

# US & Europe Bond Markets

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

Benchmarks	Value	Net Change (bps)
UST 5Y	0.27%	(1.12)
UST 10Y	0.6%	(0.82)
UST 30Y	1.31%	(0.45)
Bund 5Y	-0.66%	(0.10)
Bund 10Y	-0.46%	0.00
Bund 30Y	-0.02%	0.10
DOW JONES	26840.40	0.60 %
NASDAQ	10680.36	(0.81)%
S&P 500	3257.30	0.17 %
DAX	13171.83	0.96 %
FTSE 100	6269.73	0.13 %
CAC 40	5104.28	0.22 %
EUR/USD	1.15	0.87 %
USD/JPY	106.76	(0.48)%
USD/CNY	6.97	(0.15)%
US 5Y CDS	--	--
Germany 5Y CDS	12.86	(0.75)
Italy 5Y CDS	161.00	2.86
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	20.44	(0.10)
Japan 5Y CDS	18.29	(0.00)
China 5Y CDS	42.64	(0.41)
Korea 5Y CDS	23.69	(0.04)

## US & European Bond Markets

### US & European Government Bond :

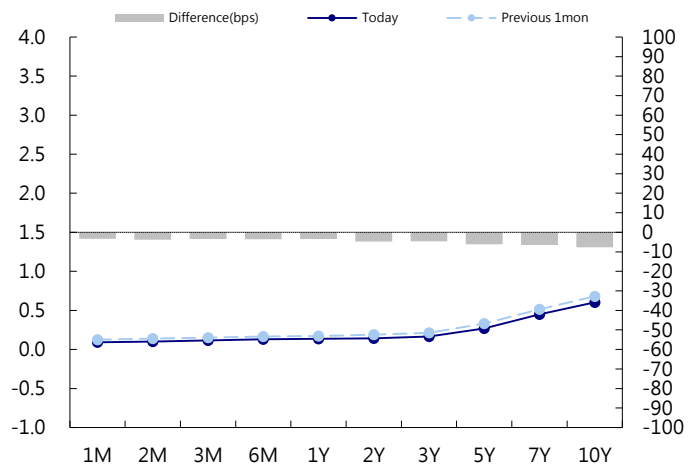
Treasuries were confined to just ~3.5bp range in 10-year notes over the day, with gains over the U.S. afternoon capped at around 0.60% in yield which has broadly held over the past 10 days. Treasury yields ended marginally richer across the curve despite stocks gaining for a third consecutive session as duration grab is maintained. Oil rally supported energy sector while long-end Treasuries slightly lagged ahead of Wednesday 20-year bond auction.

### US & European Corporate Bonds:

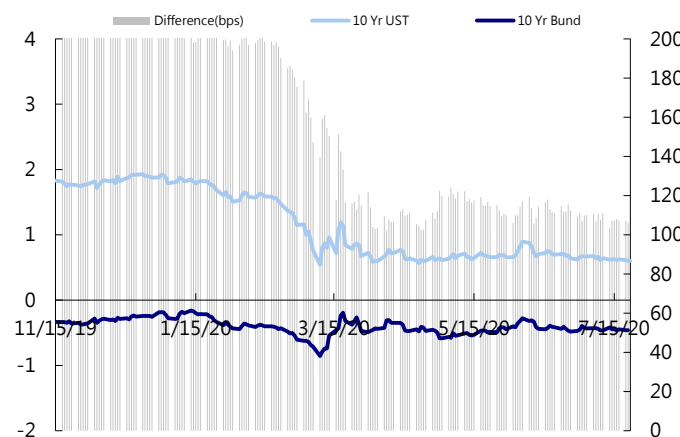
It was a firm session across China HY, up 0.5-1pt DoD. The development on vaccine gave a vote of confidence, we saw market better buyer across all benchmark names and selective non benchmark issuers. Fast money short-covering pushed up the market bid, leading to more FOMO buying in the afternoon session. GRNLGR curve up 0.5-1pt as Co's planned shareholding restructuring, which triggered short covering in the street. Aside from properties, gaming sector also rose with beta, up 0.25-0.5pt, non benchmark properties front end and BB industrial names traded up by 0.25-0.5pt.

Date	Event	Forecast	Previous
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

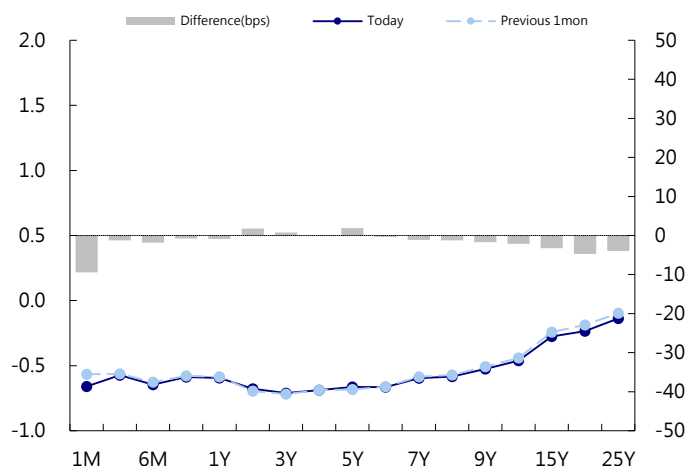
### US Treasury Curve



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



### Bund Curve



# China Bond Market

## CNY & CNH Market Data

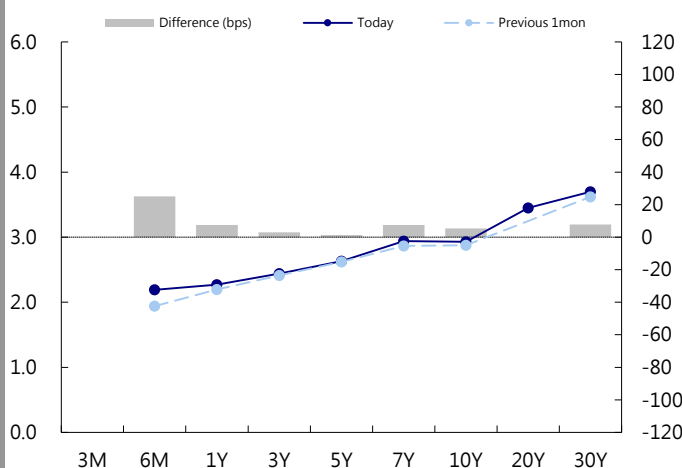
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	2.63%	2.49%	2.67	(0.11)
CGB 10Y	2.93%	2.87%	3.00	(0.07)
CGB 20Y	3.45%	3.2%	--	(0.03)
Chinese Renminbi Spot	6.97	6.97	0.15%	0.05%
USDCNY 1M Forward	6.98	6.98	0.15%	0.06%
USDCNY 3M Forward	7.01	7.01	0.14%	0.04%
USDCNY 6M Forward	7.04	7.04	0.16%	0.08%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.335%	2.64%	(0.50)	4.00
CNY IRS 2Y	2.405%	2.785%	(1.00)	(1.50)
CNY IRS 3Y	2.495%	2.93%	(1.50)	(1.50)
CNY IRS 4Y	2.575%	3.065%	(0.50)	1.00
CNY IRS 5Y	2.65%	3.165%	0.00	1.00
Benchmarks	Value		Net Change (bps)	
SDBC 3.03 01/18/22	2.64%		-1.500	
SDBC 3.68 02/26/26	3.32%		-3.009	
SDBC 3.48 01/08/29	3.55%		-0.001	
SDBC 3 1/2 11/04/46	3.76%		-2.760	
CNH CCS 3M	2.15%		(9.52)	
CNH CCS 6M	2.18%		(8.26)	
CNH CCS 12M	2.18%		(4.51)	
CNH CCS 3Y	2.14%		(0.18)	
CNH CCS 5Y	2.05%		(1.34)	

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

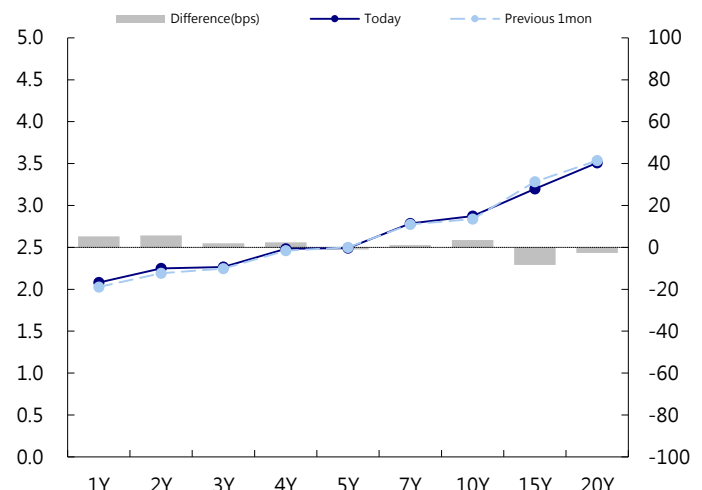
## China Bond Market

Regarding bond market, China's bond market noticeably warmed on Tuesday, and cash bond yields further declined. Short-end yields fell by about 8 bp, and government bonds performed well; treasury bond futures oscillated and closed high. Traders said that the recent bond allocation expectations driven by the establishment of a series of amortized cost-based funds have been boosted by loose funding, and the bond market sentiment has clearly improved. In terms of exchange rate, The renminbi against the U.S. dollar closed slightly lower on Tuesday, intraday trading volume expanded, and the central parity rose slightly to a new high in more than four months; traders said that the EU summit reached an agreement to superimpose the development of the virus, and the market risk appetite continued to pick up in early trading. The renminbi once hit a high in more than four months, but the intraday gains were swallowed by bargain-hunting foreign exchange buyers; the short-term exchange rate may continue to fluctuate in the 6.98-7.02 range

### 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	0.44%	(0.17)
USD/TWD	29.41	(0.33)%
EUR/TWD	33.93	0.50 %
HKD/TWD	3.79	(0.32)%
VNY/TWD	4.22	(0.07)%
TWD Overnight Rate	0.087%	(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

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. 10YR treasury yields closed at 0.4398%.

## Taiwan Bond Primary Market

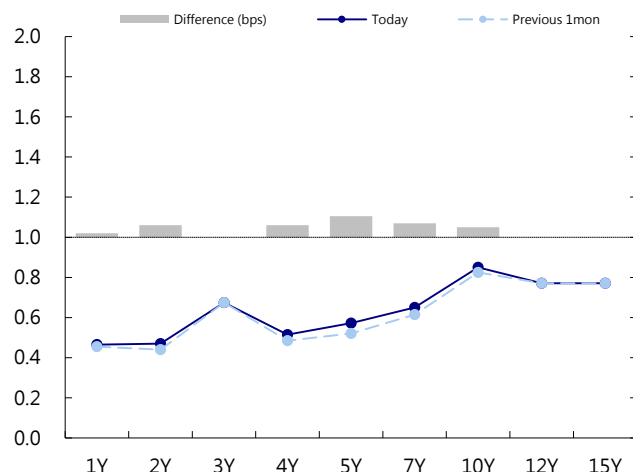
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 21st July : None.  
Bonds issued on 22nd July : None.

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%

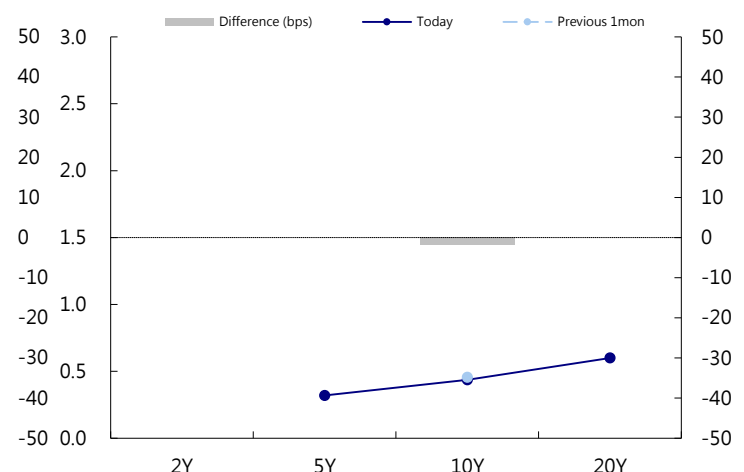
## Money Market

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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