

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.31%	0.96
UST 10Y	0.71%	3.47
UST 30Y	1.42%	4.29
Bund 5Y	-0.62%	3.40
Bund 10Y	-0.41%	3.50
Bund 30Y	0.03%	3.00
DOW JONES	27896.72	(0.29)%
NASDAQ	11042.50	0.27 %
S&P 500	3373.43	(0.20)%
DAX	12993.71	(0.50)%
FTSE 100	6185.62	(1.50)%
CAC 40	5042.38	(0.61)%
EUR/USD	1.18	(0.30)%
USD/JPY	106.96	0.11 %
USD/CNY	6.95	0.05 %
US 5Y CDS	--	--
Germany 5Y CDS	11.77	(0.00)
Italy 5Y CDS	142.06	0.76
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	17.67	(1.24)
Japan 5Y CDS	16.77	(0.01)
China 5Y CDS	39.29	(0.10)
Korea 5Y CDS	21.84	0.02

US & European Bond Markets

US & European Government Bond :

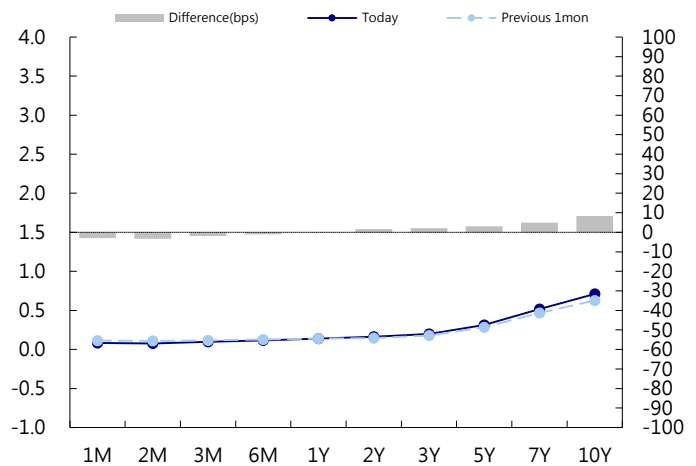
Bear-steepening in Treasuries gained renewed momentum after the biggest-ever auction of 30-year bonds tailed by more than 2bp. Long-end yields added nearly 5bp, rising to their highest levels in a month. Key curve segments steepened for a fifth straight day, helped by Apple's four-part \$benchmark with 30- and 40-year tranches. Bond auction drew weak demand despite cheapening into the bidding deadline and a large short base in the sector. Front-end yields were little changed, leaving 2s30s steeper by more than 4bp, 5s30s by more than 3bp; 10-year yields rose to ~0.72%, highest since June 24

US & European Corporate Bonds:

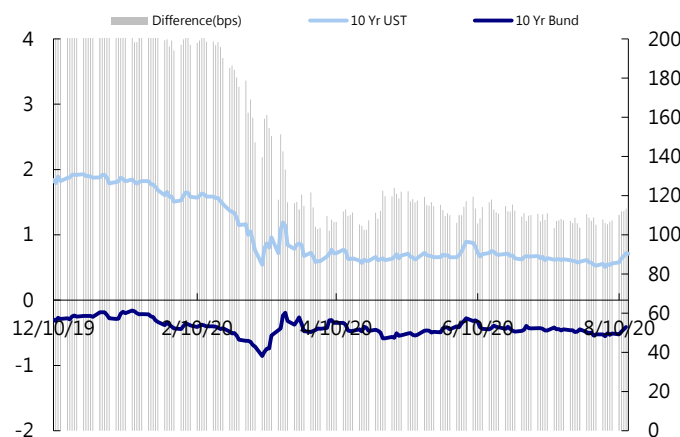
Asia credit market open mixed even overnight session realied , and buyer still feel cautious on 5 consecutive days Treasury jumps . Market focus on new bonds like GRWALL/MTRC/YUNDHL , all tighten 1~3 bps from reoffer on RM/PB/AM buying . Sentiment became more constructive after LDN came in , middle east Quasi / Sovereign recover 1 pt with treasuries rally 4 bps to intra-day low , however , investor still side aside on low rated sovereigns like INDO and only recover 0.2 pts . HY property traded heavy after there is a rumor that China will tightens bond sale rules for developers to curb debt . Low rated single B drop 0.5 pt , while High rated BB unchanged with better financing facility , which will offset

Date	Event	Forecast	Previous
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
08/14	Bloomberg Aug. United States Econoi		
08/14	Business Inventories	(0.011)	(0.023)
08/14	U. of Mich. Sentiment	71.900	72.500
08/14	U. of Mich. Current Conditions	82.500	82.800
08/14	U. of Mich. Expectations	65.600	65.900
08/14	U. of Mich. 1 Yr Inflation	--	0.030
08/14	U. of Mich. 5-10 Yr Inflation	--	0.026

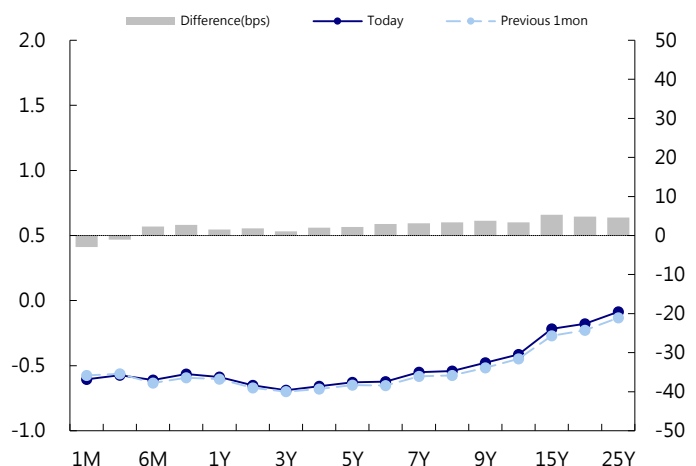
US Treasury Curve



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	2.81%	2.43%	(0.93)	(0.04)
CGB 10Y	2.96%	2.85%	1.00	(0.02)
CGB 20Y	3.5%	3.15%	--	(0.01)
Chinese Renminbi Spot	6.95	6.95	-0.05%	0.01 %
USDCNY 1M Forward	6.96	6.96	(0.04)%	0.03 %
USDCNY 3M Forward	6.99	6.99	(0.05)%	0.01 %
USDCNY 6M Forward	7.02	7.03	(0.04)%	0.05 %
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.41%	2.745%	(2.00)	(2.00)
CNY IRS 2Y	2.485%	2.88%	(3.00)	(2.00)
CNY IRS 3Y	2.57%	3.035%	(3.00)	(1.50)
CNY IRS 4Y	2.65%	3.17%	(2.50)	(1.00)
CNY IRS 5Y	2.71%	3.265%	(2.50)	(1.50)

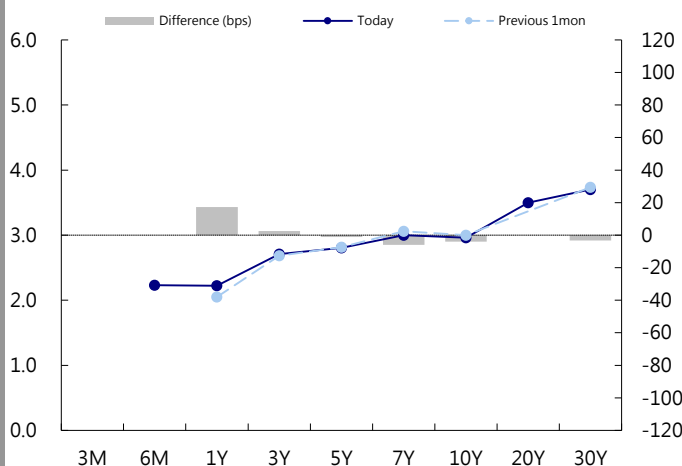
Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.77%	-0.998
SDBC 3.68 02/26/26	3.33%	0.000
SDBC 3.48 01/08/29	3.56%	-2.010
SDBC 3 1/2 11/04/46	3.65%	365.019
CNH CCS 3M	2.72%	(8.41)
CNH CCS 6M	2.63%	(5.90)
CNH CCS 12M	2.49%	(6.00)
CNH CCS 3Y	2.36%	(3.23)
CNH CCS 5Y	2.35%	1.53

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

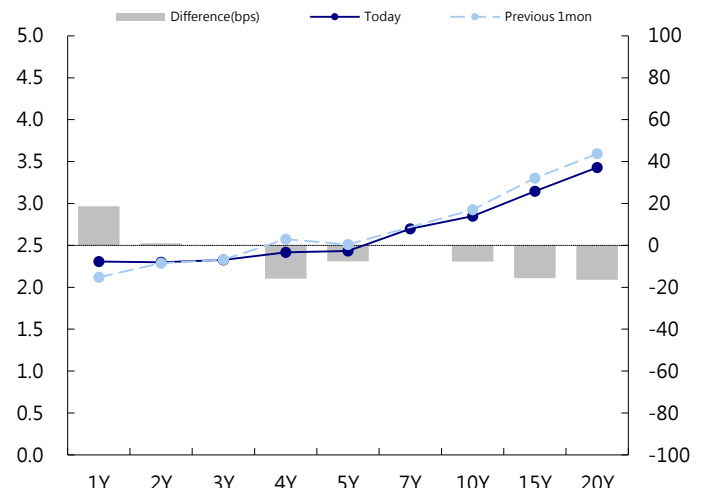
China Bond Market

Regarding bond market, the Chinese bond market's cash yields fell slightly on Thursday, while Treasury bond futures closed higher. Traders said that national bond futures are stronger than spot bonds throughout the day, and cash bond yields fluctuate within a narrow range most of the time, but in the late trading hours, they are down about 2 bp from the daily high; The overall situation is tightly balanced, and the sentiment of spot bonds remains cautious. In terms of exchange rate, The RMB against the U.S. dollar shrank in volume on Thursday and closed up slightly, hitting a weekly high. Traders said that the U.S. index weakened again, which partially boosted market risk appetite. The RMB once hit a new high in more than five months in early trading. However, after the U.S. index found support at a low level, the exchange rate gave up most of its gains

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%	0.80
TWGB 10Y	0.4%	1.65
USD/TWD	29.41	(0.20)%
EUR/TWD	34.74	(0.34)%
HKD/TWD	3.79	(0.28)%
VNY/TWD	4.23	(0.24)%
TWD Overnight Rate	0.08%	0.00
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 0.3865%. 5YR treasury yields closed at 0.31%.

Taiwan Bond Primary Market

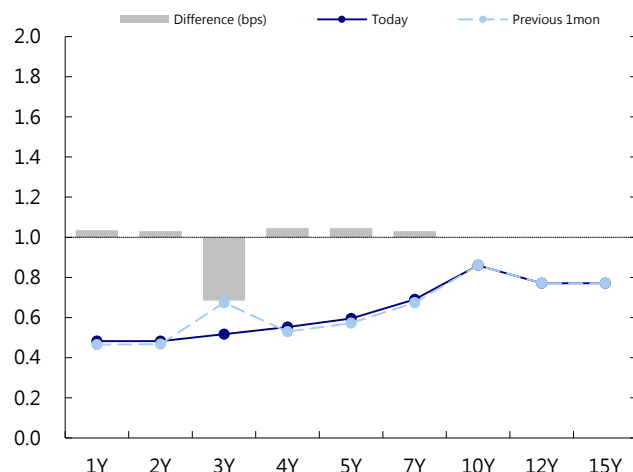
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 13th August : None.
Bonds issued on 14th August : Taiwan Cogeneration Corporations issued NTD 2.5BN of senior unsecured corporate bonds in 2 tranches: NTD 1.9BN of 5-year bond at a coupon rate of 0.75%, NTD 0.6BN of 10-year bond at a coupon rate of 1.00%.

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

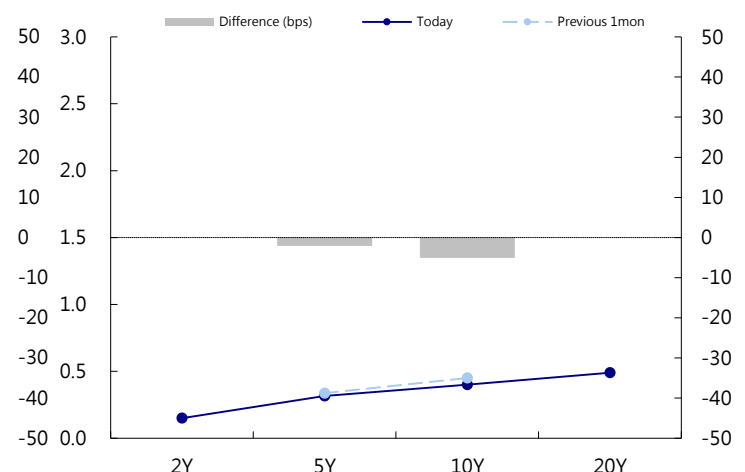
Money Market

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%.

TWD IRS Curve



Taiwan Government Bond Yield curve



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