

# US & Europe Bond Markets

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

Benchmarks	Value	Net Change (bps)
UST 5Y	0.38%	2.25
UST 10Y	0.86%	3.87
UST 30Y	1.68%	4.09
Bund 5Y	-0.77%	1.50
Bund 10Y	-0.57%	2.20
Bund 30Y	-0.15%	2.90
DOW JONES	28363.66	0.54 %
NASDAQ	11506.01	0.19 %
S&P 500	3453.49	0.52 %
DAX	12543.06	(0.12)%
FTSE 100	5785.65	0.16 %
CAC 40	4851.38	(0.05)%
EUR/USD	1.18	(0.23)%
USD/JPY	104.76	0.05 %
USD/CNY	6.68	(0.13)%
US 5Y CDS	--	--
Germany 5Y CDS	11.38	0.13
Italy 5Y CDS	135.76	--
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	18.93	0.66
Japan 5Y CDS	17.09	(0.01)
China 5Y CDS	37.69	(0.18)
Korea 5Y CDS	24.73	(0.22)

Date	Event	Forecast	Previous
10/23	Markit US Manufacturing PMI	53.500	53.200
10/23	Markit US Services PMI	54.600	54.600
10/23	Markit US Composite PMI	--	54.300

## US & European Bond Markets

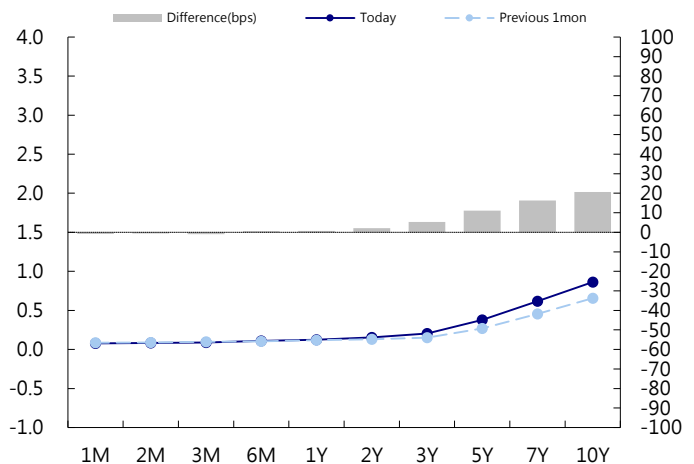
### US & European Government Bond :

Treasuries ended lower Thursday after declines during U.S. morning were sustained through the close; futures volume exceeded the recent average. Most of the move higher in yields occurred after optimistic comments about an economic stimulus agreement by U.S. House Speaker Pelosi. At their peak 10-year was highest since June, 5s30s spread widest since December 2016. Yields ended cheaper by 0.5bp to 2bp across the curve in bear-steepening move, with 2s10s, 5s30s wider by 1.7bp and 0.5bp, off steepest levels of day; 10-year rose as much as 3bp to 0.853%, challenging 200-DMA.

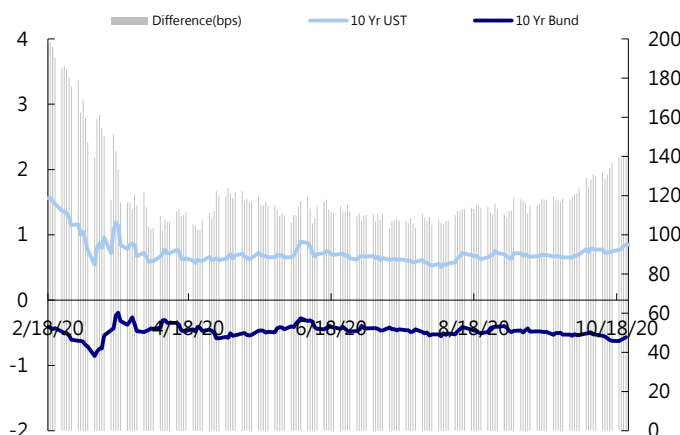
### US & European Corporate Bonds:

China IG opened on a flat with mixed result on bills discussion overnight. Market all focus on primary, MEITUA had a stellar performance with strong buying from banking / PB/AM, since spread still offer some value compared to XIAOMI and others, and both tranche of 25/30s were tighten 15 bps to close. Secondary market were more quiet only some PT flow from High beta names like BOCAVI/HRINTH. In general, market are diverged to two different way, one side fly to quality name like Korea and china senior bond within 5yr for avoiding uncertainty, such as banking accout / ALM, and the other side buying risky asset like rare asia AT1 and high spread one for catching the volatility, for instance HF/AM/PB/Retail,

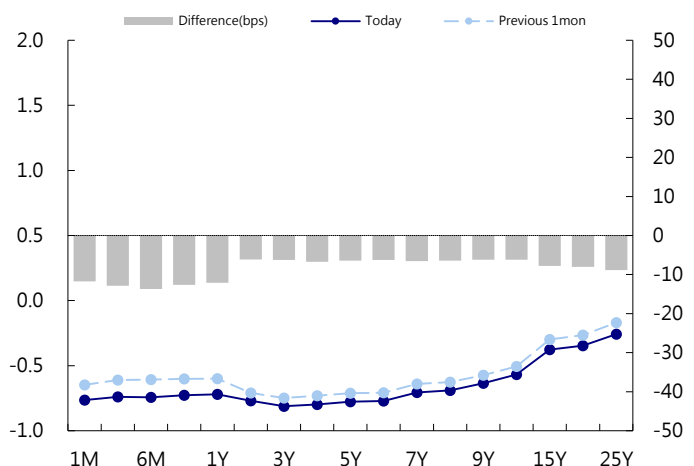
### US Treasury Curve



### UST V.S. Bund 10Y Yield



### Bund Curve



# China Bond Market

## CNY & CNH Market Data

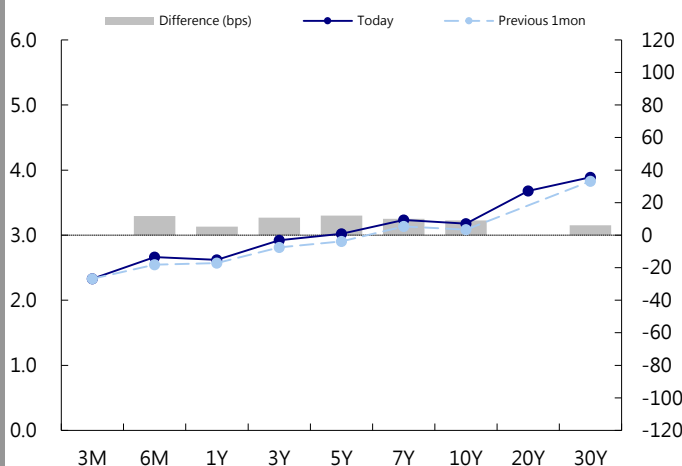
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	3.02%	2.68%	0.85	0.08
CGB 10Y	3.17%	2.86%	0.60	0.00
CGB 20Y	3.68%	3.1%	--	(0.01)
Chinese Renminbi Spot	6.68	6.67	0.12%	0.04 %
USDCNY 1M Forward	6.69	6.68	0.12 %	0.04 %
USDCNY 3M Forward	6.73	6.71	0.11 %	0.06 %
USDCNY 6M Forward	6.77	6.75	0.10 %	0.05 %
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.495%	3.065%	0.50	(1.50)
CNY IRS 2Y	2.605%	3.2%	0.50	(4.00)
CNY IRS 3Y	2.705%	3.335%	0.50	(3.50)
CNY IRS 4Y	2.785%	3.425%	0.50	(5.00)
CNY IRS 5Y	2.86%	3.51%	1.50	(5.50)
Benchmarks	Value		Net Change (bps)	
SDBC 3.03 01/18/22	2.90%		3.753	
SDBC 3.68 02/26/26	3.48%		-0.999	
SDBC 3.48 01/08/29	3.69%		0.010	
SDBC 3 1/2 11/04/46	4.20%		0.018	
CNH CCS 3M	2.73%		(5.92)	
CNH CCS 6M	2.73%		(8.35)	
CNH CCS 12M	2.64%		(5.07)	
CNH CCS 3Y	2.61%		(3.34)	
CNH CCS 5Y	2.66%		1.32	

Date	Event	Forecast	Previous
10/23	FX Net Settlement - Clients CNY	--	-16.7b

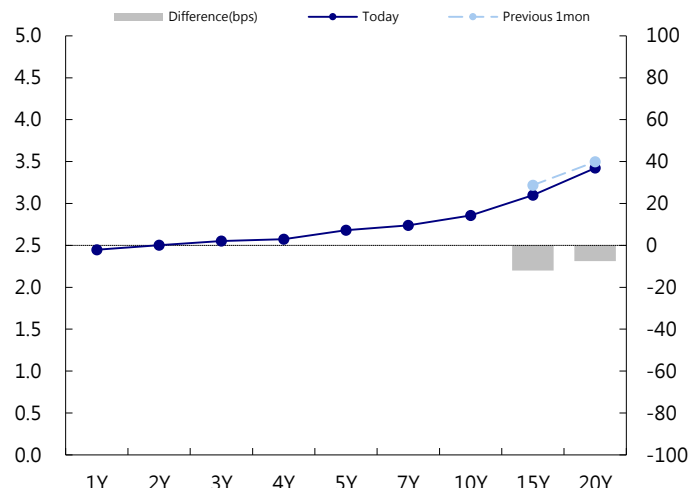
## China Bond Market

Regarding bond market, on Thursday, the Chinese bond market performed brightly in short- and medium-term cash bonds, while the long-term performance was slightly underperformed. Treasury bond futures opened higher. Traders said that next week's treasury bond bidding scale was significantly reduced to boost sentiment, superimposed on the continued buying of foreign institutions since this week, and it is also in the period of data and policy vacuum. The attention of foreign investment and insurance institutions, but the types of purchased bonds are mostly concentrated in the short and medium term. In terms of exchange rate, The renminbi against the US dollar closed down 114 points on Thursday, after rising for six consecutive trading days, and the central parity continued to hit a new high in more than 27 months. Traders said that changes in the U.S. fiscal stimulus caused the U.S. dollar index <.DXY> to fluctuate up and down, and some traders began to speculate that the counter-cyclical shift began to ease the appreciation, daily bargain-hunting purchases of foreign exchange orders and long RMB long-term take-profits pushed the exchange rate to weaken; RMB may fluctuate widely around 6.65.

### Onshore CNY Government Bond Curve



### Offshore CNH Government Bond Curve



# Taiwan Bond Market

## Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.22%	(1.20)
TWGB 10Y	0.31%	0.29
USD/TWD	28.65	(0.43)%
EUR/TWD	33.82	(0.89)%
HKD/TWD	3.70	(0.24)%
VNY/TWD	4.29	(0.13)%
TWD Overnight Rate	0.08%	(0.40)
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 orange. 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 moved lower and closed at 0.3097%.

## Taiwan Bond Primary Market

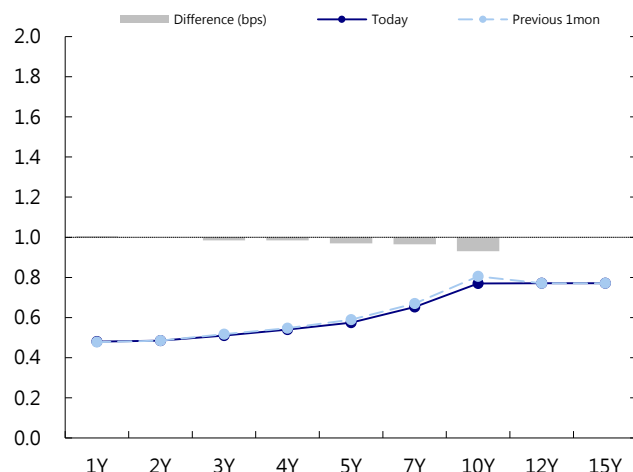
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 22nd October : None.  
Bonds issued on 23rd October : Wan Hai Lines Ltd. issued NTD 2.5BN of 5-year senior unsecured corporate bonds at a coupon rate of 0.97%. Rich Development Co., Ltd. issued NTD1BN of 5-year senior secured corporate bonds at a coupon rate of 0.62%.

Date	Event	Forecast	Previous
10/23	Industrial Production YoY	6.5%	4.7%
10/23	Money Supply M1B Daily Avg YoY	--	11.0%
10/23	Money Supply M2 Daily Avg YoY	--	6.7%

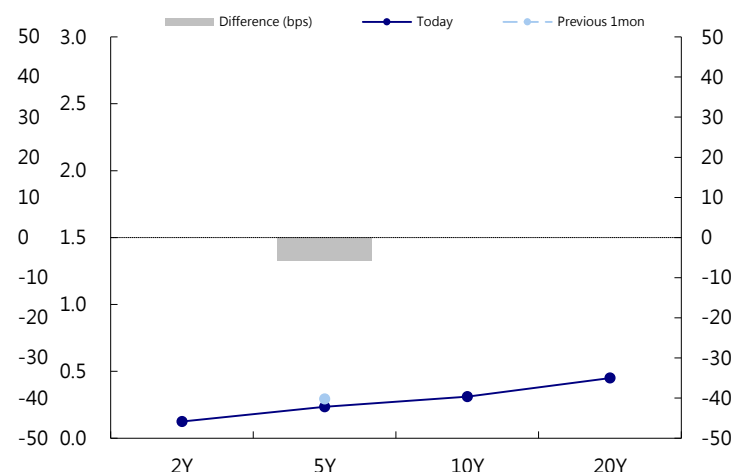
## Money Market

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 0.20%-0.26%, while corporate bond repo rate at 0.30%-0.35%.

## TWD IRS Curve



## Taiwan Government Bond Yield curve



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