

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.32%	3.26
UST 10Y	0.77%	8.02
UST 30Y	1.55%	13.41
Bund 5Y	-0.64%	(0.60)
Bund 10Y	-0.41%	0.80
Bund 30Y	0.06%	2.40
DOW JONES	28492.27	0.57 %
NASDAQ	11625.34	(0.34)%
S&P 500	3484.55	0.17 %
DAX	13096.36	(0.71)%
FTSE 100	5999.99	(0.75)%
CAC 40	5015.97	(0.64)%
EUR/USD	1.18	0.14 %
USD/JPY	106.73	0.61 %
USD/CNY	6.88	(0.16)%
US 5Y CDS	--	--
Germany 5Y CDS	11.24	(0.29)
Italy 5Y CDS	133.36	(2.27)
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	18.21	(0.22)
Japan 5Y CDS	17.45	0.36
China 5Y CDS	35.98	0.16
Korea 5Y CDS	21.95	--

US & European Bond Markets

US & European Government Bond :

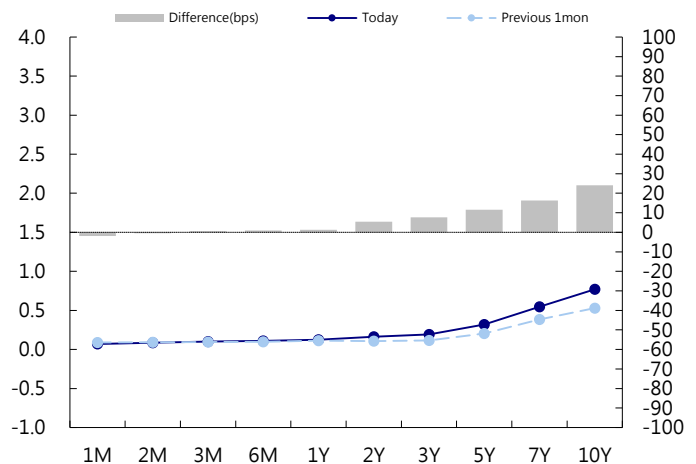
Treasuries fell Thursday led by longest maturities after Fed Chair Powell confirmed that monetary policy will seek inflation that averages 2% over time. Yields ended near session highs, which included highest 10- and 30-year yields since mid-June and the 30-year breaching 1.5%. Strong demand for 7-year auction promoted steepening while failing to arrest the selloff. Eurodollar activity was buoyed by Vanguard Group's conversion of a large money-market fund to a government fund. Yields ended cheaper by 0.5bp to 9bp across the curve with long-end-led losses steepening 2s10s by nearly 5bp, 5s30s by more than 6bp; 10-year added more than 5bp to around 0.74%, and 30-year topped 1.50% for first time since

US & European Corporate Bonds:

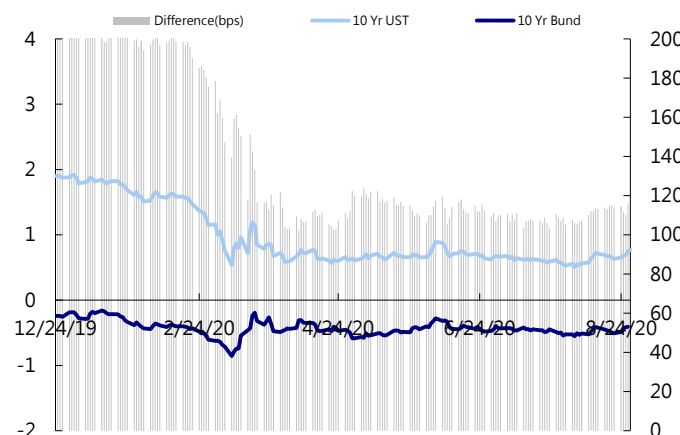
Asia credit open firmly with constructive overnight session. Real yield buyer were emerged with UST and US stock edge higher, such as JIANYI/YUNDHL/MTRC/HKE have inflow, moreover, inflow also into new issue of TENCENT MUSIC with 45 bps tighter from IPT and 10 bln order book. Otherwise, LGFV and SOE benchmark name were tarde in tight range of +- 2 bps in 2 way flow except Perps which were all buyer. After LDN comes in, UST go higher amid regioal stock ralled, long-term Sovereigns like middle east are grined lower for 0.5~1 pts, while bottom fisher were came in to pick up for yield and limit the drops, new ADGB 50's are back to par either with ropen at -1/0. In HY, High quality BB name are

Date	Event	Forecast	Previous
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)
08/28	Personal Spending	0.015	0.056
08/28	Real Personal Spending	0.013	0.052
08/28	Retail Inventories MoM	--	(0.026)
08/28	PCE Deflator MoM	0.004	0.004
08/28	PCE Deflator YoY	0.010	0.008
08/28	PCE Core Deflator MoM	0.005	0.002
08/28	PCE Core Deflator YoY	0.012	0.009
08/28	MNI Chicago PMI	52.500	51.900
08/28	U. of Mich. Sentiment	72.800	72.800
08/28	U. of Mich. Current Conditions	--	82.500
08/28	U. of Mich. Expectations	--	66.500
08/28	U. of Mich. 1 Yr Inflation	--	0.030
08/28	U. of Mich. 5-10 Yr Inflation	--	0.027

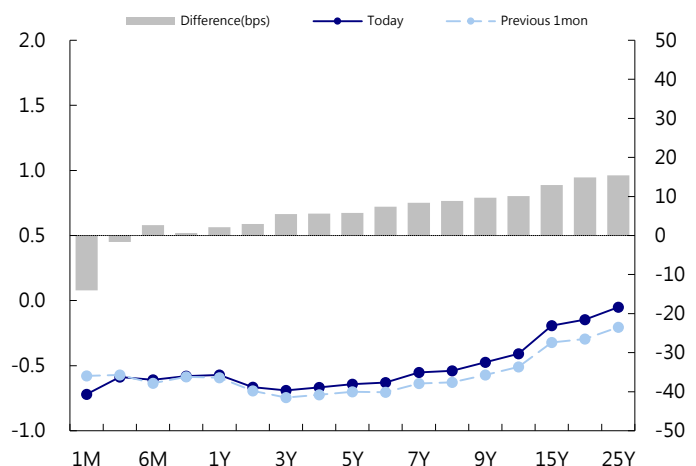
US Treasury Curve



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	2.97%	2.54%	0.73	(0.04)
CGB 10Y	3.06%	2.88%	0.75	(0.06)
CGB 20Y	3.58%	3.12%	--	(0.01)
Chinese Renminbi Spot	6.88	6.88	0.15 %	0.13 %
USDCNY 1M Forward	6.90	6.90	0.08 %	0.08 %
USDCNY 3M Forward	6.93	6.92	0.09 %	0.13 %
USDCNY 6M Forward	6.96	6.96	0.10 %	0.12 %
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.525%	2.92%	2.50	4.00
CNY IRS 2Y	2.615%	3.07%	3.00	4.50
CNY IRS 3Y	2.715%	3.215%	3.00	6.50
CNY IRS 4Y	2.8%	3.33%	3.50	5.00
CNY IRS 5Y	2.865%	3.445%	3.50	5.00

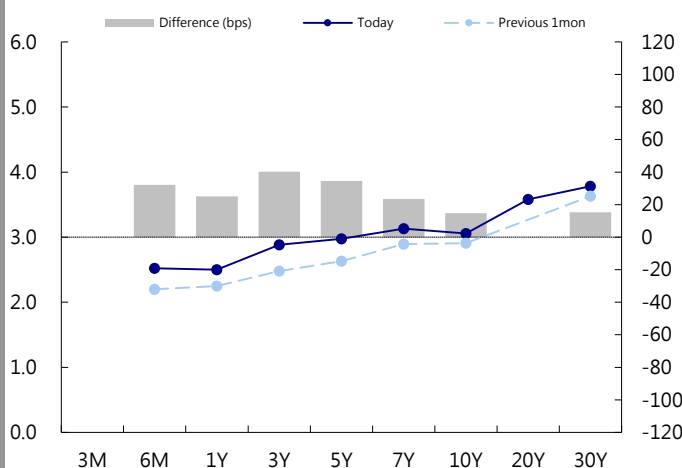
Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.91%	-0.486
SDBC 3.68 02/26/26	3.53%	2.251
SDBC 3.48 01/08/29	3.69%	2.000
SDBC 3 1/2 11/04/46	4.15%	0.018
CNH CCS 3M	2.59%	4.20
CNH CCS 6M	2.61%	4.03
CNH CCS 12M	2.55%	5.32
CNH CCS 3Y	2.47%	4.79
CNH CCS 5Y	2.42%	5.05

Date	Event	Forecast	Previous
08/31	Composite PMI	--	54.100
08/31	Manufacturing PMI	51.200	51.100
08/31	Non-manufacturing PMI	--	54.200

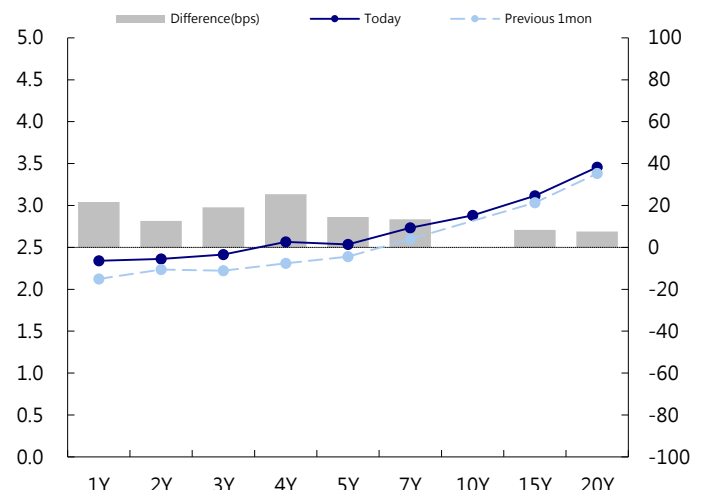
China Bond Market

Regarding bond market, after the shock caused by the worry of heavy issuance of government bonds last day, China's positive industrial profits in July did not significantly deepen the bond market decline. On Thursday, the main cash bond yield only slightly increased by about 1 bp. In terms of exchange rate, the RMB against the U.S. dollar rose more than 120 points on Thursday and broke 6.88, crossing this mark for the first time in more than seven months. Traders said that the continued weak trend of the U.S. index and the clearing of risks related to the China-US trade agreement will support the RMB.

Onshore CNY Government Bond Curve



Offshore CNH Government Bond Curve



Taiwan Bond Market

Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.33%	0.20
TWGB 10Y	0.43%	2.30
USD/TWD	29.36	(0.24)%
EUR/TWD	34.72	(0.29)%
HKD/TWD	3.79	(0.30)%
VNY/TWD	4.27	(0.07)%
TWD Overnight Rate	0.176%	9.70
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 0.4070%.

Taiwan Bond Primary Market

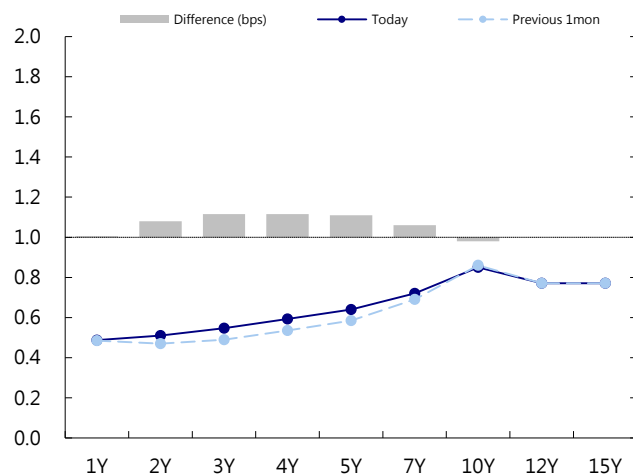
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 27th August : None.
Bonds issued on 28th August : Chinese Maritime Transport Ltd. issued NTD 2.5 BN of 5-year senior secured corporate bonds at a coupon rate of 0.64%(bullet bond) and 0.68%(with a call option at year 3).

Date	Event	Forecast	Previous
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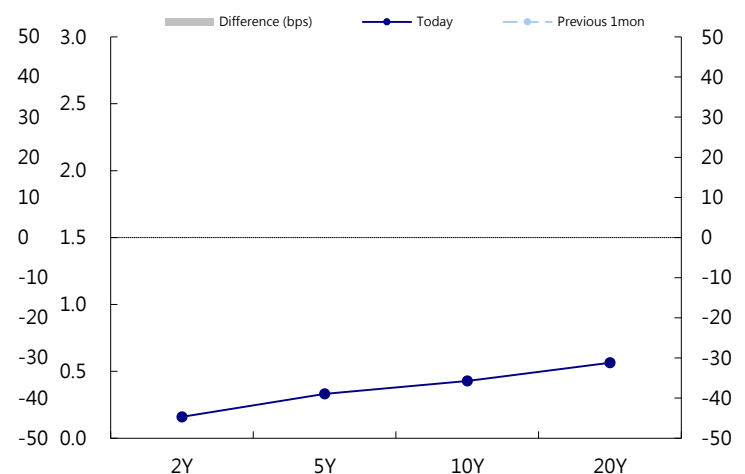
Money Market

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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