

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.37%	0.48
UST 10Y	0.84%	2.04
UST 30Y	1.62%	1.44
Bund 5Y	-0.83%	(0.50)
Bund 10Y	-0.64%	(1.30)
Bund 30Y	-0.23%	(1.20)
DOW JONES	26925.05	1.60 %
NASDAQ	10957.61	0.42 %
S&P 500	3310.24	1.23 %
DAX	11788.28	2.01 %
FTSE 100	5654.97	1.39 %
CAC 40	4691.14	2.11 %
EUR/USD	1.16	(0.03)%
USD/JPY	104.73	0.02 %
USD/CNY	6.69	(0.01)%
US 5Y CDS	--	--
Germany 5Y CDS	11.33	0.15
Italy 5Y CDS	135.76	--
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	18.98	0.68
Japan 5Y CDS	18.01	0.65
China 5Y CDS	39.42	(0.37)
Korea 5Y CDS	24.93	(1.03)

US & European Bond Markets

US & European Government Bond :

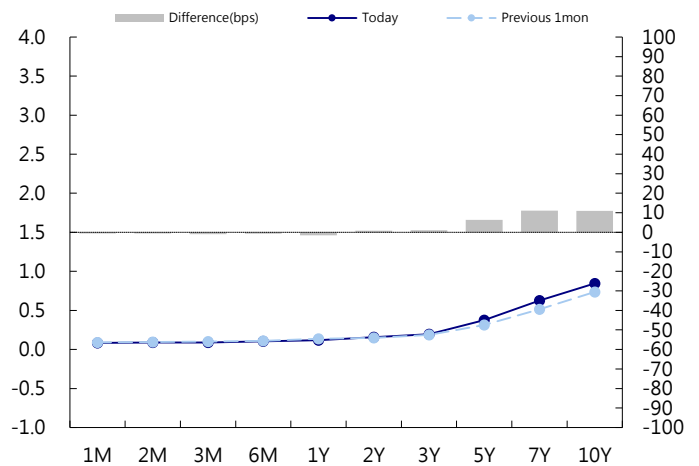
Treasuries ended Monday higher despite paring gains during U.S. afternoon as stocks rallied. Yields moved away from session lows after October ISM manufacturing rose more than forecast. Futures and options activity was muted as investors remain risk-averse ahead of Tuesday's U.S. election and Wednesday's refunding announcement. Yields finished lower by nearly 4bp at long end of the curve, flattening 2s10s, 5s30s by 2bp-3bp as front end cheapened slightly; into the Treasuries rally, long-end swap spreads tightened, consistent with support from receiving flows

US & European Corporate Bonds:

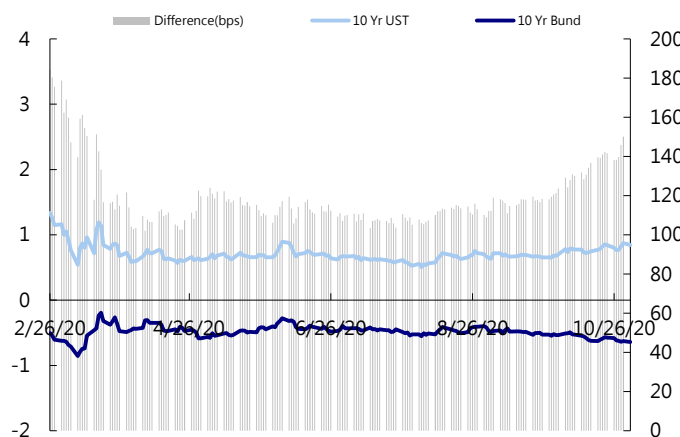
Relatively quiet day pre US election, spread opened unch to slightly wider with cautious tone. Market focus on new issues and SOE BM 10 YR like BCHINA 30s/ MEITUA 30s/ TENCNT 30 and buyer were mainly RM for raising treasury. Besides, Taiwan names were fairly active with TAISEM and HONHAI trading a touch firmer after banks buying. High yield have two ways flow that EU AM more seller while China AM more buyer, EVERRE were most active after stake sale and rally 0.75~1.5 pts on curve. To sum up, there lots of uncertain event this week including the election, therefore, step aside and lower exposure should be a good position.

Date	Event	Forecast	Previous
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
11/04	ISM Services Index	57.500	57.800
11/05	Challenger Job Cuts YoY	--	1.859
11/05	Initial Jobless Claims	735k	751k
11/05	Continuing Claims	7350k	7756k
11/05	Nonfarm Productivity	0.050	0.101
11/05	Unit Labor Costs	(0.100)	0.090

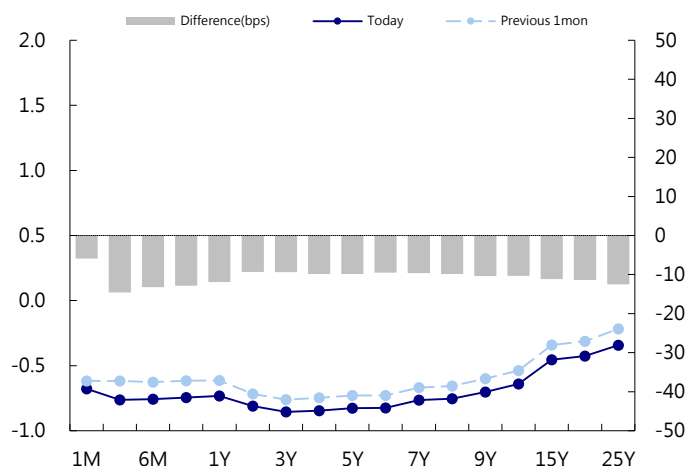
US Treasury Curve



UST V.S. Bund 10Y Yield



Bund Curve



China Bond Market

CNY & CNH Market Data

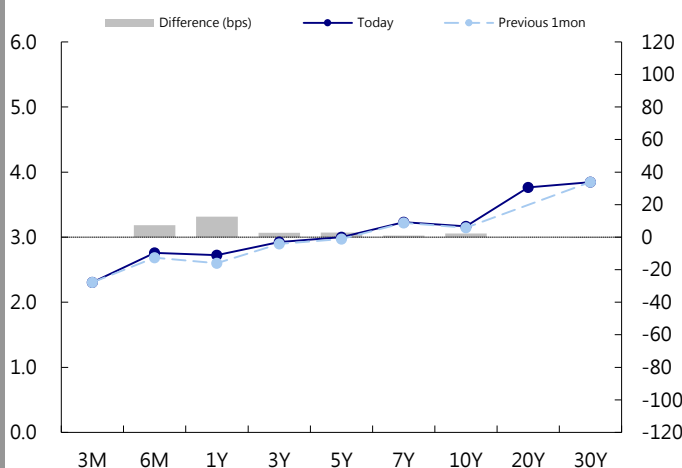
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	3%	2.57%	(0.94)	--
CGB 10Y	3.17%	2.86%	(0.58)	(0.42)
CGB 20Y	3.77%	3.11%	--	--
Chinese Renminbi Spot	6.69	6.69	0.02%	0.05 %
USDCNY 1M Forward	6.71	6.70	0.00 %	0.04 %
USDCNY 3M Forward	6.74	6.73	0.00 %	0.05 %
USDCNY 6M Forward	6.78	6.77	0.00 %	0.04 %
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.47%	3.015%	(2.50)	(1.00)
CNY IRS 2Y	2.565%	3.13%	(3.00)	(2.00)
CNY IRS 3Y	2.665%	3.235%	(2.00)	(2.50)
CNY IRS 4Y	2.75%	3.34%	(1.50)	(2.00)
CNY IRS 5Y	2.82%	3.42%	(1.00)	(2.00)
Benchmarks	Value		Net Change (bps)	
SDBC 3.03 01/18/22	2.91%		0.506	
SDBC 3.68 02/26/26	3.40%		1.999	
SDBC 3.48 01/08/29	3.67%		-1.999	
SDBC 3 1/2 11/04/46	4.15%		0.005	
CNH CCS 3M	2.77%		(10.34)	
CNH CCS 6M	2.77%		(4.71)	
CNH CCS 12M	2.67%		(1.59)	
CNH CCS 3Y	2.63%		(0.25)	
CNH CCS 5Y	2.64%		0.40	

Date	Event	Forecast	Previous
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

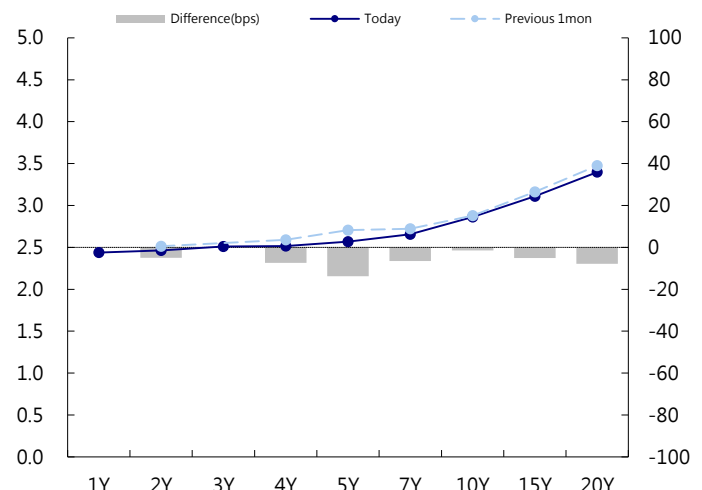
China Bond Market

Regarding bond market, China's bond market turned from weak to strong on Monday. Official and Caixin PMI data showed that the economic strength has not changed. In addition, funds are still tight after a span of months. The bond market was once pressured in the early trading, and both cash and Treasury bond futures opened lower; The mentality has stabilized. With the apparent loosening of funds in the afternoon, coupled with the new bond of China Agricultural Development, the second-level sentiment is good. In terms of exchange rate, the renminbi against the U.S. dollar closed slightly higher on Monday, while the central parity rose more than 180 points to hit a nearly one-week high; traders said that the countdown to the US general election has become the main indicator of market sentiment, although there are expectations for different results, and even the general election result may be delayed, and the market was full of wait-and-see sentiment. The RMB is expected to fluctuate around 6.7 before the election results.

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	28.59	(1.05)%
EUR/TWD	33.29	(0.39)%
HKD/TWD	3.69	0.11 %
VNY/TWD	4.27	0.08 %
TWD Overnight Rate	0.076%	(0.60)
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

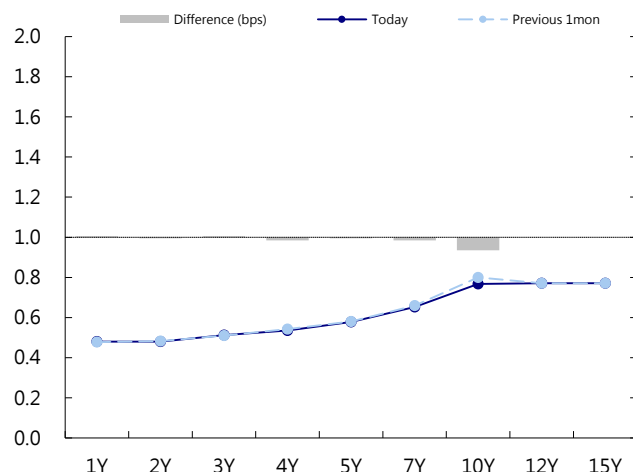
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 2nd November : None.
Bonds issued on 3rd November : None.

Date	Event	Forecast	Previous
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

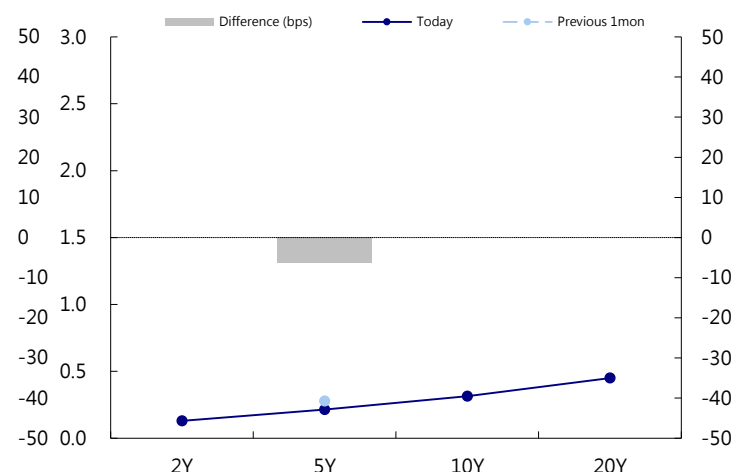
Money Market

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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