

# US & Europe Bond Markets

## Govt, Equity, FX and Credit Benchmark & Economic Statistics

| Benchmarks      | Value    | Net Change (bps) |
|-----------------|----------|------------------|
| UST 5Y          | 0.28%    | 0.79             |
| UST 10Y         | 0.69%    | 1.14             |
| UST 30Y         | 1.44%    | 2.07             |
| Bund 5Y         | -0.67%   | 2.60             |
| Bund 10Y        | -0.46%   | 3.30             |
| Bund 30Y        | -0.01%   | 3.60             |
|                 |          |                  |
| DOW JONES       | 27940.47 | 1.60 %           |
| NASDAQ          | 11141.56 | 2.71 %           |
| S&P 500         | 3398.96  | 2.01 %           |
| DAX             | 13237.21 | 2.07 %           |
| FTSE 100        | 6012.84  | 1.39 %           |
| CAC 40          | 5042.98  | 1.40 %           |
|                 |          |                  |
| EUR/USD         | 1.18     | 0.50 %           |
| USD/JPY         | 106.17   | 0.04 %           |
| USD/CNY         | 6.84     | 0.02 %           |
|                 |          |                  |
| US 5Y CDS       | --       | --               |
| Germany 5Y CDS  | 11.01    | 0.07             |
| Italy 5Y CDS    | 135.76   | 0.00             |
| Spain 5Y CDS    | --       | --               |
| Portugal 5Y CDS | --       | --               |
| France 5Y CDS   | 16.95    | (0.47)           |
| Japan 5Y CDS    | 17.13    | 0.08             |
| China 5Y CDS    | 36.44    | (0.63)           |
| Korea 5Y CDS    | 22.61    | 0.00             |

## US & European Bond Markets

### US & European Government Bond :

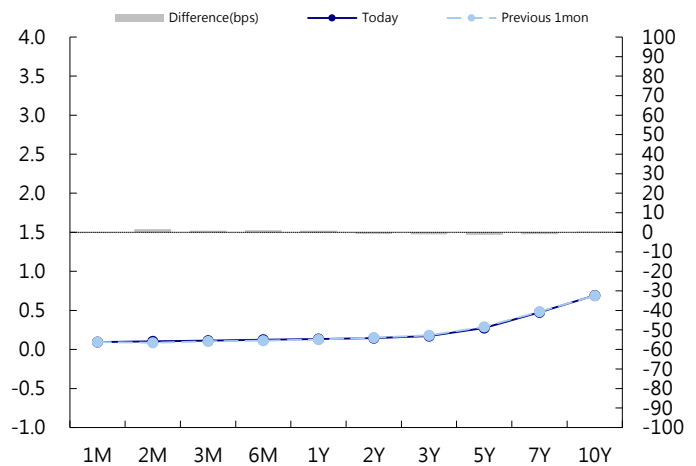
Treasuries ended higher after rebounding from session lows reached in early U.S. trading. Buyers emerged despite stronger-than-expected August CPI readings, and long-end outperformed into the Fed's purchase operation in the sector. Advance continued during U.S. afternoon, led by belly, as stocks surrendered gains, with Nasdaq 100 names underperforming. Yields shed 1bp-2bp across the curve, and 5s30s curve steepened by ~1bp; 10-year at ~0.67% was 5bp lower on the week after declines on Tuesday and Thursday as stocks fell.

### US & European Corporate Bonds:

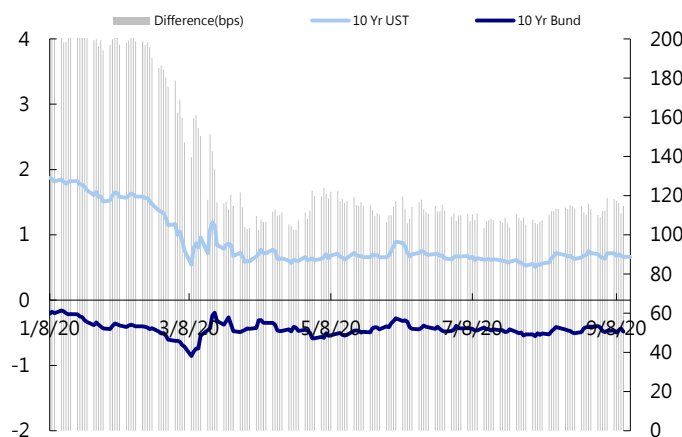
Active day in the new issues while more selling in other benchmark names for the day. Flows skewed to selling on the benchmark names with spreads +2 to +3 bps in the space. New CONAMP 25s/30s were both very active in the morning and we see demand in topping up. Both -5 to -8 at the break. Demand in 5Y faded away and bonds closed +167/+165 while we see consistent demand in the 30s. Bonds closed +197/+196 for the day. XINAOG 30s are less active except a few sellers at the break. Bonds closed +200/+198 to close the day. New GUAMET 25s/30s under-performed with a lot of loose bonds around. GUAMET 25s/30s closed +135/+130 and +178/+173

| Date  | Event                               | Forecast | Previous |
|-------|-------------------------------------|----------|----------|
| 09/15 | Empire Manufacturing                | 6.500    | 3.700    |
| 09/15 | Import Price Index MoM              | 0.005    | 0.007    |
| 09/15 | Import Price Index ex Petroleum MoM | 0.003    | 0.002    |
| 09/15 | Import Price Index YoY              | (0.022)  | (0.033)  |
| 09/15 | Export Price Index MoM              | 0.004    | 0.008    |
| 09/15 | Export Price Index YoY              | --       | (0.044)  |
| 09/15 | Industrial Production MoM           | 0.010    | 0.030    |
| 09/15 | Capacity Utilization                | 0.715    | 0.706    |
| 09/15 | Manufacturing (SIC) Production      | 0.016    | 0.034    |
| 09/16 | MBA Mortgage Applications           | --       | 0.029    |
| 09/16 | Retail Sales Advance MoM            | 0.010    | 0.012    |
| 09/16 | Retail Sales Ex Auto MoM            | 0.009    | 0.019    |
| 09/16 | Retail Sales Ex Auto and Gas        | 0.009    | 0.015    |
| 09/16 | Retail Sales Control Group          | 0.003    | 0.014    |
| 09/16 | Business Inventories                | 0.002    | (0.011)  |
| 09/16 | NAHB Housing Market Index           | 78.000   | 78.000   |
| 09/17 | FOMC Rate Decision (Upper Bound)    | 0.003    | 0.003    |
| 09/17 | FOMC Rate Decision (Lower Bound)    |          |          |

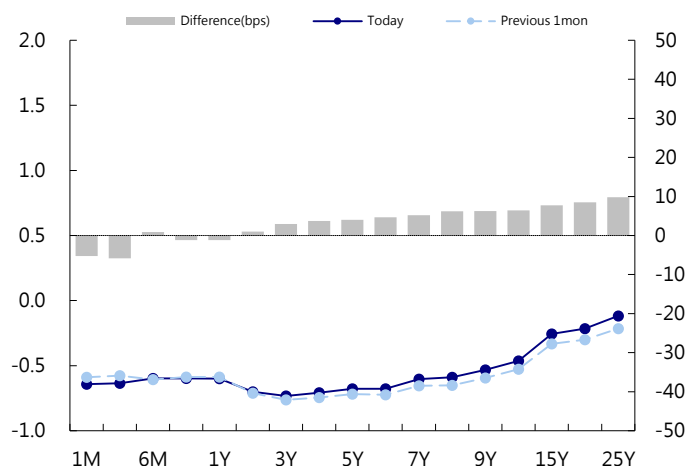
### US Treasury Curve



### 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                | 3.01%   | 2.73%     | 1.05             | --        |
| CGB 10Y               | 3.08%   | 2.88%     | (2.14)           | (0.02)    |
| CGB 20Y               | 3.6%    | 3.21%     | --               | (0.01)    |
| Chinese Renminbi Spot | 6.84    | 6.84      | -0.03%           | (0.08)%   |
| USDCNY 1M Forward     | 6.85    | 6.85      | (0.01)%          | (0.07)%   |
| USDCNY 3M Forward     | 6.88    | 6.88      | (0.02)%          | (0.08)%   |
| USDCNY 6M Forward     | 6.92    | 6.92      | (0.02)%          | (0.07)%   |
|                       | 7D Repo | 3M Shibor | 7D Repo          | 3M Shibor |
| CNY IRS 1Y            | 2.535%  | 2.94%     | (2.00)           | (2.00)    |
| CNY IRS 2Y            | 2.64%   | 3.12%     | (2.00)           | (1.50)    |
| CNY IRS 3Y            | 2.75%   | 3.275%    | (1.50)           | (2.50)    |
| CNY IRS 4Y            | 2.83%   | 3.405%    | (1.50)           | (4.00)    |
| CNY IRS 5Y            | 2.89%   | 3.505%    | (2.00)           | (4.00)    |

| Benchmarks          | Value | Net Change (bps) |
|---------------------|-------|------------------|
| SDBC 3.03 01/18/22  | 2.96% | -0.994           |
| SDBC 3.68 02/26/26  | 3.55% | -3.461           |
| SDBC 3.48 01/08/29  | 3.68% | 0.251            |
| SDBC 3 1/2 11/04/46 | 4.20% | 0.005            |

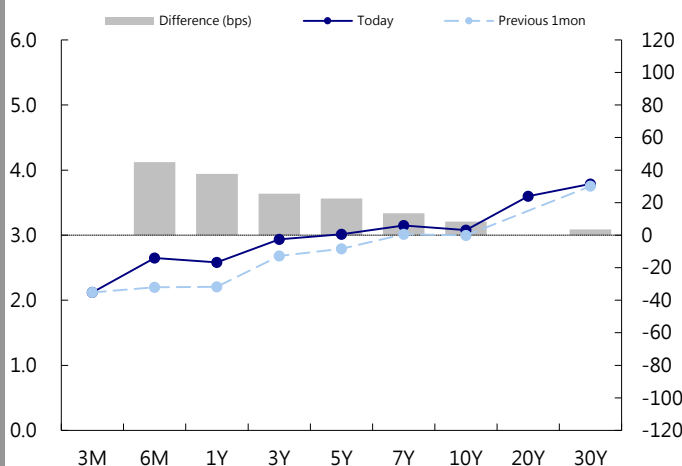
|             |       |        |
|-------------|-------|--------|
| CNH CCS 3M  | 2.54% | (2.00) |
| CNH CCS 6M  | 2.61% | (1.53) |
| CNH CCS 12M | 2.61% | (2.57) |
| CNH CCS 3Y  | 2.60% | (3.62) |
| CNH CCS 5Y  | 2.51% | (4.27) |

| Date  | Event                           | Forecast | Previous |
|-------|---------------------------------|----------|----------|
| 09/14 | New Home Prices MoM             | --       | 0.005    |
| 09/15 | Industrial Production YoY       | 0.051    | 0.048    |
| 09/15 | Industrial Production YTD YoY   | 0.002    | (0.004)  |
| 09/15 | Retail Sales YoY                | --       | (0.011)  |
| 09/15 | Retail Sales YTD YoY            | (0.088)  | (0.099)  |
| 09/15 | Fixed Assets Ex Rural YTD YoY   | (0.004)  | (0.016)  |
| 09/15 | Property Investment YTD YoY     | 0.041    | 0.034    |
| 09/15 | Surveyed Jobless Rate           | 0.056    | 0.057    |
| 09/17 | Swift Global Payments CNY       | --       | 0.019    |
| 09/18 | FX Net Settlement - Clients CNY | --       | 22.5b    |

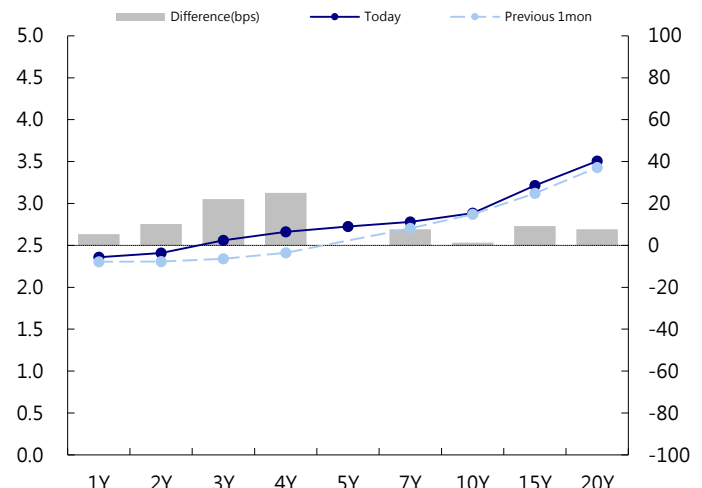
## China Bond Market

Regarding bond market, China's bond market weakened across the board on cash and treasury bond futures on Friday. Market expectations were cautious before the financial data was released in the afternoon. In addition, the treasury bond bidding at noon was normal. The stock market rebounded in the afternoon. The bond volatility weakened. The financial data released at the end of the trading session were generally good. The yields of spot bonds rose again after a short period of time after the late trading session. The yields of 10-year interest rate bonds rose sharply by 5 basis points throughout the day. In terms of exchange rate, the RMB against the U.S. dollar closed slightly higher on Friday, the intraday trading volume declined significantly, and the central parity fell slightly. Traders said that the US dollar remained stable after the European Central Bank meeting, and the market was not willing to trade close to the weekend, and the RMB reaction was relatively limited.

### Onshore CNY Government Bond Curve



### Offshore CNH Government Bond Curve



# Taiwan Bond Market

## Taiwan Market data

| Benchmarks           | Value   | Net Change (bps) |
|----------------------|---------|------------------|
| TWGB 5Y              | 0.34%   | 1.00             |
| TWGB 10Y             | 0.42%   | 0.00             |
| USD/TWD              | 29.28   | (0.45)%          |
| EUR/TWD              | 34.59   | (0.10)%          |
| HKD/TWD              | 3.78    | (0.56)%          |
| VNY/TWD              | 4.28    | (0.13)%          |
| TWD Overnight Rate   | 0.075%  | (0.50)           |
| 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 0.4122%.

## Taiwan Bond Primary Market

Announcements of Corporate Bonds Issuances approved by the Board of Directors on 11th September : The Shanghai Commercial & Savings Bank, Ltd. planned to issue NT 5BN subordinated bank debentures.

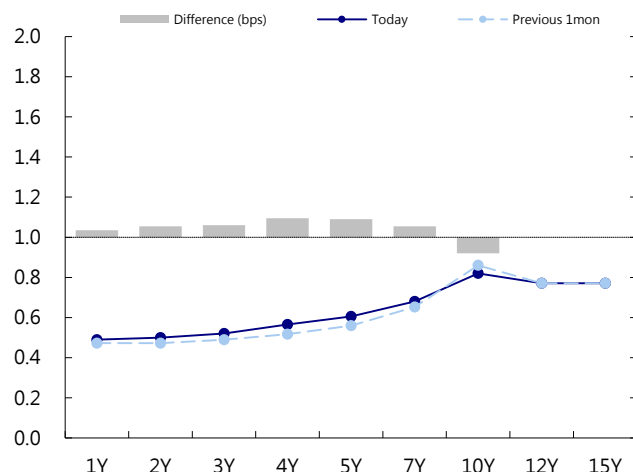
Bonds issued on 11th September : None.

## Money Market

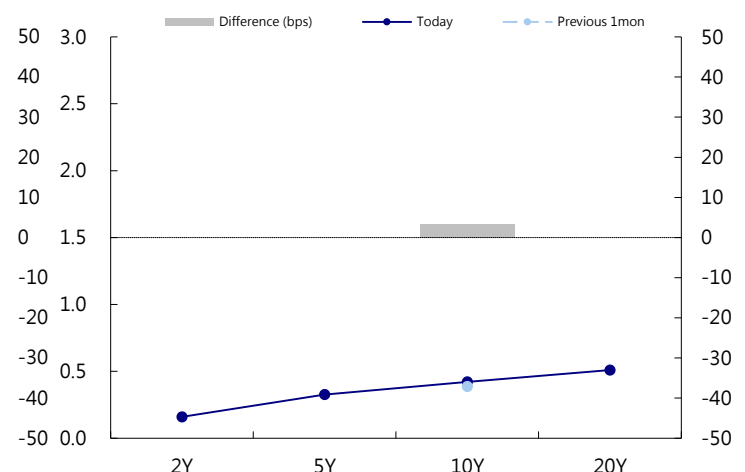
With sufficient fund in the market due to loose monetary policy supported by central bank, we expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.21%-0.28%, while corporate bond repo rate at 0.33%-0.36%.

| Date  | Event                              | Forecast | Previous |
|-------|------------------------------------|----------|----------|
| 09/16 | Bloomberg Sept. Taiwan Economic St |          |          |
| 09/17 | CBC Benchmark Interest Rate        | 1.1%     | 1.1%     |

## TWD IRS Curve



## Taiwan Government Bond Yield curve



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