

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.81%	(0.48)
UST 10Y	1.56%	(1.37)
UST 30Y	2.25%	(1.90)
Bund 5Y	-0.61%	2.00
Bund 10Y	-0.26%	2.80
Bund 30Y	0.3%	2.80
DOW JONES	34200.67	0.48 %
NASDAQ	14052.34	0.10 %
S&P 500	4185.47	0.36 %
DAX	15459.75	1.34 %
FTSE 100	7019.53	0.52 %
CAC 40	6287.07	0.85 %
EUR/USD	1.19	(0.33)%
USD/JPY	108.65	(0.14)%
USD/CNY	6.53	0.13 %
US 5Y CDS	12.57	--
Germany 5Y CDS	11.89	1.45
Italy 5Y CDS	83.79	--
Spain 5Y CDS	36.12	--
Portugal 5Y CDS	31.92	--
France 5Y CDS	23.58	1.92
Japan 5Y CDS	18.54	1.39
China 5Y CDS	37.92	(0.73)
Korea 5Y CDS	22.40	0.77

US & European Bond Markets

US & European Government Bond :

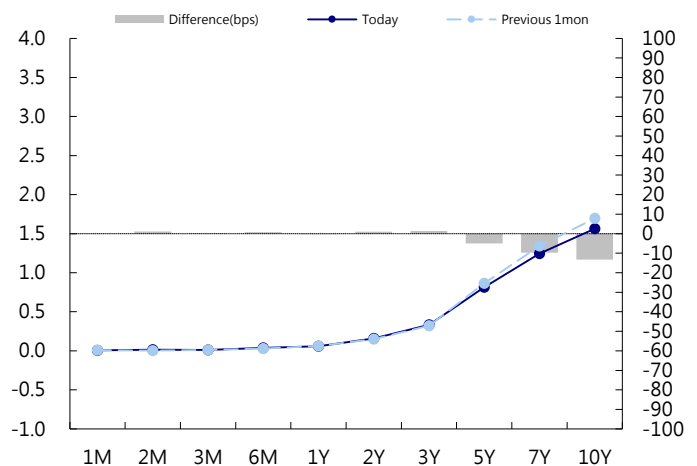
After Treasury yields dived 10bps to one-month lows on Thursday, 10-year yields undid much of that move and were up 5.5 bps on Friday. 30-year yield also increased 6.5bps to 2.27%. Short-term 2y yield remained nearly unchanged instead. Regarding economic data, U.S. homebuilding surged to nearly a 15-year high in March. The housing market is being fueled by demand for bigger and more expensive accommodations, with millions of Americans continuing to work from home and remote schooling remaining in place as the pandemic enters its second year. Market now focus on new 20-year and TIPS auction coming this week.

US & European Corporate Bonds:

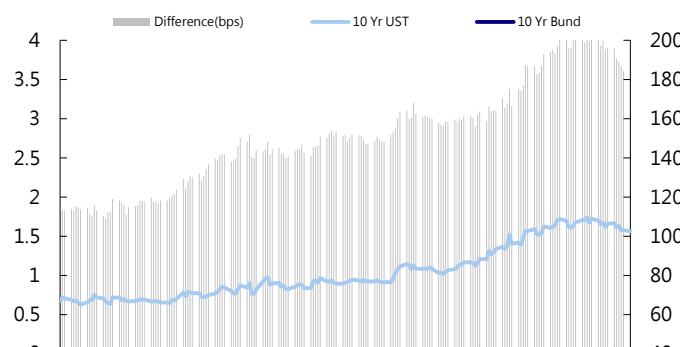
U.S. stocks ended the week at all-time highs as Chinese growth data added to signs of a global economic recovery, which combined with easing monetary / fiscal policy should continued to favor risky asset. Treasuries ended Friday narrowly mixed with the yield curve flatter. UST rallied 5~7 bps through all curve in last week even macro data performed well led by short covering and foreigner buying demand at quarter start (mainly Japan), and i though close to 1.5% would be a resistant level and good entry point for reflation trade like short UST and curve steepen. Credit have a cloudy and choppy week made by refianing concern on HRINTH, which weaken the sentiment and brought spread widened in consecutive 9 days especially in asia credit, however, that panic eased after China's financial regulator released its first official comments to support HRINTH and then bonds short cover 20~30 pts quickly. Therefore, credit spread should begin to tighten theses day and sentiment may improve after stable HRINTH and UST.

Date	Event	Forecast	Previous
04/21	MBA Mortgage Applications	--	(0.037)
04/22	Chicago Fed Nat Activity Index	1.200	(1.090)
04/22	Initial Jobless Claims	625k	576k
04/22	Continuing Claims	3700k	3731k
04/22	Langer Consumer Comfort	--	53.900
04/22	Leading Index	0.010	0.002
04/22	Existing Home Sales	6.15m	6.22m
04/22	Existing Home Sales MoM	(0.011)	(0.066)
04/22	Kansas City Fed Manf. Activity	28.000	26.000
04/23	Markit US Manufacturing PMI	60.500	59.100
04/23	Markit US Services PMI	61.500	60.400
04/23	Markit US Composite PMI	--	59.700
04/23	New Home Sales	886k	775k
04/23	New Home Sales MoM	0.143	(0.182)

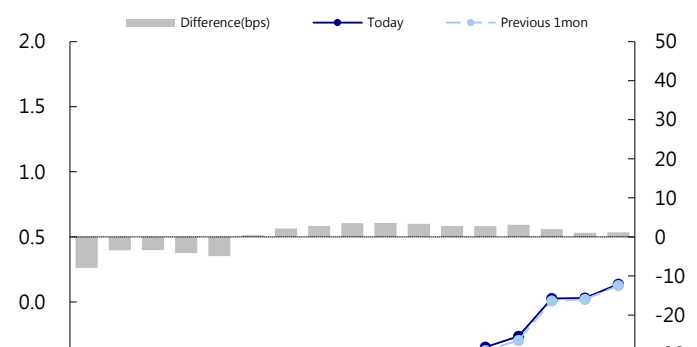
US Treasury Curve



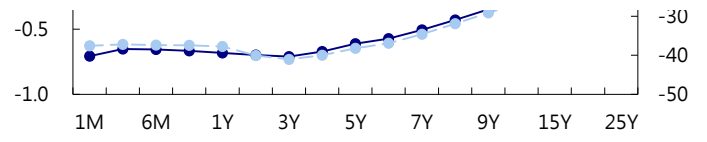
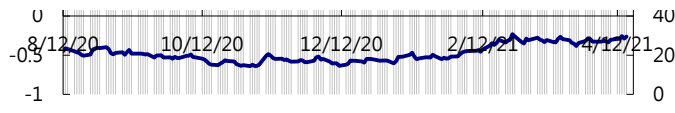
UST V.S. Bund 10Y Yield



Bund Curve



Fixed



China Bond Market

CNY & CNH Market Data

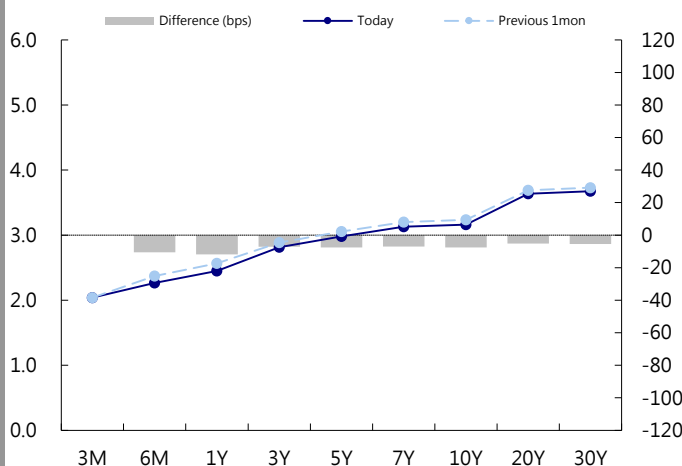
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	2.98%	2.69%	0.49	(0.02)
CGB 10Y	3.16%	3.06%	0.30	(0.22)
CGB 20Y	3.64%	3.11%	(0.01)	(0.01)
Chinese Renminbi Spot	6.53	6.53	-0.13%	(0.11)%
USDCNY 1M Forward	6.55	6.55	(0.15)%	(0.10)%
USDCNY 3M Forward	6.57	6.58	(0.13)%	(0.10)%
USDCNY 6M Forward	6.62	6.62	(0.13)%	(0.09)%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.535%	2.9%	1.00	0.50
CNY IRS 2Y	2.645%	3.095%	0.50	0.50
CNY IRS 3Y	2.745%	3.245%	0.00	0.50
CNY IRS 4Y	2.835%	3.37%	0.00	0.50
CNY IRS 5Y	2.915%	3.47%	0.00	0.00
Benchmarks	Value		Net Change (bps)	
SDBC 3.03 01/18/22	2.57%		-0.687	
SDBC 3.68 02/26/26	3.32%		1.000	
SDBC 3.48 01/08/29	3.56%		1.550	
SDBC 3 1/2 11/04/46	3.87%		-1.000	
CNH CCS 3M	2.90%		(0.61)	
CNH CCS 6M	2.86%		0.90	
CNH CCS 12M	2.81%		1.89	
CNH CCS 3Y	2.65%		(1.47)	
CNH CCS 5Y	2.35%		(0.04)	

Date	Event	Forecast	Previous
04/20	1-Year Loan Prime Rate	0.039	0.039
04/20	5-Year Loan Prime Rate	0.047	0.047
04/22	Swift Global Payments CNY	--	0.022
04/23	Bloomberg April China Economic Sun		
04/23	FX Net Settlement - Clients CNY	--	216.8b

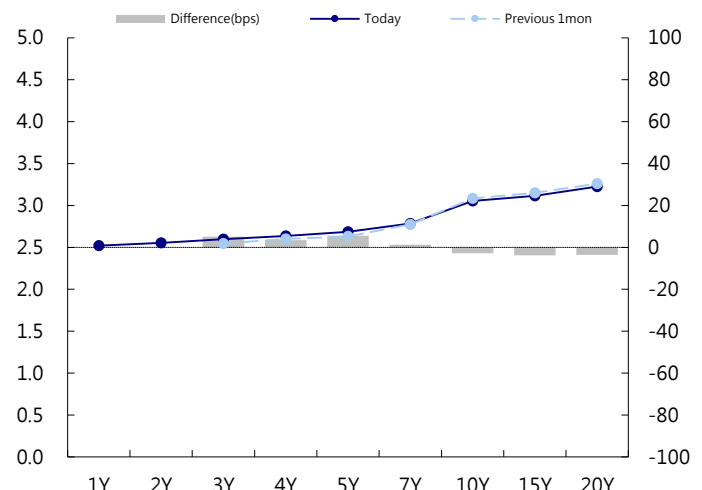
China Bond Market

Regarding bond market, China's first-quarter GDP announced on Friday hit a new high but was slightly lower than expected, which boosted the futures spot, but the tax period is approaching the convergence of liquidity margins, making the market cautious about funds next week and restraining the bond market's warmth. The yield of spot bonds fell less than 1 basis point (bp) throughout the day, and the main treasury bond futures contracts rose by less than 0.1%. In terms of exchange rate, the RMB against the US dollar opened slightly higher in early trading on Friday and then oscillated and fell. The half-day effective volatility was still very limited, and the central parity continued to rise to a new high in more than three weeks. Traders said that the strong US retail data and the decline in U.S. Treasury yields hedged against each other, and the U.S. index remained stable overnight; the first quarter economic data released by China in the morning was slightly lower than market expectations, A shares were under pressure, and the renminbi also fell slightly by about 40 points. However, the follow-up direction still depends on the performance of the US index.

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%	(0.50)
TWGB 10Y	0.37%	(0.60)
USD/TWD	28.23	(0.35)%
EUR/TWD	33.73	(0.67)%
HKD/TWD	3.63	(0.30)%
VNY/TWD	4.33	(0.43)%
TWD Overnight Rate	0.078%	(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 yields closed lower at 0.245%. 10YR treasury yields closed lower at 0.374%. 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 0.36%~0.40%.

Taiwan Bond Primary Market

Announcements of Corporate Bonds Issuances approved by the Board of Directors on 16th April : None.

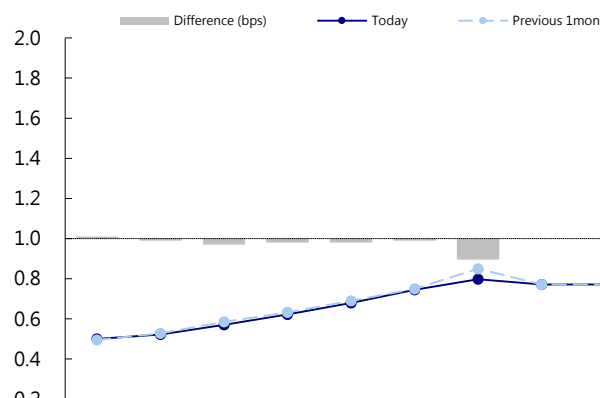
Bonds issued on 19th April: Taiwan Power Company issued NTD 17.65 BN of senior unsecured corporate bonds in 3 tranches: NTD3.4BN of 5-year bond at a coupon rate of 0.45%, NTD 10.55BN of 7-year bond at a coupon rate of 0.55%, NTD 3.7BN of 10-year bond at a coupon rate of 0.62%.

Date	Event	Forecast	Previous
04/20	Export Orders YoY	32.1%	48.5%
04/22	Unemployment Rate	3.7%	3.7%
04/23	Industrial Production YoY	9.5%	3.0%
04/23	Money Supply M1B Daily Avg YoY	--	18.6%
04/23	Money Supply M2 Daily Avg YoY	--	9.1%

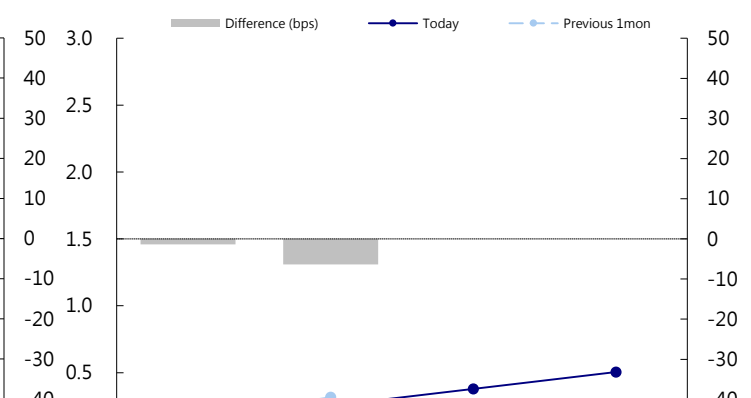
Money Market

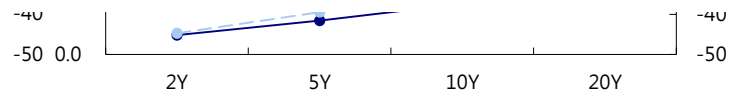
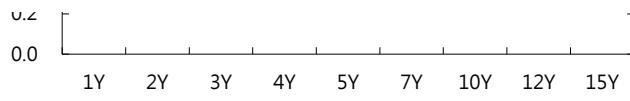
With sufficient fund in the market due to loose monetary policy supported by central bank, we expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.13%-0.17%, while corporate bond repo rate at 0.16%-0.19%.

TWD IRS Curve



Taiwan Government Bond Yield curve





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