

# US & Europe Bond Markets

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

Benchmarks	Value	Net Change (bps)
UST 5Y	0.86%	(2.44)
UST 10Y	1.69%	(3.53)
UST 30Y	2.38%	(4.91)
Bund 5Y	-0.65%	(0.90)
Bund 10Y	-0.31%	(1.70)
Bund 30Y	0.27%	(1.70)
DOW JONES	32731.20	0.32 %
NASDAQ	13377.54	1.23 %
S&P 500	3940.59	0.70 %
DAX	14657.21	0.25 %
FTSE 100	6726.10	0.26 %
CAC 40	5968.48	(0.49)%
EUR/USD	1.19	0.15 %
USD/JPY	108.78	0.04 %
USD/CNY	6.51	0.02 %
US 5Y CDS	14.28	--
Germany 5Y CDS	12.23	2.02
Italy 5Y CDS	77.52	--
Spain 5Y CDS	35.34	--
Portugal 5Y CDS	32.97	--
France 5Y CDS	17.81	1.53
Japan 5Y CDS	18.01	1.51
China 5Y CDS	33.97	0.19
Korea 5Y CDS	22.55	0.50

## US & European Bond Markets

### US & European Government Bond :

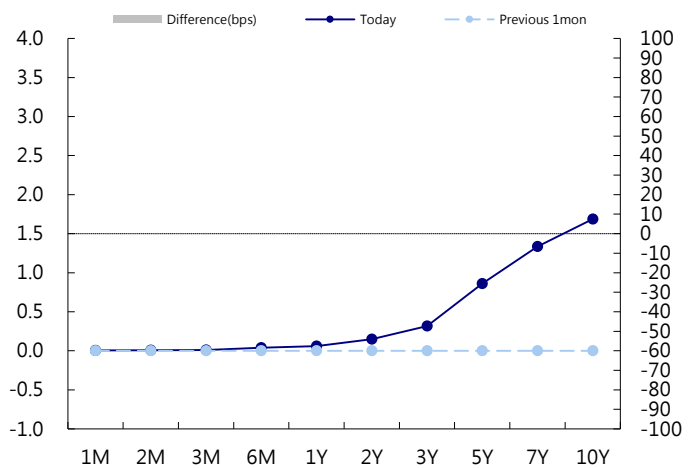
US 10-year fell off 14-month highs on Monday and was last down at 1.682%, remained near one-year highs as investors bet on an economic recovery. Investors are now looking ahead to a Treasury auction and PCE data release later this week, which could send yields rising again if demand is anemic. German 10-year yield fell 1.5 basis points to -0.309%, as the Turkish lira plunged to stimulate demand for safe-haven assets, and the rise in the number of new cases cast a shadow on the economic outlook of Europe.

### US & European Corporate Bonds:

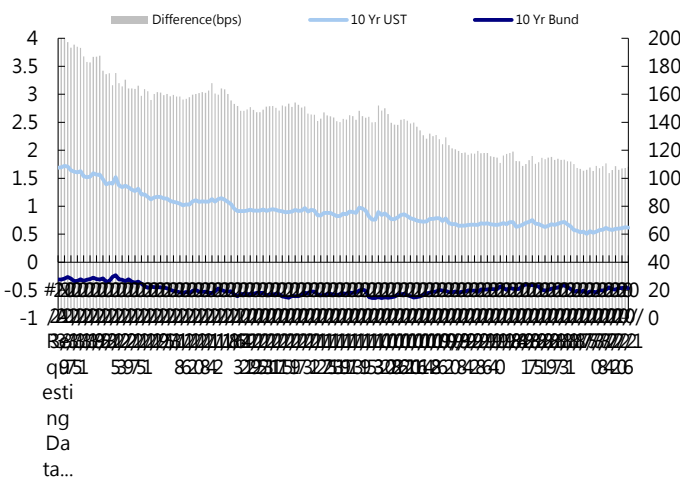
Tech companies led U.S. equity gains as a dip in Treasury yields provided a tailwind for stocks. Treasuries held onto gains made in the Asian and early European session to leave yields lower by up to 5.5bps across long-end of the curve, which was flatter ahead of front- and belly auctions that start Tuesday. Credit also performed well amid stable UST with spread tighern 1~3 bps in light volume of monday , and buyer were focus on EM 10YR benchmark which suffered recently. While market were already well expected the SLR wont extend beyond March , and primary dealer sold lots of UST recently , it still worth to watch if the sell pressure close to quarter end on UST over or not or auction result on front and belly this week showed demand strong or not , all of this are the key to stabilize bond market to equity market .

Date	Event	Forecast	Previous
03/23	Current Account Balance	-\$187.8b	-\$178.5b
03/23	New Home Sales	875k	923k
03/23	New Home Sales MoM	(0.052)	0.043
03/23	Richmond Fed Manufact. Index	15.000	14.000
03/24	MBA Mortgage Applications	--	(0.022)
03/24	Durable Goods Orders	0.007	0.034
03/24	Durables Ex Transportation	0.006	0.013
03/24	Cap Goods Orders Nondef Ex Air	0.005	0.004
03/24	Cap Goods Ship Nondef Ex Air	(0.008)	0.018
03/24	Markit US Manufacturing PMI	59.500	58.600
03/24	Markit US Services PMI	60.100	59.800
03/24	Markit US Composite PMI	--	59.500
03/24	Revisions: Wholesale inventories		
03/25	Initial Jobless Claims	730k	770k
03/25	Continuing Claims	4025k	4124k
03/25	GDP Annualized QoQ	0.041	0.041
03/25	Personal Consumption	0.024	0.024
03/25	GDP Price Index	0.021	0.021

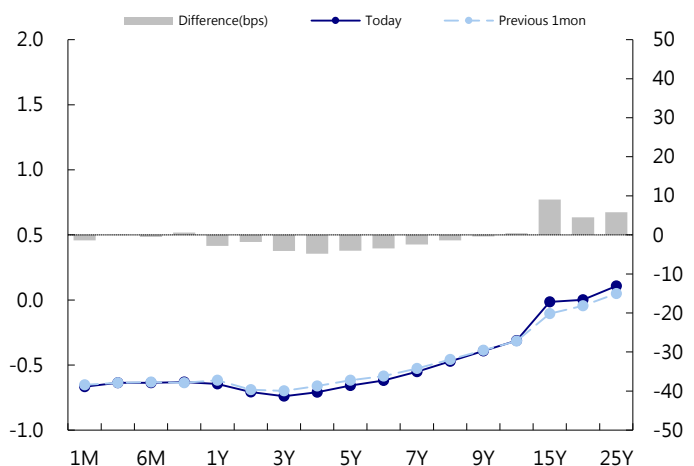
### US Treasury Curve



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



### Bund Curve



# China Bond Market

## CNY & CNH Market Data

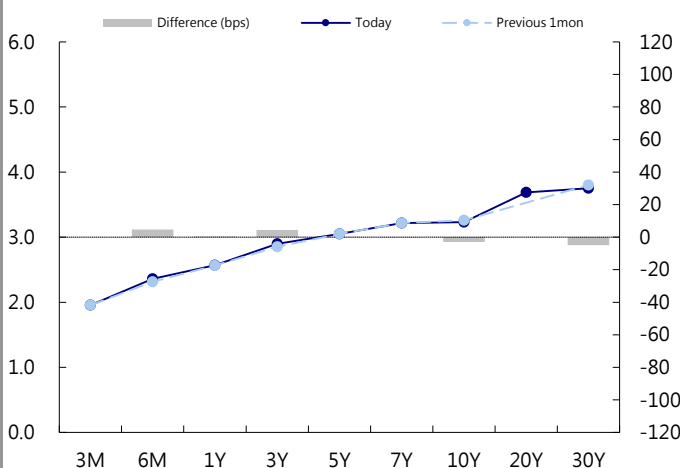
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	3.05%	2.65%	0.00	--
CGB 10Y	3.23%	3.08%	0.25	0.89
CGB 20Y	3.69%	3.16%	--	--
Chinese Renminbi Spot	6.51	6.51	-0.02%	0.02 %
USDCNY 1M Forward	6.53	6.52	(0.02)%	0.01 %
USDCNY 3M Forward	6.56	6.55	(0.02)%	0.00 %
USDCNY 6M Forward	6.60	6.60	(0.03)%	0.00 %
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.635%	3.02%	0.50	0.00
CNY IRS 2Y	2.745%	3.23%	0.00	0.00
CNY IRS 3Y	2.845%	3.37%	(0.50)	(0.50)
CNY IRS 4Y	2.94%	3.475%	0.00	(0.50)
CNY IRS 5Y	3.025%	3.565%	0.00	0.00
Benchmarks	Value		Net Change (bps)	
SDBC 3.03 01/18/22	2.65%		1.495	
SDBC 3.68 02/26/26	3.39%		-0.248	
SDBC 3.48 01/08/29	3.63%		0.259	
SDBC 3 1/2 11/04/46	3.89%		0.000	
CNH CCS 3M	2.87%		0.67	
CNH CCS 6M	2.90%		0.73	
CNH CCS 12M	2.92%		1.21	
CNH CCS 3Y	2.79%		1.55	
CNH CCS 5Y	2.77%		(0.99)	

Date	Event	Forecast	Previous
03/26	Bloomberg March China Economic St		
03/26	BoP Current Account Balance	--	\$130.2b

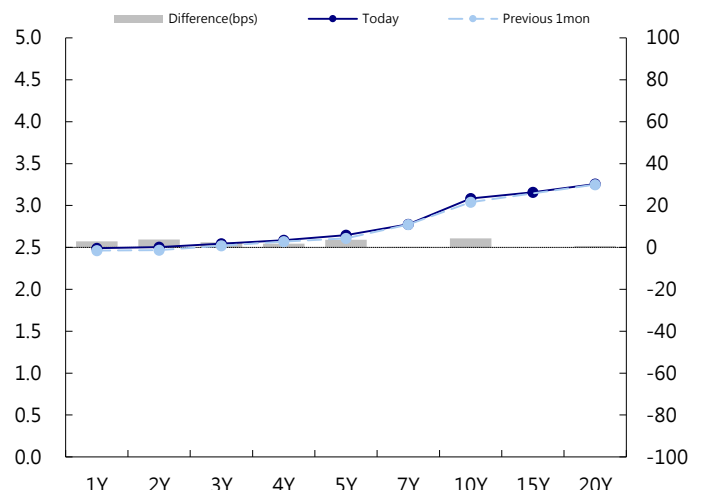
## China Bond Market

Regarding bond market, China's bond market fluctuated within a narrow range on Monday, and treasury bond futures also fluctuated slightly higher. Traders said that the news is quiet in the day, LPR (loan market quote rate) continues to be stable, and the market has little response. At the same time, there are occasional news of inclusive finance targeted RRR cuts. However, it is expected that the amount of funds released is limited, and the spot bonds are cold and cold. Correct. There was nothing new in the speech of the Governor of the Central Bank of China over the weekend, and the follow-up market trend is expected to still need to pay attention to the pace of local debt issuance and the trend of central bank policy operations. In terms of exchange rate, the RMB exchange rate against the U.S. dollar closed down slightly on Monday, and the central parity rate both hit new lows in nearly two weeks. Traders said that the Turkish lira turbulence provided part of the US dollar's safe-haven demand, but the US dollar index continued to fluctuate around the 92 mark in the day, and the renminbi also fluctuated sideways at the 6.51 yuan mark most of the time. There is no more guidance in the short term, and the foreign exchange market is expected to have no direction.

### Onshore CNY Government Bond Curve



### Offshore CNH Government Bond Curve



## Taiwan Bond Market

### Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.3%	(1.55)
TWGB 10Y	0.4%	(8.40)
USD/TWD	28.46	(0.13)%
EUR/TWD	33.94	0.30 %
HKD/TWD	3.66	0.05 %
VNY/TWD	4.37	0.10 %
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

5YR Treasury yield continues to trade lower and closed at 0.3005%. 10YR treasury yields had no transaction volume. The strong demand reflected excess liquidity in the market. Strong demand for TWD currency continues to provide supports for government bonds market. Expect 5YR trade at 0.29%~0.35% , 10YR trade at 0.39%~0.48%.

### Taiwan Bond Primary Market

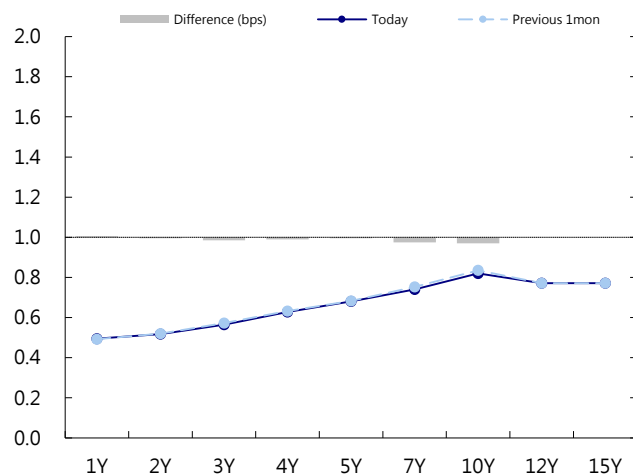
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 22nd March : None.  
Bonds issued on 23rd March: None.

Date	Event	Forecast	Previous
03/23	Industrial Production YoY	7.7%	18.8%
03/24	Money Supply M1B Daily Avg YoY	--	17.8%
03/24	Money Supply M2 Daily Avg YoY	--	8.8%
03/26	Monitoring Indicator	--	3700.0%

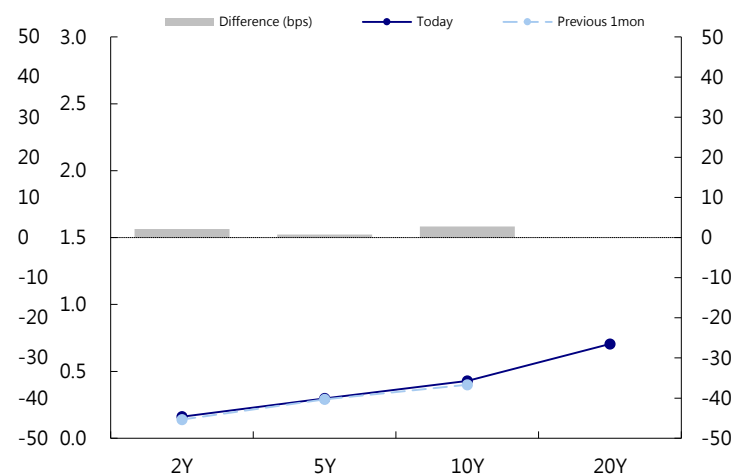
### Money Market

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 0.13%-0.20%, while corporate bond repo rate at 0.16%-0.22%.

### TWD IRS Curve



### Taiwan Government Bond Yield curve



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