

# US & Europe Bond Markets

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

Benchmarks	Value	Net Change (bps)
UST 5Y	0.82%	(3.71)
UST 10Y	1.58%	(5.46)
UST 30Y	2.27%	(4.22)
Bund 5Y	-0.63%	(2.40)
Bund 10Y	-0.29%	(3.20)
Bund 30Y	0.27%	(2.80)
DOW JONES	34035.99	0.90 %
NASDAQ	14038.76	1.31 %
S&P 500	4170.42	1.11 %
DAX	15255.33	0.30 %
FTSE 100	6983.50	0.63 %
CAC 40	6234.14	0.41 %
EUR/USD	1.20	(0.05)%
USD/JPY	108.85	0.02 %
USD/CNY	6.53	0.10 %
US 5Y CDS	12.56	--
Germany 5Y CDS	12.01	2.02
Italy 5Y CDS	82.89	--
Spain 5Y CDS	35.72	--
Portugal 5Y CDS	31.99	--
France 5Y CDS	22.25	0.83
Japan 5Y CDS	18.68	1.57
China 5Y CDS	40.65	0.43
Korea 5Y CDS	22.42	0.55

## US & European Bond Markets

### US & European Government Bond :

Newly released March retail sales data rose substantially to 9.8% as stimulus checks were distributed during the month. Latest Initial Jobless Claims tumbled -193k to 576k, a new post-virus low. UST long-term yields tumble to one-month lows despite upbeat data. The 10-year rate was last down 8.5 basis points at 1.5513%. Yields in the belly and long end of the curve also fell to their lowest levels in about a month. Regarding short-term 2-year yield, which typically moves in step with interest rate expectations, was last less than a bp lower at 0.159% which lead 2S10S spread 7.70 bps flatter at 139.23 bps.

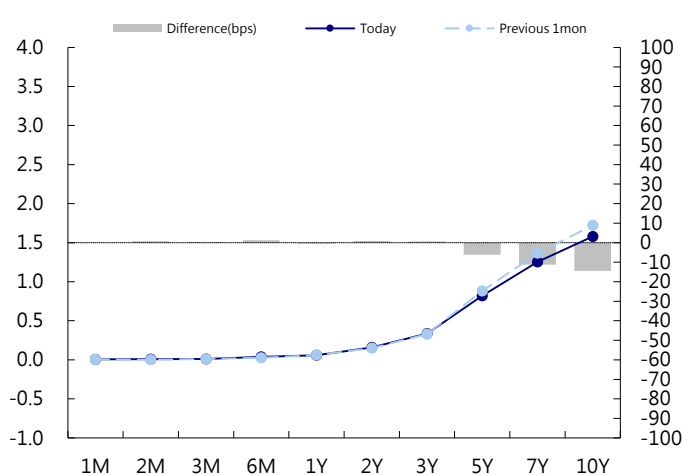
### US & European Corporate Bonds:

China IG bonds had mixed performance today. As market sentiments weakened o/n, a small round of risk-off rally drove bonds 2-4bps wider led by dealers selling BM names in street. HRINTH continued to dip lower in the morning session with the curve another 2-8pt lower upon continuous selling. However in the pm session, news about HRINTH raised enough money for month-end SGD bond payment started to spread around, HRINTH curve quickly moved 5-10pt higher with dealers covering/PB buying front end. Other BM names traded up along side with 3-5bps tighter than morning lvls. On new issue front, GTJA 2 26 was relatively heavy upon open +140/130 but quickly saw bank buyers stepping in, the bond tightened to +125/120 with small two-way (RO+115).

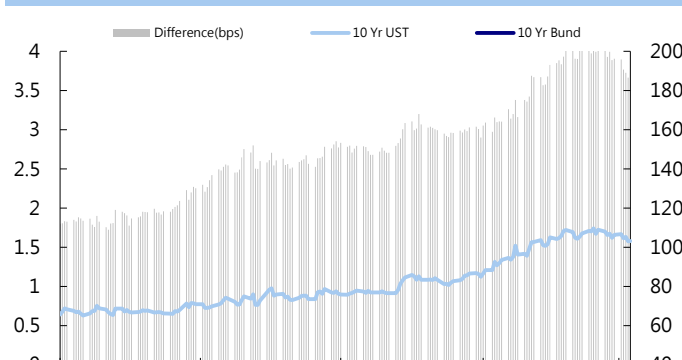
Fixed Income Markets Frontier

Date	Event	Forecast	Previous
04/16	Total Net TIC Flows	--	\$106.3b
04/16	Net Long-term TIC Flows	--	\$90.8b
04/16	Building Permits MoM	0.017	(0.108)
04/16	Building Permits	1750k	1682k
04/16	Housing Starts	1600k	1421k
04/16	Housing Starts MoM	0.126	(0.103)
04/16	U. of Mich. Sentiment	89.000	84.900
04/16	U. of Mich. Current Conditions	96.000	93.000
04/16	U. of Mich. Expectations	85.700	79.700
04/16	U. of Mich. 1 Yr Inflation	0.032	0.031
04/16	U. of Mich. 5-10 Yr Inflation	--	0.028

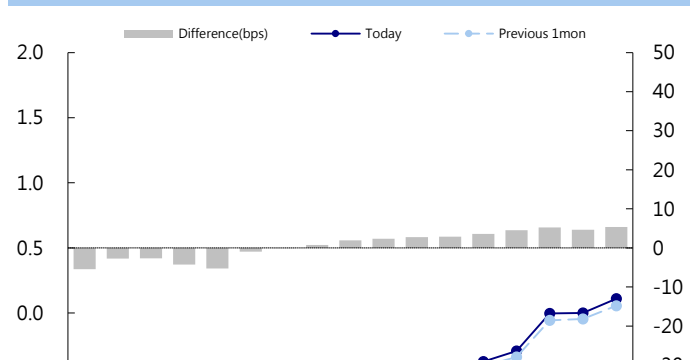
### US Treasury Curve



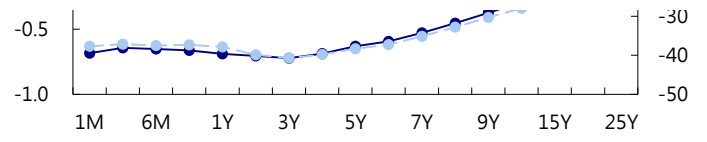
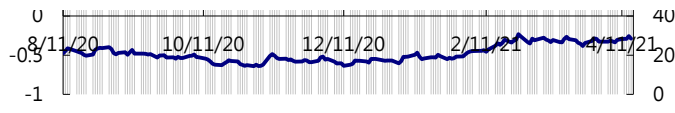
### UST V.S. Bund 10Y Yield



### Bund Curve



Fixed



# China Bond Market

## CNY & CNH Market Data

Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	2.99%	2.69%	0.87	(0.04)
CGB 10Y	3.17%	3.06%	0.89	(0.04)
CGB 20Y	3.64%	3.11%	(0.02)	(0.01)
Chinese Renminbi Spot	6.53	6.53	-0.1%	(0.08)%
USDCNY 1M Forward	6.54	6.55	(0.08)%	(0.03)%
USDCNY 3M Forward	6.57	6.58	(0.08)%	(0.04)%
USDCNY 6M Forward	6.61	6.62	(0.10)%	(0.04)%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.54%	2.895%	3.00	2.50
CNY IRS 2Y	2.655%	3.09%	3.00	3.00
CNY IRS 3Y	2.755%	3.24%	3.00	3.00
CNY IRS 4Y	2.845%	3.365%	3.00	3.00
CNY IRS 5Y	2.925%	3.47%	2.50	3.00

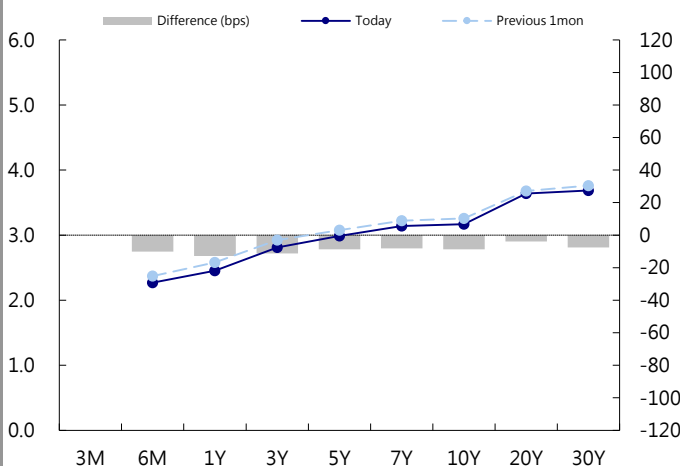
Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.58%	0.789
SDBC 3.68 02/26/26	3.33%	2.500
SDBC 3.48 01/08/29	3.56%	1.254
SDBC 3 1/2 11/04/46	3.88%	0.250
CNH CCS 3M	2.91%	3.85
CNH CCS 6M	2.85%	2.44
CNH CCS 12M	2.78%	1.40
CNH CCS 3Y	2.68%	(0.52)
CNH CCS 5Y	2.35%	0.02

Date	Event	Forecast	Previous
04/16	New Home Prices MoM	--	0.004
04/16	GDP SA QoQ	0.014	0.026
04/16	GDP YoY	0.185	0.065
04/16	GDP YTD YoY	0.186	0.023
04/16	Industrial Production YTD YoY	0.271	0.351
04/16	Fixed Assets Ex Rural YTD YoY	0.260	0.350
04/16	Property Investment YTD YoY	0.300	0.383
04/16	Surveyed Jobless Rate	0.054	0.055
04/16	Retail Sales YTD YoY	0.317	0.338
04/16	Retail Sales YoY	0.280	--
04/16	Industrial Production YoY	0.180	--

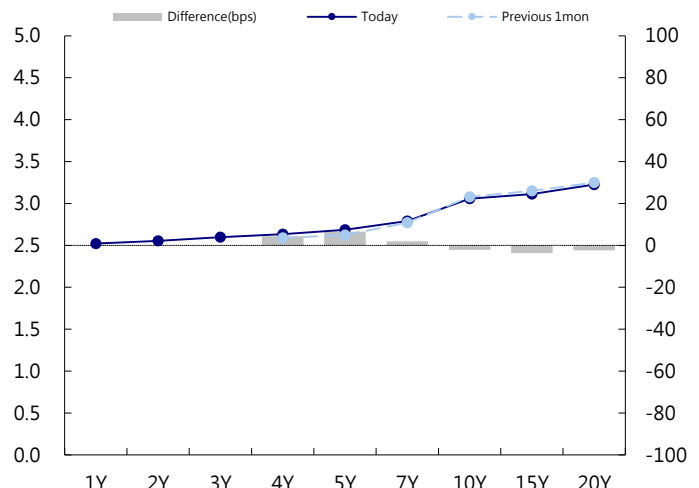
## China Bond Market

Regarding bond market on Thursday, the Bank of China's mid-term lending facility (MLF) renewal on Thursday did not miss expectations, the bond market only adjusted slightly, the interbank market 10-year treasury bond yield rose by 1 bp, and the financial futures exchange maturity treasury bond period which the main cargo contract closed slightly lower. In terms of exchange rate, the renminbi against the U.S. dollar rose slightly to close at the spot on Thursday, hitting a new high in more than three weeks, and the central parity rate also continued to rise to a three-week high. Traders said that the recent weakness of the US dollar gave the renminbi a rebound momentum, but the surge in demand for foreign exchange purchases restricted the room for rebound. At present, market sentiment has gradually shifted from bullishness in the first quarter to two-way volatility. It is difficult to find a direction in the short term, and institutions will not retain directional positions.

### Onshore CNY Government Bond Curve



### Offshore CNH Government Bond Curve



# Taiwan Bond Market

Taiwan Market data		
Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.25%	(1.00)
TWGB 10Y	0.37%	(0.60)
USD/TWD	28.36	0.02 %
EUR/TWD	33.91	(0.17)%
HKD/TWD	3.65	0.00 %
VNY/TWD	4.34	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)

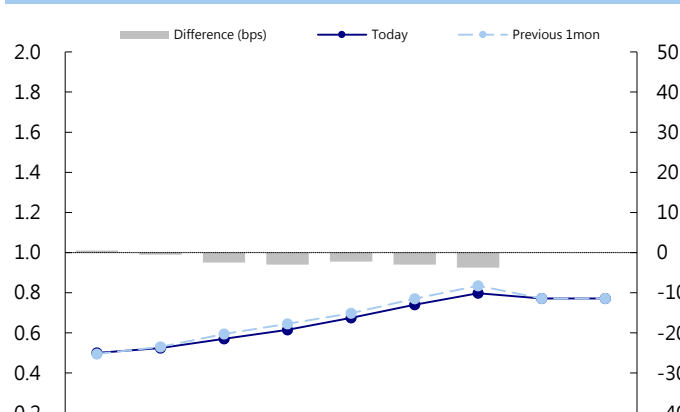
**Taiwan Bond Secondary Market**  
5YR treasury yields closed lower at 0.25%. 10YR treasury yields closed lower at 0.38%. The strong demand reflected excess TWD liquidity in the market. Strong demand for TWD currency continues to provide supports for government bonds market. Expect 5YR trade at 0.23%~0.27%, 10YR trade at 0.35%~0.39%.

**Taiwan Bond Primary Market**  
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 15th April : None.  
Bonds issued on 16th April: Taiwan Power Company issued NTD 17.65 BN of senior unsecured corporate bonds in 3 tranches: NTD3.4BN of 5-year bond at a coupon rate of 0.45%, NTD 10.55BN of 7-year bond at a coupon rate of 0.55%, NTD 3.7BN of 10-year bond at a coupon rate of 0.62%. BNP Paribas, Taipei Branch issued NTD 1BN of 5-year senior unsecured bank debentures at a coupon rate of 0.45%.

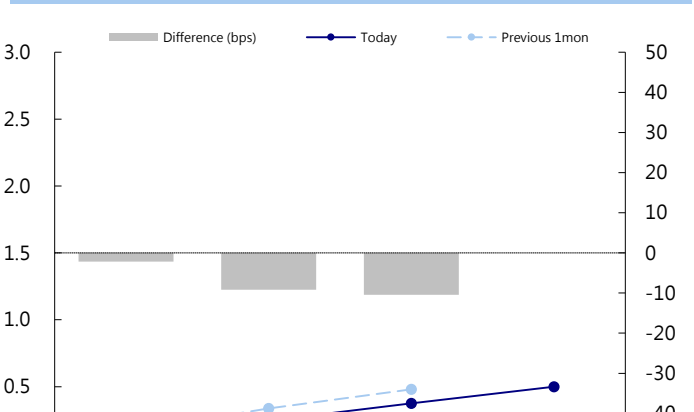
Date	Event	Forecast	Previous
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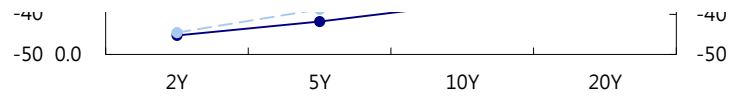
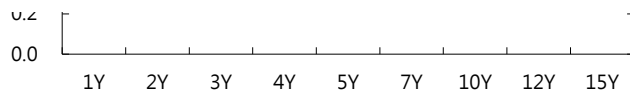
**Money Market**  
With sufficient fund in the market due to loose monetary policy supported by central bank, we expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.13%-0.17%, while corporate bond repo rate at 0.16%-0.19%.

**TWD IRS Curve**



**Taiwan Government Bond Yield curve**





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