

# US & Europe Bond Markets

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

Benchmarks	Value	Net Change (bps)
UST 5Y	0.25%	(1.26)
UST 10Y	0.57%	(0.66)
UST 30Y	1.23%	1.68
Bund 5Y	-0.69%	0.90
Bund 10Y	-0.5%	1.00
Bund 30Y	-0.08%	1.70
DOW JONES	26539.57	0.61 %
NASDAQ	10542.94	1.35 %
S&P 500	3258.44	1.24 %
DAX	12822.26	(0.10)%
FTSE 100	6131.46	0.04 %
CAC 40	4958.74	0.60 %
EUR/USD	1.18	0.20 %
USD/JPY	105.07	0.07 %
USD/CNY	7.00	(0.07)%
US 5Y CDS	--	--
Germany 5Y CDS	12.05	0.05
Italy 5Y CDS	150.54	(2.30)
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	19.85	(0.32)
Japan 5Y CDS	18.30	0.01
China 5Y CDS	43.45	(0.75)
Korea 5Y CDS	23.40	(0.42)

## US & European Bond Markets

### US & European Government Bond :

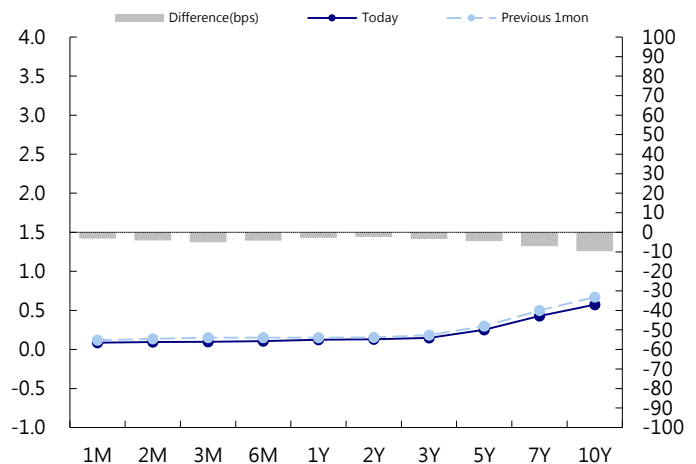
Treasury market reaction to FOMC statement and Fed Chair Powell' s news conference was broadly muted, however 5-year yield fell below 0.25% for the first time while long end lagged, pushing 5s30s curve to session high near 100bp. Fed reiterated willingness to use all tools available to support the U.S. economy, but stopped short of laying the groundwork for extending duration of asset purchases in the near term. Treasuries pivoted around a little-changed 7-year sector with long-end cheaper by more than 2bp, steepening 5s30s by more than 4bp; 10-year yields ended around 0.57% while front-end outperformance pushed 2-year yields as low as 0.125%

### US & European Corporate Bonds:

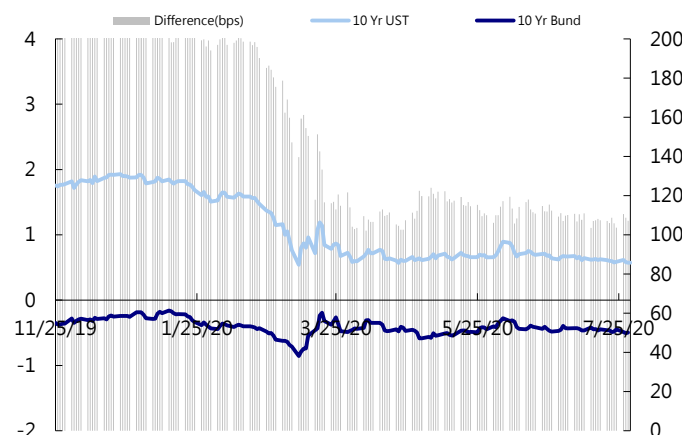
Asia IG outperformed amid volatile asia stock market . Overall IG Benchmark name were 2-4 bps tighter led new issues , such as new CCB 25's and CSFCO 25's , tighten 10~12 bps from reoffer after real money and banking account buying . As stellar performance on new issues , secondary bonds in front end with wide spread SOE like CCB T2 / Leasing / AMC were also better buying . However , HY market remained lacklustre as closing to month end , new COGARD fluctuate around reoffer and close at -0.125 . US IG spread recover a bit last night after ATT jumbo new deal and beat estimate earning result reported by AMD/SBUX/GM . Overall , flight to quality will be the best strategy in the year full of uncertainty ,

Date	Event	Forecast	Previous
07/30	FOMC Rate Decision (Upper Bound)	0.003	0.003
07/30	FOMC Rate Decision (Lower Bound)		
07/30	Interest Rate on Excess Reserves	0.001	0.001
07/30	Revisions: GDP		
07/30	GDP Annualized QoQ	(0.350)	(0.050)
07/30	Personal Consumption	(0.345)	(0.068)
07/30	GDP Price Index		0.014
07/30	Core PCE QoQ	(0.009)	0.017
07/30	Initial Jobless Claims	1450k	1416k
07/30	Continuing Claims	16200k	16197k
07/30	Bloomberg Consumer Comfort	--	44.700
07/31	Personal Income	(0.006)	(0.042)
07/31	Personal Spending	0.054	0.082
07/31	Real Personal Spending	0.051	0.081
07/31	PCE Deflator MoM	0.005	0.001
07/31	PCE Deflator YoY	0.009	0.005
07/31	PCE Core Deflator MoM	0.002	0.001
07/31	PCE Core Deflator YoY	0.010	0.010

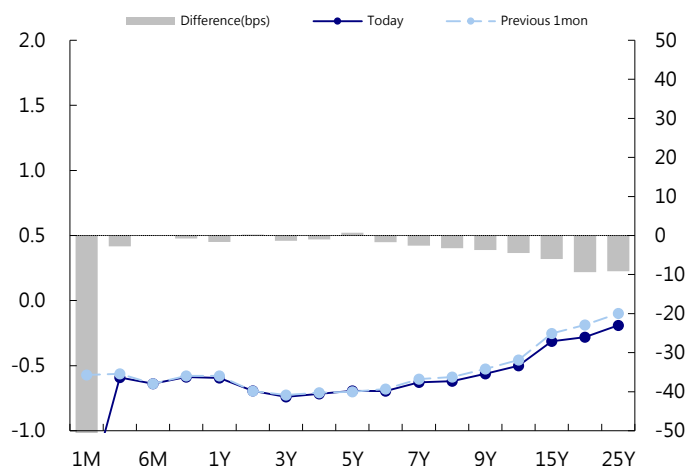
### US Treasury Curve



### 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	2.65%	2.41%	(0.02)	(0.04)
CGB 10Y	2.95%	2.82%	1.00	(0.03)
CGB 20Y	3.47%	3.07%	--	--
Chinese Renminbi Spot	7.00	7.00	0.07%	0.02%
USDCNY 1M Forward	7.01	7.01	0.05%	0.04%
USDCNY 3M Forward	7.04	7.03	0.05%	0.01%
USDCNY 6M Forward	7.07	7.07	0.04%	(0.03)%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.365%	2.635%	1.50	2.50
CNY IRS 2Y	2.435%	2.77%	1.50	3.00
CNY IRS 3Y	2.52%	2.93%	1.50	5.00
CNY IRS 4Y	2.61%	3.06%	2.50	3.00
CNY IRS 5Y	2.675%	3.165%	2.00	3.00

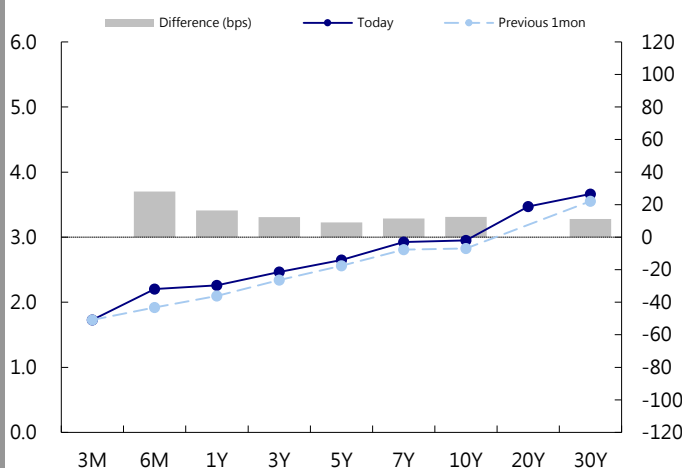
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
SDBC 3.03 01/18/22	2.73%		-1.997	
SDBC 3.68 02/26/26	3.32%		2.449	
SDBC 3.48 01/08/29	3.59%		2.499	
SDBC 3 1/2 11/04/46	3.79%		3.000	
CNH CCS 3M	2.32%		(1.03)	
CNH CCS 6M	2.30%		(1.00)	
CNH CCS 12M	2.28%		1.35	
CNH CCS 3Y	2.17%		(0.53)	
CNH CCS 5Y	2.11%		(2.09)	

Date	Event	Forecast	Previous
07/31	Composite PMI	--	54.200
07/31	Manufacturing PMI	50.700	50.900
07/31	Non-manufacturing PMI	54.500	54.400

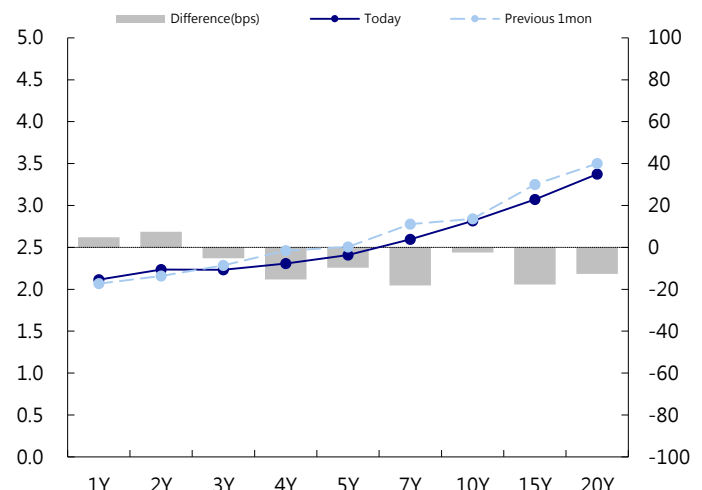
## China Bond Market

Regarding bond market, China's bond market continued to adjust the spot futures on Wednesday, with long-term bonds still inferior to short-term bonds, and China Development Bank bonds were weaker than government bonds. The 10-year active treasury bond yield on the inter-bank market rose by nearly 1 bp, and the main 10-year treasury bond futures contract of the China Financial Exchange fell nearly 0.3%. Traders said that the market is still lingering concerns about the supply pressure of local bonds, and today's stock market soared, the bond market continued to be under pressure. In terms of exchange rate, The RMB against the U.S. dollar closed on Wednesday to close to a high of nearly a week, but the effective fluctuation range was not large, and the central parity fell slightly. Traders said that the virus dragged U.S. economic recovery, and also increased expectations for the Fed to increase easing. The U.S. dollar index continued to be weak, focusing on Powell's speech after the Fed meeting; the renminbi was still dragged down by the purchase of foreign exchange dividends, compared with other non-US Currency performance is weak, short-term or lack of direction.

### 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%	0.72
TWGB 10Y	0.42%	(0.21)
USD/TWD	29.30	(0.29)%
EUR/TWD	34.49	(0.20)%
HKD/TWD	3.78	(0.28)%
VNY/TWD	4.19	(0.28)%
TWD Overnight Rate	0.088%	0.80
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

The yield on Taiwan's 10-year government bonds matched its lowest level ever on Wednesday, as expectations on a dovish statement following the Federal Reserve's policy meeting boost sentiment. Yield on 10-year government bond ended down 1 bp at 0.4202% after briefly matching the record low of 0.42%

## Taiwan Bond Primary Market

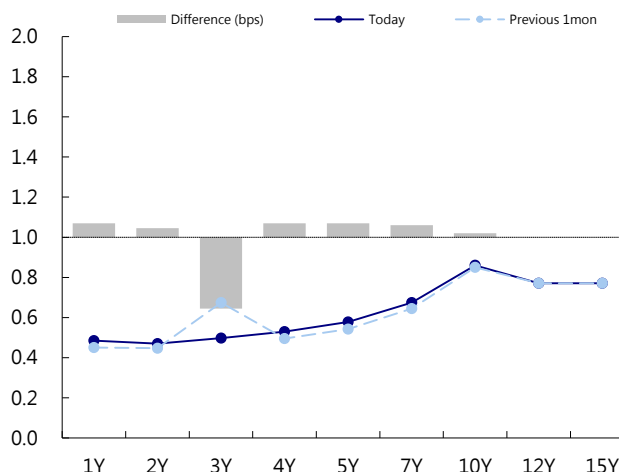
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 27th July : None.  
Bonds issued on 28th July : None.

## Money Market

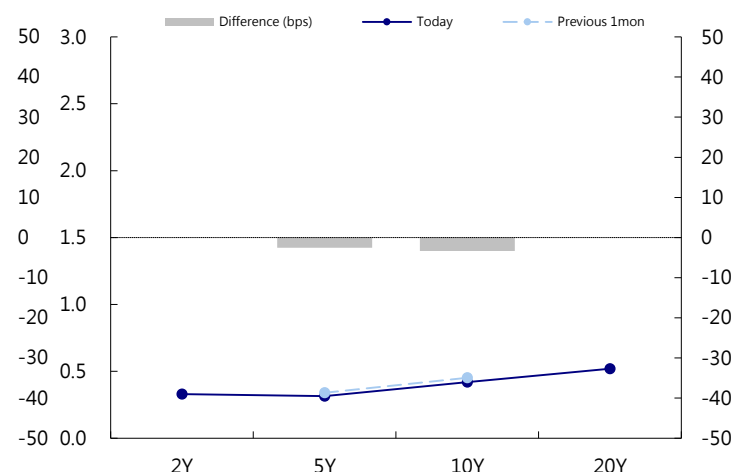
With sufficient fund in the market by the end of the last quarter, short term repo rate remains stable. Last month, central bank kept its monetary policy and base rate. We expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.23%-0.30%, while corporate bond repo rate at 0.34%-0.37%.

Date	Event	Forecast	Previous
07/31	GDP YoY		1.6%

## TWD IRS Curve



## Taiwan Government Bond Yield curve



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