

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.28%	(0.79)
UST 10Y	0.62%	(0.16)
UST 30Y	1.32%	0.64
Bund 5Y	-0.65%	(0.40)
Bund 10Y	-0.44%	0.30
Bund 30Y	-0.02%	0.70
DOW JONES	26870.10	0.85 %
NASDAQ	10550.49	0.59 %
S&P 500	3226.56	0.91 %
DAX	12930.98	1.84 %
FTSE 100	6292.65	1.83 %
CAC 40	5108.98	2.03 %
EUR/USD	1.14	(0.34)%
USD/JPY	106.96	0.06 %
USD/CNY	7.00	0.12 %
US 5Y CDS	--	--
Germany 5Y CDS	14.39	(0.01)
Italy 5Y CDS	162.65	1.68
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	21.37	(0.41)
Japan 5Y CDS	18.23	0.00
China 5Y CDS	44.31	0.33
Korea 5Y CDS	25.82	1.23

US & European Bond Markets

US & European Government Bond :

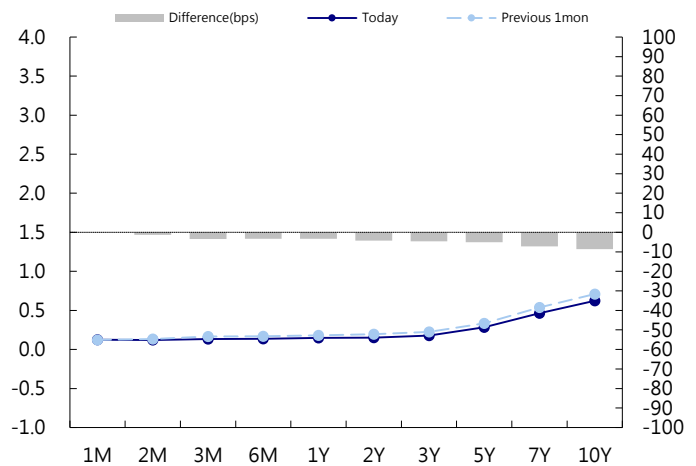
Treasuries ended mixed Wednesday after erasing most declines. Remaining inside weekly ranges, yields continued to take direction from U.S. equities, which retreated from session highs after Secretary of State Pompeo announced visa restrictions on Huawei workers over the Chinese Communist Party's human rights abuses. Yields remained higher by ~2bp at long end at 3pm ET, 10-year by less than 1bp at ~0.63% after rising as much as 3.3bp; shorter-maturity yields were little changed.

US & European Corporate Bonds:

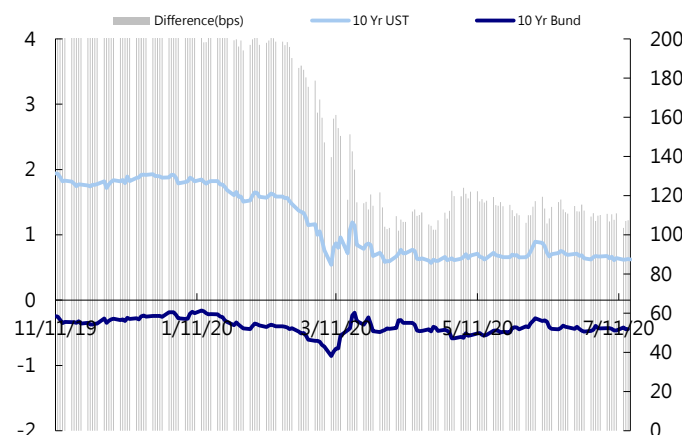
Asia credit didnt catch up US equity rallied last night and open unchanged . Flow is light with China GDP will announce today , and belly to front end still saw better buying , such as ICBCAS 25 / BOCOM 25 / SHPORT 25 . Moreover , ZHONAN 25 got lifted by numerous PB and spread outperform by 10bps tigher . Meanwhile , Q2 result of biggest US banks still in the spotlight . GS reported a 93% increase in trading revenue , and fee income also benefit from flourishing primary market , which spur by record-low interest and COVID-19 . However , relying on volatile trading revenue to withstand the raising non-performing loans is not in a good situation . Therefore , I will underweight the financial sector in the near

Date	Event	Forecast	Previous
07/16	U.S. Federal Reserve Releases Beige B...		
07/16	Retail Sales Advance MoM	0.050	0.177
07/16	Retail Sales Ex Auto MoM	0.051	0.124
07/16	Retail Sales Ex Auto and Gas	0.050	0.124
07/16	Retail Sales Control Group	0.039	0.110
07/16	Philadelphia Fed Business Outlook	19.100	27.500
07/16	Initial Jobless Claims	1250k	1314k
07/16	Continuing Claims	17550k	18062k
07/16	Bloomberg Consumer Comfort	--	42.900
07/16	Business Inventories	(0.023)	(0.013)
07/16	NAHB Housing Market Index	60.000	58.000
07/17	Net Long-term TIC Flows	--	-\$128.4b
07/17	Total Net TIC Flows	--	\$125.3b
07/17	Building Permits	1300k	1220k
07/17	Building Permits MoM	0.069	0.144
07/17	Housing Starts	1178k	974k
07/17	Housing Starts MoM	0.209	0.043
07/17	U. of Mich. Sentiment	79.000	78.100

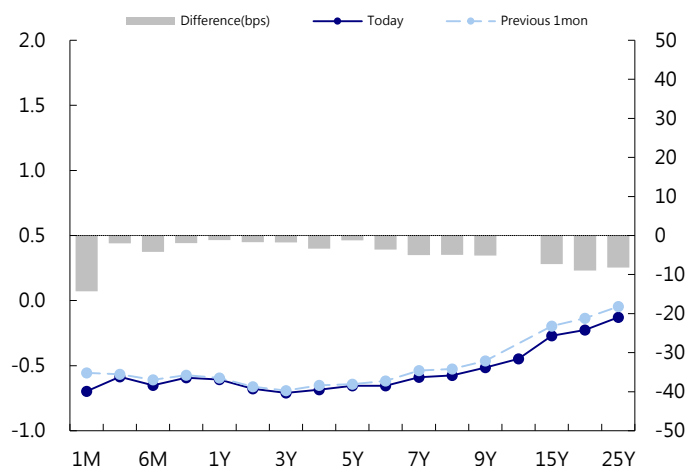
US Treasury Curve



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	2.68%	2.59%	(6.75)	(0.83)
CGB 10Y	2.95%	2.88%	(1.47)	(0.03)
CGB 20Y	3.62%	3.21%	(0.01)	(0.01)
Chinese Renminbi Spot	7.00	7.00	-0.11%	(0.22)%
USDCNY 1M Forward	7.01	7.01	(0.09)%	(0.22)%
USDCNY 3M Forward	7.03	7.03	(0.08)%	(0.20)%
USDCNY 6M Forward	7.06	7.07	(0.08)%	(0.20)%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.365%	2.6%	(3.50)	(4.50)
CNY IRS 2Y	2.45%	2.795%	(3.50)	(8.00)
CNY IRS 3Y	2.535%	2.95%	(3.50)	(6.00)
CNY IRS 4Y	2.605%	3.05%	(4.50)	(9.00)
CNY IRS 5Y	2.675%	3.145%	(5.00)	(10.00)

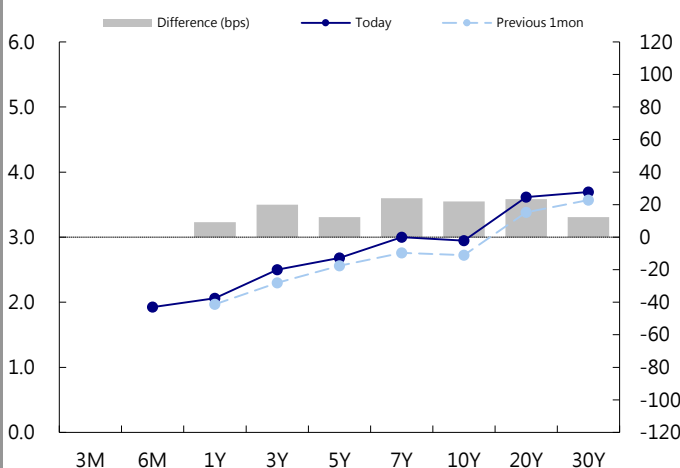
Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.72%	-3.000
SDBC 3.68 02/26/26	3.44%	-5.000
SDBC 3.48 01/08/29	3.65%	-2.920
SDBC 3 1/2 11/04/46	3.80%	-4.000
CNH CCS 3M	2.13%	(2.36)
CNH CCS 6M	2.16%	(3.31)
CNH CCS 12M	2.18%	(1.83)
CNH CCS 3Y	2.13%	0.62
CNH CCS 5Y	2.01%	(8.13)

Date	Event	Forecast	Previous
07/16	New Home Prices MoM	--	0.005
07/16	Industrial Production YoY	0.048	0.044
07/16	GDP YoY	0.022	(0.068)
07/16	Industrial Production YTD YoY	(0.015)	(0.028)
07/16	GDP SA QoQ	0.095	(0.098)
07/16	Retail Sales YoY	0.005	(0.028)
07/16	GDP YTD YoY	(0.024)	(0.068)
07/16	Retail Sales YTD YoY	(0.110)	(0.135)
07/16	Property Investment YTD YoY	0.010	(0.003)
07/16	Fixed Assets Ex Rural YTD YoY	(0.033)	(0.063)
07/16	Surveyed Jobless Rate	0.059	0.059
07/17	FX Net Settlement - Clients CNY	--	142.9b

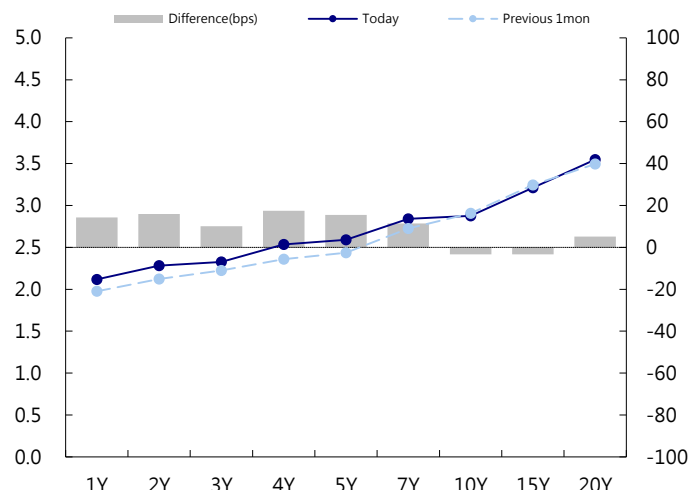
China Bond Market

Regarding bond market, China's bond market further improved on Wednesday, as the stock market adjusted for the second consecutive day and the decline was intensified, the seesaw effect of stock bonds continued. In addition, the central bank contracted today to continue to do MLF and TMLF due in July. It once briefly pressed the bond market, but as it has been expected before, the impact has subsequently weakened. In terms of exchange rate, The RMB against the US dollar spot rose to a new high of nearly a week on Wednesday. Traders said that although the internal and external environment of the renminbi continued to deteriorate, including the decline in A shares, northbound funds continued to flow out, and Sino-US frictions further escalated, but the EU summit on the anti-virus plan is expected to continue to boost the popularity of the euro.

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%	(0.20)
TWGB 10Y	0.45%	(0.04)
USD/TWD	29.48	(0.11)%
EUR/TWD	33.61	(0.38)%
HKD/TWD	3.80	(0.24)%
VNY/TWD	4.21	(0.23)%
TWD Overnight Rate	0.08%	(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. Taiwanese Treasury Department auctioned off TWD 25 billion on 5 year notes yesterday at a yield of 0.333%, surpassing the previous low. The strong demand reflected excess liquidity in the market. Strong demand for TWD currency continues to drive its rate against USD higher, provided supports for government bonds market.

Taiwan Bond Primary Market

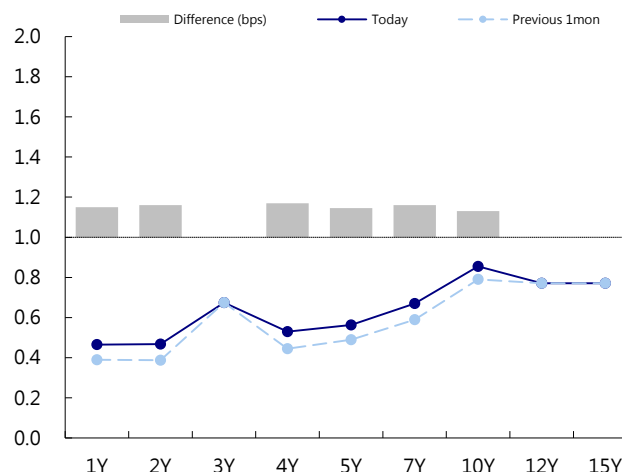
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 15th July : None.
Bonds issued on 16th July : None.

Date	Event	Forecast	Previous
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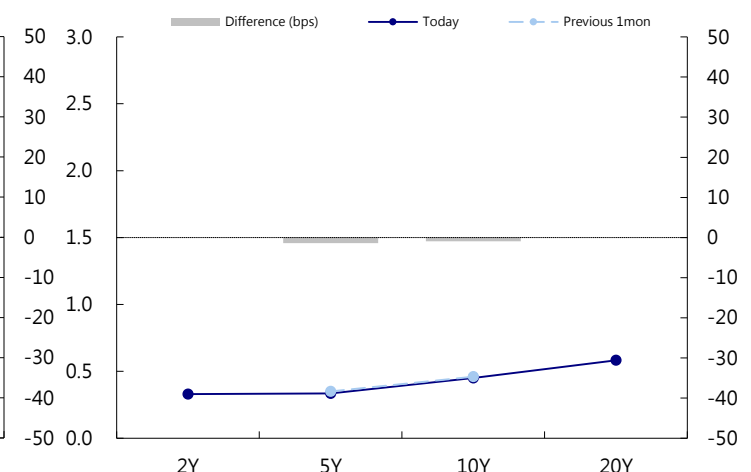
Money Market

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 0.34%-0.37%.

TWD IRS Curve



Taiwan Government Bond Yield curve



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