

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.4%	1.27
UST 10Y	0.93%	0.66
UST 30Y	1.68%	(0.20)
Bund 5Y	-0.79%	(1.70)
Bund 10Y	-0.61%	(2.50)
Bund 30Y	-0.19%	(2.90)
DOW JONES	30173.88	0.35 %
NASDAQ	12582.77	0.50 %
S&P 500	3702.25	0.28 %
DAX	13278.49	0.06 %
FTSE 100	6558.82	0.05 %
CAC 40	5560.67	(0.23)%
EUR/USD	1.21	(0.02)%
USD/JPY	104.14	0.07 %
USD/CNY	6.53	0.03 %
US 5Y CDS	--	--
Germany 5Y CDS	10.94	(0.06)
Italy 5Y CDS	--	--
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	16.31	(0.60)
Japan 5Y CDS	15.30	(0.01)
China 5Y CDS	29.29	(0.33)
Korea 5Y CDS	21.16	0.33

US & European Bond Markets

US & European Government Bond :

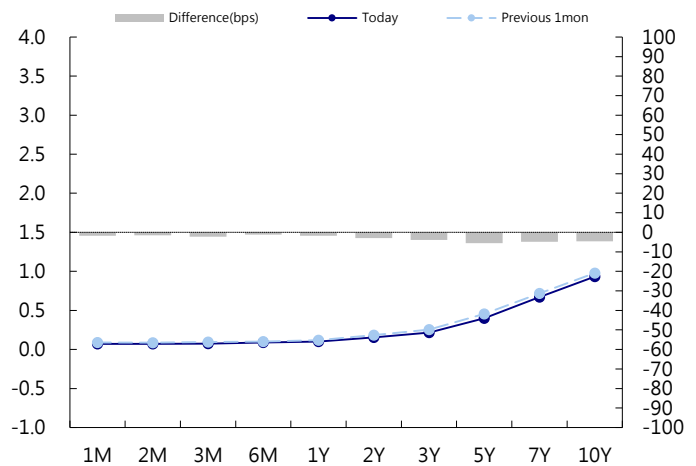
Treasuries ended Tuesday mixed with front-end yields slightly cheaper after a weak 3-year note auction. Long-end yields declined over U.S. morning session and sustained the move despite gains for stocks and looming 10- and 30-year bond auctions. Risk appetite continues to be influenced by U.K./EU trade talks, U.S. fiscal stimulus negotiations and coronavirus containment measures. Yields shed 1bp-2bp across long end of the curve, flattening 2s10s and 5s30s; 10-year declined less than 1bp to 0.916%

US & European Corporate Bonds:

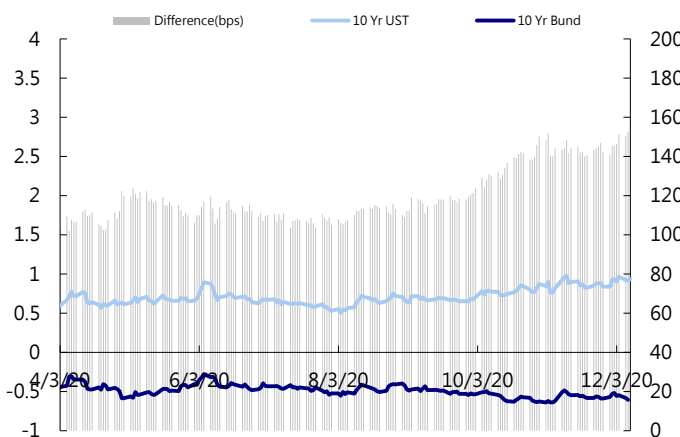
Sixth straight session of buying in Chinese AT1s and bonds only got squeezier. Core AT1s 0.125-0.25PT higher again and we saw more potential interests from onshore accounts. Ont the spread products it was more quiet and flows were two way with some loose bonds from PBs well-absorbed. Similar story with HK papers. In the Corp space we also saw better buying in CNBG/HUANEN/CHJMAO/CHITRA. Meanwhile we saw buying flows In the European AT1s bonds were well bid and we managed to close the session flat despite weak equity sentiment.

Date	Event	Forecast	Previous
12/09	MBA Mortgage Applications	--	(0.006)
12/09	Wholesale Trade Sales MoM	--	0.001
12/09	Wholesale Inventories MoM	0.009	0.009
12/09	JOLTS Job Openings	6325.000	6436.000
12/10	Initial Jobless Claims	725k	712k
12/10	Continuing Claims	5270k	5520k
12/10	CPI MoM	0.001	
12/10	CPI Ex Food and Energy MoM	0.001	
12/10	CPI YoY	0.011	0.012
12/10	CPI Ex Food and Energy YoY	0.016	0.016
12/10	CPI Index NSA	260.087	260.388
12/10	CPI Core Index SA	269.570	269.296
12/10	Real Avg Hourly Earning YoY	--	0.032
12/10	Real Avg Weekly Earnings YoY	--	0.044
12/10	Bloomberg Consumer Comfort	--	49.300
12/11	Household Change in Net Worth	--	\$7607b
12/11	Monthly Budget Statement	-\$199.0b	-\$284.1b
12/11	PPI Final Demand MoM	0.001	0.003

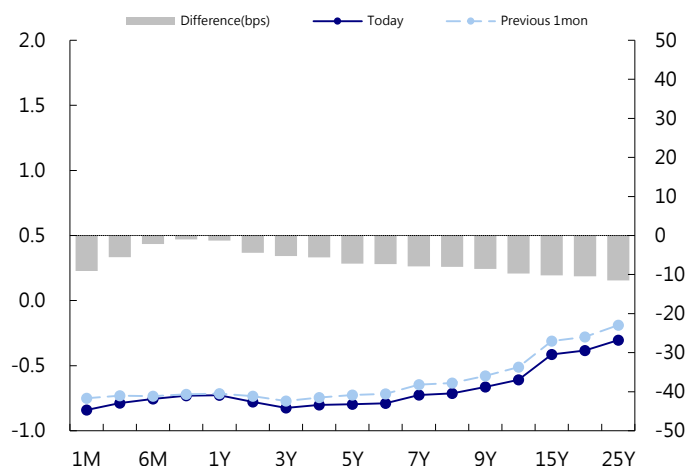
US Treasury Curve



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	3.1%	2.55%	(0.25)	(0.12)
CGB 10Y	3.27%	2.84%	(0.25)	(3.52)
CGB 20Y	3.75%	3.06%	--	(0.04)
Chinese Renminbi Spot	6.53	6.52	-0.03%	0.01%
USDCNY 1M Forward	6.55	6.53	(0.01)%	0.02%
USDCNY 3M Forward	6.57	6.56	0.00%	0.04%
USDCNY 6M Forward	6.61	6.60	0.03%	0.03%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.615%	3.065%	(2.50)	(6.00)
CNY IRS 2Y	2.72%	3.23%	(2.00)	(5.50)
CNY IRS 3Y	2.815%	3.36%	(3.50)	(5.00)
CNY IRS 4Y	2.9%	3.47%	(3.00)	(5.00)
CNY IRS 5Y	2.98%	3.545%	(1.50)	(5.50)

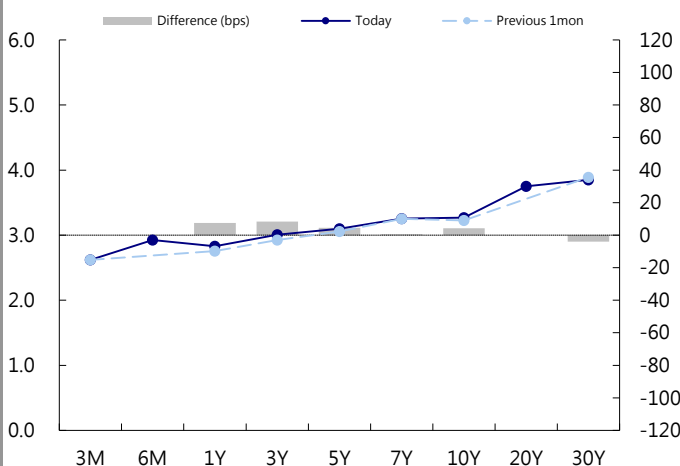
Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.91%	-2.013
SDBC 3.68 02/26/26	3.37%	0.498
SDBC 3.48 01/08/29	3.62%	-0.771
SDBC 3 1/2 11/04/46	4.21%	--
CNH CCS 3M	2.59%	(29.07)
CNH CCS 6M	2.63%	(21.33)
CNH CCS 12M	2.60%	(14.93)
CNH CCS 3Y	2.54%	(9.44)
CNH CCS 5Y	2.63%	(3.90)

Date	Event	Forecast	Previous
12/09	PPI YoY	(0.018)	(0.021)
12/09	CPI YoY		0.005
12/10	Money Supply M0 YoY	0.103	0.104
12/10	Money Supply M1 YoY	0.094	0.091
12/10	Money Supply M2 YoY	0.105	0.105
12/10	New Yuan Loans CNY	1450.0b	689.8b
12/10	Aggregate Financing CNY	2050.0b	1420.0b
12/10	Foreign Direct Investment YoY CNY	--	0.183

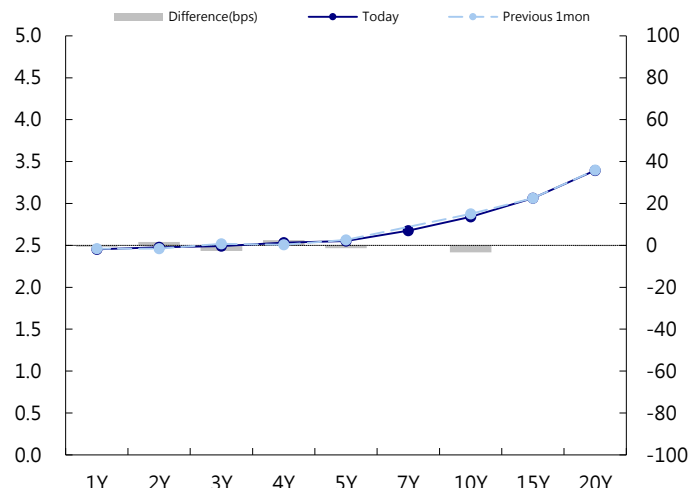
China Bond Market

Regarding bond market, futures and spot goods improved simultaneously, completely regaining the ground lost in the previous day. Among them, the main spot bond yield in the inter-bank market fell by about 2 basis points (bp), and the 10-year treasury bond of the financial futures exchange rose by more than 0.2%. In terms of exchange rate, the RMB against the US dollar closed slightly higher on Tuesday, maintaining a narrow range of fluctuations during the day, and the central parity continued to rise to a new high in nearly two and a half years. Traders said that the uncertainty of Brexit has dragged down the pound, but the new round of US policy stimulus is expected to still put pressure on the US dollar. The yuan is strong in purchasing foreign exchange near 6.53. The yuan is expected to remain stable in the short term and wait for further guidance on the direction of the US dollar.

Onshore CNY Government Bond Curve



Offshore CNH Government Bond Curve



Taiwan Bond Market

Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.2%	(0.10)
TWGB 10Y	0.32%	0.40
USD/TWD	28.22	(0.57)%
EUR/TWD	34.18	(0.55)%
HKD/TWD	3.64	(0.53)%
VNY/TWD	4.32	(0.10)%
TWD Overnight Rate	0.077%	(0.30)
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 moved lower and closed at 0.316%.

Taiwan Bond Primary Market

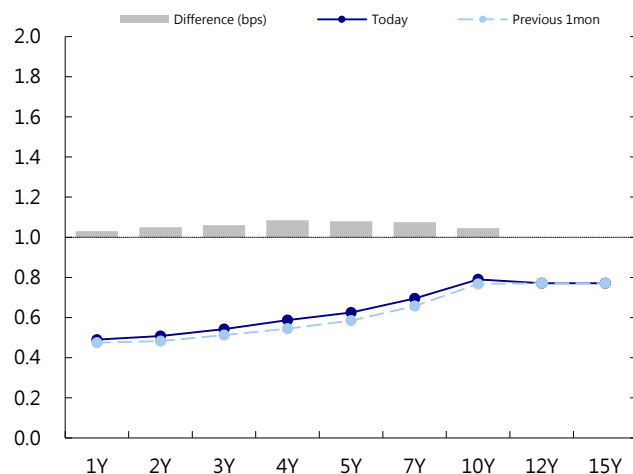
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 8th December : None.
Bonds issued on 9th December : None.

Date	Event	Forecast	Previous
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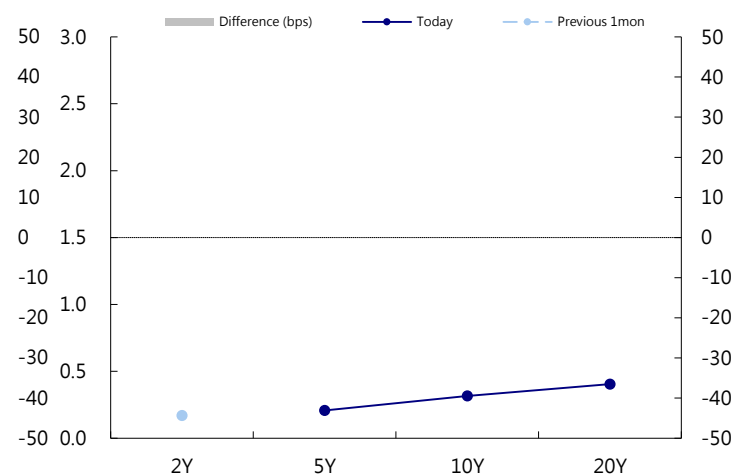
Money Market

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 0.18%-0.23%, while corporate bond repo rate at 0.25%-0.30%.

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