

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.23%	0.78
UST 10Y	0.56%	1.63
UST 30Y	1.23%	1.19
Bund 5Y	-0.69%	2.10
Bund 10Y	-0.51%	2.20
Bund 30Y	-0.09%	2.40
DOW JONES	27433.48	0.17 %
NASDAQ	11010.98	(0.87)%
S&P 500	3351.28	0.06 %
DAX	12674.88	0.66 %
FTSE 100	6032.18	0.09 %
CAC 40	4889.52	0.09 %
EUR/USD	1.18	0.06 %
USD/JPY	105.78	(0.13)%
USD/CNY	6.97	0.00 %
US 5Y CDS	--	--
Germany 5Y CDS	11.67	0.30
Italy 5Y CDS	145.52	0.00
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	18.19	(0.20)
Japan 5Y CDS	17.03	0.00
China 5Y CDS	41.23	(0.17)
Korea 5Y CDS	23.48	--

US & European Bond Markets

US & European Government Bond :

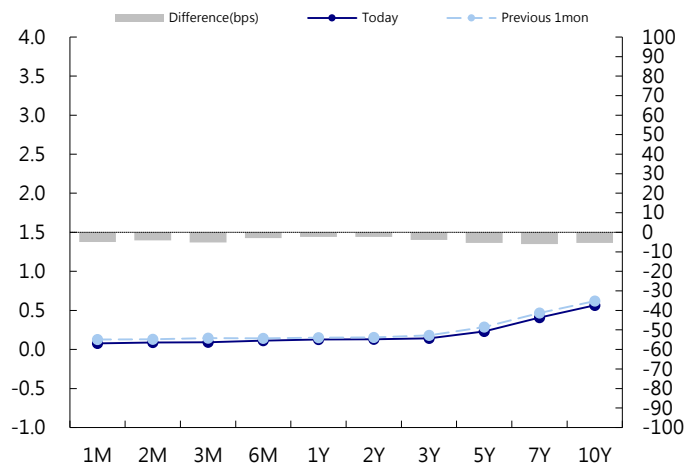
Treasuries ended at or near weekly lows despite losses in U.S. stocks. Early declines were fueled by strong July jobs report; they stalled amid U.S.-China political tensions. Sell-off resumed before mid-session with no clear catalyst apart from next week's quarterly refunding auctions. Yields ended cheaper by 1bp-3bp across the curve led by long end, steepening 2s10s, 5s30s steeper by ~1.5bp each; 10-year added ~2.5bp to 0.56%, more than 3bp higher on the week, first increase in five weeks.

US & European Corporate Bonds:

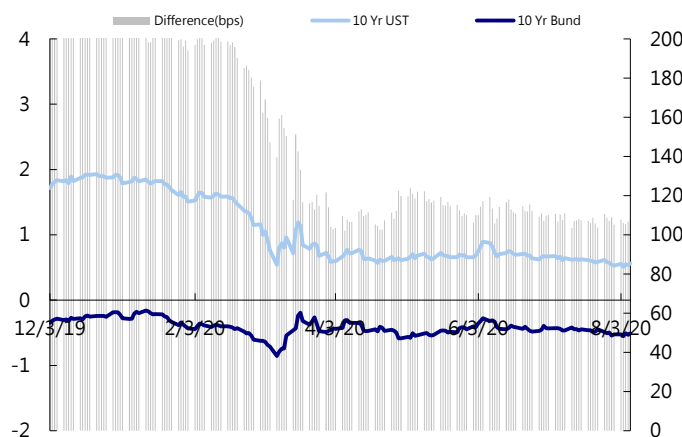
Market extended yesterday loss led by Tech tension as US moves to ban business with Chinese app and tighten regulation for China stock listings. As a result, TMT names led the wave of selling followed by T2/Leasing/SOE. TENCNT 30 dn 7bp, XIAOMI 30s dn +210, WB 30 dn +216. QDHTCO 23n (FPG 3.35%) was trading two-way today. Investors were also trimming risk ahead of NFP and employment data tonight.

Date	Event	Forecast	Previous
08/10	JOLTS Job Openings	5300.000	5397.000
08/11	NFIB Small Business Optimism	100.400	100.600
08/11	PPI Final Demand MoM	0.003	(0.002)
08/11	PPI Ex Food and Energy MoM	0.001	(0.003)
08/11	PPI Ex Food, Energy, Trade MoM	0.002	0.003
08/11	PPI Final Demand YoY	(0.007)	(0.008)
08/11	PPI Ex Food and Energy YoY	--	0.001
08/11	PPI Ex Food, Energy, Trade YoY	--	(0.001)
08/12	MBA Mortgage Applications	--	(0.051)
08/12	Real Avg Weekly Earnings YoY	--	0.046
08/12	Real Avg Hourly Earning YoY	--	0.043
08/12	CPI MoM	0.003	0.006
08/12	CPI Ex Food and Energy MoM	0.002	0.002
08/12	CPI YoY	0.007	0.006
08/12	CPI Ex Food and Energy YoY	0.011	0.012
08/12	CPI Index NSA	258.545	257.797
08/12	CPI Core Index SA	266.585	266.065
08/13	Monthly Budget Statement	-\$151.5b	-\$119.7b

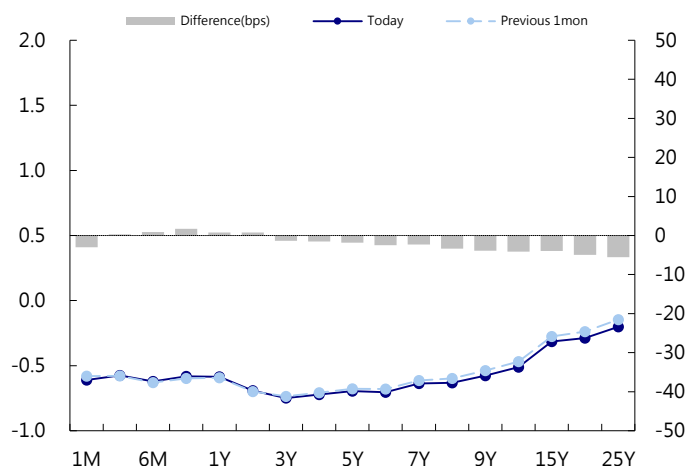
US Treasury Curve



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	2.76%	2.45%	(3.51)	(0.04)
CGB 10Y	2.99%	2.85%	0.99	(0.02)
CGB 20Y	3.55%	3.13%	--	--
Chinese Renminbi Spot	6.97	6.97	0%	0.00 %
USDCNY 1M Forward	6.98	6.99	0.00 %	(0.04)%
USDCNY 3M Forward	7.01	7.01	0.00 %	(0.02)%
USDCNY 6M Forward	7.05	7.05	0.01 %	(0.01)%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.415%	2.78%	0.00	0.00
CNY IRS 2Y	2.49%	2.93%	(0.50)	0.50
CNY IRS 3Y	2.575%	3.075%	(1.50)	0.00
CNY IRS 4Y	2.65%	3.195%	(1.50)	(1.00)
CNY IRS 5Y	2.715%	3.295%	(2.00)	(1.00)

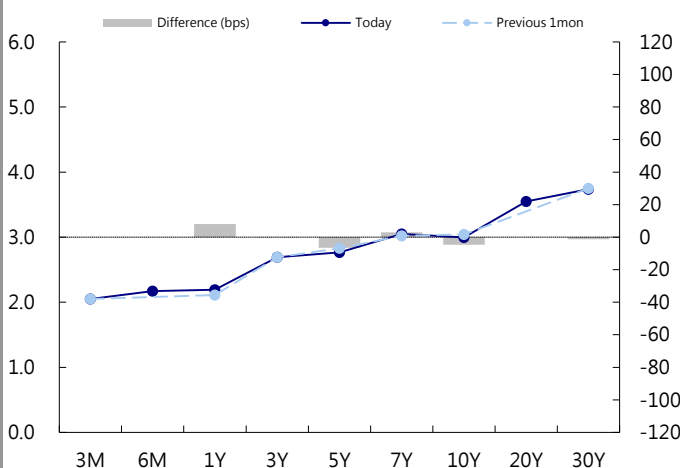
Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.76%	0.001
SDBC 3.68 02/26/26	3.33%	0.000
SDBC 3.48 01/08/29	3.60%	0.000
SDBC 3 1/2 11/04/46	3.65%	-15.000
CNH CCS 3M	2.63%	(1.49)
CNH CCS 6M	2.55%	(3.05)
CNH CCS 12M	2.47%	(0.40)
CNH CCS 3Y	2.29%	(2.84)
CNH CCS 5Y	2.20%	3.04

Date	Event	Forecast	Previous
08/10	PPI YoY	(0.025)	(0.030)
08/10	CPI YoY	0.026	0.025
08/10	Money Supply M0 YoY	0.095	0.095
08/10	Money Supply M1 YoY	0.070	0.065
08/10	Money Supply M2 YoY	0.112	0.111
08/10	New Yuan Loans CNY	1200.0b	1810.0b
08/10	Aggregate Financing CNY	1850.0b	3430.0b
08/10	Foreign Direct Investment YoY CNY	--	0.071
08/14	New Home Prices MoM	--	0.006
08/14	Industrial Production YoY	0.052	0.048
08/14	Industrial Production YTD YoY	(0.004)	(0.013)
08/14	Retail Sales YoY	0.001	(0.018)
08/14	Retail Sales YTD YoY	(0.090)	(0.114)
08/14	Fixed Assets Ex Rural YTD YoY	(0.016)	(0.031)
08/14	Property Investment YTD YoY	0.025	0.019
08/14	Surveyed Jobless Rate	0.057	0.057

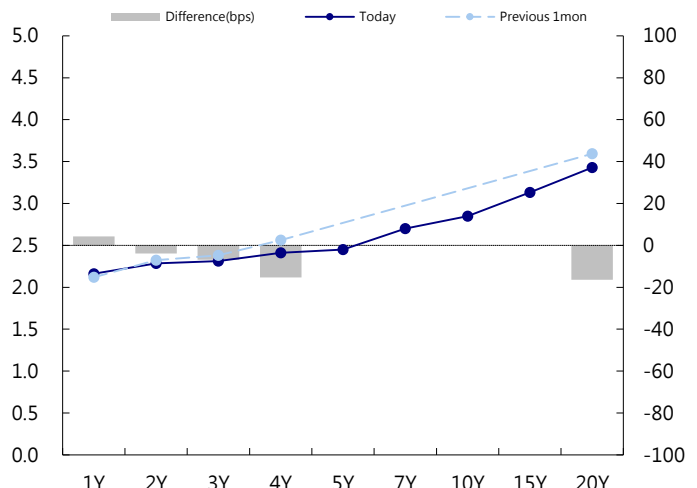
China Bond Market

Regarding bond market, The report of the People's Bank of China confirmed that the monetary policy has returned to normal and the market interest rate positioning requirements have cooled the market's expectations of the third quarter easing. The main cash yields of the inter-bank bond market have not changed much. The five-year treasury bonds whose yields have gone up for two days have stopped rising and stabilized today. In terms of exchange rate, The spot contraction of RMB against the US dollar closed down by more than 150 points on Friday, while the central parity rose slightly to a five-month high. Traders said that US President Trump issued an executive order against WeChat, which further aggravated the tension between China and the United States. The yuan fell nearly 300 points in early trading. After that, risk aversion cooled down and the exchange rate decline narrowed.

Onshore CNY Government Bond Curve



Offshore CNH Government Bond Curve



Taiwan Bond Market

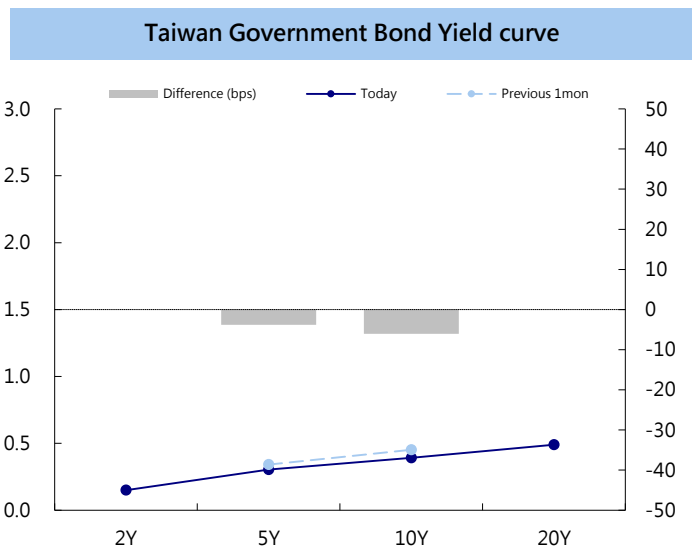
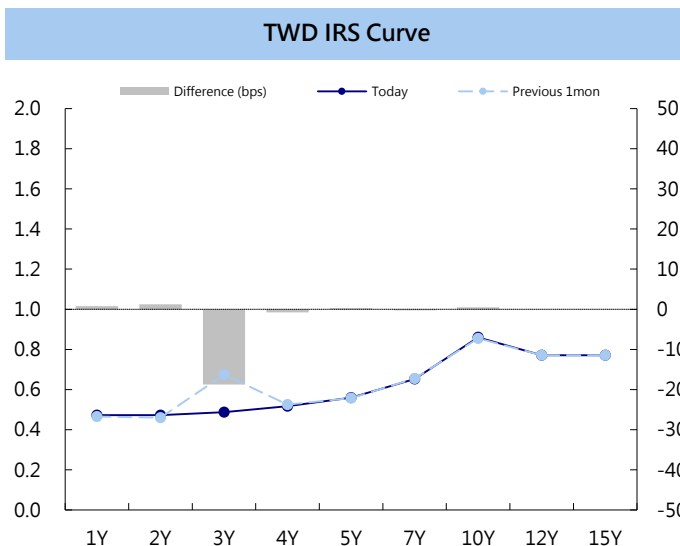
Taiwan Market data		
Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.3%	(0.10)
TWGB 10Y	0.39%	0.00
USD/TWD	29.38	(0.20)%
EUR/TWD	34.67	(0.52)%
HKD/TWD	3.79	(0.03)%
VNY/TWD	4.22	(0.04)%
TWD Overnight Rate	0.08%	(0.30)
TWD Secondary CP 10D	0.7125%	(1.61)
TWD Secondary CP 30D	0.7544%	(1.35)
TWD Secondary CP 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 bonds market. 10YR treasury yields closed at 0.39%. 5YR treasury yields closed at 0.297%.

Taiwan Bond Primary Market
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 7th August : None.
Bonds issued on 10th August : Taipei Fubon Bank issued NTD 2.85BN of Non-cumulative Perpetual Subordinated financial debentures at a coupon rate of 1.50%.

Date	Event	Forecast	Previous
08/14	GDP YoY	--	-0.7%

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 0.33%-0.36%.



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