

# US & Europe Bond Markets

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

Benchmarks	Value	Net Change (bps)
UST 5Y	0.29%	0.79
UST 10Y	0.65%	1.48
UST 30Y	1.39%	1.50
Bund 5Y	-0.64%	2.20
Bund 10Y	-0.44%	(1.10)
Bund 30Y	-0.01%	(2.60)
DOW JONES	26067.28	0.68 %
NASDAQ	10492.50	1.44 %
S&P 500	3169.94	0.78 %
DAX	12494.81	(0.97)%
FTSE 100	6156.16	(0.55)%
CAC 40	4981.13	(1.24)%
EUR/USD	1.13	0.53 %
USD/JPY	107.31	(0.24)%
USD/CNY	7.00	(0.13)%
US 5Y CDS	--	--
Germany 5Y CDS	14.31	(0.05)
Italy 5Y CDS	160.24	(1.06)
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	21.95	0.36
Japan 5Y CDS	17.88	(0.40)
China 5Y CDS	45.33	(0.13)
Korea 5Y CDS	26.09	1.24

## US & European Bond Markets

### US & European Government Bond :

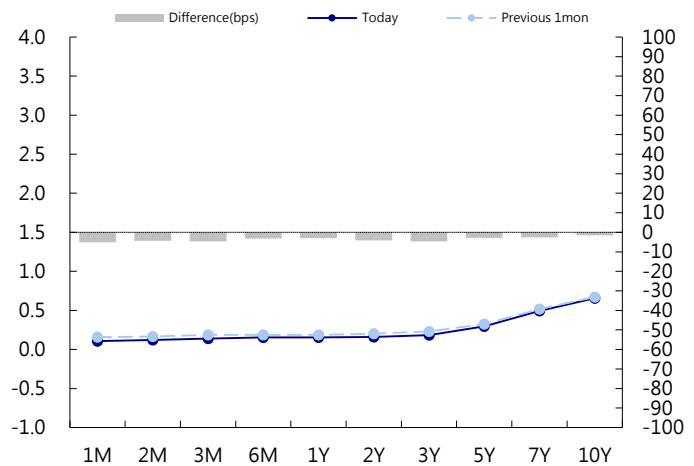
Front-end yields were little changed on the day, steepening 2s10s by 1.4bp as 10-year yields added about 1bp to ~0.65%; 5s30s curve oscillated around 50-DMA at ~109bp, ending flatter by ~1bp. Yields retreated from cheapest levels of the session after 10-year auction stopped at a record low 1bp through the WI level; bidding metrics were strong with 19.7% primary dealer award lowest in more than a year as indirect bidder award increased to 63.4%, direct bidder award to 17%.

### US & European Corporate Bonds:

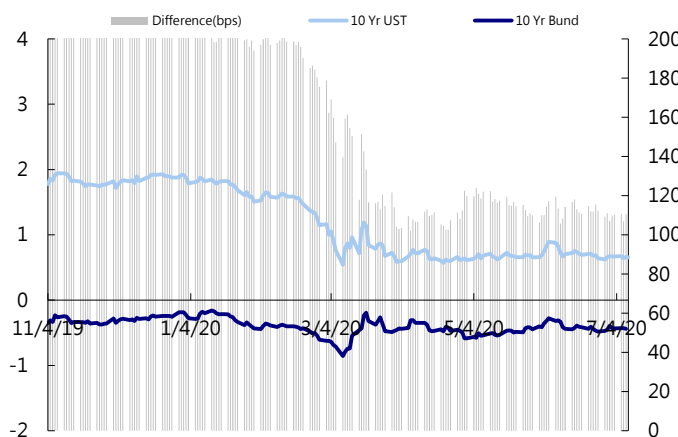
Market turned weaker today as Asia stocks retreated. BCLMHK issued 3yr FXD and 5yr FRN at T+165 and 3mL+170 (IPG +200/+210) while TCL (BOC SBLC) priced new 5yr FXD at CT5+160. Except that BOCAVI curve got lifted again (23n traded up +205), other benchmark names are rather muted. Flow-wise, more RM accounts are taking profit on TMT/Leasing/T2 space.

Date	Event	Forecast	Previous
07/09	Consumer Credit	-\$15.000b	-\$68.779b
07/09	Initial Jobless Claims	--	1427k
07/09	Continuing Claims	--	19290k
07/09	Bloomberg Consumer Comfort	--	43.300
07/09	Wholesale Trade Sales MoM	--	(0.169)
07/09	Wholesale Inventories MoM	(0.012)	(0.012)
07/10	PPI Final Demand MoM	0.004	0.004
07/10	PPI Ex Food and Energy MoM	0.001	(0.001)
07/10	PPI Ex Food, Energy, Trade MoM	0.001	0.001
07/10	PPI Final Demand YoY	(0.002)	(0.008)
07/10	PPI Ex Food and Energy YoY	0.005	0.003
07/10	PPI Ex Food, Energy, Trade YoY	--	(0.004)

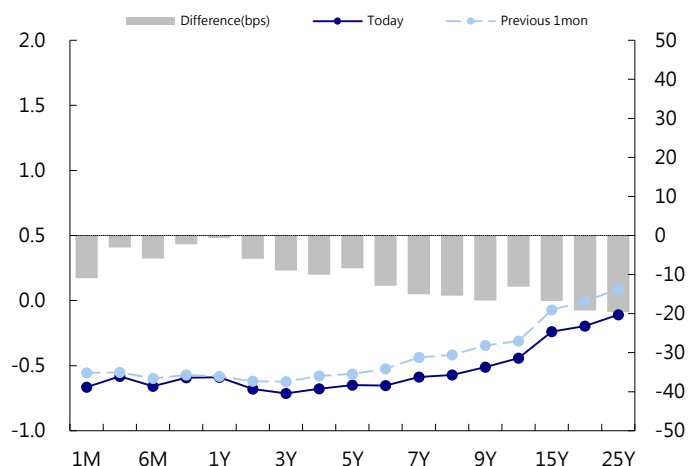
### US Treasury Curve



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



### Bund Curve



# China Bond Market

## CNY & CNH Market Data

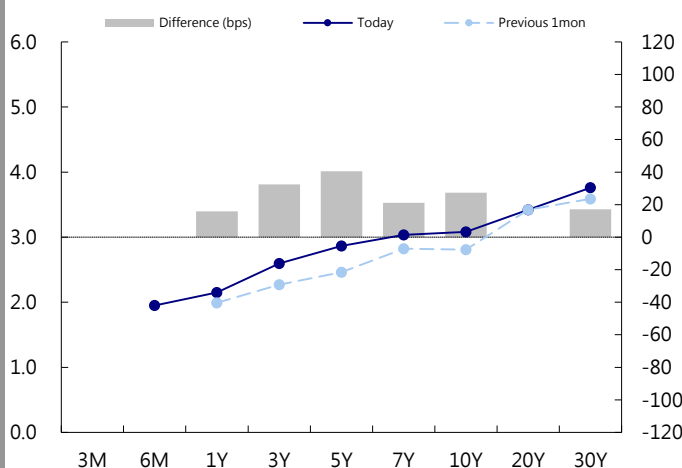
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	2.86%	2.38%	3.99	(0.04)
CGB 10Y	3.08%	2.83%	6.29	--
CGB 20Y	3.42%	3.17%	--	--
	CNY	CNH	CNY	CNH
Chinese Renminbi Spot	7.00	7.00	0.13%	0.04%
USDCNY 1M Forward	7.01	7.01	0.13%	0.01%
USDCNY 3M Forward	7.03	7.03	0.11%	(0.01)%
USDCNY 6M Forward	7.06	7.07	0.08%	0.13%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.435%	2.6%	12.50	15.00
CNY IRS 2Y	2.53%	2.83%	13.50	19.00
CNY IRS 3Y	2.62%	3%	14.00	21.50
CNY IRS 4Y	2.71%	3.12%	15.00	21.00
CNY IRS 5Y	2.795%	3.25%	14.50	21.00
SDBC 3.03 01/18/22	2.67		9.99	
SDBC 3.68 02/26/26	3.45		5.00	
SDBC 3.48 01/08/29	3.63		9.00	
SDBC 3 1/2 11/04/46	3.87		2.00	
CNH CCS 3M	2.21		4.32	
CNH CCS 6M	2.26		7.99	
CNH CCS 12M	2.27		11.54	
CNH CCS 3Y	2.09		4.19	
CNH CCS 5Y	2.04		5.08	

## China Bond Market

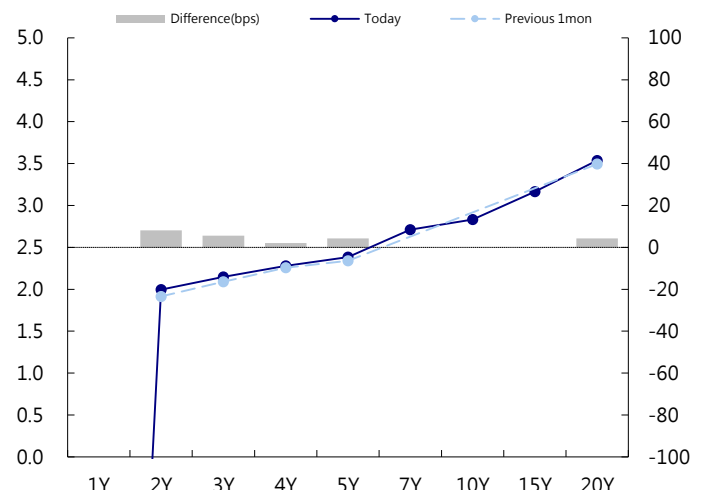
Regarding bond market, the spot of China's bond market declined on Tuesday and then rose, basically following the rise and fall of the stock market. The yield of the main cash bonds in the inter-bank market rose to previous day close, and the decline in the main contract of 10-year Treasury futures also narrowed significantly. Under weak market conditions, the 10-year special Government Bond renewed by the Ministry of Finance in the morning tender was slightly higher than the predicted average. In terms of exchange rate, the spot volume of the RMB against the US dollar rose on Tuesday and continued to hit a new high of more than three and a half months, and the median price also rose to a new high of nearly three months. Traders said that the market sentiment in the early bullish RMB was further released, CNH took the lead to break through 7 and hit a four-month high, and the onshore exchange rate also surged more than 300 points to approach 7; but then A shares' rose slowdown, the risk sentiment weakened in the afternoon, and the renminbi's rise narrowed.

Date	Event	Forecast	Previous
07/09	PPI YoY	(0.032)	(0.037)
07/09	CPI YoY	0.025	0.024
07/10	Money Supply M0 YoY	0.091	0.095
07/10	Money Supply M1 YoY	0.070	0.068
07/10	Money Supply M2 YoY	0.111	0.111
07/10	New Yuan Loans CNY	1800.0b	1480.0b
07/10	Aggregate Financing CNY	3067.5b	3190.0b
07/10	Foreign Direct Investment YoY CNY	--	0.075

## Onshore CNY Government Bond Curve



## Offshore CNH Government Bond Curve



# Taiwan Bond Market

## Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.34%	0.39
TWGB 10Y	0.46%	0.55
USD/TWD	29.44	(0.28)%
EURO/TWD	33.39	0.20 %
HKD/TWD	3.80	(0.03)%
VNY/TWD	4.21	0.23 %
TWD Overnight Rate	0.077%	(0.50)
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

Taiwanese Stock market index continued its rally as well as TWD 5yr IRS, notwithstanding the treasury yield, with 5 year treasury yield closed at 0.3401%, 10 year treasury yield closed at 0.45%. Strong demand for TWD currency continues to drive its rate against USD higher, provided supports for government bonds market.

## Taiwan Bond Primary Market

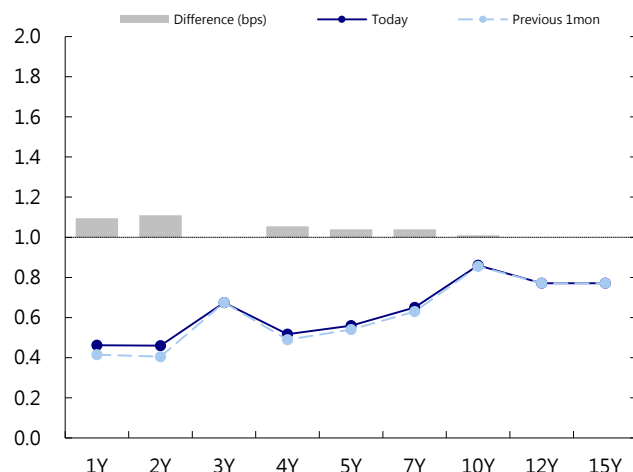
Announcements of Corporate Bonds Issuances approved by the BOD on 8th July : None.  
Bonds issued on 9th July : None.

Date	Event	Forecast	Previous
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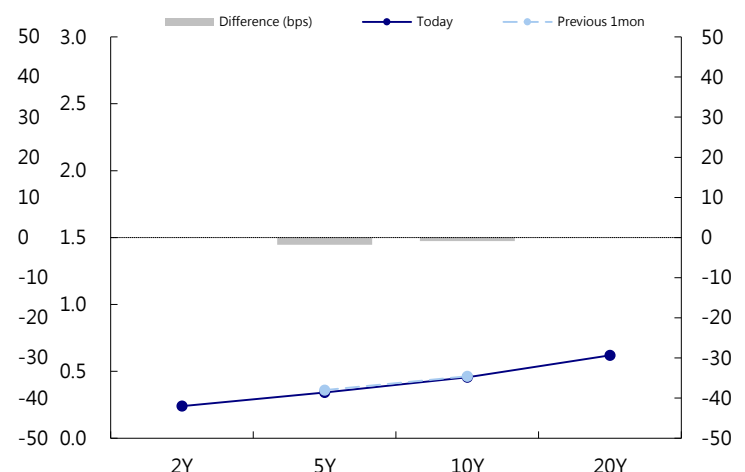
## Money Market

With sufficient fund in the market by the end of the last quarter, short term repo rate remains stable. Last month, central bank kept its monetary policy and base rate. We expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.23%-0.30%, while corporate bond repo rate at 0.35%-0.37%.

## TWD IRS Curve



## Taiwan Government Bond Yield curve



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