

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.26%	(0.78)
UST 10Y	0.68%	(2.45)
UST 30Y	1.43%	(3.99)
Bund 5Y	-0.66%	(2.60)
Bund 10Y	-0.42%	(2.30)
Bund 30Y	0.04%	(2.10)
DOW JONES	28645.66	0.76 %
NASDAQ	11939.67	1.39 %
S&P 500	3526.65	0.75 %
DAX	12974.25	0.22 %
FTSE 100	5862.05	(1.70)%
CAC 40	4938.10	(0.18)%
EUR/USD	1.19	(0.67)%
USD/JPY	106.01	0.18 %
USD/CNY	6.83	0.01 %
US 5Y CDS	--	--
Germany 5Y CDS	10.56	(0.11)
Italy 5Y CDS	133.36	--
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	18.12	0.47
Japan 5Y CDS	17.09	0.01
China 5Y CDS	33.48	(1.12)
Korea 5Y CDS	21.78	(0.17)

US & European Bond Markets

US & European Government Bond :

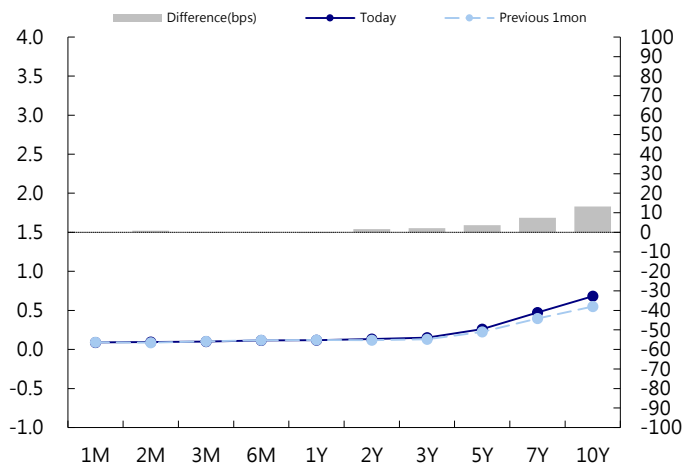
Treasuries ended Tuesday near session highs with the curve sharply flatter as 30-year yields shed more than 5bp. Long-end outperformance in U.S. trading began in the lead-up to the Federal Reserve's daily purchase operation, which targeted 20- to 30-year Treasury coupons for \$1.75 billion. H5Yields out to the 7-year ended little changed to richer by 2.5bp, flattening 2s10s (-3.4bp) and 5s30s (-3.9bp); 10-year yields ended around 0.67%, richer by more than 3bp.

US & European Corporate Bonds:

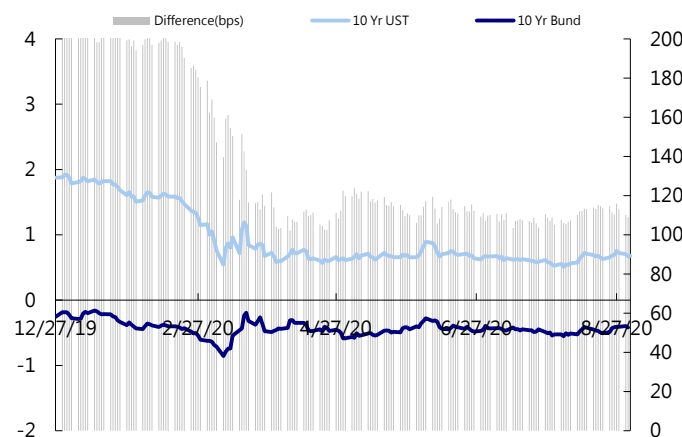
Quiet session to close August with spread unch to +/-1bps. Flow was subdued as investors sidelined for the last trading date of August. In AT1/Perp, resilient and stable today with light two way flows, price mostly unch. We had a small range bound month in Asia IG market with spread 3-18bps tighter while treasury yields curve bear steepened - TMT/SOE 5-10bps tighter MoM with two way balanced flows; Financials laggard with after the strong rally in July with spread 3-5bps tighter MoM; IG property 10-20bps tighter MoM with long end LNGFOR/CHJMAO/NWDEVL outperform.

Date	Event	Forecast	Previous
09/02	MBA Mortgage Applications	--	(0.065)
09/02	ADP Employment Change	950k	167k
09/02	Factory Orders	0.060	0.062
09/02	Factory Orders Ex Trans	--	0.044
09/02	Durable Goods Orders	0.112	0.112
09/02	Durables Ex Transportation	0.024	0.024
09/02	Cap Goods Orders Nondef Ex Air	--	0.019
09/02	Cap Goods Ship Nondef Ex Air	--	0.024
09/03	U.S. Federal Reserve Releases Beige B	--	--
09/03	Challenger Job Cuts YoY	--	5.761
09/03	Nonfarm Productivity	0.074	0.073
09/03	Unit Labor Costs	0.121	0.122
09/03	Initial Jobless Claims	950k	1006k
09/03	Continuing Claims	14000k	14535k
09/03	Trade Balance	-\$57.0b	-\$50.7b
09/03	Bloomberg Consumer Comfort	--	44.300
09/03	Markit US Services PMI	54.700	54.800
09/03	Markit US Composite PMI	--	54.700

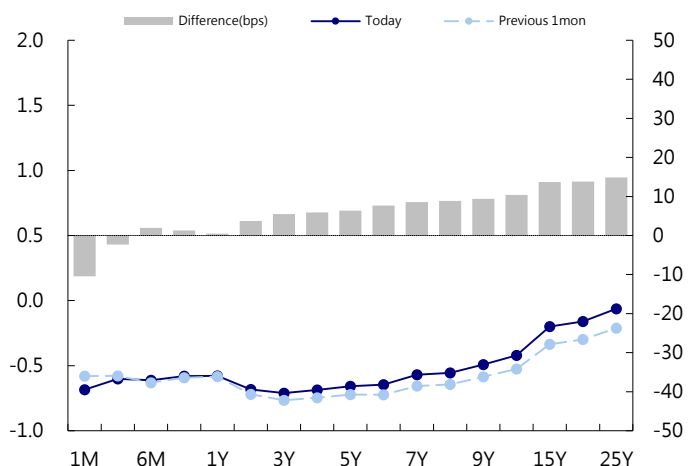
US Treasury Curve



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	2.97%	2.61%	1.23	(0.10)
CGB 10Y	3.06%	2.88%	1.37	(0.07)
CGB 20Y	3.57%	3.15%	--	(0.04)
Chinese Renminbi Spot	6.83	6.83	-0.01%	0.08 %
USDCNY 1M Forward	6.85	6.85	(0.02)%	0.10 %
USDCNY 3M Forward	6.87	6.87	(0.03)%	0.09 %
USDCNY 6M Forward	6.91	6.91	(0.02)%	0.11 %
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.555%	3.01%	5.50	7.00
CNY IRS 2Y	2.65%	3.15%	6.50	6.00
CNY IRS 3Y	2.755%	3.315%	7.50	8.00
CNY IRS 4Y	2.83%	3.435%	7.50	7.50
CNY IRS 5Y	2.89%	3.535%	7.00	8.00

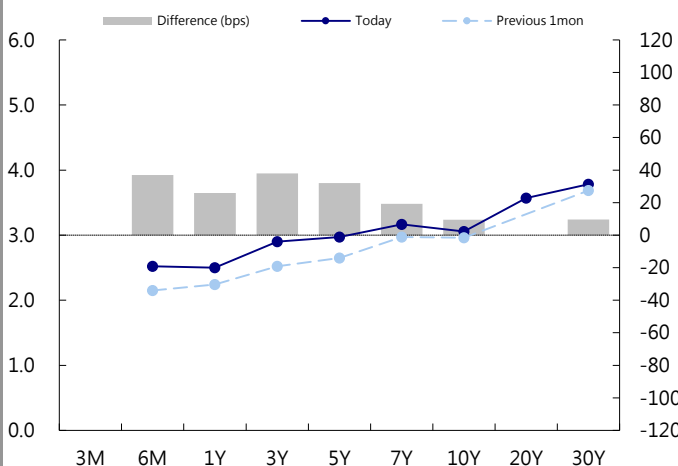
Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.92%	0.002
SDBC 3.68 02/26/26	3.54%	2.001
SDBC 3.48 01/08/29	3.67%	0.000
SDBC 3 1/2 11/04/46	4.14%	0.007
CNH CCS 3M	2.62%	(6.53)
CNH CCS 6M	2.66%	(3.41)
CNH CCS 12M	2.62%	0.18
CNH CCS 3Y	2.55%	3.20
CNH CCS 5Y	2.51%	3.83

Date	Event	Forecast	Previous
09/03	Caixin China PMI Composite	--	54.500
09/03	Caixin China PMI Services	54.000	54.100

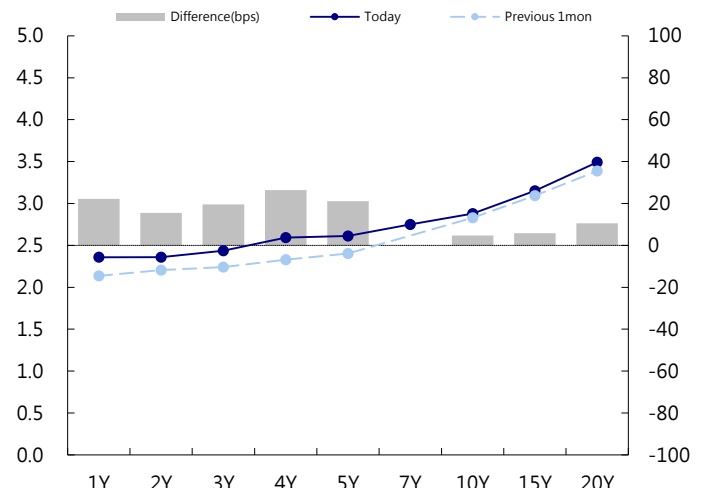
China Bond Market

Regarding bond market, the Chinese bond market's spot bond yields rose slightly on Tuesday, while treasury bond futures fluctuated and closed lower. Traders said that the central bank's open market today largely withdraws liquidity from circulation, and tomorrow will usher in a huge amount of treasury bond tenders, which will pressure market sentiment. In terms of exchange rate, the RMB against the US dollar closed sharply by nearly 300 points on Tuesday, setting a new high in nearly 16 months. The increase has reached 2.09% during the year, and the central parity rate has also reached a new high in over 14 months. Traders said that the U.S. dollar index continued to break down and boosted the market's willingness to do more RMB. After a series of breakthroughs at several key points, foreign exchange purchases continued to wait and see, foreign exchange settlement customers flooded, and exchange rates accelerated.

Onshore CNY Government Bond Curve



Offshore CNH Government Bond Curve



Taiwan Bond Market

Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.33%	0.20
TWGB 10Y	0.41%	(0.30)
USD/TWD	29.34	(0.31)%
EUR/TWD	34.94	(0.98)%
HKD/TWD	3.79	(0.21)%
VNY/TWD	4.30	(0.34)%
TWD Overnight Rate	0.079%	(0.10)
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. However, due to selling pressure from leveraged money in the market, 10YR treasury yields moved higher and closed at 0.4074%.

Taiwan Bond Primary Market

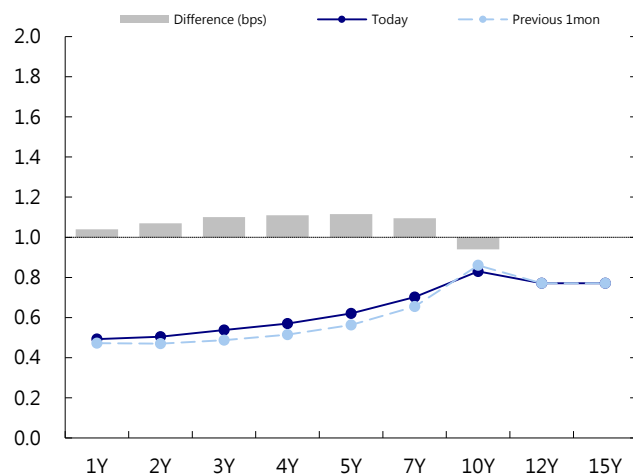
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 1st September : None.
Bonds issued on 2nd September : None.

Date	Event	Forecast	Previous
09/04	Foreign Reserves	--	\$496.17b

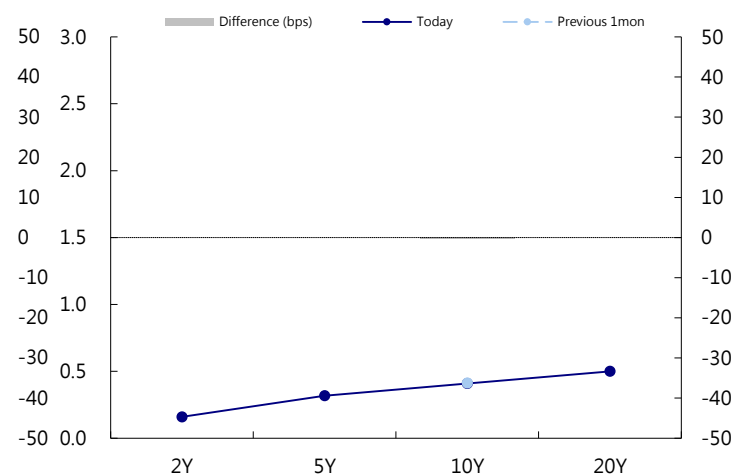
Money Market

With sufficient fund in the market due to loose monetary policy supported by central bank, we expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.22%-0.28%, while corporate bond repo rate at 0.33%-0.37%.

TWD IRS Curve



Taiwan Government Bond Yield curve



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