

# US & Europe Bond Markets

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

Benchmarks	Value	Net Change (bps)
UST 5Y	0.28%	(0.63)
UST 10Y	0.61%	(1.31)
UST 30Y	1.31%	(1.41)
Bund 5Y	-0.66%	(1.20)
Bund 10Y	-0.46%	(1.30)
Bund 30Y	-0.02%	(2.10)
DOW JONES	26680.87	0.03 %
NASDAQ	10767.09	2.51 %
S&P 500	3251.84	0.84 %
DAX	13046.92	0.99 %
FTSE 100	6261.52	(0.46)%
CAC 40	5093.18	0.47 %
EUR/USD	1.15	0.03 %
USD/JPY	107.20	0.06 %
USD/CNY	6.98	(0.13)%
US 5Y CDS	--	--
Germany 5Y CDS	13.56	(0.07)
Italy 5Y CDS	161.38	(1.43)
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	21.06	(0.17)
Japan 5Y CDS	18.75	0.20
China 5Y CDS	43.54	(0.59)
Korea 5Y CDS	23.94	(0.47)

## US & European Bond Markets

### US & European Government Bond :

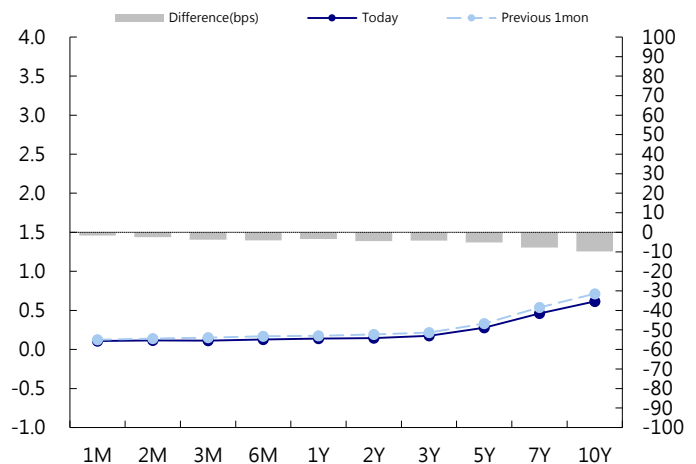
Treasuries ended narrowly mixed with long-end yields slightly lower on the day -- despite gains for U.S. equities spurred by progress on a coronavirus vaccine -- and the rest of the curve little changed. Futures volumes were below average and the 2.8bp daily range for the 10-year note' s yield was among the smallest this year. Long-end yields shed ~1bp, flattening 5s30s to 103.2bp; 10-year yields ended around 0.62%, lower by less than 1bp on the day

### US & European Corporate Bonds:

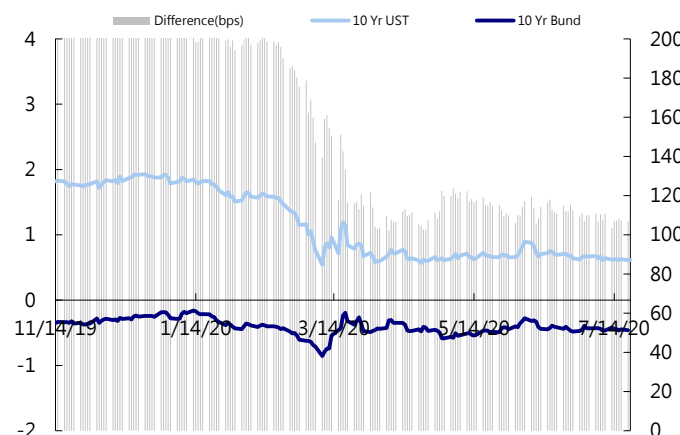
More buying in the China IG space to start the week given the rates are very stable in the last 2 weeks. Investors are still looking to add quality names with low beta names leading the tightening. SINOPE/CHMEDA/CNPCCH all -3 to -5 bps for the day but liquidity is thin. TMT also had a strong day with TENCNT curve -4 to -6 bps. Multiple buyers on WB 30s as well but bonds are still heavy. Spreads -3 bps to close +275/+274.

Date	Event	Forecast	Previous
07/21	Chicago Fed Nat Activity Index	4.000	2.610
07/22	MBA Mortgage Applications	--	0.051
07/22	FHFA House Price Index MoM	0.003	0.002
07/22	Existing Home Sales	4.80m	3.91m
07/22	Existing Home Sales MoM	0.228	(0.097)
07/23	Initial Jobless Claims	1293k	1300k
07/23	Continuing Claims	16900k	17338k
07/23	Bloomberg Economic Expectations	--	38.000
07/23	Bloomberg Consumer Comfort	--	44.300
07/23	Leading Index	0.021	0.028
07/23	Kansas City Fed Manf. Activity	5.000	1.000
07/24	Markit US Manufacturing PMI	52.000	49.800
07/24	Markit US Services PMI	51.000	47.900
07/24	Markit US Composite PMI	--	47.900
07/24	New Home Sales	700k	676k
07/24	New Home Sales MoM	0.036	0.166

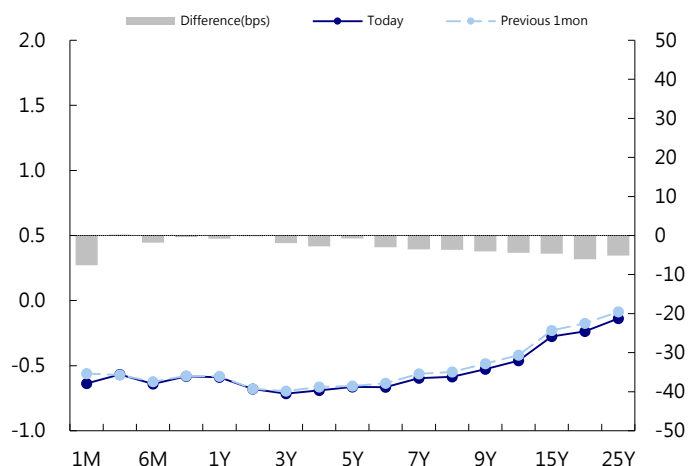
### US Treasury Curve



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



### Bund Curve



# China Bond Market

## CNY & CNH Market Data

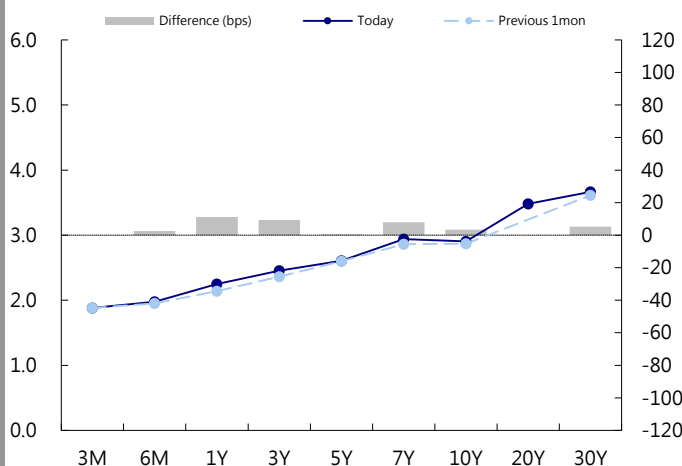
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	2.6%	2.52%	(6.50)	--
CGB 10Y	2.9%	2.87%	(5.09)	(0.02)
CGB 20Y	3.48%	3.2%	--	(0.01)
Chinese Renminbi Spot	6.98	6.98	0.13%	0.06%
USDCNY 1M Forward	7.00	7.00	0.01%	0.10%
USDCNY 3M Forward	7.02	7.02	0.01%	0.08%
USDCNY 6M Forward	7.05	7.05	0.01%	0.06%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.32%	2.6%	(6.00)	(4.00)
CNY IRS 2Y	2.395%	2.795%	(6.00)	(5.50)
CNY IRS 3Y	2.49%	2.94%	(6.00)	(5.00)
CNY IRS 4Y	2.56%	3.05%	(6.50)	(5.00)
CNY IRS 5Y	2.635%	3.15%	(6.00)	(5.00)
Benchmarks	Value		Net Change (bps)	
SDBC 3.03 01/18/22	2.62%		-7.989	
SDBC 3.68 02/26/26	3.40%		-0.013	
SDBC 3.48 01/08/29	3.57%		-2.569	
SDBC 3 1/2 11/04/46	3.79%		-1.240	
CNH CCS 3M	2.23%		(3.50)	
CNH CCS 6M	2.22%		(1.82)	
CNH CCS 12M	2.22%		(1.53)	
CNH CCS 3Y	2.14%		0.19	
CNH CCS 5Y	2.06%		3.07	

Date	Event	Forecast	Previous
07/23	Swift Global Payments CNY	--	0.018
07/24	Bloomberg July China Economic Survi		

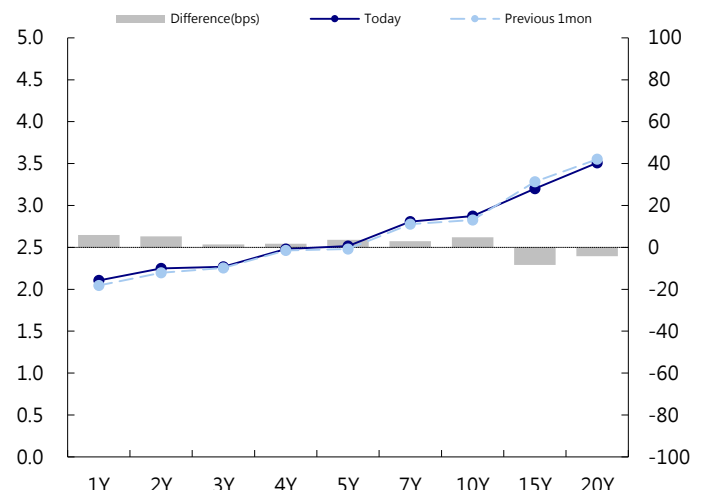
## China Bond Market

Regarding bond market, China's bond market warmed up on Monday, and cash bond yields generally declined, among which short-end yields fell slightly; treasury bond futures also oscillated and closed higher. Traders said that the domestic stock market's rebound in the early trading had a slight drag on the long-end sentiment, but the long-end yield in the afternoon also followed the rebound in futures and fell; at the same time, under the boost of loose funding, the short-end performed well throughout the day, with a downward range, which reached 5-6 bp. In terms of exchange rate, the renminbi against the US dollar closed up on Monday, and the central parity also rose 115 points. Traders said that the virus in the United States continued to worsen, and market risk aversion sentiment rose slightly, but in the afternoon it was reported that the EU recovery fund negotiations had progressed. The rise in the euro pushed the US dollar index to weaken and the renminbi indirectly benefited; it is expected to maintain a range consolidation trend in the short term

### Onshore CNY Government Bond Curve



### Offshore CNH Government Bond Curve



## Taiwan Bond Market

### Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.32%	(1.00)
TWGB 10Y	0.43%	(0.84)
USD/TWD	29.45	(0.24)%
EUR/TWD	33.74	(0.24)%
HKD/TWD	3.80	(0.24)%
VNY/TWD	4.22	(0.18)%
TWD Overnight Rate	0.083%	(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

Treasury yield continues to trade at the lower bound of range. 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. 5YR treasury yields closed at 0.3165%, 10YR treasury yields closed at 0.433%.

### Taiwan Bond Primary Market

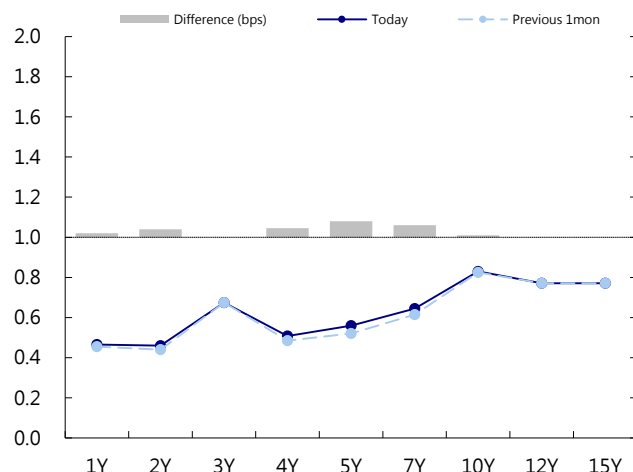
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 20th July : None.  
Bonds issued on 21st July : None.

Date	Event	Forecast	Previous
07/22	Unemployment Rate	4.2%	4.2%
07/23	Industrial Production YoY	2.4%	1.5%
07/24	Money Supply M2 Daily Avg YoY	--	4.2%
07/24	Money Supply M1B Daily Avg YoY	--	7.8%

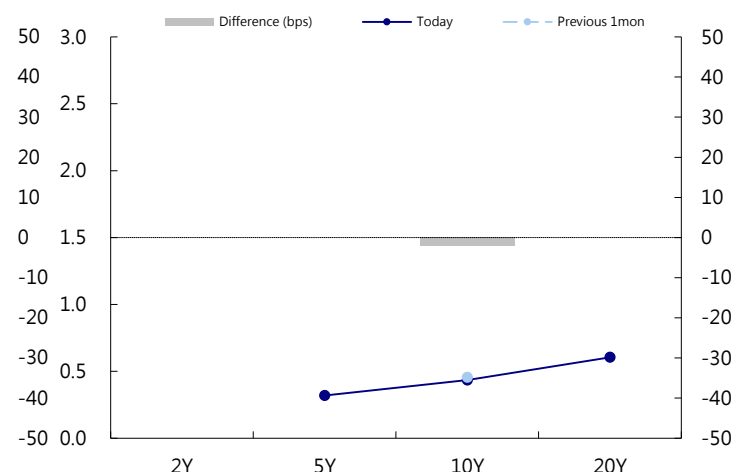
### Money Market

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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