

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.21%	(1.74)
UST 10Y	0.52%	(2.29)
UST 30Y	1.19%	(3.54)
Bund 5Y	-0.71%	(2.00)
Bund 10Y	-0.53%	(2.50)
Bund 30Y	-0.12%	(2.60)
DOW JONES	27386.98	0.68 %
NASDAQ	11108.07	1.00 %
S&P 500	3349.16	0.64 %
DAX	12591.68	(0.54)%
FTSE 100	6026.94	(1.27)%
CAC 40	4885.13	(0.98)%
EUR/USD	1.19	0.21 %
USD/JPY	105.56	0.02 %
USD/CNY	6.96	0.05 %
US 5Y CDS	--	--
Germany 5Y CDS	11.63	(0.01)
Italy 5Y CDS	145.52	0.85
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	18.05	(0.62)
Japan 5Y CDS	16.71	0.06
China 5Y CDS	41.04	(0.14)
Korea 5Y CDS	23.48	--

US & European Bond Markets

US & European Government Bond :

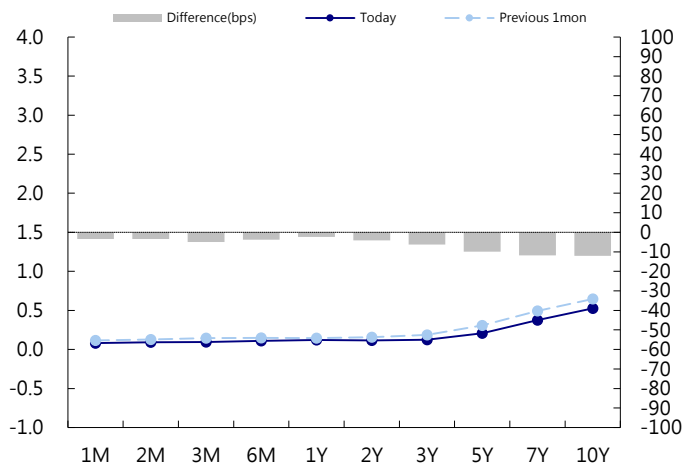
Treasuries ended only marginally higher after a sharp bull-flattening move was pared during U.S. afternoon. Yields rebounded from session lows as optimism that U.S. lawmakers were moving toward an agreement on economic stimulus fueled gains for equities. Treasury yields ended richer by up to 2bp at long end, flattening 2s10s and 5s30s by ~1.2bp; 10-year yield shed 1.3bp to ~0.535%.

US & European Corporate Bonds:

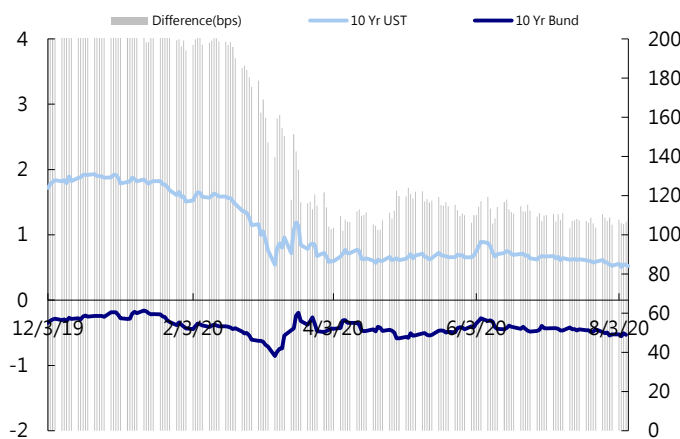
Asia credit feel stable as friday is coming , and overall spreads unchanged with regional equity market mixed . However , the profit taking buyer came out after LDN open . Outperformed name and low beta name like TMT/CHGRID/CNPCC were hit by 2~3 bps widen . In new issues , CMINLE trade mixed with 5YR widen 5 bps and 10YR tighten 10bps for small outsading in 10YR and wide yield spread between the 2 tranches . Meanwhile , HY buying continued with treasury still in low range . Property and AT1 bonds jumped ~0.25-0.5pts and BACRnew AT1 outperformed after underallocated asia account chasing . To sum up , though the buying quite strong recently , theres still have some risk event like the pass of new

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

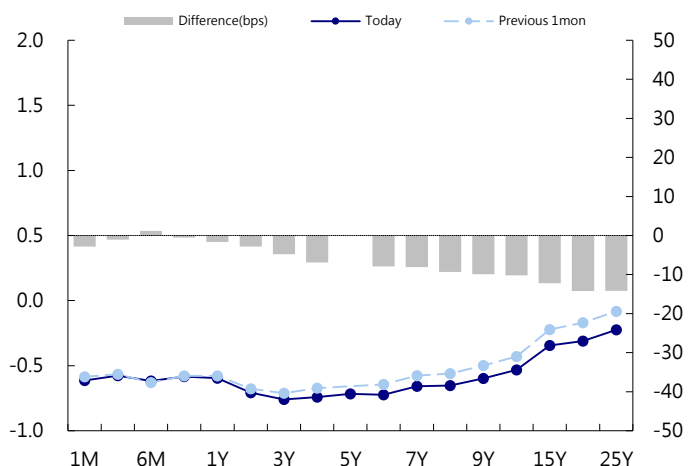
US Treasury Curve



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	2.79%	2.45%	0.00	5.01
CGB 10Y	2.98%	2.85%	(0.25)	(0.60)
CGB 20Y	3.5%	3.13%	--	(0.01)
Chinese Renminbi Spot	6.96	6.96	-0.05%	(0.20)%
USDCNY 1M Forward	6.97	6.97	(0.07)%	(0.22)%
USDCNY 3M Forward	7.00	7.00	(0.07)%	(0.22)%
USDCNY 6M Forward	7.04	7.05	(0.13)%	(0.28)%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.41%	2.785%	2.00	2.50
CNY IRS 2Y	2.49%	2.93%	2.50	2.50
CNY IRS 3Y	2.59%	3.085%	3.00	3.50
CNY IRS 4Y	2.665%	3.21%	2.50	3.00
CNY IRS 5Y	2.735%	3.31%	3.00	2.50

Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.78%	3.002
SDBC 3.68 02/26/26	3.33%	0.000
SDBC 3.48 01/08/29	3.60%	0.010
SDBC 3 1/2 11/04/46	3.85%	4.990

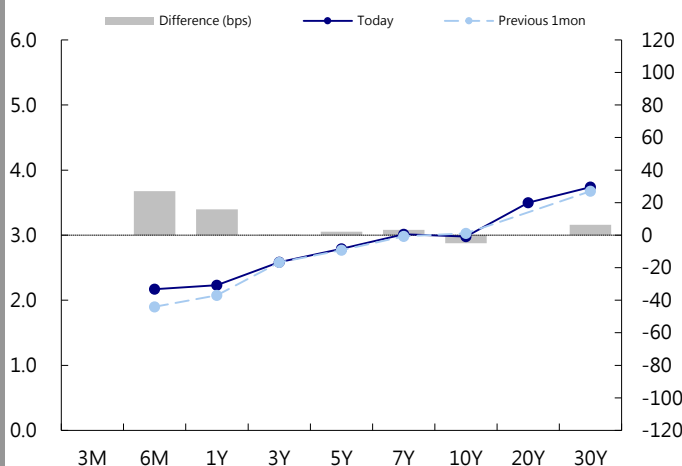
CNH CCS 3M	2.72%	12.39
CNH CCS 6M	2.64%	9.85
CNH CCS 12M	2.52%	7.79
CNH CCS 3Y	2.32%	2.16
CNH CCS 5Y	2.20%	3.21

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

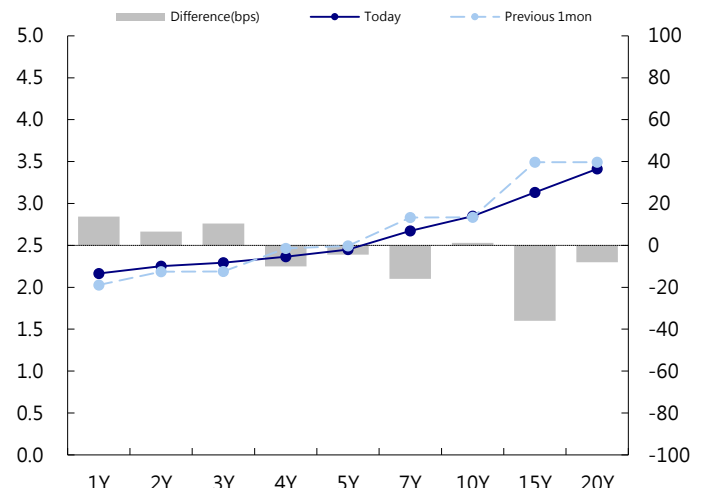
China Bond Market

Regarding bond market, due to the convergence of funds and the rise in the stock market, China's bond market and spot futures continued to weaken on Thursday. Among them, the five-year treasury bond yield on the inter-bank market rose another 5 bp, far exceeding other major spot bonds by 1-2 The magnitude of bp. In terms of new debt, the 10-year results of the two batches of new debt tendered by the Export-Import Bank and China Development Bank were inferior to the relatively short-term results. In terms of exchange rate, The renminbi against the US dollar closed at a five-month high on Thursday, and the central parity rose to a nearly five-month high. Traders said that the U.S. index fell overnight to help rise non-U.S. currencies, while the U.S. dollar gained a firm foothold during the Asian session, and more exchange purchases on bargain-hunting during the day also limited the RMB's room for rebound.

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%	(0.18)
USD/TWD	29.39	(0.13)%
EUR/TWD	34.88	0.10 %
HKD/TWD	3.79	(0.06)%
VNY/TWD	4.22	(0.21)%
TWD Overnight Rate	0.088%	0.80
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 0.3953%.

Taiwan Bond Primary Market

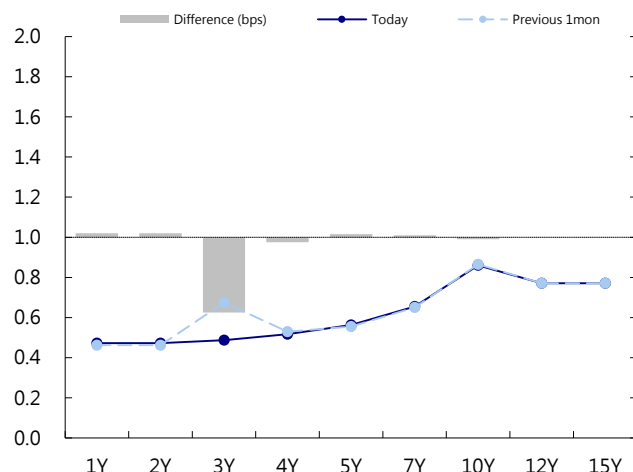
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 6th August : None.
Bonds issued on 7th August : KGI Bank issued NTD 4.8BN of 10-year senior financial debentures at a coupon rate of 0.71%.

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

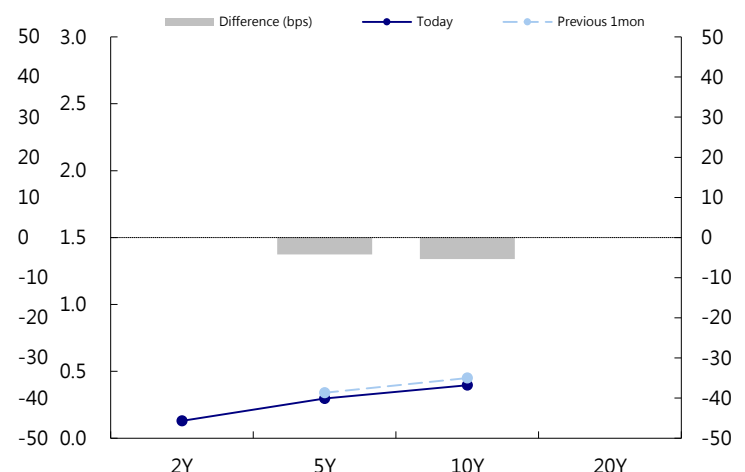
Money Market

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%.

TWD IRS Curve



Taiwan Government Bond Yield curve



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