

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.84%	2.23
UST 10Y	1.62%	0.19
UST 30Y	2.32%	(0.61)
Bund 5Y	-0.68%	(1.20)
Bund 10Y	-0.35%	(1.20)
Bund 30Y	0.21%	(2.10)
DOW JONES	32420.06	(0.01)%
NASDAQ	12961.89	(2.01)%
S&P 500	3889.14	(0.55)%
DAX	14610.39	(0.35)%
FTSE 100	6712.89	0.20 %
CAC 40	5947.29	0.03 %
EUR/USD	1.18	(0.14)%
USD/JPY	108.96	0.21 %
USD/CNY	6.53	0.13 %
US 5Y CDS	13.46	--
Germany 5Y CDS	11.83	1.45
Italy 5Y CDS	75.10	--
Spain 5Y CDS	35.39	--
Portugal 5Y CDS	32.78	--
France 5Y CDS	17.65	1.18
Japan 5Y CDS	17.61	1.18
China 5Y CDS	34.09	0.49
Korea 5Y CDS	22.80	0.44

US & European Bond Markets

US & European Government Bond :

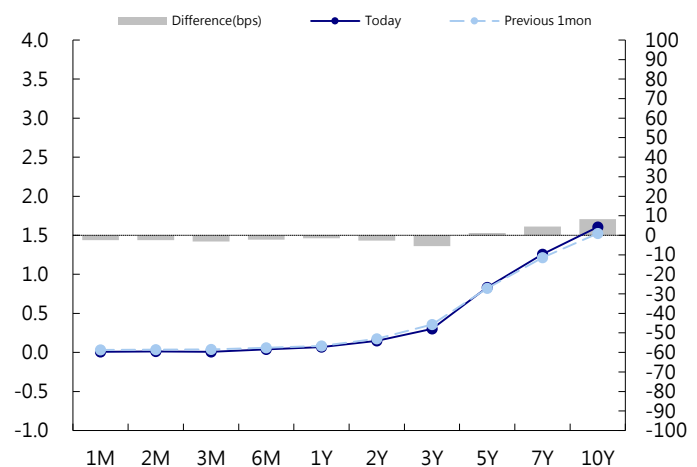
UST 10-year yields fell to 1.614% on Wednesday. \$61bn five-year note auction increased to 0.85%, slightly higher than the level of the secondary market before the tender. bid-to-cover ratio was close at 2.36, reflecting moderate demand. Durable orders declined to 1.1%MoM in February, weaker than consensus and new PMI prices point to continued upward price pressure and led to break-even inflation being the highlight of session. Germany's benchmark 10-year government bond yield fell to a five-week low on Wednesday as the market is still concerned with the Europe's tightening measures to prevent new virus wave.

US & European Corporate Bonds:

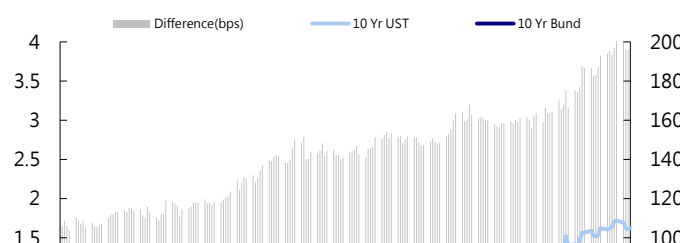
Tech companies led declines in U.S. equities as investors rotated away from the stocks that thrived during the pandemic. Oil jumped after the Suez Canal was blocked by a giant container ship. Treasuries were supported with yields dropping lower during the U.S. afternoon session after a solid 5-year auction, alleviating concerns ahead of Thursday's 7-year offering. Credit open sluggish amid risk off sentiment last night with spread widen 2~5 bps which driven mostly by dealer, while sell pressure not really heavy for UST stable and buyers sideline and sentiment improved after LDN came in. GLPCHI were outperformer with spread tighten 20 bps after FTT, however, YUZHOU were underperformer who slumped 3~4 pts on curve after been downgraded, and spread out the concern of refinancing / worsen earning to whole Property sector. I will be more cautious on weak issuers in China especially in sector of Property / LGFV, because that PBOC wont do more easing policies while how to stabilize leverage is its main concern this year. To sum up, the volatility of UST seems calm down and may till to quarter end, i still mainly focus on front end when UST at around 1.5~1.6%, and will add exposure to 10YB taper if UST breach 1.75%

Date	Event	Forecast	Previous
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
03/25	Core PCE QoQ	0.014	0.014
03/25	Langer Consumer Comfort	--	48.600
03/25	Kansas City Fed Manf. Activity	26.000	24.000
03/26	Advance Goods Trade Balance	-\$86.0b	-\$83.7b
03/26	Wholesale Inventories MoM	0.012	0.013
03/26	Retail Inventories MoM	--	(0.006)
03/26	Personal Income	(0.072)	0.100
03/26	Personal Spending	(0.008)	0.024
03/26	Real Personal Spending	(0.010)	0.020
03/26	PCE Deflator MoM	0.003	0.003
03/26	PCE Deflator YoY	0.016	0.015
03/26	PCE Core Deflator MoM	0.001	0.003
03/26	PCE Core Deflator YoY	0.015	0.015

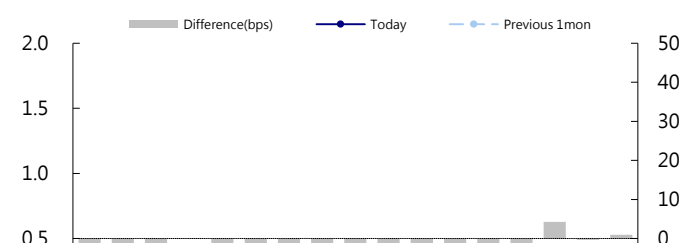
US Treasury Curve



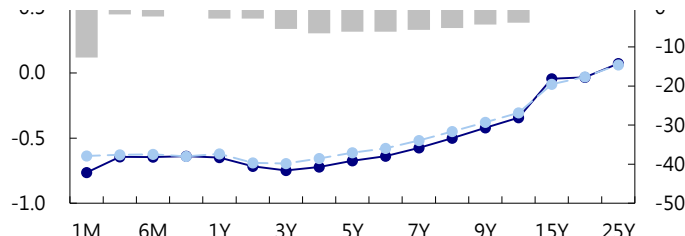
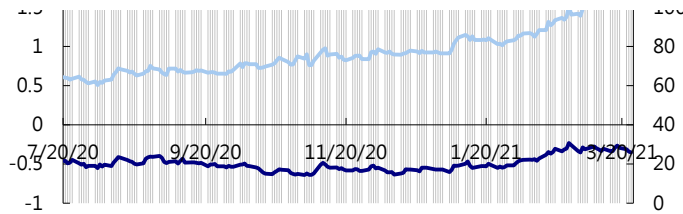
UST V.S. Bund 10Y Yield



Bund Curve



Fixed



China Bond Market

CNY & CNH Market Data

Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	3.02%	2.65%	0.75	(0.02)
CGB 10Y	3.19%	3.08%	(0.13)	(0.01)
CGB 20Y	3.66%	3.16%	--	(0.07)
Chinese Renminbi Spot	6.53	6.53	-0.13%	(0.09)%
USDCNY 1M Forward	6.55	6.55	(0.13)%	(0.11)%
USDCNY 3M Forward	6.58	6.58	(0.12)%	(0.10)%
USDCNY 6M Forward	6.62	6.63	(0.12)%	(0.10)%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.575%	2.975%	(1.50)	(3.50)
CNY IRS 2Y	2.685%	3.165%	(1.50)	(2.00)
CNY IRS 3Y	2.77%	3.295%	(3.00)	(6.50)
CNY IRS 4Y	2.865%	3.4%	(2.50)	(2.50)
CNY IRS 5Y	2.95%	3.495%	(3.00)	(2.00)

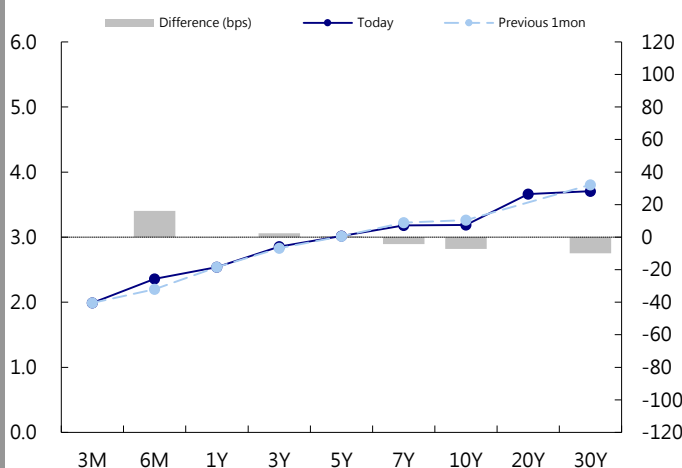
Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.65%	1.999
SDBC 3.68 02/26/26	3.31%	-4.990
SDBC 3.48 01/08/29	3.60%	0.260
SDBC 3 1/2 11/04/46	3.92%	6.000
CNH CCS 3M	2.96%	14.79
CNH CCS 6M	2.93%	6.10
CNH CCS 12M	2.90%	1.14
CNH CCS 3Y	2.79%	1.01
CNH CCS 5Y	2.74%	0.44

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

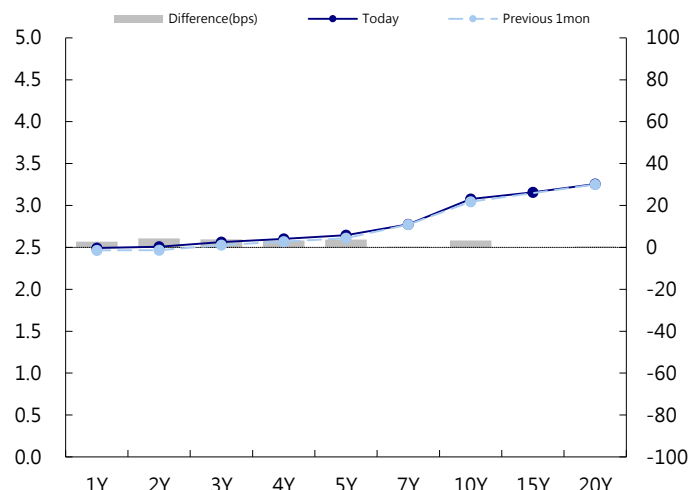
China Bond Market

Regarding bond market, China's bond market cash yields fell slightly on Wednesday, and treasury bond futures continued to close higher. Traders said that the Sino-European mutual sanctions turmoil boosted the risk-averse sentiment, coupled with the continued decline in domestic stock markets, and the significant drop in commodity prices overnight, supporting the warmer sentiment in the domestic bond market; short-term markets are expected to continue to fluctuate, but local attention is needed. The Disturbing Impact of Increased Debt Supply on Spot Bonds. In terms of exchange rate, the RMB against the US dollar fell to a new half-month low with the central parity rate in early trading on Wednesday. Traders said that rising risk aversion has pushed the U.S. index closer to a four-month high, and the renminbi is under pressure. However, the settlement of foreign exchange on rallies will also limit the pace of exchange rate adjustments, which may fluctuate and weaken in the short term.

Onshore CNY Government Bond Curve



Offshore CNH Government Bond Curve



Taiwan Bond Market

Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.27%	(3.05)
TWGB 10Y	0.39%	0.90
USD/TWD	28.60	0.22 %
EUR/TWD	33.75	0.08 %
HKD/TWD	3.68	0.20 %
VNY/TWD	4.37	(0.06)%
TWD Overnight Rate	0.079%	(0.10)
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 yields closed lower at 0.27%. 10YR treasury yields closed lower at 0.382%. The strong demand reflected excess TWD liquidity in the market. Strong demand for TWD currency continues to provide supports for government bonds market. Expect 5YR trade at 0.25%~0.30%, 10YR trade at 0.36%~0.43%.

Taiwan Bond Primary Market

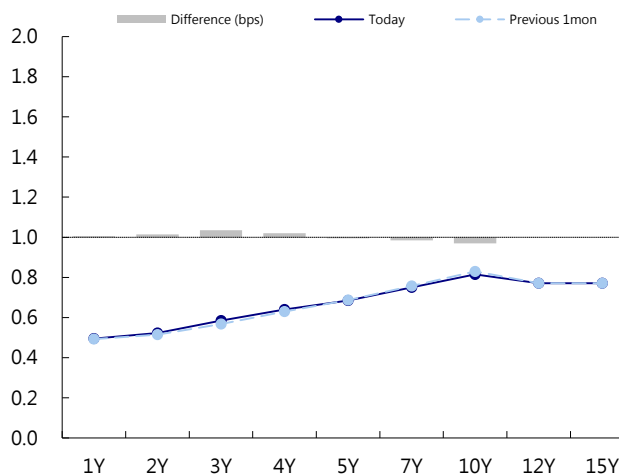
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 24th March : Far Eastern New Century Corporation planned to issued senior unsecured corporate bonds with the total amount not exceeding NTD15BN and the tenor not exceeding 10 years. Bonds issued on 25th March: Pihong Technology Co., Ltd. issued NTD 0.7BN of 5-year senior secured corporate bonds at a coupon rate of 0.60. Union Bank of Taiwan issued NTD 3BN perpetual non-cumulative subordinated bonds at a rate of 1.92%.

Date	Event	Forecast	Previous
------	-------	----------	----------

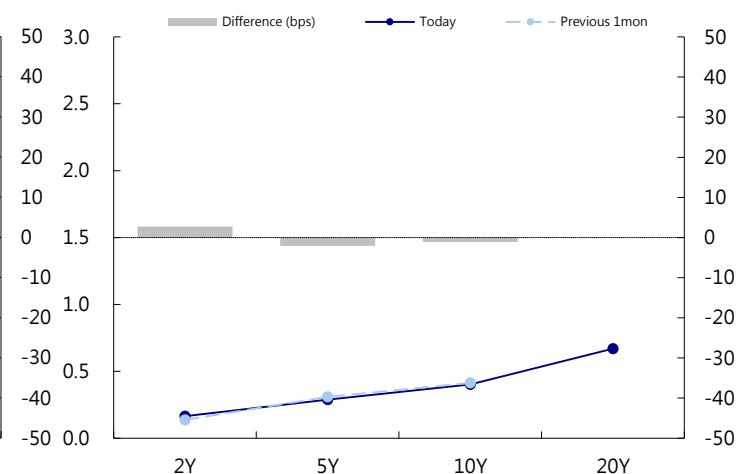
Money Market

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



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