

# US & Europe Bond Markets

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

Benchmarks	Value	Net Change (bps)
UST 5Y	0.84%	(3.22)
UST 10Y	1.62%	(5.12)
UST 30Y	2.3%	(5.67)
Bund 5Y	-0.67%	(1.10)
Bund 10Y	-0.34%	(1.20)
Bund 30Y	0.22%	(0.70)
DOW JONES	33503.57	0.17 %
NASDAQ	13829.31	1.03 %
S&P 500	4097.17	0.42 %
DAX	15202.68	0.17 %
FTSE 100	6942.22	0.83 %
CAC 40	6165.72	0.57 %
EUR/USD	1.19	0.40 %
USD/JPY	109.31	(0.22)%
USD/CNY	6.55	(0.05)%
US 5Y CDS	13.50	--
Germany 5Y CDS	11.41	1.48
Italy 5Y CDS	76.52	--
Spain 5Y CDS	32.98	--
Portugal 5Y CDS	30.75	--
France 5Y CDS	20.94	1.66
Japan 5Y CDS	18.68	1.45
China 5Y CDS	39.01	0.57
Korea 5Y CDS	22.72	0.77

## US & European Bond Markets

### US & European Government Bond :

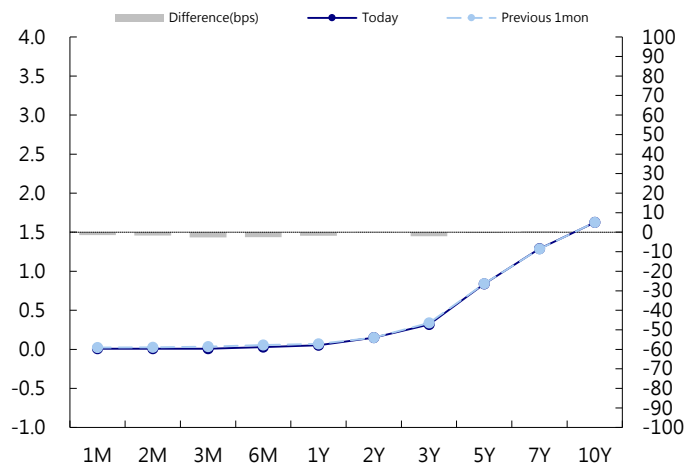
USTs continue to prove remarkably resilient in the face of accelerating global activity data. Powell' s speak perhaps validated recent duration consolidation, as he underlined the "unevenness" of the recovery as a risk factor, stating that the Fed wants to see a "string of months" like March to start considering policy tightening. This dovish talk incited a modest bull-flattening on the term-structure. U.S. 10-year Treasury yield was down at 1.633% from 1.654% and 30-year yields fell to 2.323% from 2.336% on Wednesday. Regarding EU market, benchmark German 10-year bond yield fell by about 1.7 bp to -0.35%.

### US & European Corporate Bonds:

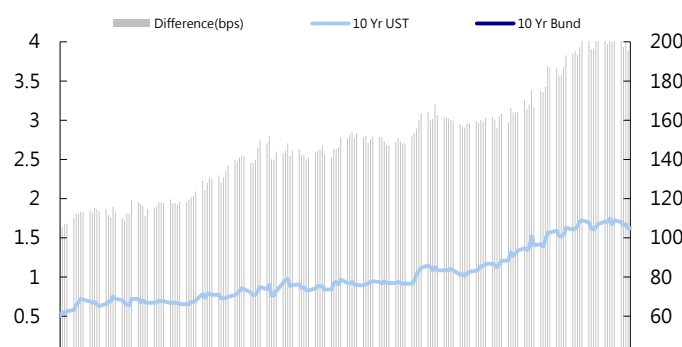
Stocks climbed as Federal Reserve Chairman Jerome Powellsaid the central bank has the tools to curb any inflation pressures, which are expected to be temporary as the economy reopens. Treasuries held advance over muted U.S. afternoon session, with gains led by intermediate-term notes that extended their outperformance vs the front- and long-end of the curve. Asia credit suffered by selling pressure on China Huarong Asset Management Co.' s dollar bonds continued , which all curve recorded 2~8 pts drops in third day and 10~30pts this week . The risk reduction also spread out to other names like high beta SOE or AMC/Leasing , all widen by 7~20 bps . Apart from that , Other credit like AT1 were performed stable . To sump up , there is no clear direction this week as market just back from holidays 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 , however , the weak issuer who have refinancing risk or headline risk were better to avoid

Date	Event	Forecast	Previous
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

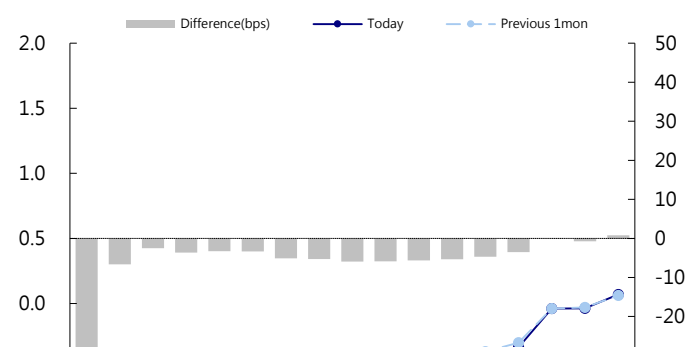
### US Treasury Curve



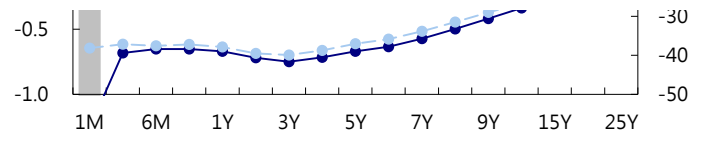
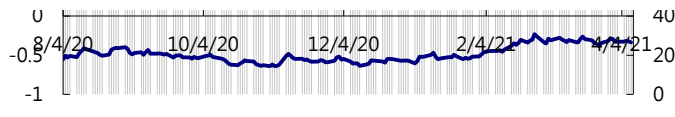
### UST V.S. Bund 10Y Yield



### Bund Curve



Fixed



# China Bond Market

## CNY & CNH Market Data

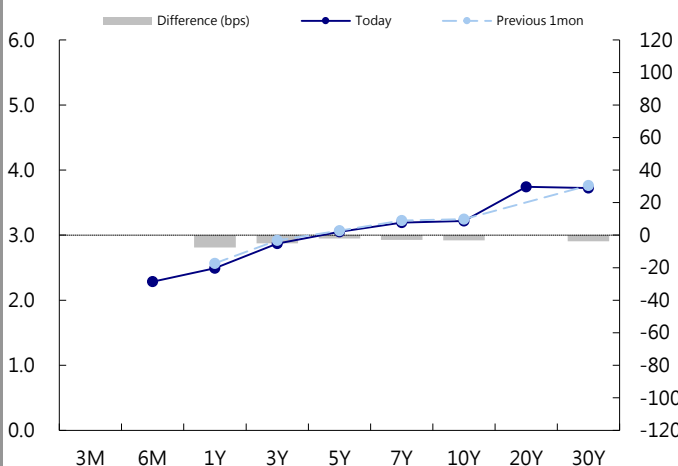
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	3.05%	2.65%	(0.25)	0.30
CGB 10Y	3.22%	3.07%	(0.75)	(0.02)
CGB 20Y	3.74%	3.13%	--	(0.01)
Chinese Renminbi Spot	6.55	6.55	0.05%	0.04%
USDCNY 1M Forward	6.56	6.57	0.04%	0.01%
USDCNY 3M Forward	6.59	6.60	0.05%	0.01%
USDCNY 6M Forward	6.63	6.64	0.06%	0.00%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.59%	2.96%	(1.00)	(0.50)
CNY IRS 2Y	2.705%	3.165%	(0.50)	(1.00)
CNY IRS 3Y	2.81%	3.32%	(0.50)	(1.00)
CNY IRS 4Y	2.9%	3.44%	(1.00)	(1.00)
CNY IRS 5Y	2.985%	3.54%	(1.00)	0.50
Benchmarks	Value		Net Change (bps)	
SDBC 3.03 01/18/22	2.63%		2.505	
SDBC 3.68 02/26/26	3.36%		-0.989	
SDBC 3.48 01/08/29	3.60%		-0.747	
SDBC 3 1/2 11/04/46	3.93%		0.250	
CNH CCS 3M	2.75%		(12.57)	
CNH CCS 6M	2.80%		(6.70)	
CNH CCS 12M	2.79%		(4.52)	
CNH CCS 3Y	2.67%		(7.12)	
CNH CCS 5Y	2.35%		(30.47)	

Date	Event	Forecast	Previous
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

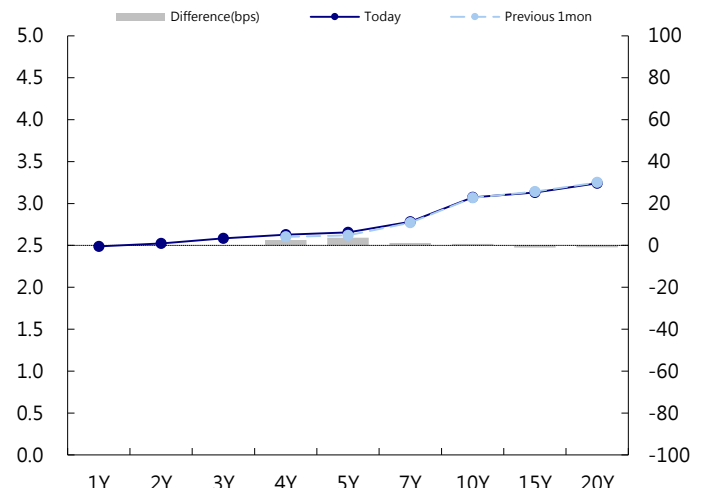
## China Bond Market

Regarding bond market, China's inter-bank bond market has very little volatility on Thursday, with 10-year treasury bond yields falling by less than half a basis point (bp), and CICC treasury bond futures also have limited changes. Traders said that there is no wave of easing of funds, and the volatility of the bond market has dropped significantly compared with the previous few days. Until there are no more stimulus factors, it is still difficult to get out of consolidation in the short term. For the time being, pay attention to economic data such as tomorrow's CPI. In terms of exchange rate, the renminbi against the US dollar fell slightly at the close on Thursday, the effective intraday volatility is still very narrow, and the central parity is also off the high point in the past two weeks. Traders said that the minutes of the Fed's meeting promised to continue to provide policy support. The falling U.S. bond yields made the dollar lose its upward drive. Most of the renminbi followed the fluctuations of the U.S. dollar, and there was still a lack of direction in the short term. The recent low volatility of various maturity options also shows that market expectations are still stable.

### 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	0.42%	(0.50)
USD/TWD	28.41	(0.04)%
EUR/TWD	33.85	0.15 %
HKD/TWD	3.65	(0.06)%
VNY/TWD	4.34	(0.02)%
TWD Overnight Rate	0.08%	0.00
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 0.29%. 10YR treasury yields closed lower at 0.422%. 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 0.27%~0.31% , 10YR trade at 0.41%~0.44%.

## Taiwan Bond Primary Market

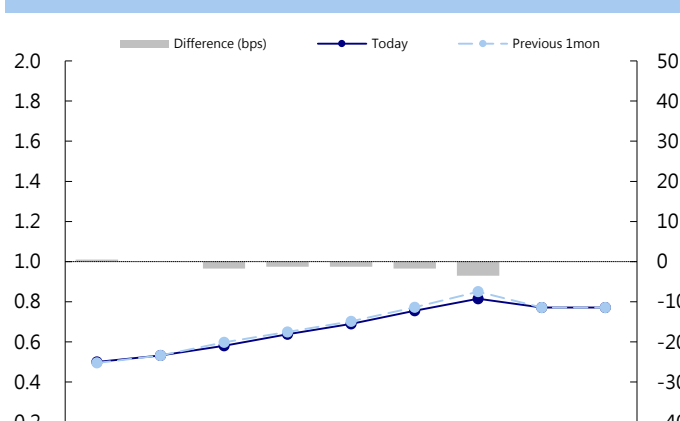
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 8th April : None.  
Bonds issued on 9th April: None.

Date	Event	Forecast	Previous
04/09	Trade Balance	\$4.43b	\$4.51b
04/09	Exports YoY	20.0%	9.7%
04/09	Imports YoY	16.2%	5.7%

## Money Market

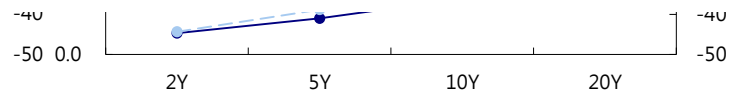
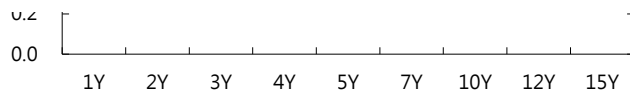
With sufficient fund in the market due to loose monetary policy supported by central bank, we expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.13%-0.17%, while corporate bond repo rate at 0.16%-0.20%.

## TWD IRS Curve



## Taiwan Government Bond Yield curve





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