

# US & Europe Bond Markets

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

Benchmarks	Value	Net Change (bps)
UST 5Y	0.37%	0.47
UST 10Y	0.86%	3.72
UST 30Y	1.65%	4.61
Bund 5Y	-0.82%	1.20
Bund 10Y	-0.63%	0.90
Bund 30Y	-0.22%	0.60
DOW JONES	26501.60	(0.59)%
NASDAQ	10911.59	(2.45)%
S&P 500	3269.96	(1.21)%
DAX	11556.48	(0.36)%
FTSE 100	5577.27	(0.08)%
CAC 40	4594.24	0.54 %
EUR/USD	1.16	(0.03)%
USD/JPY	104.64	(0.02)%
USD/CNY	6.69	(0.09)%
US 5Y CDS	--	--
Germany 5Y CDS	11.27	0.36
Italy 5Y CDS	135.76	--
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	18.37	0.37
Japan 5Y CDS	17.28	(0.41)
China 5Y CDS	40.17	0.22
Korea 5Y CDS	25.07	(1.11)

## US & European Bond Markets

### US & European Government Bond :

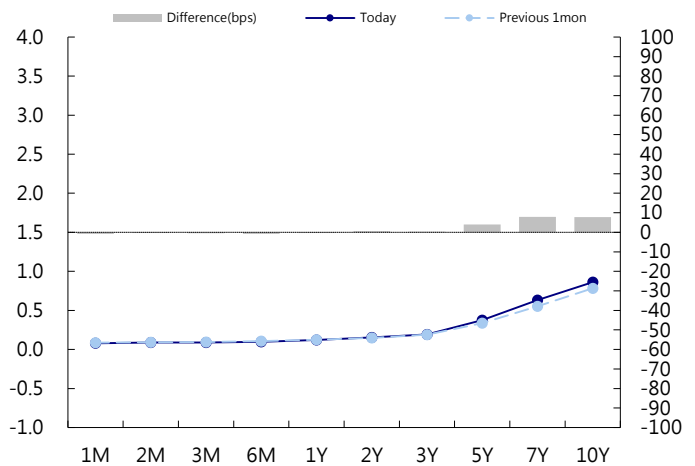
Long-end Treasuries led a selloff for the second session, pushing 30-year yields to within ~4bp of last Friday's high and to the cheapest levels since June. The bear steepening curve move came despite U.S. stocks extending their worst weekly rout since March. Into the month-end, 283.1k 10-year note futures traded hands as futures drifted to fresh lows. Yields ended cheaper by 0.5bp to 3bp across the curve, steepening 2s10s, 5s30s by 2.8bp and 2bp as month-end flows into long-end of the curve failed to support; 10-year yields ended around 0.85%, toward top of 0.744% to 0.87% weekly range.

### US & European Corporate Bonds:

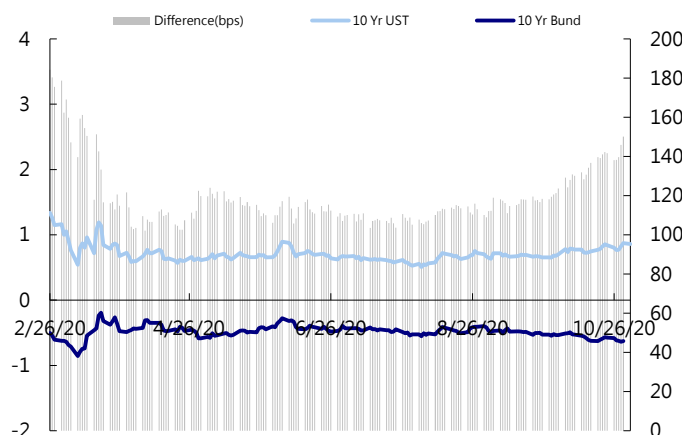
Volatility raised with the upcoming event like U.S. election, Federal Reserve policy meeting, moreover, soared case of COVID-19 in Europe and US and extended lockdown on main EU country also have share on that. US stock loss among 0.5~2.5% which lead by big Tech, while Treasury jump 5 bps and bear steepen for real money buying short end for parking cash before elections, showed that there is a profit taking sell elsewhere fly to quality. Credit market continued to remain under the pressure towards month end. China IG BM widened 1-2bps with light volume. However, Taiwan names were fairly active with TAISEM and HONHAI trading a touch firmer after banks buying. To sum up, there lots of uncertain event this

Date	Event	Forecast	Previous
11/02	Markit US Manufacturing PMI	53.300	53.300
11/02	ISM Manufacturing	55.800	55.400
11/02	ISM New Orders	62.000	60.200
11/02	ISM Prices Paid	60.500	62.800
11/02	ISM Employment	--	49.600
11/02	Construction Spending MoM	0.010	0.014
11/03	Factory Orders	0.010	0.007
11/03	Factory Orders Ex Trans	0.006	0.007
11/03	Durable Goods Orders	0.019	0.019
11/03	Durables Ex Transportation	0.008	0.008
11/03	Cap Goods Orders Nondef Ex Air	--	0.010
11/03	Cap Goods Ship Nondef Ex Air	--	0.003
11/03	Wards Total Vehicle Sales	16.50m	16.34m
11/04	MBA Mortgage Applications	--	0.017
11/04	ADP Employment Change	650k	749k
11/04	Trade Balance	-\$63.9b	-\$67.1b
11/04	Markit US Services PMI	56.000	56.000
11/04	Markit US Composite PMI	--	55.500

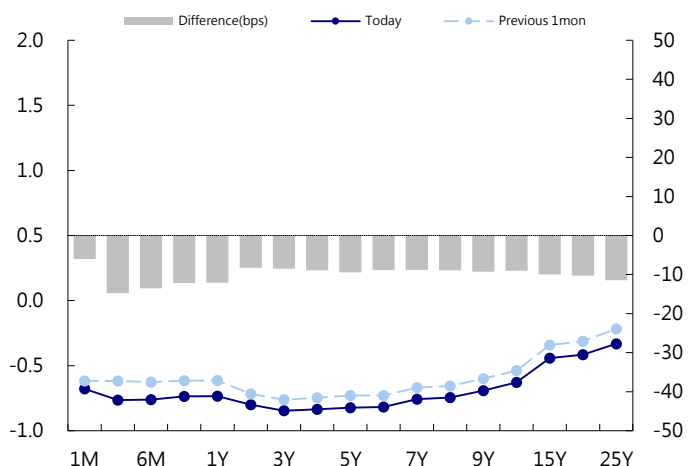
### US Treasury Curve



### 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	3.03%	2.6%	0.63	(0.03)
CGB 10Y	3.18%	2.87%	0.72	0.48
CGB 20Y	3.77%	3.11%	(0.94)	(0.01)
Chinese Renminbi Spot	6.69	6.69	0.1%	0.15 %
USDCNY 1M Forward	6.70	6.70	0.16 %	0.15 %
USDCNY 3M Forward	6.74	6.73	0.16 %	0.15 %
USDCNY 6M Forward	6.78	6.77	0.15 %	0.16 %
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.5%	3.04%	0.00	0.50
CNY IRS 2Y	2.6%	3.165%	0.50	1.00
CNY IRS 3Y	2.7%	3.27%	1.00	0.50
CNY IRS 4Y	2.77%	3.365%	0.50	0.00
CNY IRS 5Y	2.845%	3.455%	1.00	0.50

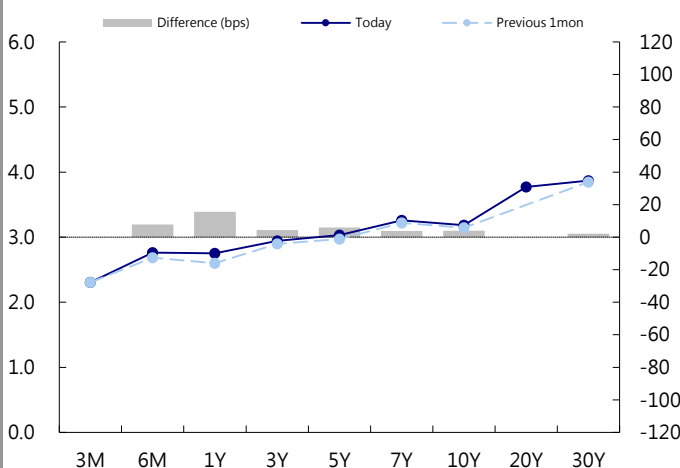
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
SDBC 3.03 01/18/22	2.91%		1.510	
SDBC 3.68 02/26/26	3.43%		-0.999	
SDBC 3.48 01/08/29	3.70%		0.009	
SDBC 3 1/2 11/04/46	4.00%		400.000	
CNH CCS 3M	2.82%		(0.51)	
CNH CCS 6M	2.78%		0.25	
CNH CCS 12M	2.68%		1.52	
CNH CCS 3Y	2.63%		2.29	
CNH CCS 5Y	2.65%		4.61	

Date	Event	Forecast	Previous
11/02	Caixin China PMI Mfg	52.800	53.000
11/04	Caixin China PMI Composite	--	54.500
11/04	Caixin China PMI Services	55.000	54.800
11/06	BoP Current Account Balance	--	\$110.2b

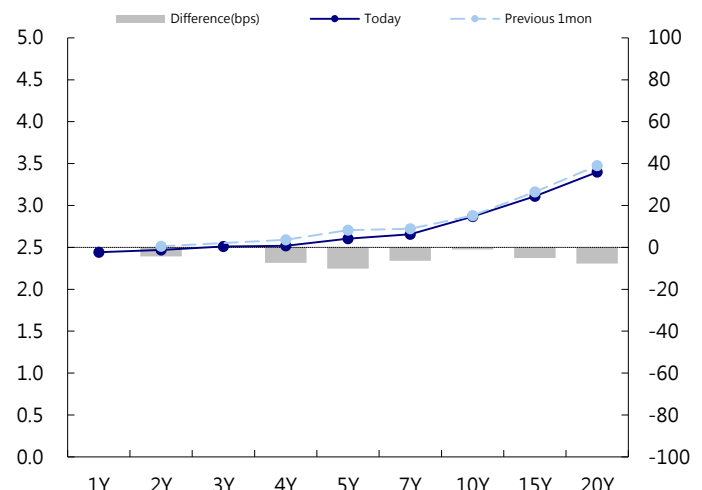
## China Bond Market

Regarding bond market, the risk aversion caused by the overseas epidemic and the decline in the stock market did not last long for the boost to the Chinese bond market. The spot warmth in late Thursday afternoon stopped, and its main contract for China bond futures turned from rising to falling, and the 10-year cash bond yield was weak. Upward. Relatively speaking, after funding tensions are eased, short- and medium-term bonds of five years and below have performed slightly better. In terms of exchange rate, The RMB against the US dollar closed slightly higher on Thursday, while the central parity continued to hit a new low in the past two weeks. Traders said that the new crown epidemic in Europe had to restart the blockade measures, and the market risk aversion suppressed the euro EUR= and boosted the U.S. dollar index. Fortunately, China's economic fundamentals and market sentiment still support the renminbi; however, the US general election is approaching, and the market's wait-and-see atmosphere gradually Strong, short-term RMB may fluctuate widely around 6.7 yuan

### Onshore CNY Government Bond Curve



### Offshore CNH Government Bond Curve



# Taiwan Bond Market

## Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.22%	(1.20)
TWGB 10Y	0.3%	(1.50)
USD/TWD	28.60	(0.60)%
EUR/TWD	33.30	(0.84)%
HKD/TWD	3.69	0.01 %
VNY/TWD	4.28	0.13 %
TWD Overnight Rate	0.077%	(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

Regarding bond market, on the last day of October, funds in the Chinese inter-bank market were extremely tight, and the pressure was significantly higher than at the end of the third quarter. Many institutions were late to close the market before closing their positions at high prices. However, the trend of spot futures was relatively stable and only narrowed. The main inter-bank spot bond yields fluctuated slightly, and the main treasury bond futures contract rose slightly. In terms of exchange rate, The RMB against the US dollar continued to rise by a hundred points at the close on Friday, but the increase was significantly narrower than that of midday trading, and the median price was temporarily away from the two-week low. Traders said that the U.S. index fell slightly in early trading, and the RMB market sentiment was good. The

## Taiwan Bond Primary Market

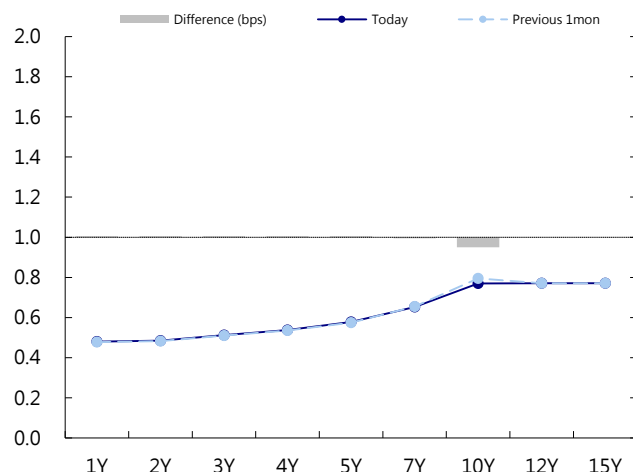
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 30st October : Franbo Lines Corporation planned to issue NTD 0.4BN 3-year senior secured corporate bonds at a coupon rate of 0.57%.  
Bonds issued on 2nd November : None.

Date	Event	Forecast	Previous
11/02	Markit Taiwan PMI Mfg	--	5520.0%
11/05	WPI YoY	--	-8.1%
11/05	CPI Core YoY	0.2%	0.3%
11/05	CPI YoY	-0.2%	-0.6%
11/05	Foreign Reserves	--	\$499.60b

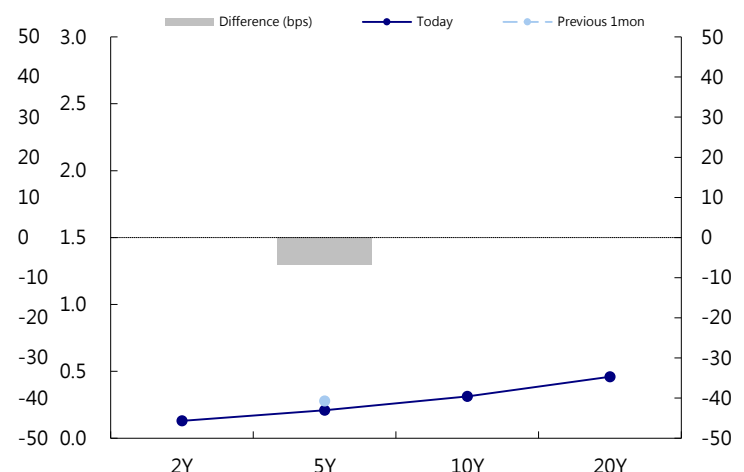
## Money Market

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 0.20%-0.26%, while corporate bond repo rate at 0.30%-0.35%.

## TWD IRS Curve



## Taiwan Government Bond Yield curve



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