

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.29%	1.74
UST 10Y	0.71%	3.30
UST 30Y	1.51%	5.14
Bund 5Y	-0.73%	(0.40)
Bund 10Y	-0.54%	0.00
Bund 30Y	-0.1%	0.30
DOW JONES	27682.81	(0.48)%
NASDAQ	11075.02	(2.22)%
S&P 500	3348.44	(0.96)%
DAX	12689.04	(0.33)%
FTSE 100	5902.12	0.39 %
CAC 40	4824.88	0.02 %
EUR/USD	1.17	0.11 %
USD/JPY	105.53	0.23 %
USD/CNY	6.79	(0.37)%
US 5Y CDS	--	--
Germany 5Y CDS	12.08	0.65
Italy 5Y CDS	135.76	--
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	18.64	0.02
Japan 5Y CDS	17.65	(0.18)
China 5Y CDS	47.28	(0.14)
Korea 5Y CDS	25.90	(0.37)

US & European Bond Markets

US & European Government Bond :

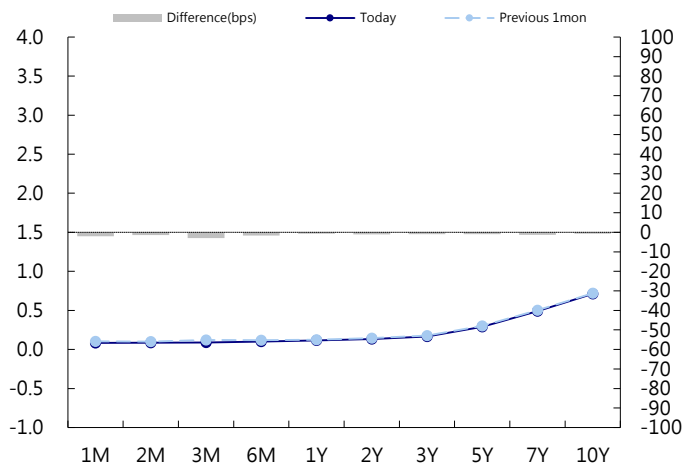
Trump's hospitalization raises the prospect of more market turmoil this week. The Aussie, kiwi and yen were little changed as trading got underway. U.S. stocks ended lower Friday amid Trump's evolving health condition and a disappointing jobs report. Treasuries ended last week lower, sending 10-year yields up around 0.70%. Crude sank and oil retreated.

US & European Corporate Bonds:

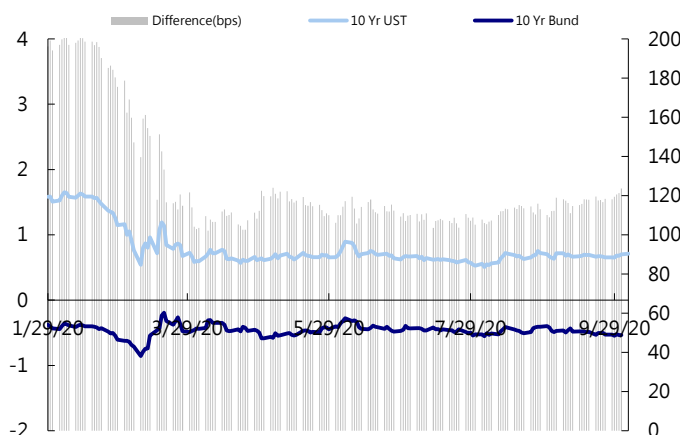
US stock dip after Trump was confirmed with positive test on COVID-19, the decline leading by Big Tech which loss 2% at Friday while Dow Jone / S&P loss 0.5~1%. In general, the performance of cross assets were mostly decline in September for lots of risk event and unestimated macro numbers which drove profit taking sell, while commodity fell 4~17% is the worst. Otherwise, EU stock drop 10% with pandemic resurge in some regions, and volatility of US stock surged though only decline 4~5% in september. However, government bond was top performer which will favored by risk off but deliver merely 0.2~2% return last month. To sum up, the market will be volatile with the US election closing, and

Date	Event	Forecast	Previous
10/05	Markit US Services PMI	54.600	54.600
10/05	Markit US Composite PMI	--	54.400
10/05	ISM Services Index	56.200	56.900
10/06	Trade Balance	-\$66.2b	-\$63.6b
10/06	JOLTS Job Openings	6500.000	6618.000
10/07	MBA Mortgage Applications	--	(0.048)
10/08	FOMC Meeting Minutes	--	--
10/08	Consumer Credit	\$14.000b	\$12.250b
10/08	Initial Jobless Claims	820k	837k
10/08	Continuing Claims	11400k	11767k
10/08	Bloomberg Consumer Comfort	--	49.300
10/09	Bloomberg Oct. United States Econon	--	--
10/09	Wholesale Inventories MoM	0.005	0.005
10/09	Wholesale Trade Sales MoM	--	0.046

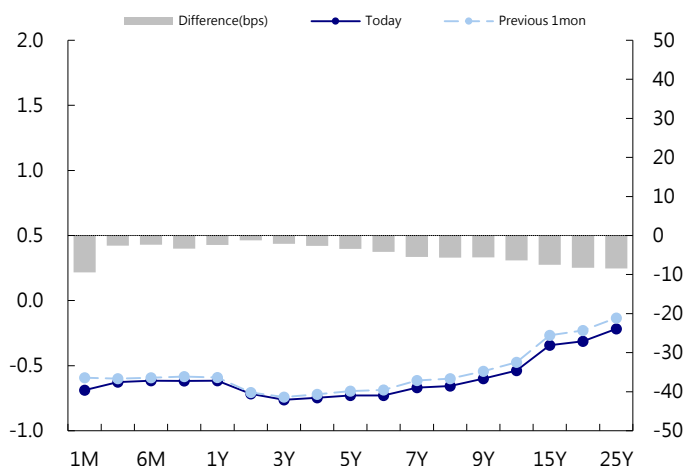
US Treasury Curve



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%	1.99	0.10
CGB 10Y	3.14%	2.88%	4.01	(1.45)
CGB 20Y	3.64%	3.16%	--	--
Chinese Renminbi Spot	6.79	6.74	0.38%	0.17 %
USDCNY 1M Forward	6.80	6.76	0.00 %	0.17 %
USDCNY 3M Forward	6.83	6.79	0.00 %	0.17 %
USDCNY 6M Forward	6.87	6.82	0.00 %	0.18 %
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.48%	2.95%	4.00	3.50
CNY IRS 2Y	2.595%	3.13%	5.00	5.00
CNY IRS 3Y	2.705%	3.275%	5.00	5.00
CNY IRS 4Y	2.79%	3.375%	5.50	4.50
CNY IRS 5Y	2.865%	3.48%	5.50	4.50

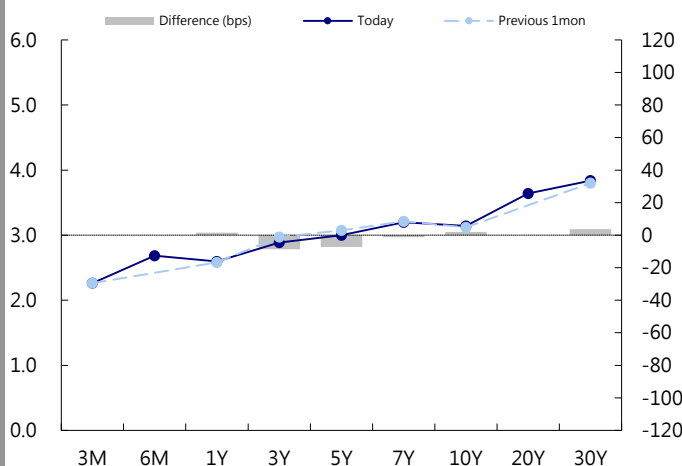
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
SDBC 3.03 01/18/22	2.90%		0.000	
SDBC 3.68 02/26/26	3.45%		0.000	
SDBC 3.48 01/08/29	3.72%		0.000	
SDBC 3 1/2 11/04/46	4.18%		0.002	
CNH CCS 3M	2.78%		0.47	
CNH CCS 6M	2.69%		1.64	
CNH CCS 12M	2.59%		0.29	
CNH CCS 3Y	2.59%		0.28	
CNH CCS 5Y	2.59%		0.59	

Date	Event	Forecast	Previous
10/07	Foreign Reserves	\$3154.00b	\$3164.61b
10/08	Caixin China PMI Composite	--	55.100
10/08	Caixin China PMI Services	54.300	54.000

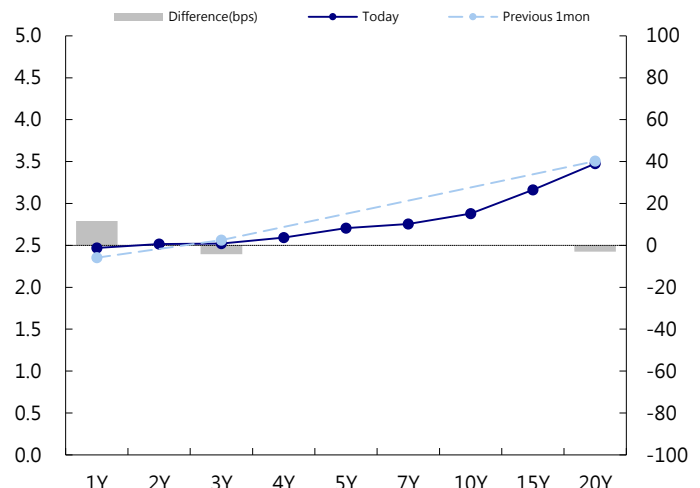
China Bond Market

Just before the National Holiday, the People's Bank of China net withdrawal 50 billion yuan from the market. Interbank Bond Weight Average Collateral Repo Rate reached its highest since early February. A bank trader said that funding was tight in the morning but has become stable, and cross-season demand can be met. China September official manufacturing PMI higher than expected, the steady economic recovery suppressed the performance of Treasury bonds. The 10-year active yield of Treasury bonds hovered around 3.15%. The onshore and offshore renminbi fluctuate around the flat market within the day. The onshore RMB market closed around 6.81.

Onshore CNY Government Bond Curve



Offshore CNH Government Bond Curve



Taiwan Bond Market

Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.28%	(1.10)
TWGB 10Y	0.4%	(1.10)
USD/TWD	28.87	(0.60)%
EUR/TWD	33.87	(0.46)%
HKD/TWD	3.73	(0.68)%
VNY/TWD	4.25	(0.51)%
TWD Overnight Rate	0.078%	(1.00)
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 kept its level at 0.3964% in view of long weekend holiday.

Taiwan Bond Primary Market

Announcements of Corporate Bonds Issuances approved by the Board of Directors on 30th September : Shining Building Business Co., Ltd. planned to issue its first 3-year senior secured corporate bonds in 2020, with the total size not exceeding NTD 1.5BN.

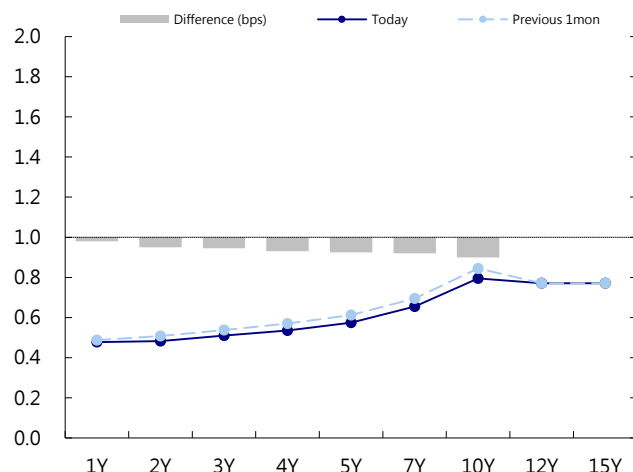
Bonds issued on 5th October : None.

Money Market

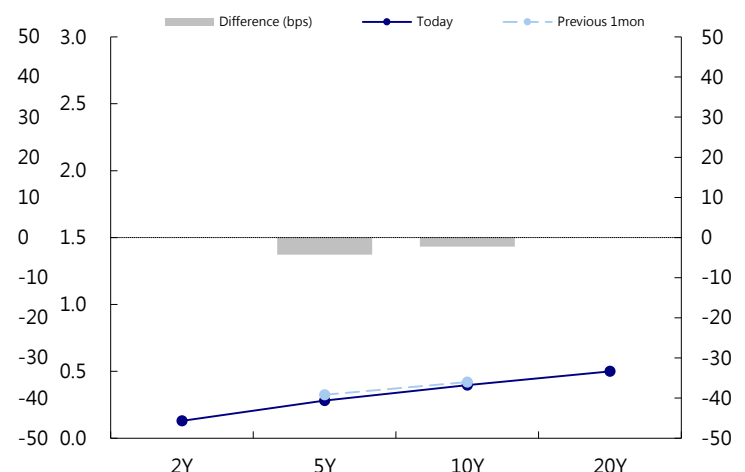
With sufficient fund in the market due to loose monetary policy supported by central bank, we expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.21%-0.28%, while corporate bond repo rate at 0.33%-0.36%.

Date	Event	Forecast	Previous
10/05	Markit Taiwan PMI Mfg	--	5220.0%
10/07	Trade Balance	\$5.65b	\$6.47b
10/07	Exports YoY	9.6%	8.3%
10/07	Imports YoY	2.3%	8.5%
10/07	Foreign Reserves	--	\$498.17b

TWD IRS Curve



Taiwan Government Bond Yield curve



Disclaimer

Sinopac Securities Corp ("Sinopac Sec") does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that Sinopac Sec may have a conflict of interest that could affect the objectivity of this report. Sinopac Sec regularly trades, generally deals as principal and generally provides liquidity (as market maker or otherwise) in the debt securities that are the subject of this research report (and related derivatives thereof). Sinopac Sec trading desks may have either a long and / or short position in such securities, other financial instruments and / or derivatives, which may pose a conflict with the interests of investing customers. To the extent that any historical pricing information was obtained from Sinopac Sec trading desks, the firm makes no representation that it is accurate or complete. All levels, prices and spreads are historical and do not necessarily represent current market levels, prices or spreads, some or all of which may have changed since the publication of this document. Sinopac Sec makes no guarantee that any recommendation and information provided is accurate or complete.

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