

# US & Europe Bond Markets

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

Benchmarks	Value	Net Change (bps)
UST 5Y	0.37%	(3.19)
UST 10Y	0.85%	(5.89)
UST 30Y	1.59%	(7.00)
Bund 5Y	-0.74%	(1.20)
Bund 10Y	-0.56%	(1.80)
Bund 30Y	-0.16%	(2.20)
DOW JONES	29783.35	(0.56)%
NASDAQ	11899.34	(0.21)%
S&P 500	3609.53	(0.48)%
DAX	13133.47	(0.04)%
FTSE 100	6365.33	(0.87)%
CAC 40	5483.00	0.21 %
EUR/USD	1.19	(0.13)%
USD/JPY	104.12	(0.16)%
USD/CNY	6.56	0.05 %
US 5Y CDS	--	--
Germany 5Y CDS	11.07	(0.02)
Italy 5Y CDS	--	--
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	17.63	(0.10)
Japan 5Y CDS	16.53	(0.06)
China 5Y CDS	33.00	0.33
Korea 5Y CDS	21.94	0.34

## US & European Bond Markets

### US & European Government Bond :

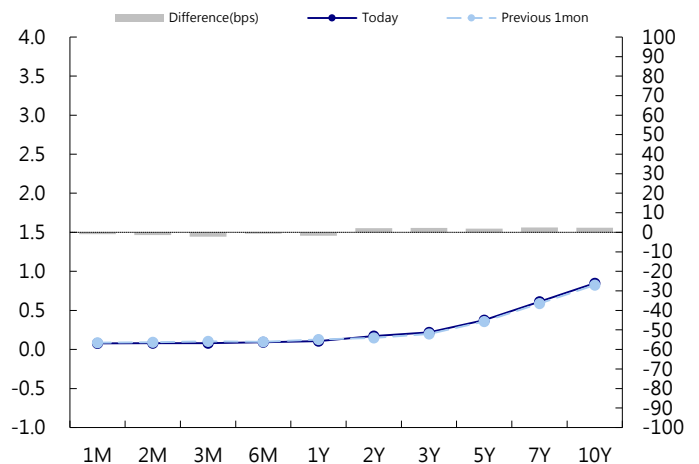
Treasuries advanced Tuesday led by long end following weak October retail sales data, two scheduled Fed purchases and a heavy IG credit issuance slate that appeared to involve receiving flows. A large block trade in 10-year note futures added support, while a large purchase of Jan21 10-year options resembled a wager that yields will fall further by year-end. Yields ended lower by about 4bp at long end, flattening 2s10s by ~3bp, 5s30s by ~2bp; 10-year yields ended around 0.87%, richer by 3.5bp on the day.

### US & European Corporate Bonds:

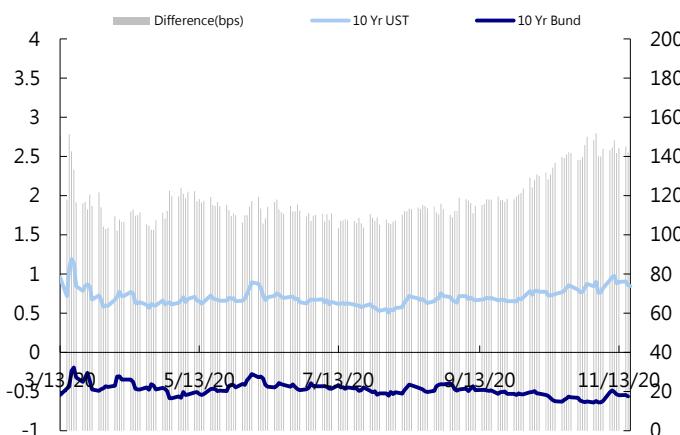
Stocks pulled back from record highs as investor focus turned to the surge in virus cases and new lockdown measures, overshadowing optimism that Covid-19 vaccines will eventually end the pandemic. U.S. stocks drop for 0.2 to 0.6% amid weak sentiment. Treasuries advanced 5 bps on 10YR UST led by long end following weak October retail sales data, two scheduled Fed purchases and block buyer in 10-year note futures. China credit were still in the center of storm that HAOHUA continue to widen 30~40 bps and buyer support still weak. The credit spread on HAOHUA already widen 100 bps in this week. Credit outside china were still have buyer and spread were 1 to 3 bps tighter. China HY also stressed

Date	Event	Forecast	Previous
11/18	Net Long-term TIC Flows	--	\$27.8b
11/18	Total Net TIC Flows	--	\$86.3b
11/18	MBA Mortgage Applications	--	(0.005)
11/18	Building Permits	1567k	1553k
11/18	Building Permits MoM	0.014	0.052
11/18	Housing Starts	1455k	1415k
11/18	Housing Starts MoM	0.028	0.019
11/19	Initial Jobless Claims	700k	709k
11/19	Philadelphia Fed Business Outlook	22.000	32.300
11/19	Continuing Claims	6400k	6786k
11/19	Bloomberg Economic Expectations	--	43.000
11/19	Bloomberg Consumer Comfort	--	48.000
11/19	Leading Index	0.007	0.007
11/19	Existing Home Sales	6.45m	6.54m
11/19	Existing Home Sales MoM	(0.014)	0.094
11/20	Kansas City Fed Manf. Activity	--	13.000

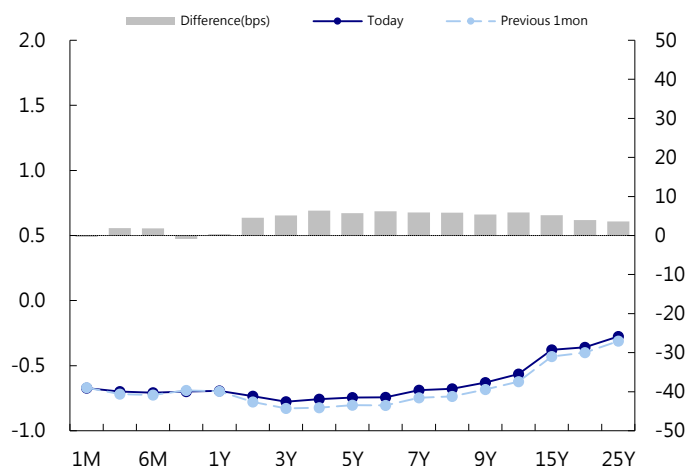
### US Treasury Curve



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



### Bund Curve



# China Bond Market

## CNY & CNH Market Data

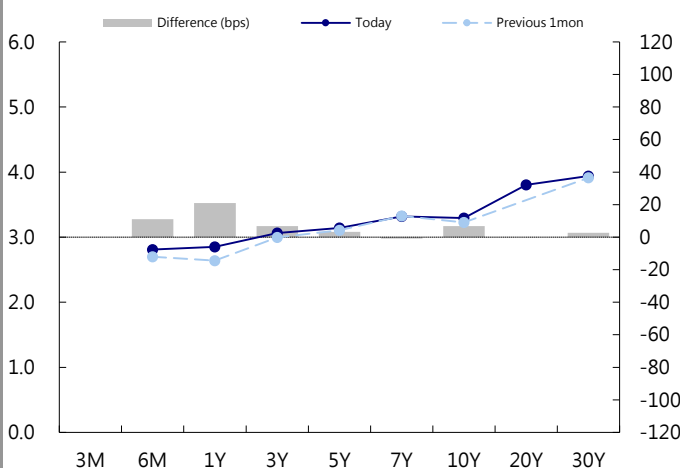
Benchmarks	Value		Net Change (bps)	
	CNY	CNH	CNY	CNH
CGB 5Y	3.14%	2.55%	2.00	(0.10)
CGB 10Y	3.29%	2.87%	1.00	(0.02)
CGB 20Y	3.8%	3.05%	--	(0.04)
Chinese Renminbi Spot	6.56	6.56	-0.05%	(0.17)%
USDCNY 1M Forward	6.58	6.57	(0.04)%	(0.16)%
USDCNY 3M Forward	6.62	6.61	(0.07)%	(0.17)%
USDCNY 6M Forward	6.66	6.65	(0.05)%	(0.15)%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.64%	3.18%	3.50	6.00
CNY IRS 2Y	2.74%	3.31%	4.00	6.50
CNY IRS 3Y	2.83%	3.41%	4.00	5.00
CNY IRS 4Y	2.9%	3.5%	3.00	5.00
CNY IRS 5Y	2.97%	3.58%	3.00	5.50
Benchmarks	Value		Net Change (bps)	
SDBC 3.03 01/18/22	3.00%		3.496	
SDBC 3.68 02/26/26	3.46%		0.500	
SDBC 3.48 01/08/29	3.67%		0.250	
SDBC 3 1/2 11/04/46	4.06%		405.690	
CNH CCS 3M	2.99%		0.72	
CNH CCS 6M	2.89%		0.06	
CNH CCS 12M	2.75%		(2.11)	
CNH CCS 3Y	2.62%		(0.43)	
CNH CCS 5Y	2.59%		(1.72)	

Date	Event	Forecast	Previous
11/19	Swift Global Payments CNY	--	0.020
11/20	1-Year Loan Prime Rate	0.039	0.039
11/20	5-Year Loan Prime Rate	0.047	0.047
11/20	FX Net Settlement - Clients CNY	--	67.5b

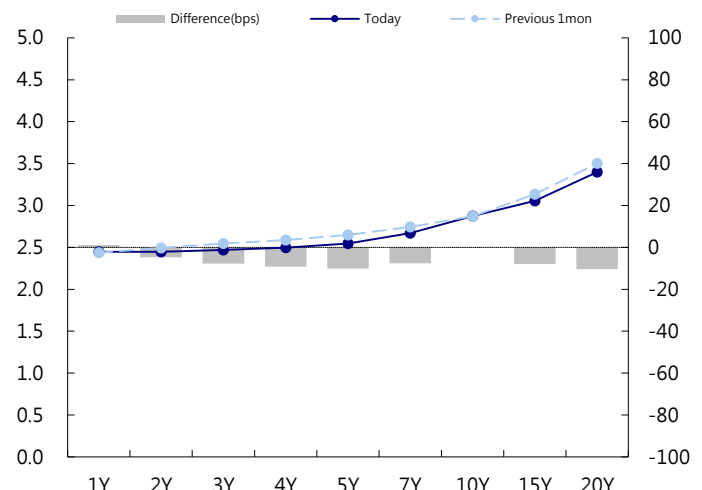
## China Bond Market

Regarding bond market, the People's Bank of China continued to overtake MLF last day and did not ease the upward trend of interbank deposit interest rates. On Tuesday, the one-year NCD issuance rate of state-owned and joint-stock banks further rose to 3.28%, which was the same as the 10-year Treasury bond yield. The overall yield of major cash bonds in the inter-bank market has not changed much, and the performance of its Chinese bonds is slightly weaker than that of government bonds such as China Development Bank. In terms of exchange rate, the renminbi against the US dollar closed up 190 points on Tuesday, while the central parity rose by 286 points, both of which hit a 29-month high. Traders said that the surge in new crown cases offset the positive news of the vaccine. The implementation of the Regional Comprehensive Economic Partnership Agreement (RCEP) and the economic fundamentals helped the RMB rise above the 6.56 yuan mark, and the offshore RMB rose above 6.55 yuan after the market, a record of nearly two and a half years New highs, the strong RMB trend drives up the Asian currency as a whole.

### Onshore CNY Government Bond Curve



### Offshore CNH Government Bond Curve



## Taiwan Bond Market

### Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.19%	0.00
TWGB 10Y	0.27%	(1.89)
USD/TWD	28.50	(0.56)%
EUR/TWD	33.81	(0.42)%
HKD/TWD	3.68	(0.06)%
VNY/TWD	4.35	(0.17)%
TWD Overnight Rate	0.08%	(0.20)
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. 10YR treasury yields moved lower and closed at 0.2893%.

### Taiwan Bond Primary Market

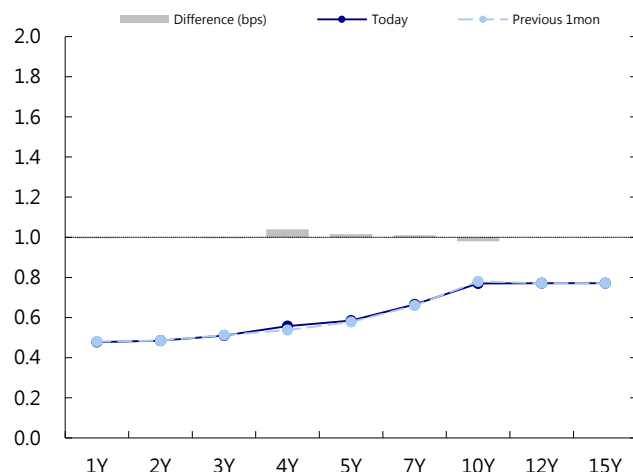
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 17th November : None.  
Bonds issued on 18th November : None.

### Money Market

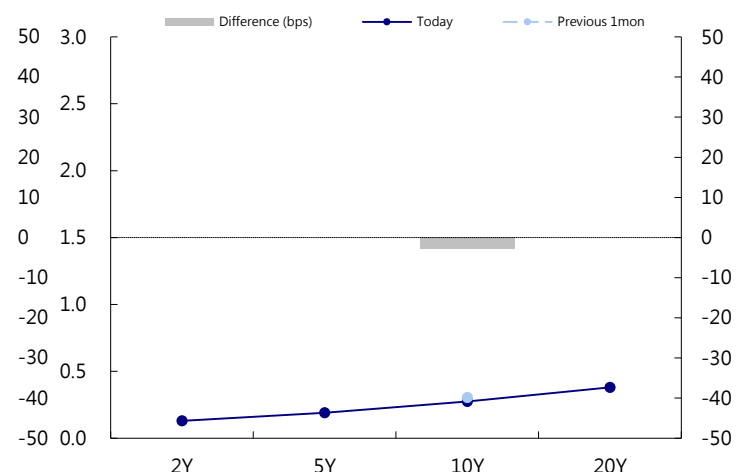
With sufficient fund in the market due to loose monetary policy supported by central bank, we expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.20%-0.26%, while corporate bond repo rate at 0.30%-0.35%.

Date	Event	Forecast	Previous
11/20	Export Orders YoY	9.0%	9.9%
11/20	BoP Current Account Balance	--	\$21769m

### TWD IRS Curve



### Taiwan Government Bond Yield curve



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