

# US & Europe Bond Markets

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

Benchmarks	Value	Net Change (bps)
UST 5Y	0.28%	0.79
UST 10Y	0.69%	1.14
UST 30Y	1.44%	2.07
Bund 5Y	-0.67%	2.60
Bund 10Y	-0.46%	3.30
Bund 30Y	-0.01%	3.60
DOW JONES	27940.47	1.60 %
NASDAQ	11141.56	2.71 %
S&P 500	3398.96	2.01 %
DAX	13237.21	2.07 %
FTSE 100	6012.84	1.39 %
CAC 40	5042.98	1.40 %
EUR/USD	1.18	0.50 %
USD/JPY	106.17	0.04 %
USD/CNY	6.84	0.02 %
US 5Y CDS	--	--
Germany 5Y CDS	11.01	0.07
Italy 5Y CDS	135.76	0.00
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	16.95	(0.47)
Japan 5Y CDS	17.13	0.08
China 5Y CDS	36.44	(0.63)
Korea 5Y CDS	22.61	0.00

## US & European Bond Markets

### US & European Government Bond :

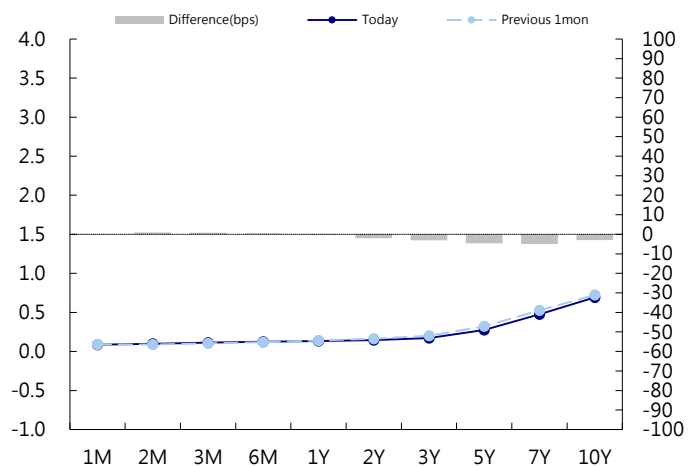
Treasuries leaked lower over U.S. afternoon, leaving yields near cheapest levels of the day after demand was soft for record-size 10-year note reopening. Also, U.S. stocks advanced after a three-day losing streak, with futures recovering from an opening gap lower in Asia on report AstraZeneca is pausing its Covid-19 vaccine study. Yields ended cheaper by 0.5bp to 4bp across the curve, which steepened 2.4bp in 2s10s and 2.6bp in 5s30s spreads; 10-year yields ended near highs of the day around 0.705%

### US & European Corporate Bonds:

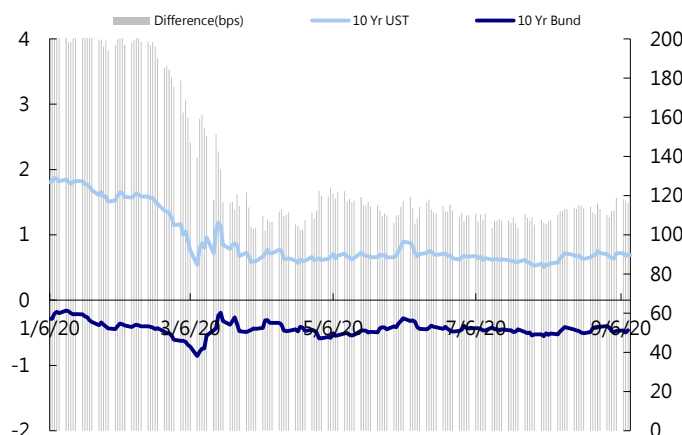
In overnight session, U.S. stocks clawed back from a three-day rout, with beaten-down tech shares leading the recovery, while treasuries retreated and Bloomberg's dollar index turned lower. Elsewhere, crude oil climbed just above \$40 a barrel finally. Credit market open weakly with spread widen 3-5 bps led by TMT/SOE 10YR, such as new BOCAVI 30's widen 6bps from reoffer under HF selling. However, the real volume to sell not significant for all the sell on order basis, and spread widen were mostly driving by dealer who expand the bid offer spread. After LDN came in, sentiment became more positive with EU stock open higher and US stock future performed solid, AT1 recover 0.3~0.5 pt and new CMZB rallied

Date	Event	Forecast	Previous
09/10	PPI Final Demand MoM	0.002	0.006
09/10	PPI Ex Food and Energy MoM	0.002	0.005
09/10	PPI Ex Food, Energy, Trade MoM	0.002	0.003
09/10	PPI Final Demand YoY	(0.003)	(0.004)
09/10	PPI Ex Food and Energy YoY	0.003	0.003
09/10	PPI Ex Food, Energy, Trade YoY	--	0.001
09/10	Initial Jobless Claims	845k	881k
09/10	Continuing Claims	12904k	13254k
09/10	Bloomberg Consumer Comfort	--	45.100
09/10	Wholesale Inventories MoM	(0.001)	(0.001)
09/10	Wholesale Trade Sales MoM	--	0.088
09/11	Real Avg Weekly Earnings YoY	--	0.043
09/11	CPI MoM	0.003	0.006
09/11	CPI Ex Food and Energy MoM	0.002	0.006
09/11	CPI YoY	0.012	0.010
09/11	CPI Ex Food and Energy YoY	0.016	0.016
09/11	CPI Index NSA	259.577	259.101
09/11	CPI Core Index SA	268.440	267.715

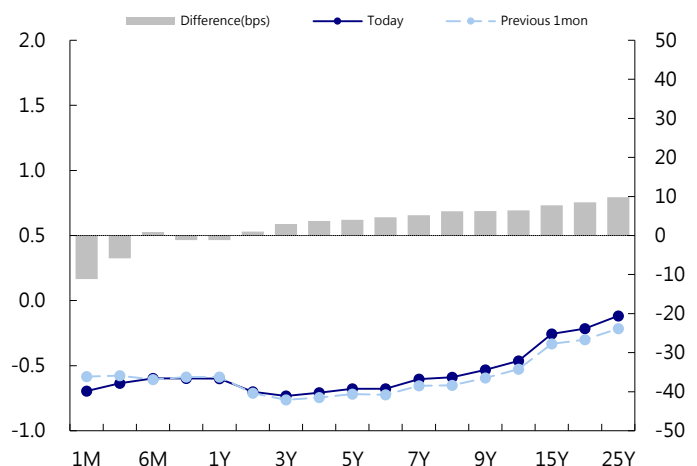
### US Treasury Curve



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



### Bund Curve



# China Bond Market

## CNY & CNH Market Data

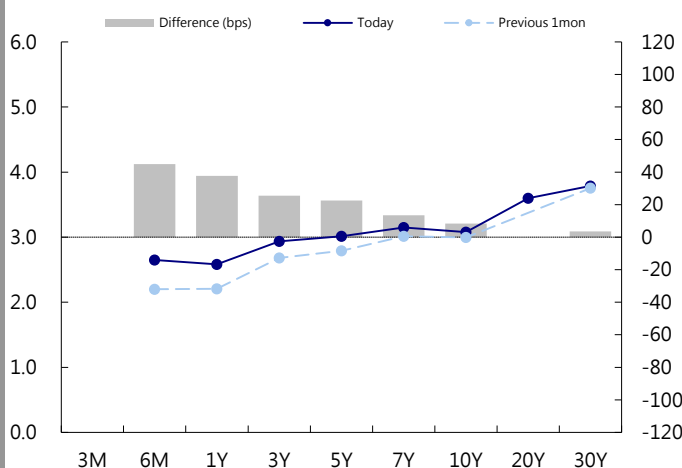
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	3.01%	2.73%	1.05	--
CGB 10Y	3.08%	2.88%	(2.14)	(0.02)
CGB 20Y	3.6%	3.21%	--	(0.01)
Chinese Renminbi Spot	6.84	6.84	-0.03%	(0.08)%
USDCNY 1M Forward	6.85	6.85	(0.01)%	(0.07)%
USDCNY 3M Forward	6.88	6.88	(0.02)%	(0.08)%
USDCNY 6M Forward	6.92	6.92	(0.02)%	(0.07)%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.535%	2.94%	(2.00)	(2.00)
CNY IRS 2Y	2.64%	3.12%	(2.00)	(1.50)
CNY IRS 3Y	2.75%	3.275%	(1.50)	(2.50)
CNY IRS 4Y	2.83%	3.405%	(1.50)	(4.00)
CNY IRS 5Y	2.89%	3.505%	(2.00)	(4.00)
Benchmarks	Value		Net Change (bps)	
SDBC 3.03 01/18/22	2.96%		-0.994	
SDBC 3.68 02/26/26	3.55%		-3.461	
SDBC 3.48 01/08/29	3.68%		0.251	
SDBC 3 1/2 11/04/46	4.20%		0.005	
CNH CCS 3M	2.54%		(2.00)	
CNH CCS 6M	2.61%		(1.53)	
CNH CCS 12M	2.61%		(2.57)	
CNH CCS 3Y	2.60%		(3.62)	
CNH CCS 5Y	2.51%		(4.27)	

Date	Event	Forecast	Previous
09/10	Money Supply M0 YoY	--	0.099
09/10	Money Supply M1 YoY	0.070	0.069
09/10	Money Supply M2 YoY	0.107	0.107
09/10	New Yuan Loans CNY	1265.0b	992.7b
09/10	Aggregate Financing CNY	2600.0b	1690.0b
09/10	Foreign Direct Investment YoY CNY	--	0.158

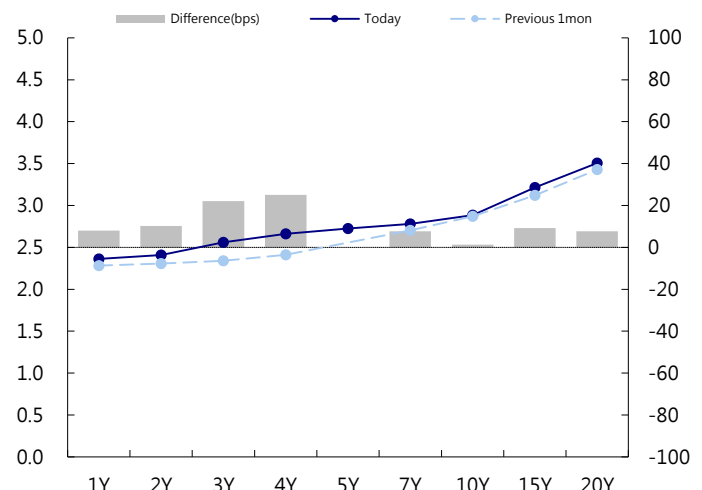
## China Bond Market

Regarding bond market, the Chinese bond market accelerated its rebound on Wednesday, and the net investment in the open market remained undiminished. In addition, the sharp decline in US stocks overnight led to an intensified adjustment of Chinese stock market, which also boosted risk aversion. The demand for the issuance of Treasury Treasury bonds was strong, and the first and second levels of the benign interaction. The inter-bank bond market's 10-year main interest rate bond yield fell by about 5 basis points at one time, and the main contract of China International Financial Exchange's 10-year treasury bond futures closed up 0.37%. In terms of exchange rate, the RMB against the US dollar spot CNY=CFXS closed down in heavy volume on Wednesday, setting a new low in more than a week with the central parity. Traders said that overnight U.S. stocks fell and vaccine delays stimulated market risk aversion, and the yuan was also under pressure. However, the U.S. index weakened slightly in the afternoon and the decline of the yuan narrowed. The market will focus on Thursday's European Central Bank meeting. Indirectly drag down the performance of 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	0.34%	1.00
TWGB 10Y	0.42%	0.00
USD/TWD	29.28	(0.45)%
EUR/TWD	34.59	(0.10)%
HKD/TWD	3.78	(0.56)%
VNY/TWD	4.28	(0.13)%
TWD Overnight Rate	0.075%	(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 bonds market. However, due to selling pressure from leveraged money in the market, 10YR treasury yields moved higher and closed at 0.42%.

## Taiwan Bond Primary Market

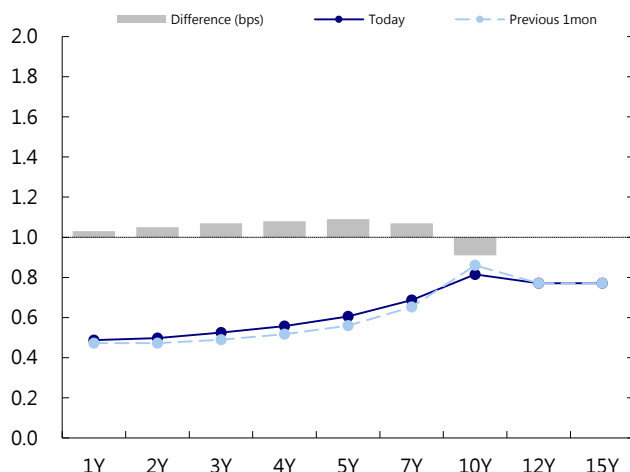
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 9th September : None.  
Bonds issued on 10th September : None.

Date	Event	Forecast	Previous
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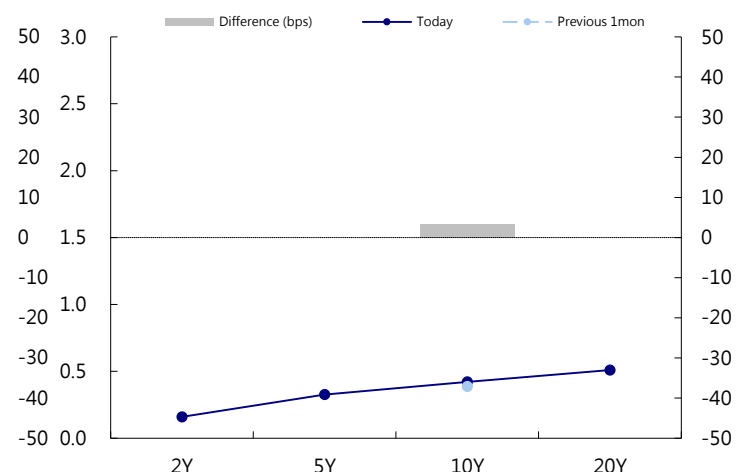
## Money Market

With sufficient fund in the market due to loose monetary policy supported by central bank, we expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.22%-0.28%, while corporate bond repo rate at 0.33%-0.36%.

## TWD IRS Curve



## Taiwan Government Bond Yield curve



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