

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.27%	0.48
UST 10Y	0.68%	0.33
UST 30Y	1.43%	1.68
Bund 5Y	-0.68%	0.70
Bund 10Y	-0.48%	0.10
Bund 30Y	-0.03%	0.30
DOW JONES	27995.60	0.01 %
NASDAQ	11190.32	1.21 %
S&P 500	3401.20	0.52 %
DAX	13217.67	0.18 %
FTSE 100	6105.54	1.32 %
CAC 40	5067.93	0.32 %
EUR/USD	1.18	(0.45)%
USD/JPY	105.29	(0.29)%
USD/CNY	6.77	(0.16)%
US 5Y CDS	--	--
Germany 5Y CDS	11.12	0.28
Italy 5Y CDS	135.76	--
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	16.93	(0.22)
Japan 5Y CDS	16.93	0.02
China 5Y CDS	36.49	(0.14)
Korea 5Y CDS	22.33	(0.07)

US & European Bond Markets

US & European Government Bond :

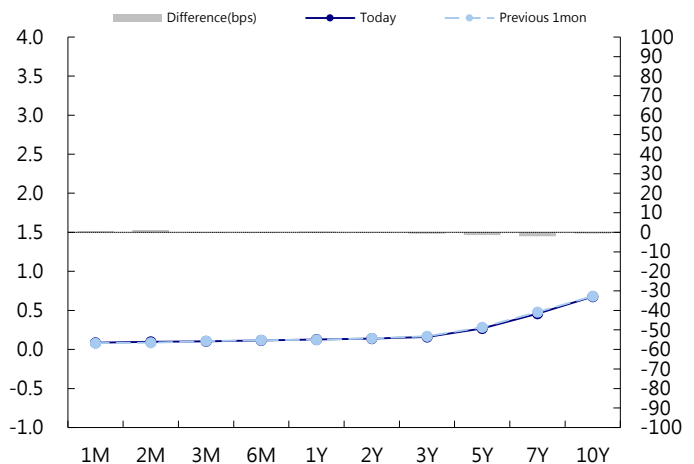
Treasuries ended Tuesday only slightly cheaper after paring decline following well-bid 20-year bond reopening. Ten-year yield' s 2.3bp daily range was among the smallest this year, following 2.6bp range Monday. Yields were higher by as much as 1.8bp at long end, 10-year by 0.5bp after rising as much as 1.5bp amid gains for U.S. equity benchmarks

US & European Corporate Bonds:

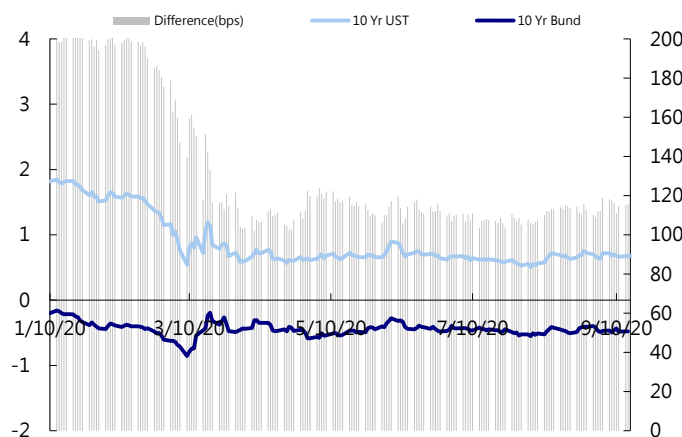
Active day in the new issues while more selling in other benchmark names for the day. Flows skewed to selling on the benchmark names with spreads +2 to +3 bps in the space. New CONAMP 25s/30s were both very active in the morning and we see demand in topping up. Both -5 to -8 at the break. Demand in 5Y 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
09/16	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)		
09/17	Interest Rate on Excess Reserves	0.001	0.001
09/17	Net Long-term TIC Flows	--	\$113.0b
09/17	Total Net TIC Flows	--	-\$67.9b
09/17	Building Permits	1520k	1495k
09/17	Building Permits MoM	0.025	0.188
09/17	Housing Starts	1475k	1496k
09/17	Housing Starts MoM	(0.014)	0.226
09/17	Philadelphia Fed Business Outlook	15.000	17.200
09/17	Initial Jobless Claims	850k	884k

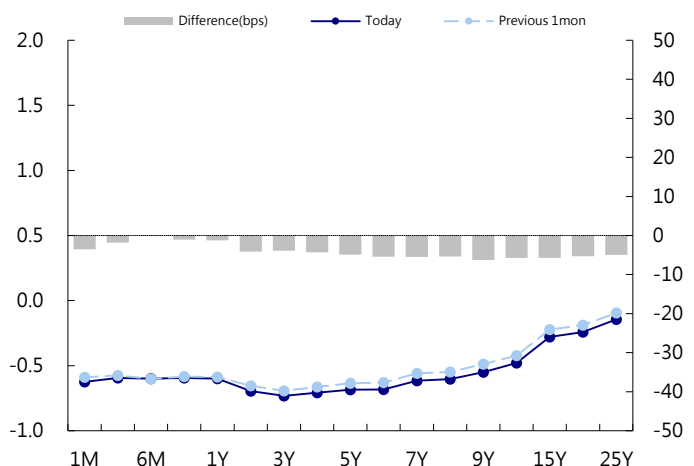
US Treasury Curve



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	2.93%	2.68%	(0.59)	(0.05)
CGB 10Y	3.09%	2.91%	(1.13)	(0.02)
CGB 20Y	3.62%	3.22%	--	(0.03)
Chinese Renminbi Spot	6.77	6.77	0.16%	0.16%
USDCNY 1M Forward	6.79	6.78	0.17%	0.16%
USDCNY 3M Forward	6.81	6.81	0.18%	0.18%
USDCNY 6M Forward	6.85	6.85	0.19%	0.16%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.415%	2.835%	(10.00)	(11.50)
CNY IRS 2Y	2.525%	3.01%	(9.50)	(11.50)
CNY IRS 3Y	2.63%	3.16%	(9.50)	(11.50)
CNY IRS 4Y	2.715%	3.29%	(10.50)	(11.50)
CNY IRS 5Y	2.795%	3.395%	(9.00)	(10.00)

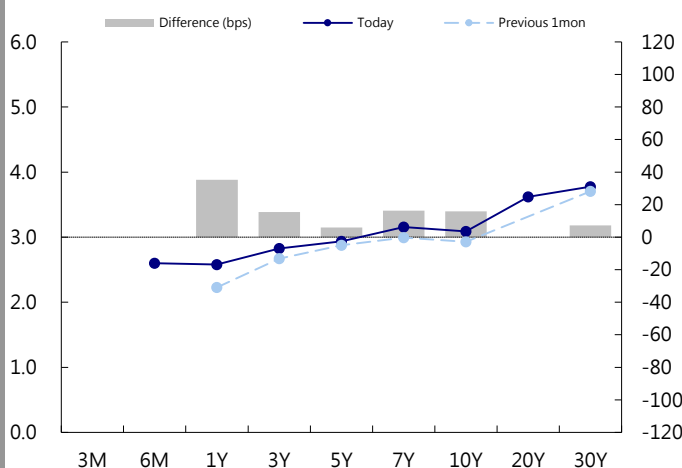
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
SDBC 3.03 01/18/22	2.91%		-1.005	
SDBC 3.68 02/26/26	3.52%		-3.640	
SDBC 3.48 01/08/29	3.70%		-4.501	
SDBC 3 1/2 11/04/46	4.17%		0.006	
CNH CCS 3M	2.50%		(8.65)	
CNH CCS 6M	2.56%		(6.98)	
CNH CCS 12M	2.51%		(9.37)	
CNH CCS 3Y	2.50%		(3.74)	
CNH CCS 5Y	2.52%		0.58	

Date	Event	Forecast	Previous
09/17	Swift Global Payments CNY	--	0.019
09/18	FX Net Settlement - Clients CNY	--	22.5b

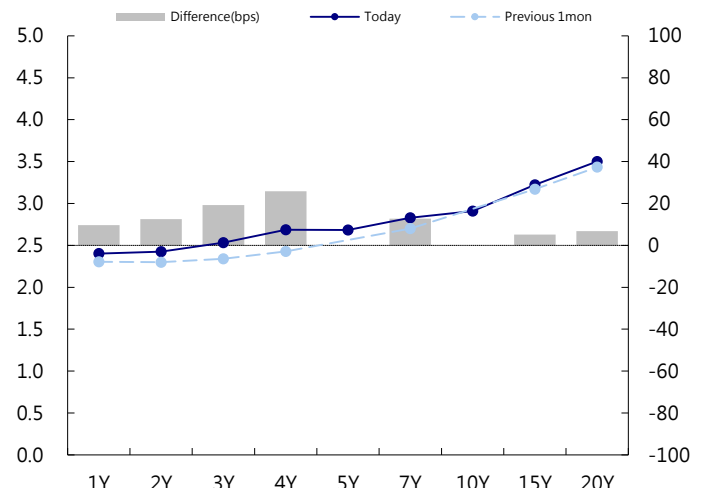
China Bond Market

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	0.4%	(0.95)
USD/TWD	29.19	(0.37)%
EUR/TWD	34.60	(0.61)%
HKD/TWD	3.77	(0.33)%
VNY/TWD	4.31	(0.29)%
TWD Overnight Rate	0.079%	(0.20)
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

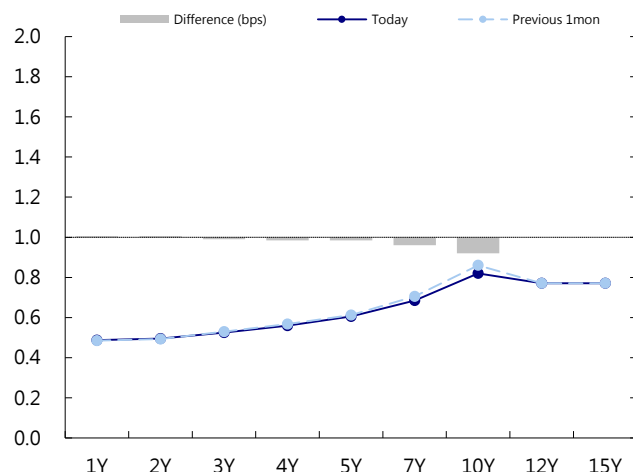
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 15th September : None.
Bonds issued on 16th September : None.

Money Market

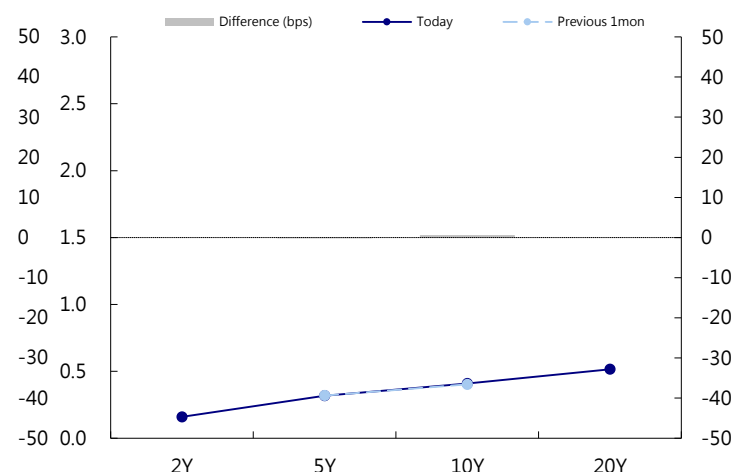
With sufficient fund in the market due to loose monetary policy supported by central bank, we expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.21%-0.28%, while corporate bond repo rate at 0.33%-0.36%.

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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Global Locations

Hong Kong

SinoPac Securities (Asia) Ltd.
7th Floor, Lee Garden Three,
1 Sunning Road,
Causeway Bay, Hong Kong
Tel: +852-2586-8362
Toll Free : 0080-185-6674(Taiwan)
Fax: +852-2586-8399

Shanghai

SinoPac Securities (Asia) Limited
Suite 2405, Hua Xia Bank Tower,
256 South Pudong Road, Shanghai
People's Republic of China
Tel: +86-21-6886-5358
Fax: +86-21-6886-5969

London

SinoPac Securities (Europe) Ltd.
6 Lloyd's Avenue,
London EC3N 3AX,
United Kingdom,
Registered in England and Wales No. 3766464
Tel: +44-20-7614-9999
Fax: +44-20-7614-9979

Taipei

SinoPac Securities Corporation
17F · 2 Chung Ching S. Road · Sec 1
Taipei 100 ·
Taiwan
Tel: +886-2-2382-8219/2312-3866
Fax: +886-2-2382-3464

Contact Us

SinoPac Securities Corp
www.taiwanresearch.com
fixedincome@sinopac.com
Bloomberg page: SIAL