

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.27%	(1.75)
UST 10Y	0.66%	(2.92)
UST 30Y	1.38%	(5.14)
Bund 5Y	-0.66%	(0.50)
Bund 10Y	-0.46%	(1.20)
Bund 30Y	-0.03%	(1.20)
DOW JONES	27778.07	(0.24)%
NASDAQ	11210.84	0.73 %
S&P 500	3389.78	0.23 %
DAX	12881.76	(0.30)%
FTSE 100	6076.62	(0.83)%
CAC 40	4938.06	(0.68)%
EUR/USD	1.19	0.29 %
USD/JPY	105.45	(0.09)%
USD/CNY	6.92	(0.00)%
US 5Y CDS	--	--
Germany 5Y CDS	11.81	0.01
Italy 5Y CDS	142.80	(1.16)
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	19.40	0.82
Japan 5Y CDS	17.04	(0.01)
China 5Y CDS	39.19	0.07
Korea 5Y CDS	21.68	(0.14)

US & European Bond Markets

US & European Government Bond :

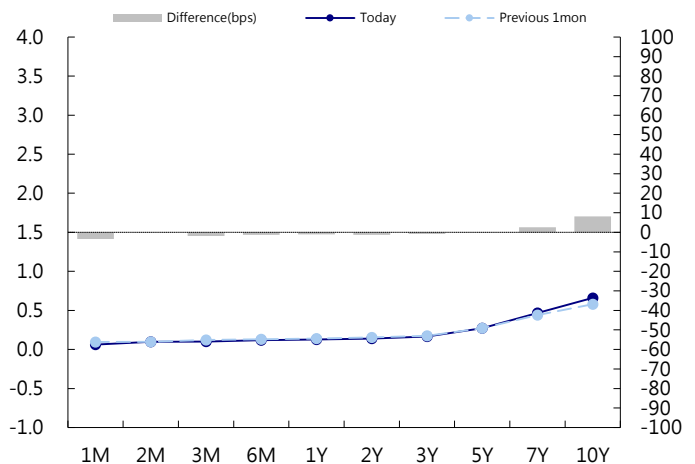
Treasuries were mixed late Wednesday with the yield curve steeper after weak demand for an auction of 20-year bonds and FOMC minutes that were silent on additional purchases of Treasuries by the Fed. 10-year yields rose by around 1bp, with 20- and 30-year rates up by around 2bps; 10- and 30-year yields crept back above last week's auction stops; shorter-maturities were little changed on the day, with 2- and 3-year rates marginally down.

US & European Corporate Bonds:

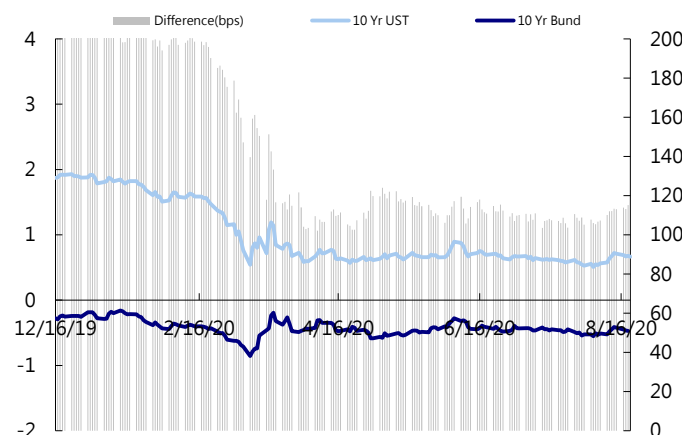
Weaker session today in Asia IG market as we saw RM/HF better selling today with spread closed 3-6bps. Flow wise, TMT +2-4bps in thin volume. SOE underperformed as street/FM hitting bid heavily with spread 3-6bps wider, SHPORT 30/CNPCC 30/CHGRID 30s unwanted today. Financial +2-4bps, leasing/AMC weaker today, saw RM selling 10Y AMC papers that pushed GRWALL 30s down to +177 where we start to see buyer. BOCAVI 25s/CMINLE 25s +3bp post ICBC leasing new US\$ came with IPG at T5+200bps (heard strong book with FPG tighter for over 50bps). IG property unch to +2bps with random 2way flows on PINGRE 25s, others muted. AT1/Perp unch to a touch softer with light

Date	Event	Forecast	Previous
08/20	FOMC Meeting Minutes	--	--
08/20	Philadelphia Fed Business Outlook	21.000	24.100
08/20	Initial Jobless Claims	920k	963k
08/20	Continuing Claims	15000k	15486k
08/20	Bloomberg Economic Expectations	--	38.500
08/20	Bloomberg Consumer Comfort	--	43.700
08/20	Leading Index	0.010	0.020
08/21	Markit US Manufacturing PMI	51.500	50.900
08/21	Markit US Services PMI	50.900	50.000
08/21	Markit US Composite PMI	--	50.300
08/21	Existing Home Sales	5.40m	4.72m
08/21	Existing Home Sales MoM	0.144	0.207

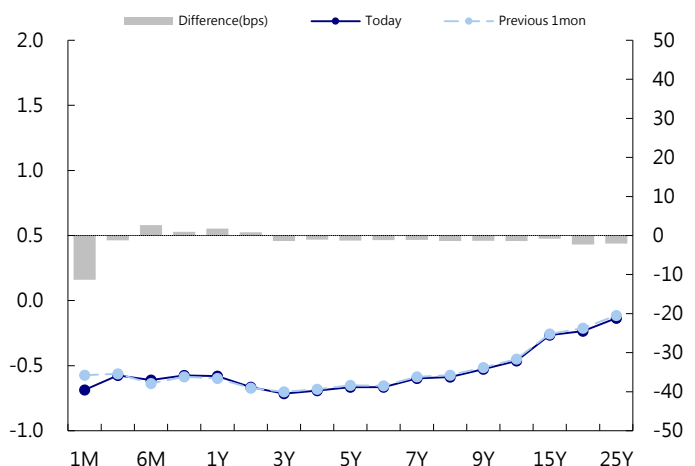
US Treasury Curve



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%	2.43%	(1.77)	(0.12)
CGB 10Y	2.97%	2.85%	0.73	(0.08)
CGB 20Y	3.51%	3.17%	--	(0.03)
Chinese Renminbi Spot	6.92	6.92	0%	(0.13)%
USDCNY 1M Forward	6.94	6.93	0.01 %	(0.12)%
USDCNY 3M Forward	6.96	6.96	(0.01)%	(0.13)%
USDCNY 6M Forward	7.00	7.00	0.01 %	(0.11)%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.42%	2.76%	2.50	2.00
CNY IRS 2Y	2.5%	2.88%	2.00	0.00
CNY IRS 3Y	2.585%	3.03%	2.50	0.00
CNY IRS 4Y	2.655%	3.17%	2.50	2.00
CNY IRS 5Y	2.725%	3.265%	2.50	2.00

Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.74%	-1.004
SDBC 3.68 02/26/26	3.34%	1.499
SDBC 3.48 01/08/29	3.57%	1.000
SDBC 3 1/2 11/04/46	3.65%	--

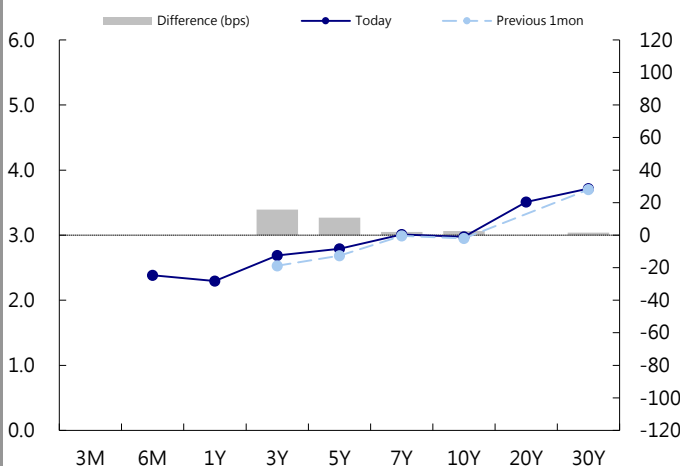
CNH CCS 3M	2.68%	(0.85)
CNH CCS 6M	2.60%	(0.65)
CNH CCS 12M	2.46%	(2.12)
CNH CCS 3Y	2.35%	(2.16)
CNH CCS 5Y	2.31%	(2.70)

Date	Event	Forecast	Previous
08/20	Swift Global Payments CNY	--	0.018
08/20	1-Year Loan Prime Rate	0.039	0.039
08/20	5-Year Loan Prime Rate	0.047	0.047
08/21	FX Net Settlement - Clients CNY	--	-21.7b

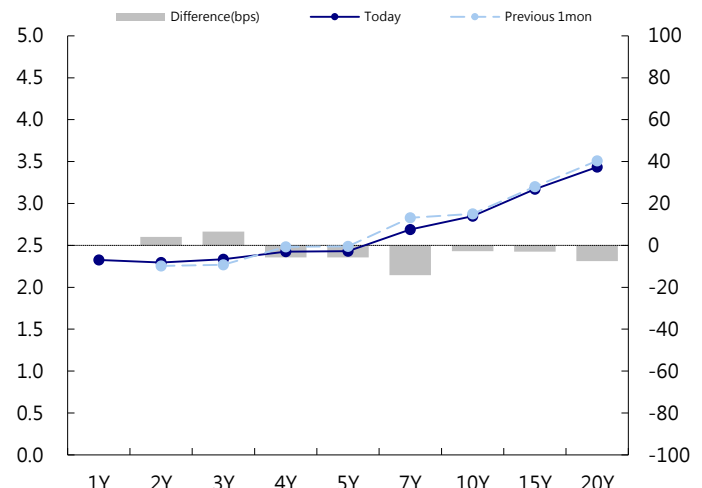
China Bond Market

Regarding bond market, despite the adjustment of the Chinese stock market on Wednesday, the Chinese bond market failed to take the opportunity to retrieve. The primary market treasury bonds was still weak after the issuance of treasury bonds in a significant reduction to nearly 4 bp, the yield of the short-end one-year treasury bond soared by 15 bp. CICC Treasury Bond Futures also turned from rising to falling, with 10-year major contracts plummeting by more than 0.3%. In terms of exchange rate, RMB against the U.S. dollar closed sharply higher by more than 150 points on Wednesday, and both hit a seven-month high with the central parity. Traders said that the U.S. economic recovery and the new fiscal stimulus plan are difficult to implement. The market continues to be bearish on the outlook for the dollar. The yuan rose rapidly in late trading.

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%	(0.30)
TWGB 10Y	0.39%	(1.08)
USD/TWD	29.39	(0.21)%
EUR/TWD	35.08	0.16 %
HKD/TWD	3.79	(0.18)%
VNY/TWD	4.25	(0.17)%
TWD Overnight Rate	0.079%	(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 0.3905%.

Taiwan Bond Primary Market

Announcements of Corporate Bonds Issuances approved by the Board of Directors on 18th August : None.

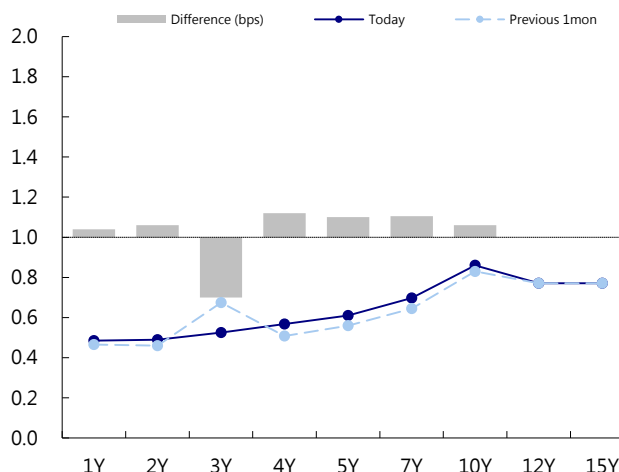
Bonds issued on 19th August : Yulon Finance Corp issued NTD 1.7 Bn of 3-years senior unsecured corporate bond at coupon rate of 1.00%.

Date	Event	Forecast	Previous
08/20	Export Orders YoY	3.1%	6.5%
08/20	BoP Current Account Balance	--	\$18160m

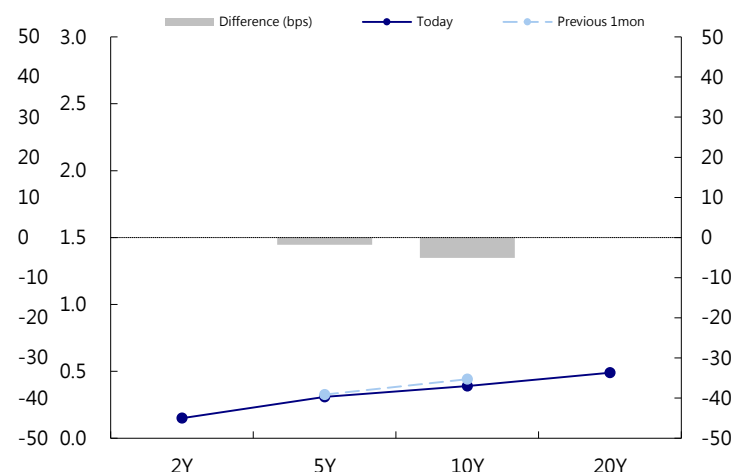
Money Market

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%.

TWD IRS Curve



Taiwan Government Bond Yield curve



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