

# US & Europe Bond Markets

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

Benchmarks	Value	Net Change (bps)
UST 5Y	0.3%	1.92
UST 10Y	0.69%	3.90
UST 30Y	1.4%	4.60
Bund 5Y	-0.65%	3.50
Bund 10Y	-0.43%	6.00
Bund 30Y	0.01%	6.50
DOW JONES	28248.44	(0.21)%
NASDAQ	11466.47	0.76 %
S&P 500	3443.62	0.36 %
DAX	13061.62	(0.04)%
FTSE 100	6037.01	(1.11)%
CAC 40	5008.27	0.01 %
EUR/USD	1.18	(0.05)%
USD/JPY	106.46	(0.01)%
USD/CNY	6.91	(0.10)%
US 5Y CDS	--	--
Germany 5Y CDS	11.41	0.32
Italy 5Y CDS	137.64	(1.71)
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	18.42	(0.42)
Japan 5Y CDS	17.09	(0.54)
China 5Y CDS	36.00	(0.05)
Korea 5Y CDS	21.95	--

## US & European Bond Markets

### US & European Government Bond :

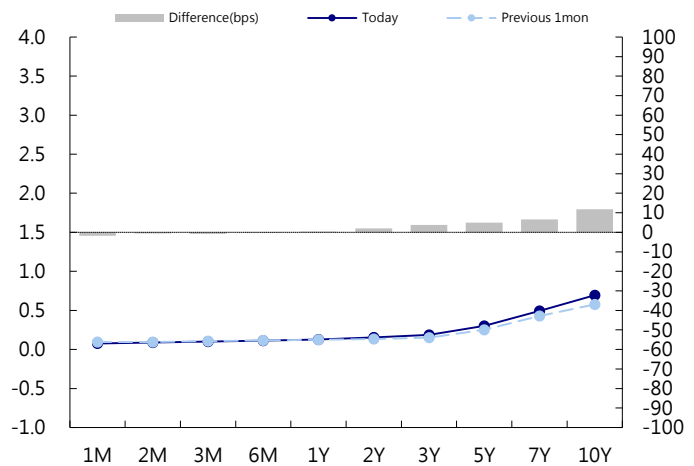
Treasuries ended lower after paring declines during U.S. afternoon, following strong demand for a record-size 2-year note auction at record low yield and as several IG credit offerings were priced. Earlier, gains for U.S. stocks weighed, and long-end swap spreads widened, suggesting that paying flows tied to IG issuance were also a driver. Yields ended cheaper by more than 3bp at long end with front end little changed, steepening 2s10s by ~3bp, 5s30s by 2.4bp; 10-year yields ended around 0.682% after rising as much as 6bp to 0.715%, highest since Aug. 14, during U.S. morning.

### US & European Corporate Bonds:

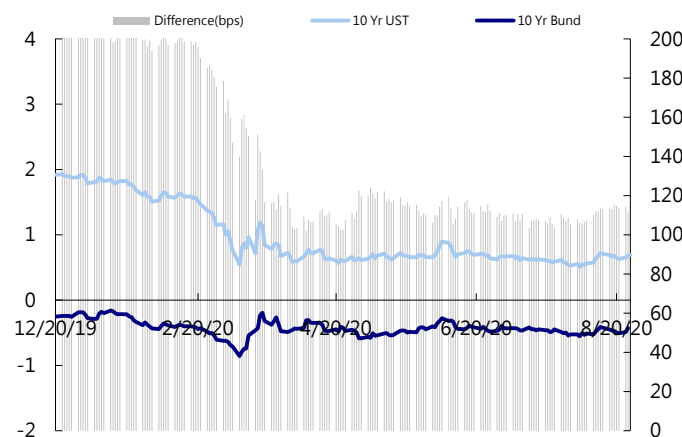
Asia credit open at macro tone stabilised over the weekend with typical summer Monday light flow . There are two way flow for leasing / Fins T2 / TMT , especially spread in TENCNT tighten 2~5 bps after stock rally 6% . Moreover , buyers emerged after LDN came in , low beta spreads about 4-7bps tighter led by long end bonds like Middle east / indon sovereign , however , weak IG like India still feel trying to be derisk seems to PB took down decent size of bonds though Asian RM still be cautious given most of the offer axe seem to be untouched by local RM. In general , credit market still in a easing monetary mood with buyer go down credit curve and longer tenor for yield pick up . To sum up , flow was light and

Date	Event	Forecast	Previous
08/26	MBA Mortgage Applications	--	(0.033)
08/26	Durable Goods Orders	0.045	0.076
08/26	Durables Ex Transportation	0.018	0.036
08/26	Cap Goods Orders Nondef Ex Air	0.017	0.034
08/26	Cap Goods Ship Nondef Ex Air	0.015	0.033
08/27	GDP Annualized QoQ	(0.325)	(0.329)
08/27	Personal Consumption	(0.346)	(0.346)
08/27	GDP Price Index	(0.018)	(0.018)
08/27	Core PCE QoQ	(0.011)	(0.011)
08/27	Initial Jobless Claims	1000k	1106k
08/27	Continuing Claims	14400k	14844k
08/27	Bloomberg Consumer Comfort	--	43.500
08/27	Pending Home Sales MoM	0.020	0.166
08/27	Pending Home Sales NSA YoY	--	0.127
08/27	Kansas City Fed Manf. Activity	5.000	3.000
08/28	Personal Income	(0.004)	(0.011)
08/28	Advance Goods Trade Balance	-\$72.3b	-\$70.6b
08/28	Wholesale Inventories MoM	(0.008)	(0.014)

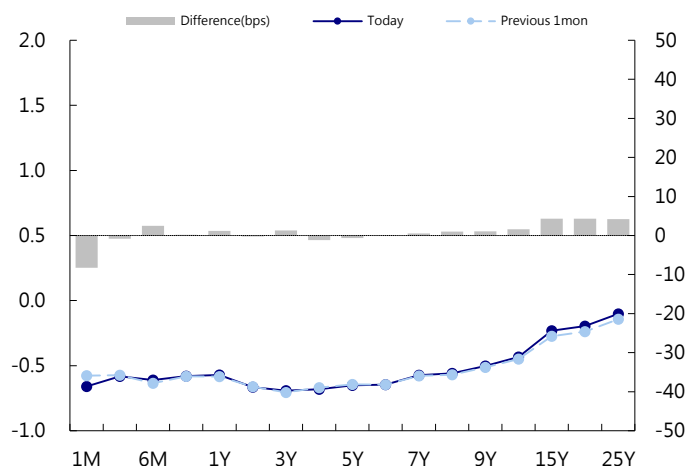
### US Treasury Curve



### 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	2.89%	2.52%	(3.00)	(0.11)
CGB 10Y	3.01%	2.88%	(2.50)	(0.09)
CGB 20Y	3.56%	3.12%	--	(0.03)
Chinese Renminbi Spot	6.91	6.90	0.1%	0.06%
USDCNY 1M Forward	6.92	6.91	0.11%	0.08%
USDCNY 3M Forward	6.95	6.94	0.10%	0.05%
USDCNY 6M Forward	6.98	6.98	0.12%	0.10%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.485%	2.87%	1.50	2.50
CNY IRS 2Y	2.57%	3.005%	1.50	2.00
CNY IRS 3Y	2.66%	3.13%	1.50	2.50
CNY IRS 4Y	2.735%	3.265%	2.00	3.50
CNY IRS 5Y	2.795%	3.385%	1.50	3.50

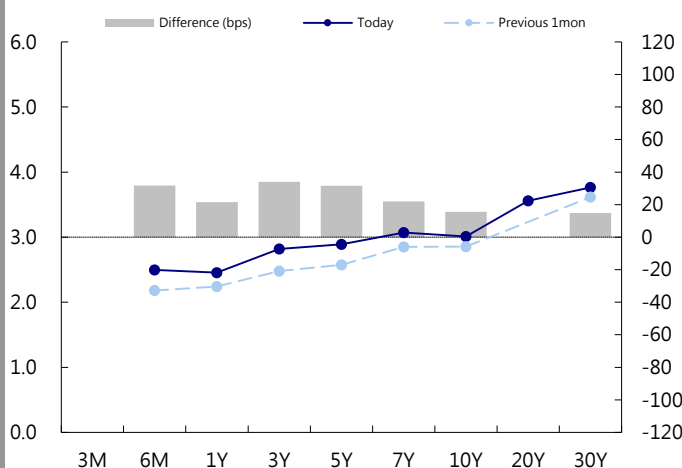
Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.89%	-3.997
SDBC 3.68 02/26/26	3.45%	-1.751
SDBC 3.48 01/08/29	3.66%	-0.490
SDBC 3 1/2 11/04/46	4.15%	0.002
CNH CCS 3M	2.55%	0.74
CNH CCS 6M	2.55%	(0.63)
CNH CCS 12M	2.48%	1.22
CNH CCS 3Y	2.40%	3.61
CNH CCS 5Y	2.37%	3.63

Date	Event	Forecast	Previous
08/27	Industrial Profits YoY	--	0.115
08/31	Composite PMI	--	54.100
08/31	Manufacturing PMI	51.200	51.100
08/31	Non-manufacturing PMI	--	54.200

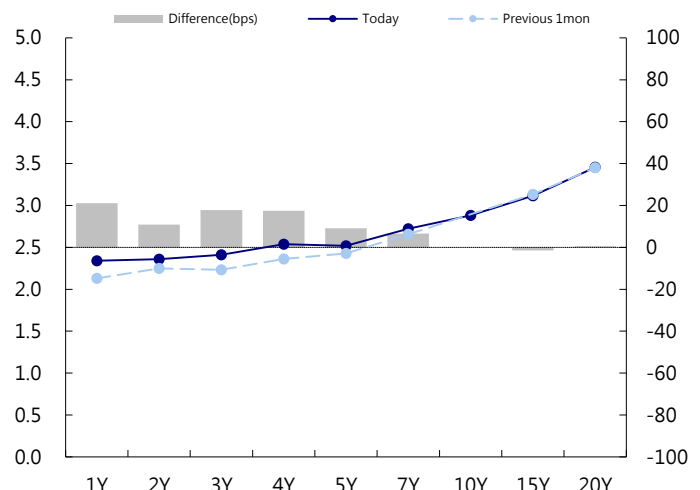
## China Bond Market

Regarding bond market, the abrupt Chinese inter-bank bond market eased on Tuesday, but the latest call between China and the United States became the last straw to overwhelm the 10-year treasury bond under 3%. The yield rose by more than 4 bp, forming an effective breakthrough. In terms of exchange rate, according to Reuters calculations based on the central parity announced by the China Foreign Exchange Trading Center (CFETS), the CFETS RMB exchange rate index rose slightly by 0.03% from the previous day to 92.64 on Tuesday, the highest since July 21; the SDR basket index rose slightly to 90.75, and the BIS basket index slightly increased, which rose to 96.4.

### 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	0.42%	0.71
USD/TWD	29.35	(0.28)%
EUR/TWD	34.69	(0.31)%
HKD/TWD	3.79	(0.21)%
VNY/TWD	4.25	(0.12)%
TWD Overnight Rate	0.075%	(0.70)
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. However, due to selling pressure from leveraged money in the market, 10YR treasury yields moved higher and closed at 0.4099%.

## Taiwan Bond Primary Market

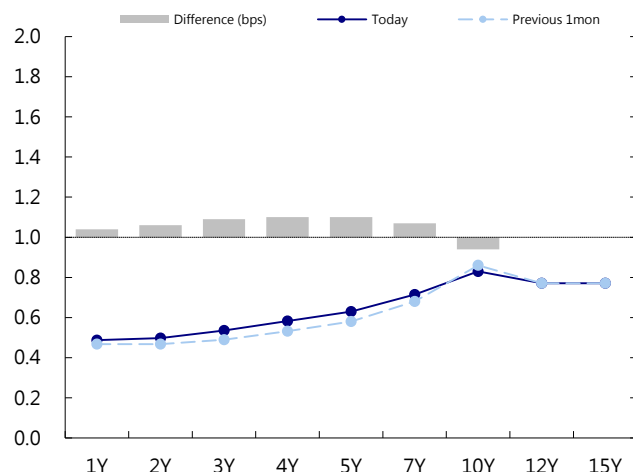
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 25th August : None.  
Bonds issued on 26th August : None.

Date	Event	Forecast	Previous
08/27	Monitoring Indicator	--	1900.0%

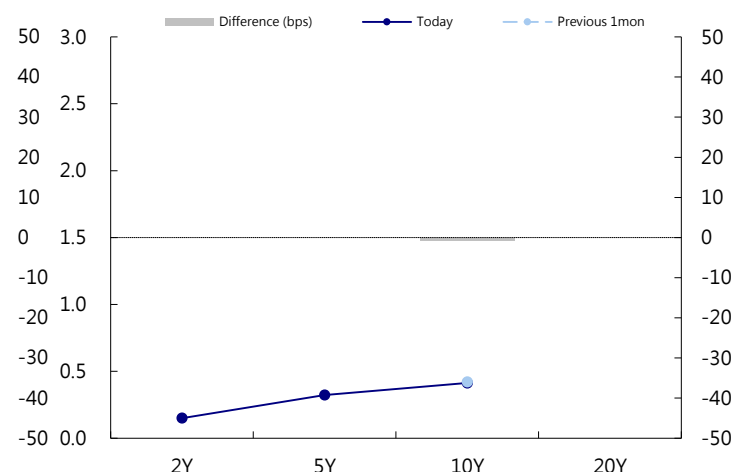
## Money Market

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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