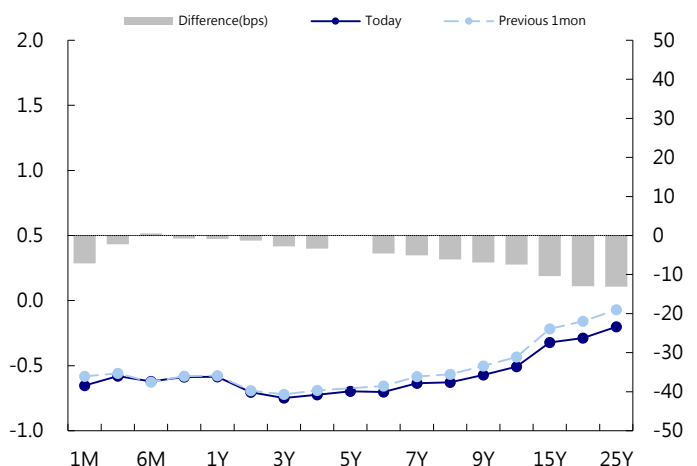
US Treasury Curve



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	2.75%	2.4%	1.25	--
CGB 10Y	2.96%	2.85%	0.75	--
CGB 20Y	3.5%	3.13%	--	5.43
Chinese Renminbi Spot	6.94	6.94	-0.12%	(0.01)%
USDCNY 1M Forward	6.96	6.96	(0.07)%	(0.01)%
USDCNY 3M Forward	6.99	6.99	(0.07)%	(0.01)%
USDCNY 6M Forward	7.03	7.03	(0.08)%	0.00 %
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.39%	2.755%	0.50	3.50
CNY IRS 2Y	2.465%	2.905%	1.00	4.50
CNY IRS 3Y	2.56%	3.05%	2.00	5.00
CNY IRS 4Y	2.64%	3.18%	2.00	6.00
CNY IRS 5Y	2.705%	3.28%	1.00	4.00

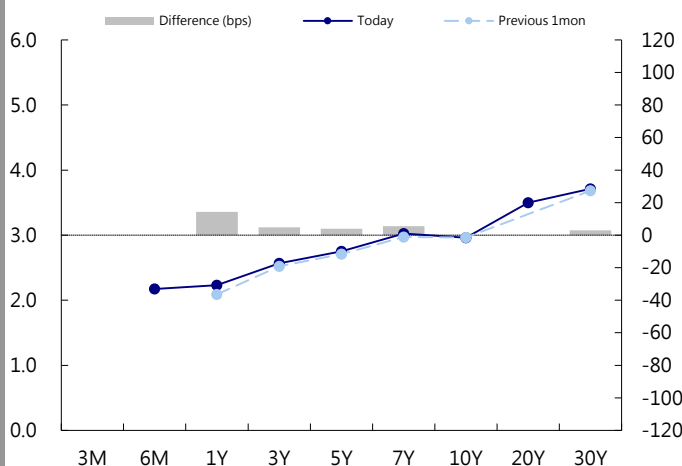
Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.75%	-3.005
SDBC 3.68 02/26/26	3.33%	2.750
SDBC 3.48 01/08/29	3.60%	1.000
SDBC 3 1/2 11/04/46	3.83%	1.370
CNH CCS 3M	2.63%	0.73
CNH CCS 6M	2.54%	1.82
CNH CCS 12M	2.45%	1.28
CNH CCS 3Y	2.31%	6.60
CNH CCS 5Y	2.19%	2.15

Date	Event	Forecast	Previous
08/07	Exports YoY CNY	0.009	0.043
08/07	Imports YoY CNY	0.023	0.062
08/07	Exports YoY	(0.006)	0.005
08/07	Imports YoY	0.010	0.027
08/07	Trade Balance CNY	286.75b	328.94b
08/07	Trade Balance	\$42.60b	\$46.42b
08/07	BoP Current Account Balance	--	-\$33.7b
08/07	Foreign Reserves	\$3142.00b	\$3112.33b

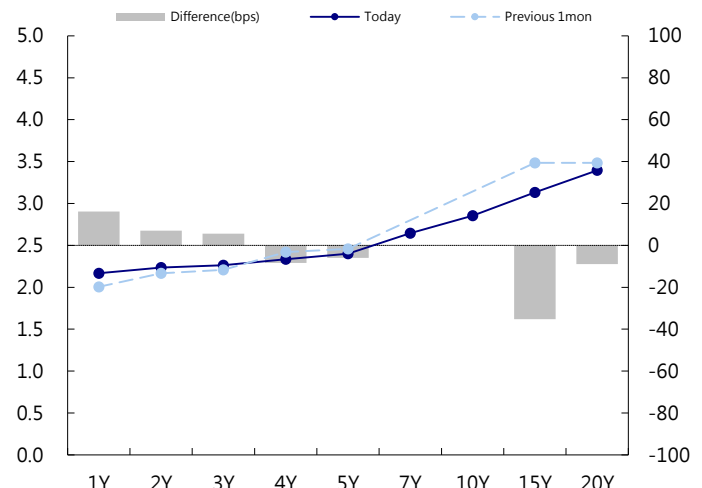
China Bond Market

Regarding bond market, the poor PMI failed to save the weak bond market. With the declining expectations of future policy easing, the yields of major spot bonds fell first and then rebounded on Wednesday. The latest yields of 10-year interest rate bonds rose by about 2 bp, and the five-year Treasury bonds were even worse due to unsatisfactory new bonds. In terms of exchange rate, The RMB against the U.S. dollar rose by 290 points to a five-month high on Wednesday. The closing price was higher than the 6.9662 which at the end of last year. It rose again after a total of five months during the year; the median price also rose to a two-week high.

Onshore CNY Government Bond Curve



Offshore CNH Government Bond Curve



Taiwan Bond Market

Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.3%	(1.40)
TWGB 10Y	0.4%	0.04
USD/TWD	29.32	(0.37)%
EUR/TWD	34.81	0.09 %
HKD/TWD	3.78	(0.27)%
VNY/TWD	4.22	(0.30)%
TWD Overnight Rate	0.079%	(0.20)
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 0.3971%.

Taiwan Bond Primary Market

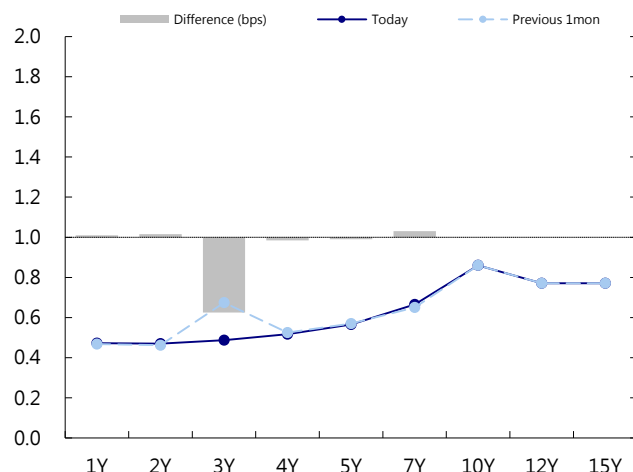
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 5th August : None.
Bonds issued on 6th August : Formosa Petrochemical Corp issued NTD 14.5BN of senior unsecured corporate bonds in 3 tranches: NTD 4.6BN of 5-year bond at a coupon rate of 0.55%, NTD 7.8BN of 7-year bond at a coupon rate of 0.64%, NTD 2.1BN of 10-year bond at a coupon rate of 0.68%, .

Money Market

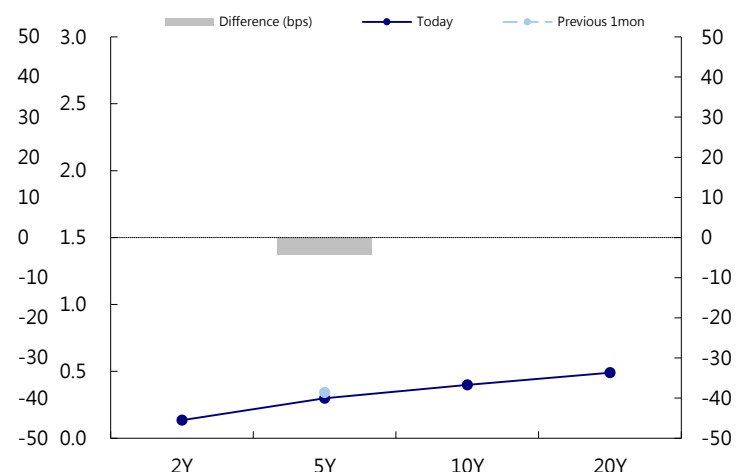
With sufficient fund in the market by the end of the last quarter, short term repo rate remains stable. Last month, central bank kept its monetary policy and base rate. We expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.23%-0.29%, while corporate bond repo rate at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

Date	Event	Forecast	Previous
08/06	WPI YoY	-8.9%	-10.4%
08/06	CPI Core YoY	0.1%	0.1%
08/06	CPI YoY	-0.5%	-0.8%
08/07	Trade Balance	\$4.24b	\$4.84b
08/07	Exports YoY	-1.4%	-3.8%

TWD IRS Curve



Taiwan Government Bond Yield curve



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