

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.26%	0.79
UST 10Y	0.67%	0.32
UST 30Y	1.41%	(0.13)
Bund 5Y	-0.69%	0.10
Bund 10Y	-0.48%	0.10
Bund 30Y	-0.04%	0.20
DOW JONES	27993.33	1.18 %
NASDAQ	11056.65	1.87 %
S&P 500	3383.54	1.27 %
DAX	13193.66	(0.07)%
FTSE 100	6026.25	(0.10)%
CAC 40	5051.88	0.35 %
EUR/USD	1.19	0.10 %
USD/JPY	105.70	(0.23)%
USD/CNY	6.79	(0.35)%
US 5Y CDS	--	--
Germany 5Y CDS	11.12	(0.17)
Italy 5Y CDS	135.76	--
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	17.26	0.15
Japan 5Y CDS	17.00	0.24
China 5Y CDS	36.16	0.06
Korea 5Y CDS	22.41	(0.06)

US & European Bond Markets

US & European Government Bond :

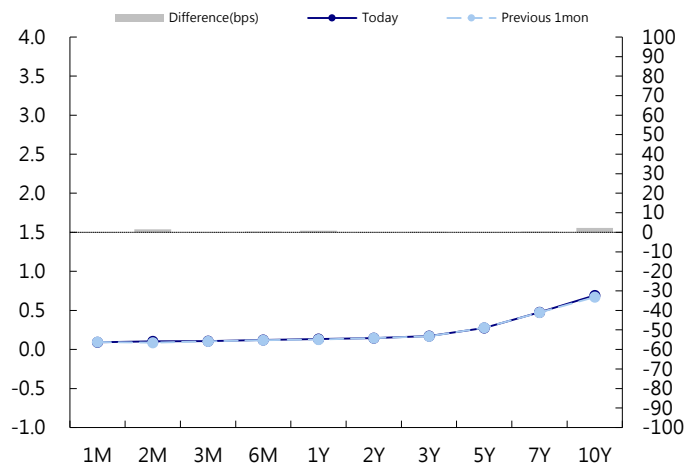
Treasuries ended Monday little changed with the curve marginally flatter, concluding a static and low-volume session ahead of key events later in the week. Ten-year yield' s 2.6bp daily range was among the smallest this year. Yields were within 1bp of Friday' s closing levels in late trading, 10-year near 0.666%, despite 1%-2% gains for U.S. equity benchmarks

US & European Corporate Bonds:

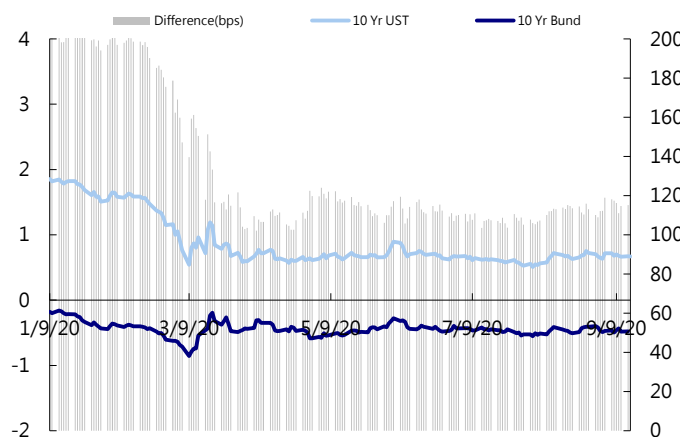
Active day in the new issues while more selling in other benchmark names for the day. Flows skewed to selling on the benchmark names with spreads +2 to +3 bps in the space. New CONAMP 25s/30s were both very active in the morning and we see demand in topping up. Both -5 to -8 at the break. Demand in 5Y 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)		

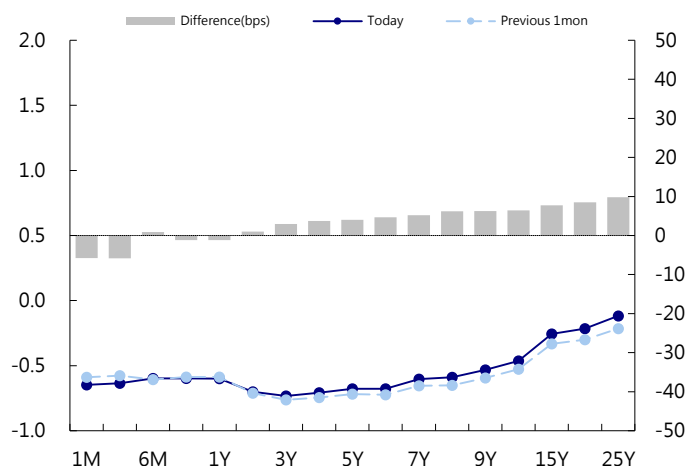
US Treasury Curve



UST V.S. Bund 10Y Yield



Bund Curve



China Bond Market

CNY & CNH Market Data

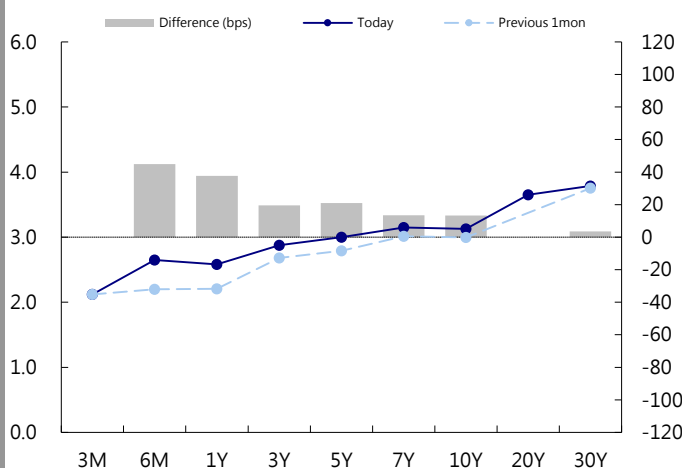
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	3%	2.71%	(5.89)	--
CGB 10Y	3.13%	2.91%	(0.63)	--
CGB 20Y	3.65%	3.21%	--	(0.01)
Chinese Renminbi Spot	6.79	6.78	0.35%	0.37%
USDCNY 1M Forward	6.81	6.80	0.30%	0.35%
USDCNY 3M Forward	6.83	6.82	0.31%	0.38%
USDCNY 6M Forward	6.87	6.86	0.30%	0.36%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.485%	2.92%	(4.50)	(4.00)
CNY IRS 2Y	2.59%	3.1%	(4.50)	(3.00)
CNY IRS 3Y	2.695%	3.24%	(4.00)	(3.00)
CNY IRS 4Y	2.79%	3.365%	(4.00)	(4.50)
CNY IRS 5Y	2.865%	3.465%	(3.50)	(5.50)
Benchmarks	Value		Net Change (bps)	
SDBC 3.03 01/18/22	2.94%		-1.499	
SDBC 3.68 02/26/26	3.56%		0.389	
SDBC 3.48 01/08/29	3.75%		0.000	
SDBC 3 1/2 11/04/46	4.14%		0.003	
CNH CCS 3M	2.56%		(3.22)	
CNH CCS 6M	2.62%		(0.55)	
CNH CCS 12M	2.60%		(0.68)	
CNH CCS 3Y	2.56%		0.93	
CNH CCS 5Y	2.53%		(0.34)	

China Bond Market

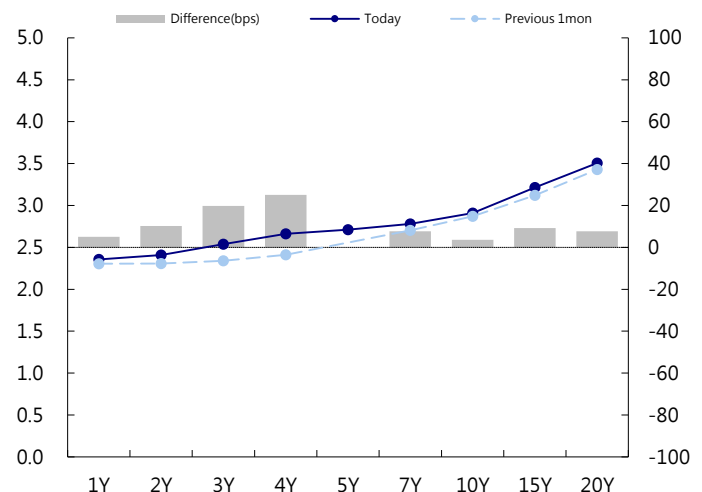
Regarding bond market, China's bond market weakened across the board on cash and treasury bond futures on Friday. Market expectations were cautious before the financial data was released in the afternoon. In addition, the treasury bond bidding at noon was normal. The stock market rebounded in the afternoon. 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.

Date	Event	Forecast	Previous
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

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	0.41%	0.08
USD/TWD	29.23	(0.48)%
EUR/TWD	34.73	(0.32)%
HKD/TWD	3.77	(0.33)%
VNY/TWD	4.31	0.17 %
TWD Overnight Rate	0.078%	(0.90)
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 14th September : Zongtai Real Estate Development Co., Ltd. planned to issue NT 2BN 5-year senior secured corporate bonds at coupon rate of 0.62%. Rich Development Co., Ltd. planned to issue senior secured corporate bonds with the total size not exceeding NTD 2BN and tenor not exceeding 5 years.

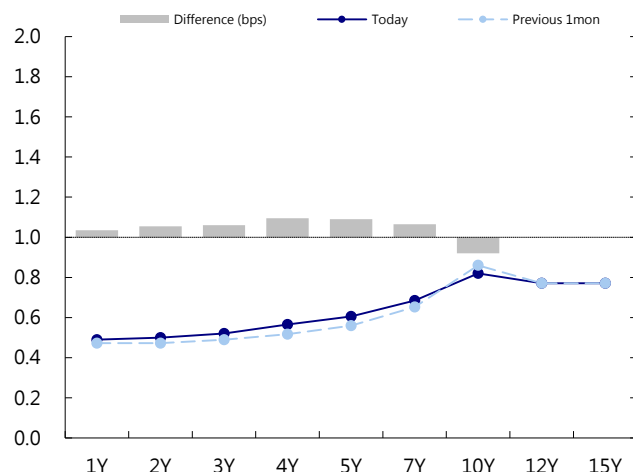
Bonds issued on 15th September : Teco Electric & Machinery Co., Ltd. issued NTD 2BN of 5-year senior unsecured corporate bonds at a coupon rate of 0.60%. Fubon Financial Holding Co., Ltd. issued NTD 20BN of senior unsecured corporate bonds in 3 tranches: NTD 6.5BN of 4-year bond at a coupon rate of 0.59%, NTD 5.6BN of 7-year bond at a coupon

Money Market

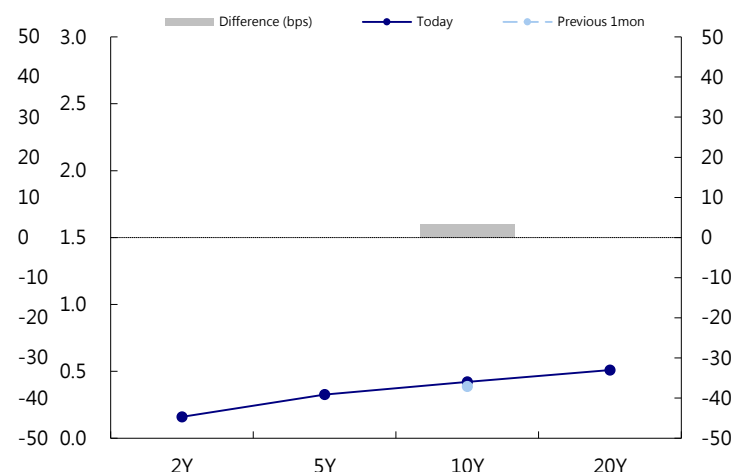
With sufficient fund in the market due to loose monetary policy supported by central bank, we expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.21%-0.28%, while corporate bond repo rate at 0.33%-0.36%.

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

TWD IRS Curve



Taiwan Government Bond Yield curve



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