

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	0.66%	1.91
UST 30Y	1.34%	1.29
Bund 5Y	-0.66%	2.00
Bund 10Y	-0.45%	3.10
Bund 30Y	0%	4.30
DOW JONES	27976.84	1.05 %
NASDAQ	11012.24	2.13 %
S&P 500	3380.35	1.40 %
DAX	13058.63	0.86 %
FTSE 100	6280.12	2.04 %
CAC 40	5073.31	0.90 %
EUR/USD	1.18	0.24 %
USD/JPY	106.75	(0.09)%
USD/CNY	6.94	0.03 %
US 5Y CDS	--	--
Germany 5Y CDS	11.58	(0.01)
Italy 5Y CDS	141.55	(1.07)
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	18.81	0.26
Japan 5Y CDS	16.78	(0.13)
China 5Y CDS	40.28	(0.50)
Korea 5Y CDS	21.89	(0.17)

US & European Bond Markets

US & European Government Bond :

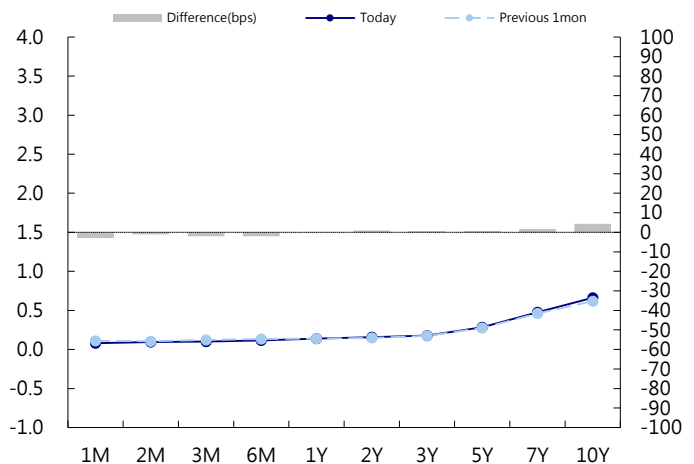
Treasuries ended Wednesday cheaper by 1bp-4bp across the curve, off worst levels of the day after \$38b 10-year note auction drew a lower-than-expected yield despite its record size. Yields reached highest levels since early to mid July. Auction cycle concludes Thursday with \$26b 30-year bond sale. 20- and 30-year yields rose the most, steepening the curve; 10-year rose as much as 4.8bp to 0.69%, breaching its 50- and 100-DMA, and ended ~0.67%

US & European Corporate Bonds:

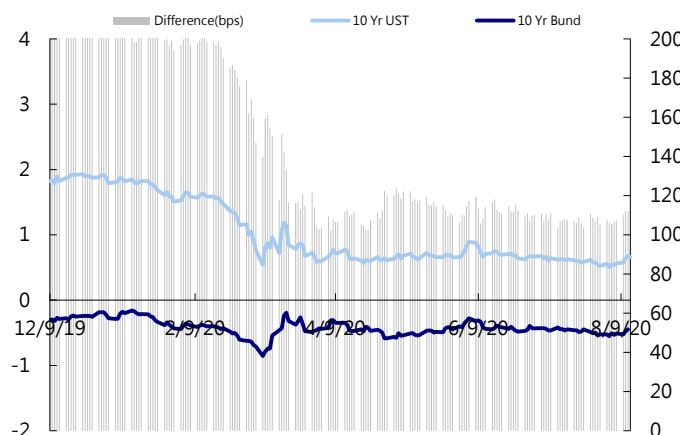
Market extended yesterday loss led by Tech tension as US moves to ban business with Chinese app and tighten regulation for China stock listings. As a result, TMT names led the wave of selling followed by T2/Leasing/SOE. TENCNT 30 dn 7bp, XIAOMI 30s dn +210, WB 30 dn +216. QDHTCO 23n (FPG 3.35%) was trading two-way today. Investors were also trimming risk ahead of NFP and employment data tonight.

Date	Event	Forecast	Previous
08/13	Monthly Budget Statement	-\$151.5b	-\$119.7b
08/13	Import Price Index MoM	0.006	0.014
08/13	Import Price Index ex Petroleum MoM	0.001	0.003
08/13	Import Price Index YoY	(0.031)	(0.038)
08/13	Export Price Index MoM	0.004	0.014
08/13	Export Price Index YoY	--	(0.044)
08/13	Initial Jobless Claims	1100k	1186k
08/13	Continuing Claims	15800k	16107k
08/13	Bloomberg Consumer Comfort	--	44.900
08/14	Retail Sales Advance MoM	0.019	0.075
08/14	Retail Sales Ex Auto MoM	0.013	0.073
08/14	Retail Sales Ex Auto and Gas	0.010	0.067
08/14	Retail Sales Control Group	0.008	0.056
08/14	Nonfarm Productivity	0.015	(0.009)
08/14	Unit Labor Costs	0.062	0.051
08/14	Industrial Production MoM	0.030	0.054
08/14	Capacity Utilization	0.703	0.686
08/14	Manufacturing (SIC) Production	0.030	0.072

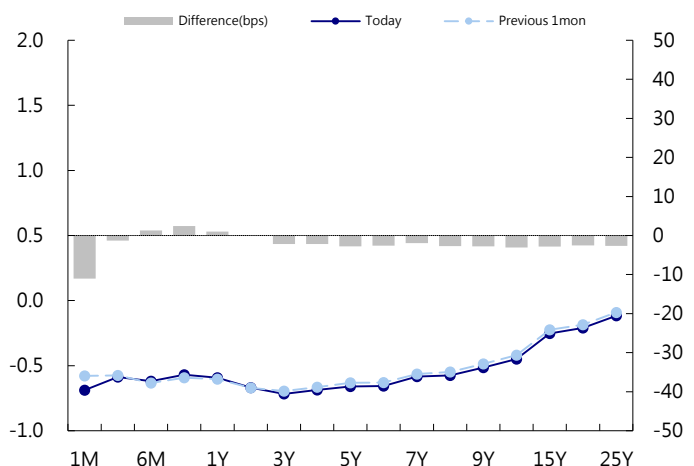
US Treasury Curve



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	2.8%	2.42%	(2.01)	(0.03)
CGB 10Y	2.96%	2.85%	0.00	(0.03)
CGB 20Y	3.51%	3.15%	--	(0.01)
Chinese Renminbi Spot	6.94	6.94	-0.03%	(0.03)%
USDCNY 1M Forward	6.95	6.95	(0.03)%	(0.01)%
USDCNY 3M Forward	6.98	6.98	(0.02)%	0.01 %
USDCNY 6M Forward	7.02	7.02	0.01 %	0.03 %
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.42%	2.76%	2.50	3.00
CNY IRS 2Y	2.505%	2.9%	3.00	3.00
CNY IRS 3Y	2.59%	3.05%	3.00	2.00
CNY IRS 4Y	2.665%	3.18%	3.00	3.00
CNY IRS 5Y	2.725%	3.28%	3.00	3.00

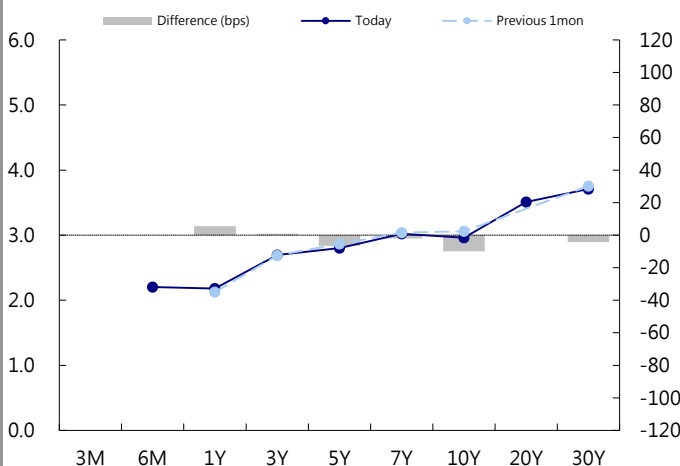
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
SDBC 3.03 01/18/22	2.78%		-0.002	
SDBC 3.68 02/26/26	3.33%		0.000	
SDBC 3.48 01/08/29	3.59%		2.000	
SDBC 3 1/2 11/04/46	3.65%		365.015	
CNH CCS 3M	2.72%		(18.11)	
CNH CCS 6M	2.62%		(14.05)	
CNH CCS 12M	2.50%		(11.08)	
CNH CCS 3Y	2.40%		0.01	
CNH CCS 5Y	2.30%		2.85	

China Bond Market

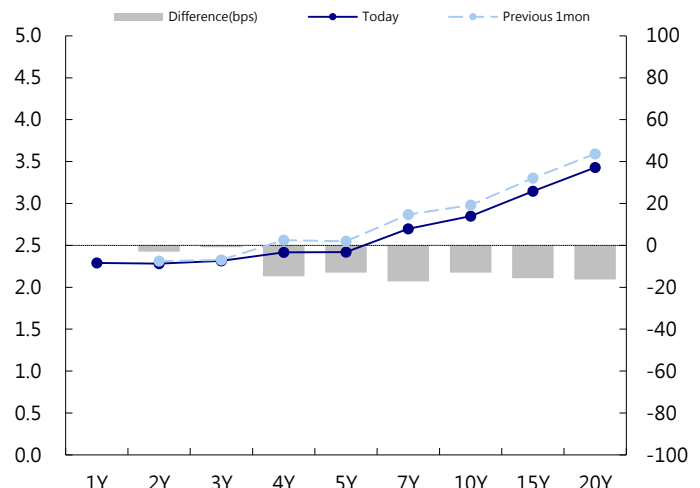
Regarding bond market, The Chinese bond market's spot bond yields fluctuated slightly upward on Wednesday, and Treasury bond futures rebounded late and closed higher. Traders said that due to supply worries in the morning and the expected poor results of the Treasury bond bidding, Treasury bond futures plunged. However, after the Ministry of Finance announced that the size of the Treasury bond bidding will be significantly reduced next Wednesday, futures rose straight, and the yield on spot bonds It also went down, but now it has returned to near the opening level. In terms of exchange rate, The RMB against the U.S. dollar closed up to a new high in nearly a week in volume on Wednesday, and the central parity rate also hit a nearly one-week high. Traders said that the U.S. index rose and fell back in the day, and the yuan was relatively strong, and it rebounded in the afternoon. China and the United States are about to conclude a trade agreement in the near future. However, short-term market uncertainty is still large, and the room for RMB to continue to rise is limited.

Date	Event	Forecast	Previous
08/14	New Home Prices MoM	--	0.006
08/14	Industrial Production YoY	0.052	0.048
08/14	Industrial Production YTD YoY	(0.004)	(0.013)
08/14	Retail Sales YoY	0.001	(0.018)
08/14	Retail Sales YTD YoY	(0.090)	(0.114)
08/14	Fixed Assets Ex Rural YTD YoY	(0.016)	(0.031)
08/14	Property Investment YTD YoY	0.025	0.019
08/14	Surveyed Jobless Rate	0.057	0.057

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%	0.25
TWGB 10Y	0.4%	0.80
USD/TWD	29.40	(0.24)%
EUR/TWD	34.71	0.27 %
HKD/TWD	3.79	(0.23)%
VNY/TWD	4.24	(0.12)%
TWD Overnight Rate	0.079%	(0.20)
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 0.39%.

Taiwan Bond Primary Market

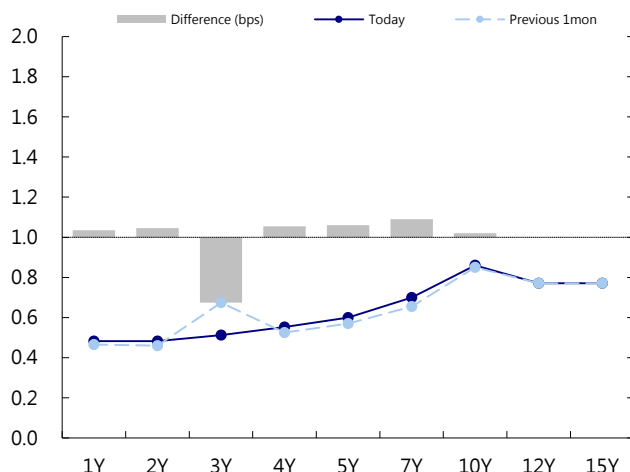
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 12th August : Uni-President Enterprises Corp. plans to issue senior unsecured corporate bonds with the total size not exceeding NTD 15BN and tenor not exceeding 10 years. Hon Hai Precision Ind. Co., Ltd. plans to issue senior unsecured corporate bonds with the total size not exceeding NTD 27BN. China Petrochemical Development Corporation plans to issue 5-year senior secured corporate bonds with the total size not exceeding NTD 3.5BN. Taifeifubon Commercial Bank Co., Ltd. plans to issue perpetual non-cumulative subordinated financial debentures and long-tenor subordinated financial debentures with the total size not exceeding NTD 8BN and NTD 3BN, respectively.

Money Market

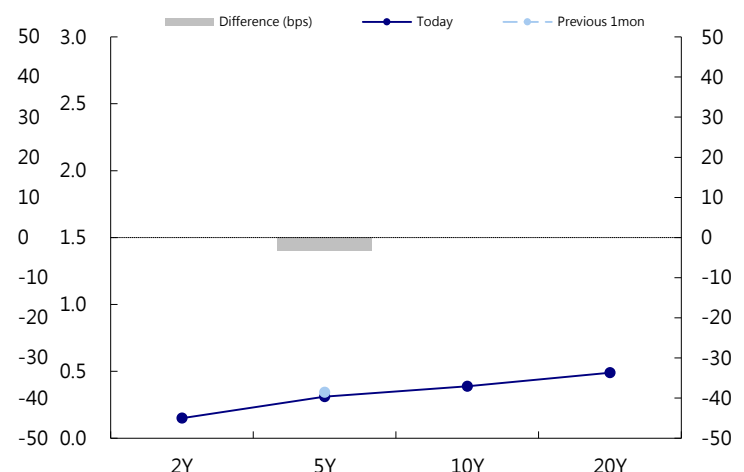
With sufficient fund in the market by the end of the last quarter, short term repo rate remains stable. Last month, central bank kept its monetary policy and base rate. We expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.23%-0.29%, while corporate bond repo rate at 0.33%-0.36%.

Date	Event	Forecast	Previous
08/14	GDP YoY	--	-0.7%

TWD IRS Curve



Taiwan Government Bond Yield curve



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