

# US & Europe Bond Markets

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

Benchmarks	Value	Net Change (bps)
UST 5Y	0.22%	(1.10)
UST 10Y	0.55%	0.16
UST 30Y	1.22%	0.93
Bund 5Y	-0.72%	0.80
Bund 10Y	-0.52%	1.80
Bund 30Y	-0.1%	2.70
DOW JONES	26428.32	0.44 %
NASDAQ	10745.27	1.49 %
S&P 500	3271.12	0.77 %
DAX	12313.36	(0.54)%
FTSE 100	5897.76	(1.54)%
CAC 40	4783.69	(1.43)%
EUR/USD	1.18	(0.19)%
USD/JPY	106.18	0.33 %
USD/CNY	6.98	(0.48)%
US 5Y CDS	--	--
Germany 5Y CDS	12.10	(0.08)
Italy 5Y CDS	150.54	--
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	19.20	0.05
Japan 5Y CDS	17.67	(0.39)
China 5Y CDS	43.24	(0.23)
Korea 5Y CDS	23.48	0.16

## US & European Bond Markets

### US & European Government Bond :

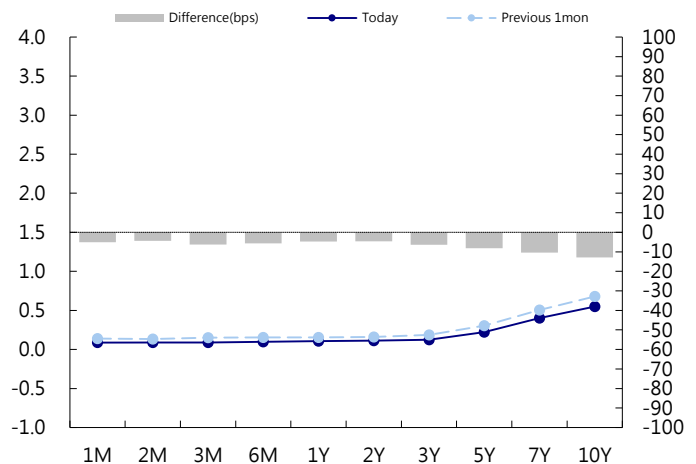
Treasuries firmed into month-end close led by the long end, leaving yields lower by 1bp-2bp across the curve. A dearth of catalysts other than month-end made for choppy price action. A block trade in 10-year note futures was the first Treasury futures block since July 1. 10-year yield ended around 0.535%, ~1bp richer on the day, after falling as much as 2.9bp to 0.518%, lowest since March 9 record lows and first close below 0.54%, where convexity trigger is thought to lie; swap spreads were little changed on the day, however, showing no impact from receiving flows.

### US & European Corporate Bonds:

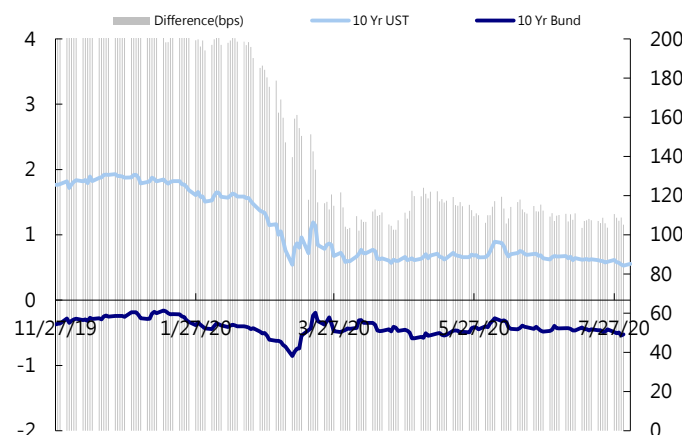
Despite the unstable risk tone, the recent rally in IG space held on pretty well to close the week. Overall, BM IG papers were tightened by 3-5bps on back of street lifting and RM buying flow. Short-dated papers were also better bid. For HY market, overall light month-end Friday in the space. Flows slightly skewed to better selling driven by switch-out trades after new issues. But underlying tone remained supportive as recent issues saw some top up demand in secondary market. Property bonds overall closed unch to up to 0.125pts softer.

Date	Event	Forecast	Previous
08/03	Markit US Manufacturing PMI	51.300	51.300
08/03	ISM Manufacturing	53.500	52.600
08/03	ISM New Orders	55.200	56.400
08/03	ISM Prices Paid	52.000	51.300
08/03	ISM Employment	--	42.100
08/03	Construction Spending MoM	0.010	(0.021)
08/03	Wards Total Vehicle Sales	14.00m	13.05m
08/04	Factory Orders	0.050	0.080
08/04	Factory Orders Ex Trans	--	0.026
08/04	Durable Goods Orders	0.073	0.073
08/04	Durables Ex Transportation	--	0.033
08/04	Cap Goods Orders Nondef Ex Air	--	0.033
08/04	Cap Goods Ship Nondef Ex Air	--	0.034
08/05	MBA Mortgage Applications	--	(0.008)
08/05	ADP Employment Change	1200k	2369k
08/05	Trade Balance	-\$50.0b	-\$54.6b
08/05	Markit US Services PMI	49.600	49.600
08/05	Markit US Composite PMI	--	50.000

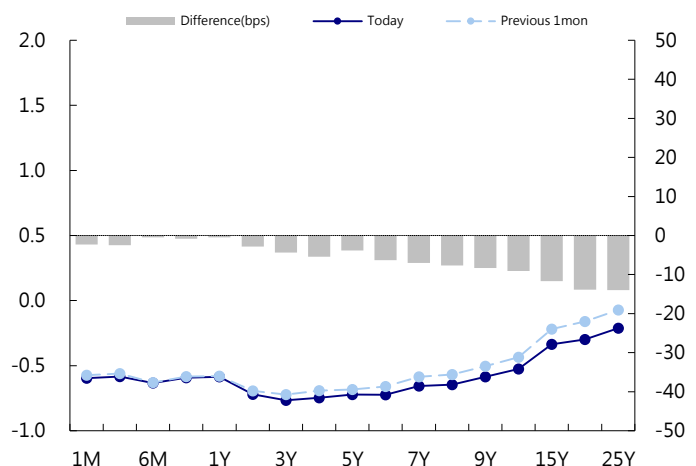
### US Treasury Curve



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



### Bund Curve



# China Bond Market

## CNY & CNH Market Data

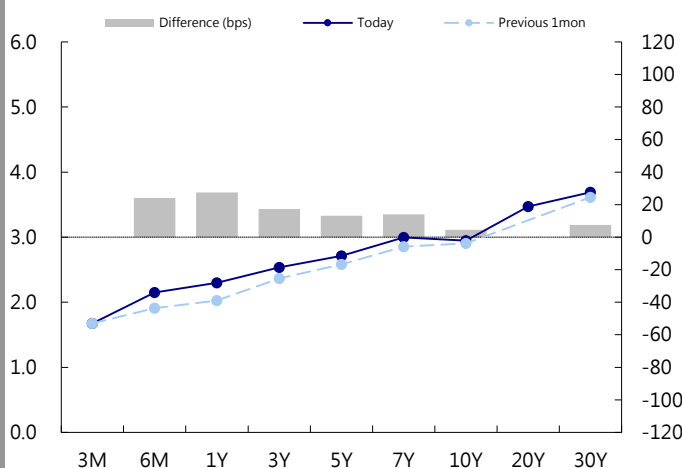
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	2.71%	2.42%	6.27	(0.04)
CGB 10Y	2.95%	2.83%	(1.39)	(0.03)
CGB 20Y	3.47%	3.07%	--	--
Chinese Renminbi Spot	6.98	6.99	0.48%	(0.01)%
USDCNY 1M Forward	6.99	7.01	0.00 %	(0.04)%
USDCNY 3M Forward	7.02	7.03	0.00 %	(0.01)%
USDCNY 6M Forward	7.06	7.07	0.00 %	(0.03)%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.385%	2.69%	2.50	5.50
CNY IRS 2Y	2.455%	2.83%	2.50	6.00
CNY IRS 3Y	2.555%	2.98%	3.50	5.00
CNY IRS 4Y	2.63%	3.1%	3.00	4.50
CNY IRS 5Y	2.71%	3.215%	3.50	5.50
Benchmarks	Value		Net Change (bps)	
SDBC 3.03 01/18/22	2.66%		-11.984	
SDBC 3.68 02/26/26	3.33%		3.120	
SDBC 3.48 01/08/29	3.59%		-4.770	
SDBC 3 1/2 11/04/46	3.80%		5.000	
CNH CCS 3M	2.42%		6.16	
CNH CCS 6M	2.36%		3.62	
CNH CCS 12M	2.29%		2.15	
CNH CCS 3Y	2.15%		(2.30)	
CNH CCS 5Y	2.08%		(1.65)	

Date	Event	Forecast	Previous
08/03	Caixin China PMI Mfg	51.100	51.200
08/05	Caixin China PMI Composite	--	55.700
08/05	Caixin China PMI Services	57.900	58.400
08/07	Exports YoY CNY	--	0.043
08/07	Imports YoY CNY	--	0.062
08/07	Exports YoY	(0.012)	0.005
08/07	Imports YoY	0.010	0.027
08/07	Trade Balance CNY	--	328.94b
08/07	Trade Balance	\$42.50b	\$46.42b
08/07	BoP Current Account Balance	--	-\$33.7b
08/07	Foreign Reserves	\$3126.35b	\$3112.33b

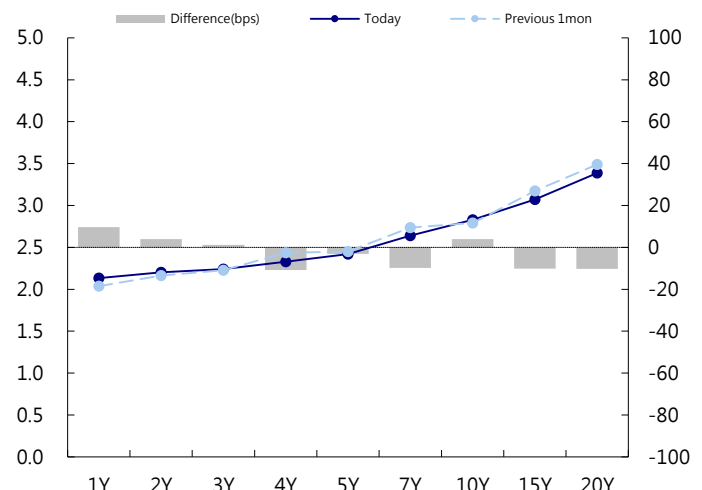
## China Bond Market

Regarding bond market, The spot market in China's bond market fluctuated slightly on Thursday, and trading volume was relatively small. Traders said that the pressure on the short-term profit-taking order was relieved after continuous down, and the buyer re-entered. The current bullishness and bearishness factors are intertwined, and the market outlook needs to pay attention to the upcoming Politburo meeting, changes in China-US relations and the official manufacturing PMI data in July. In terms of exchange rate, The RMB against the US dollar closed down slightly on Thursday, while the central parity rose slightly. Traders said that after the Fed meeting, the U.S. index temporarily stabilized and rose slightly, while the demand for intraday foreign exchange purchases is still high, and China-U.S. tensions may still worsen, and the RMB will perform weaker than other non-U.S. currencies; if the U.S. index rebounds slightly in the short term, The RMB may be under slight pressure, and we need to pay attention to changes in the situation in China and the United States.

## Onshore CNY Government Bond Curve



## Offshore CNH Government Bond Curve



# Taiwan Bond Market

## Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.31%	(0.57)
TWGB 10Y	0.41%	(0.75)
USD/TWD	29.40	(0.02)%
EUR/TWD	34.92	0.97 %
HKD/TWD	3.79	0.00 %
VNY/TWD	4.21	0.28 %
TWD Overnight Rate	0.085%	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 bond market. 10YR treasury yields closed at 0.409%.

## Taiwan Bond Primary Market

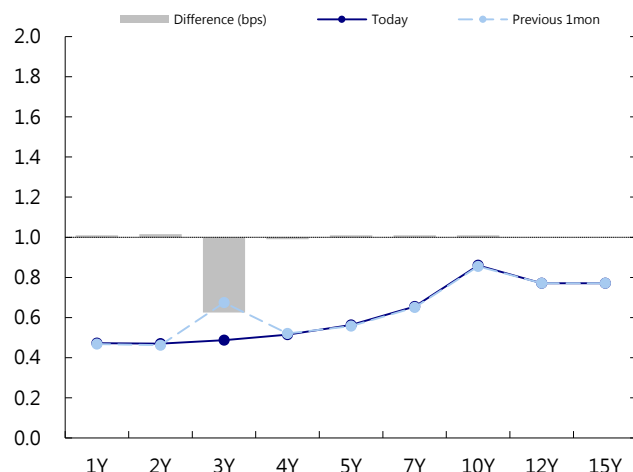
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 31st July : None.  
Bonds issued on 4th August : None.

## Money Market

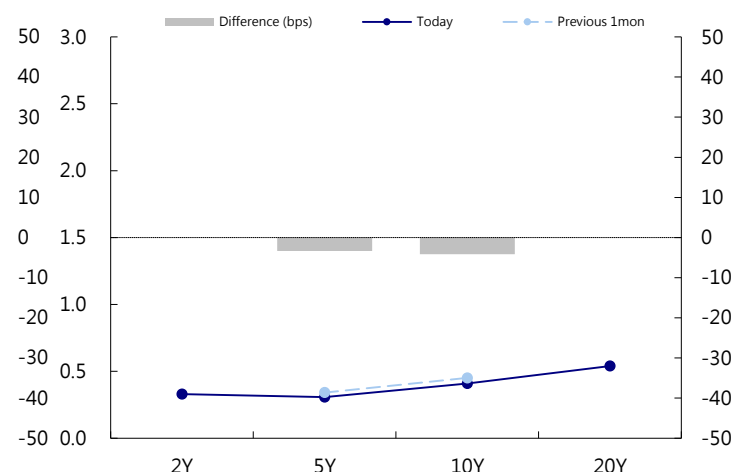
With sufficient fund in the market by the end of the last quarter, short term repo rate remains stable. Last month, central bank kept its monetary policy and base rate. We expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.23%-0.29%, while corporate bond repo rate at 0.34%-0.36%.

Date	Event	Forecast	Previous
08/03	Markit Taiwan PMI Mfg	--	4620.0%
08/05	Foreign Reserves	--	\$488.69b
08/06	WPI YoY	--	-10.4%
08/06	CPI Core YoY	0.1%	0.1%
08/06	CPI YoY	-0.4%	-0.8%

## TWD IRS Curve



## Taiwan Government Bond Yield curve



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