

# US & Europe Bond Markets

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

Benchmarks	Value	Net Change (bps)
UST 5Y	0.88%	(4.67)
UST 10Y	1.66%	(4.07)
UST 30Y	2.32%	(2.18)
Bund 5Y	-0.65%	1.00
Bund 10Y	-0.32%	1.20
Bund 30Y	0.24%	0.90
DOW JONES	33430.24	(0.29)%
NASDAQ	13698.38	(0.05)%
S&P 500	4073.94	(0.10)%
DAX	15212.68	0.70 %
FTSE 100	6823.55	1.28 %
CAC 40	6131.34	0.47 %
EUR/USD	1.19	0.53 %
USD/JPY	109.79	(0.67)%
USD/CNY	6.54	0.04 %
US 5Y CDS	13.49	--
Germany 5Y CDS	11.35	1.24
Italy 5Y CDS	78.09	--
Spain 5Y CDS	34.25	--
Portugal 5Y CDS	31.26	--
France 5Y CDS	18.75	1.24
Japan 5Y CDS	18.90	1.58
China 5Y CDS	34.27	0.82
Korea 5Y CDS	22.69	0.74

## US & European Bond Markets

### US & European Government Bond :

U.S. 5y, 7y, 10y, 30year yield fell to one-week lows as buying by overseas investors in the new quarter support the treasuries. Investors view that market pricing based on an earlier-than-expected tightening by the Fed may be too aggressive. 10-year yield was last down at 1.68%, from 1.72% and 30-year yields were down at 2.347% from 2.363% on the previous trading day. Market outlook remained quite bright as newly released JOLTS report strong, underscoring the increasingly good news on the recovery and the labor market. Euro zone bond yields edged up on Tuesday as markets reopened from the Easter holiday.

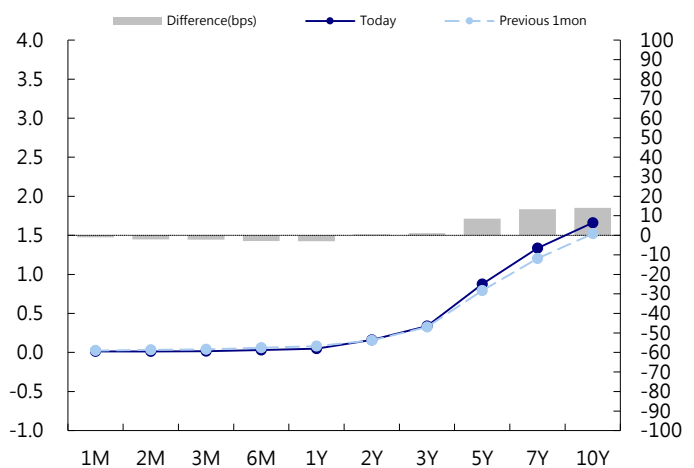
### US & European Corporate Bonds:

Stocks dropped after a rally that drove the equity market to all-time highs. Treasuries rallied led by belly as pricing for earlier Fed rate hikes continued to fade. In credit, sentiment weekend yesterday morning by the news said that PBoC want to curtail loan growth for the rest of this year after a surge in the first two months stoked bubble risks, and volume were light with HK still in vacation. Selling accelerated in China Huarong Asset Management Co.'s dollar bonds as concerns about the company's financial health deepened following a delay in the release of its earnings, perp cdown 8~13 pts and 10YR benchmark drop 6 pts. Otherwise, AT1 have strong short covering after CS announced the loss related to Achegos and replaced 2 top executives, CS AT1 up 0.5~2.5 pts while other mark up 0.3~0.5 pts. To sum up, there is no clear direction this week as and i still prefer to go down credit curve for yield pick up and shortern duration ,e.g. Corp perp with rating above BBB- and 300+ step up.

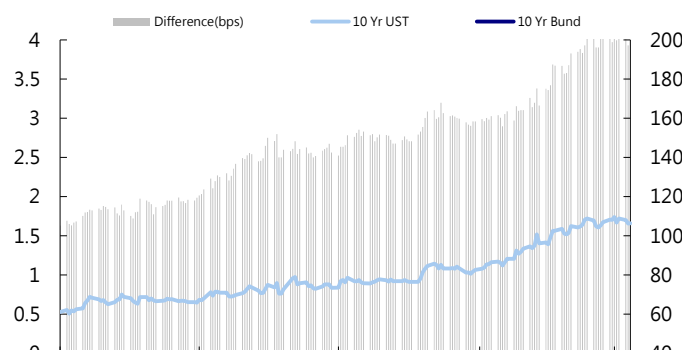
ed Income Markets Frontier

Date	Event	Forecast	Previous
04/07	MBA Mortgage Applications	--	(0.022)
04/07	Trade Balance	-\$70.5b	-\$68.2b
04/08	FOMC Meeting Minutes	--	--
04/08	Consumer Credit	\$2.800b	-\$1.315b
04/08	Initial Jobless Claims	683k	719k
04/08	Continuing Claims	3638k	3794k
04/08	Langer Consumer Comfort	--	50.000
04/09	PPI Final Demand MoM	0.005	0.005
04/09	PPI Ex Food and Energy MoM	0.002	0.002
04/09	PPI Ex Food, Energy, Trade MoM	0.002	0.002
04/09	PPI Final Demand YoY	0.038	0.028
04/09	PPI Ex Food and Energy YoY	0.027	0.025
04/09	PPI Ex Food, Energy, Trade YoY	0.027	0.022
04/09	Bloomberg April United States Econo		
04/09	Wholesale Inventories MoM	0.005	0.005
04/09	Wholesale Trade Sales MoM	--	0.049

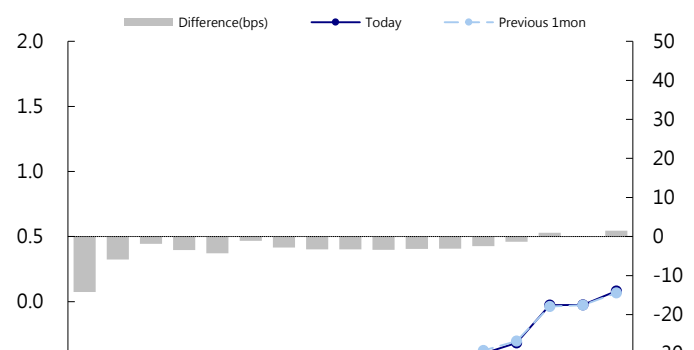
### US Treasury Curve



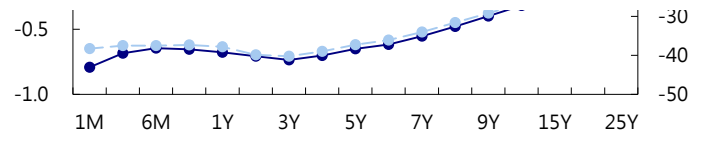
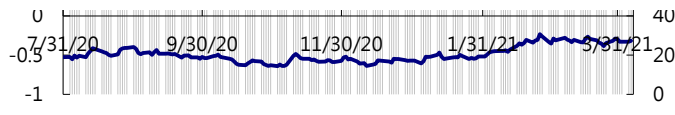
### UST V.S. Bund 10Y Yield



### Bund Curve



Fixed



# China Bond Market

## CNY & CNH Market Data

Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	3.04%	2.66%	0.76	--
CGB 10Y	3.21%	3.07%	2.12	(1.27)
CGB 20Y	3.74%	3.14%	--	(0.03)
Chinese Renminbi Spot	6.54	6.54	-0.04%	(0.03)%
USDCNY 1M Forward	6.56	6.56	(0.04)%	(0.02)%
USDCNY 3M Forward	6.59	6.59	(0.04)%	(0.03)%
USDCNY 6M Forward	6.63	6.64	(0.05)%	(0.04)%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.595%	2.965%	2.50	1.00
CNY IRS 2Y	2.705%	3.175%	2.00	1.50
CNY IRS 3Y	2.805%	3.32%	2.00	2.00
CNY IRS 4Y	2.895%	3.44%	2.00	2.50
CNY IRS 5Y	2.985%	3.535%	2.50	2.50

Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.63%	0.752
SDBC 3.68 02/26/26	3.37%	3.001
SDBC 3.48 01/08/29	3.61%	1.004
SDBC 3 1/2 11/04/46	3.92%	0.250

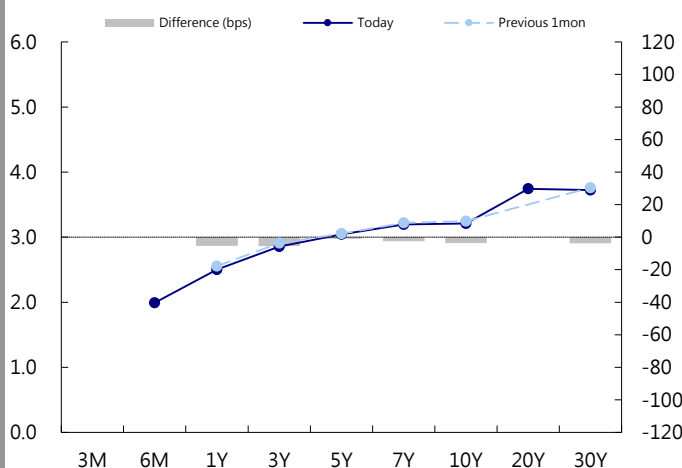
CNH CCS 3M	2.95%	(0.01)
CNH CCS 6M	2.91%	(1.37)
CNH CCS 12M	2.87%	(1.30)
CNH CCS 3Y	2.75%	(6.27)
CNH CCS 5Y	2.69%	(18.04)

Date	Event	Forecast	Previous
04/07	Foreign Reserves	\$3178.00b	\$3204.99b
04/08	Foreign Direct Investment YoY CNY	--	--
04/09	CPI YoY	0.003	(0.002)
04/09	PPI YoY	0.036	0.017
04/09	Aggregate Financing CNY	3751.0b	1710.0b
04/09	New Yuan Loans CNY	2300.0b	1360.0b
04/09	Money Supply M0 YoY	--	0.042
04/09	Money Supply M1 YoY	0.076	0.074
04/09	Money Supply M2 YoY	0.096	0.101

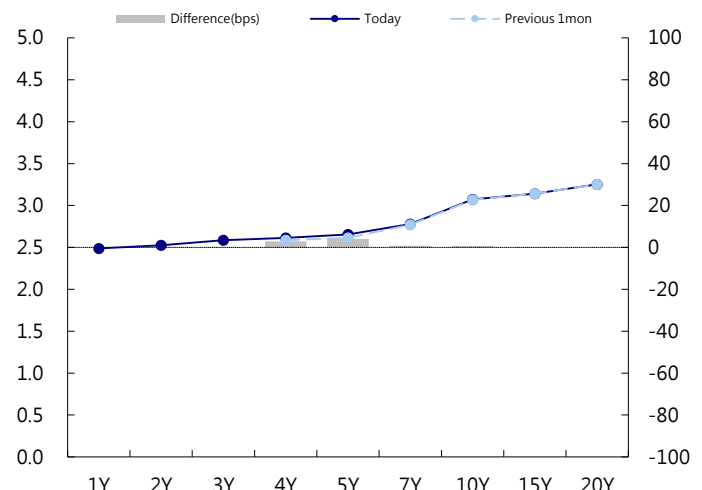
## China Bond Market

Regarding bond market, the Chinese bond market adjusted slightly on Thursday. The Caixin PMI data released today was slightly weaker than the official data of the previous day, but the market reaction was not large. After the 10-year treasury bond and China Development Bank bond yields fell by 1.5 basis points (bp) the previous day, they rebounded by less than 1 bp today. This is only a random fluctuation, and the long-short struggle temporarily returns to equilibrium. In terms of exchange rate, according to the Bank of China Research Institute, it is expected that the RMB exchange rate against the US dollar will continue to fluctuate in the second quarter, and it will be difficult to depreciate or appreciate. Of course, there are also variables in the trend of the RMB in the second quarter. If the Sino-US conflict intensifies the RMB exchange rate, it may be under pressure.

### 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%	1.50
TWGB 10Y	0.42%	(1.87)
USD/TWD	28.44	(0.14)%
EUR/TWD	33.77	0.27 %
HKD/TWD	3.66	(0.17)%
VNY/TWD	4.35	0.01 %
TWD Overnight Rate	0.079%	(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)

5YR treasury yields had no transaction volume. 10YR treasury yields closed lower at 0.4388%. 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 0.28%~0.32%, 10YR trade at 0.41%~0.46%.

### Taiwan Bond Primary Market

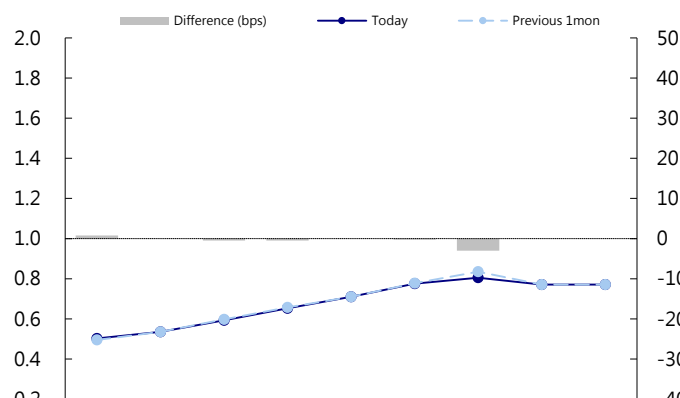
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 6th April : Fina Finance & Trading Co., Ltd. planned to issue corporate bonds with the total amount not exceeding NTD 6.8BN and the tenor not exceeding 5 years.  
Bonds issued on 7th April: None.

Date	Event	Forecast	Previous
04/07	Foreign Reserves	--	\$543.33b
04/08	CPI Core YoY	0.9%	1.6%
04/08	CPI YoY	1.4%	1.4%
04/08	WPI YoY	2.0%	-0.4%
04/09	Trade Balance	\$4.43b	\$4.51b

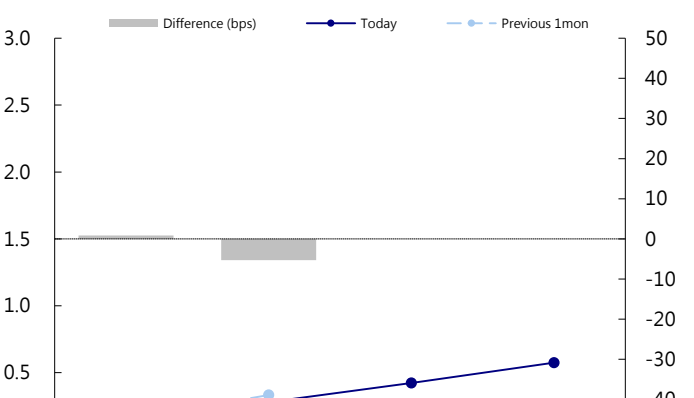
### Money Market

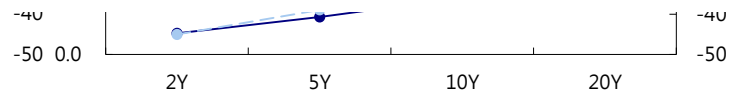
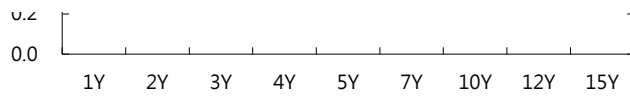
With sufficient fund in the market due to loose monetary policy supported by central bank, we expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.13%-0.17%, while corporate bond repo rate at 0.16%-0.20%.

### TWD IRS Curve



### Taiwan Government Bond Yield curve





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