

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.6%	4.57
UST 10Y	1.37%	6.97
UST 30Y	2.17%	9.16
Bund 5Y	-0.63%	(2.10)
Bund 10Y	-0.34%	(3.40)
Bund 30Y	0.17%	(4.60)
DOW JONES	31521.69	0.09 %
NASDAQ	13533.05	(2.46)%
S&P 500	3876.50	(0.77)%
DAX	13950.04	(0.31)%
FTSE 100	6612.24	(0.18)%
CAC 40	5767.44	(0.11)%
EUR/USD	1.22	0.35 %
USD/JPY	104.98	(0.63)%
USD/CNY	6.46	(0.15)%
US 5Y CDS	--	--
Germany 5Y CDS	10.23	(0.19)
Italy 5Y CDS	--	--
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	15.51	(0.09)
Japan 5Y CDS	16.27	1.38
China 5Y CDS	29.29	0.44
Korea 5Y CDS	22.32	0.27

US & European Bond Markets

US & European Government Bond :

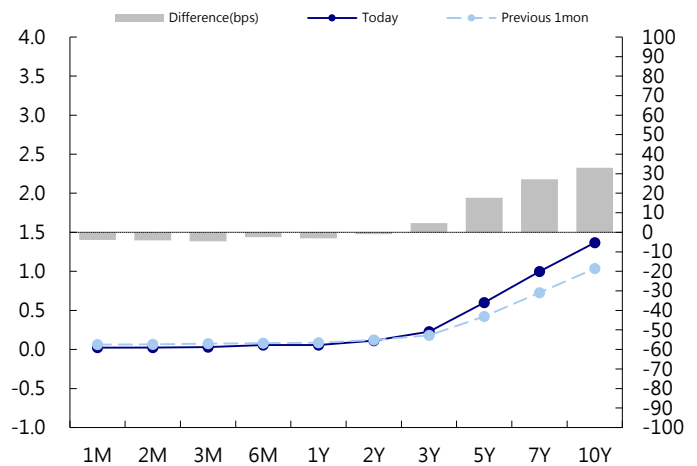
Treasuries bear-steepened Monday aided by resilience in stocks during U.S. afternoon. Earlier, a large block purchase of Treasury futures during U.S. morning coincided with a temporary rebound from Asia-session lows, when yields from the 5- to the 30-year tenor rose to new multimonth highs. Futures volumes were dominated by roll activity while eurodollar options activity was robust. Yields ended cheaper by more than 5bp across long-end of the curve, steepening 2s10s, 5s30s each by more than 3bp; 10-year yield ended around 1.372%, near middle of daily range; its 1.393% high was last exceeded in February 2020

US & European Corporate Bonds:

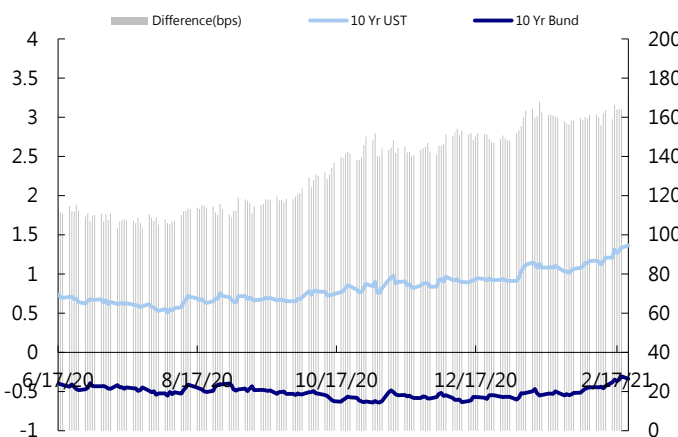
U.S. stocks finished mostly lower as benchmark Treasury yields climbed to the highest levels in a year, renewing concern that rising borrowing costs and price pressures could derail the economic recovery. Yields were higher by up to 5.5bp across long-end of the curve and steepening. The rising yield will give rise to concern on valuation, however, I thought no need to worry about that because the rising yield caused by recovery of economics instead of tightening on monetary policy. Therefore, the valuation will keep in high as long as the earning grow consistently with economy.

Date	Event	Forecast	Previous
02/23	House Price Purchase Index QoQ	--	0.031
02/23	FHFA House Price Index MoM	0.010	0.010
02/23	S&P CoreLogic CS 20-City MoM SA	0.012	0.014
02/23	S&P CoreLogic CS 20-City YoY NSA	0.099	0.091
02/23	S&P CoreLogic CS US HPI YoY NSA	--	0.095
02/23	Conf. Board Consumer Confidence	90.000	89.300
02/23	Conf. Board Present Situation	--	84.400
02/23	Conf. Board Expectations	--	92.500
02/23	Richmond Fed Manufact. Index	16.000	14.000
02/24	MBA Mortgage Applications	--	(0.051)
02/24	New Home Sales	855k	842k
02/24	New Home Sales MoM	0.015	0.016
02/25	Durable Goods Orders	0.010	0.005
02/25	Durables Ex Transportation	0.007	0.011
02/25	Initial Jobless Claims	830k	861k
02/25	Cap Goods Orders Nondef Ex Air	0.008	0.007
02/25	GDP Annualized QoQ	0.042	0.040
02/25	Continuing Claims	4420k	4494k

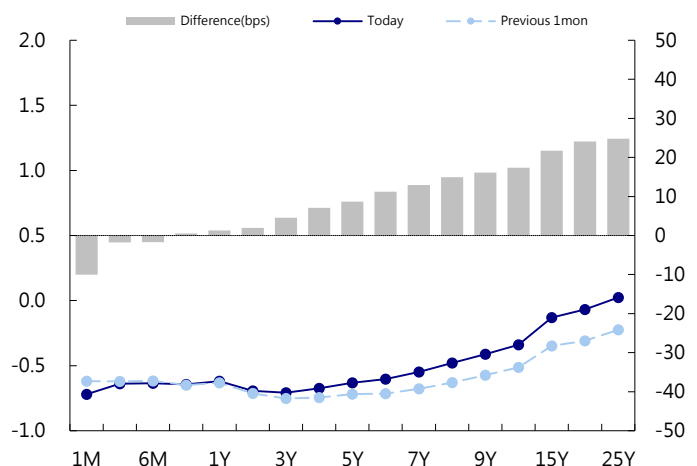
US Treasury Curve



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	3.06%	2.61%	0.70	(0.05)
CGB 10Y	3.27%	3.04%	0.37	0.02
CGB 20Y	3.76%	3.14%	--	(0.01)
Chinese Renminbi Spot	6.46	6.46	0.15 %	0.15 %
USDCNY 1M Forward	6.47	6.47	0.14 %	0.14 %
USDCNY 3M Forward	6.50	6.50	0.14 %	0.14 %
USDCNY 6M Forward	6.54	6.54	0.13 %	0.14 %
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.695%	3.135%	1.00	2.50
CNY IRS 2Y	2.805%	3.33%	0.50	2.00
CNY IRS 3Y	2.91%	3.46%	0.50	1.00
CNY IRS 4Y	3%	3.56%	1.00	2.00
CNY IRS 5Y	3.085%	3.655%	1.00	2.00

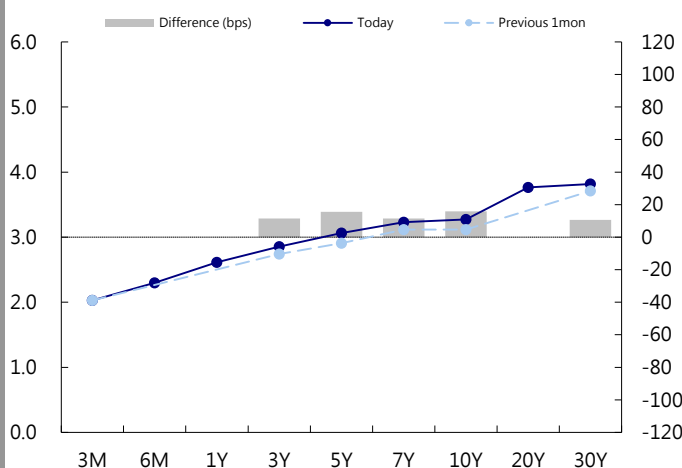
Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.61%	-3.743
SDBC 3.68 02/26/26	3.41%	-2.989
SDBC 3.48 01/08/29	3.68%	2.500
SDBC 3 1/2 11/04/46	3.94%	393.980
CNH CCS 3M	2.77%	(0.42)
CNH CCS 6M	2.75%	1.41
CNH CCS 12M	2.73%	1.18
CNH CCS 3Y	2.66%	0.23
CNH CCS 5Y	2.61%	(2.05)

Date	Event	Forecast	Previous
02/24	Export Orders YoY	0.450	0.383
02/25	Industrial Production YoY	0.204	0.099
02/25	Unemployment Rate	0.038	0.038
02/26	Money Supply M1B Daily Avg YoY	--	0.162
02/26	Money Supply M2 Daily Avg YoY	--	0.085
02/26	BoP Current Account Balance	--	\$28651m

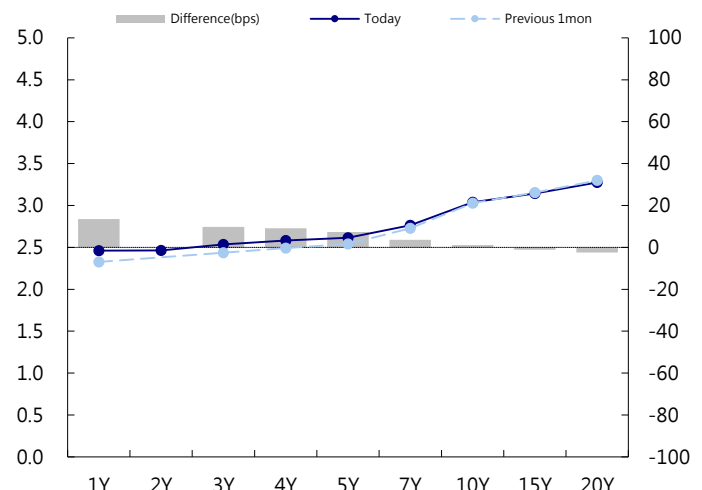
China Bond Market

Regarding bond market, the performance of the Chinese bond market on Monday was mixed. Due to inflation concerns caused by the surge in commodity prices and the upward impact of U.S. bond yields, the long-term yields rose, but they narrowed their gains in late trading as the domestic stock market plummeted; Boosted by loose funds, but overall, financial bonds outperformed national bonds. In terms of exchange rate, the RMB against the U.S. dollar closed down a hundred points on Monday, while the central parity rose slightly. Traders said that the market lacks key guidance in the near future, and the demand for foreign exchange purchases after the holiday has a slight upper hand. As the U.S. index still lacks direction, it is difficult for the renminbi to break away from the range trend in the short term; pay attention to Fed Chairman Powell's speech this week.

Onshore CNY Government Bond Curve



Offshore CNH Government Bond Curve



Taiwan Bond Market

Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.29%	1.00
TWGB 10Y	0.41%	2.90
USD/TWD	27.91	(0.75)%
EUR/TWD	33.97	(0.25)%
HKD/TWD	3.60	(0.04)%
VNY/TWD	4.32	0.06 %
TWD Overnight Rate	0.077%	(0.50)
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 higher. 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 closed higher at 0.409% . Expect 5YR trade at 0.25%~0.33% , 10YR trade at 0.35 %~0.45%.

Taiwan Bond Primary Market

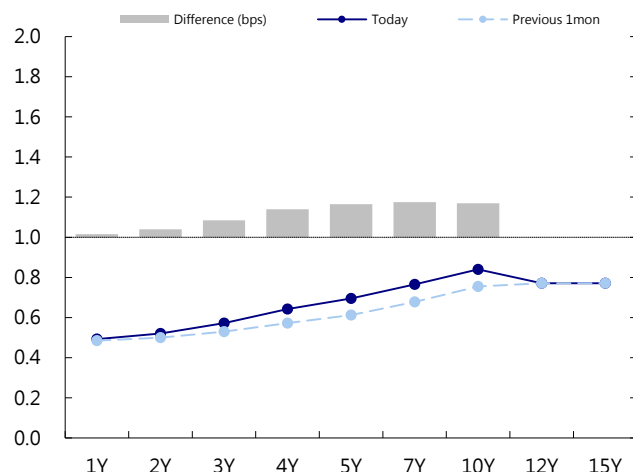
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 22nd February : None
Bonds issued on 23rd February: Yuanta Bank issued NTD 5BN of 10-year subordinated bank debentures at a coupon rate of 0.67%.

Date	Event	Forecast	Previous
02/24	Export Orders YoY	45.0%	38.3%
02/25	Industrial Production YoY	20.4%	9.9%
02/25	Unemployment Rate	3.8%	3.8%
02/26	Money Supply M1B Daily Avg YoY	--	16.2%
02/26	Money Supply M2 Daily Avg YoY	--	8.5%

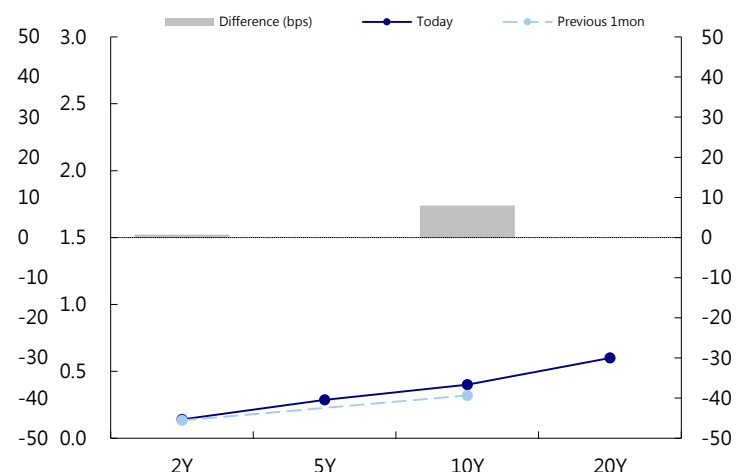
Money Market

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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