

# US & Europe Bond Markets

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

Benchmarks	Value	Net Change (bps)
UST 5Y	0.37%	(1.12)
UST 10Y	0.93%	(0.49)
UST 30Y	1.68%	(0.53)
Bund 5Y	-0.74%	0.20
Bund 10Y	-0.57%	(0.10)
Bund 30Y	-0.16%	(0.50)
DOW JONES	30179.05	(0.41)%
NASDAQ	12755.64	(0.07)%
S&P 500	3709.41	(0.35)%
DAX	13630.51	(0.27)%
FTSE 100	6529.18	(0.33)%
CAC 40	5527.84	(0.39)%
EUR/USD	1.22	(0.39)%
USD/JPY	103.29	(0.01)%
USD/CNY	6.55	0.14 %
US 5Y CDS	--	--
Germany 5Y CDS	10.82	(0.13)
Italy 5Y CDS	--	--
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	16.20	(0.07)
Japan 5Y CDS	15.74	(0.46)
China 5Y CDS	27.81	(0.10)
Korea 5Y CDS	21.72	0.18

## US & European Bond Markets

### US & European Government Bond :

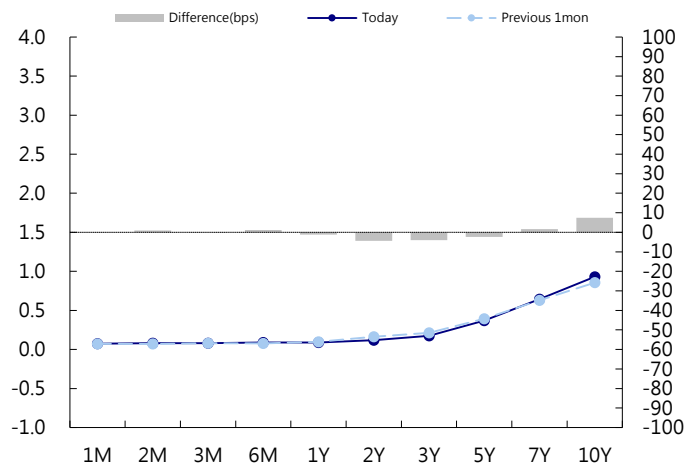
Treasuries ended Friday narrowly mixed with the yield curve steeper as 10- to 30-year yields edged toward weekly highs. Curve spreads ended near steepest levels of the day even as U.S. stocks slid in late trading. Front-end yields were little changed with long-end yields higher by ~1bp; 10-year ended around 0.943% vs 0.88%-0.95% weekly range

### US & European Corporate Bonds:

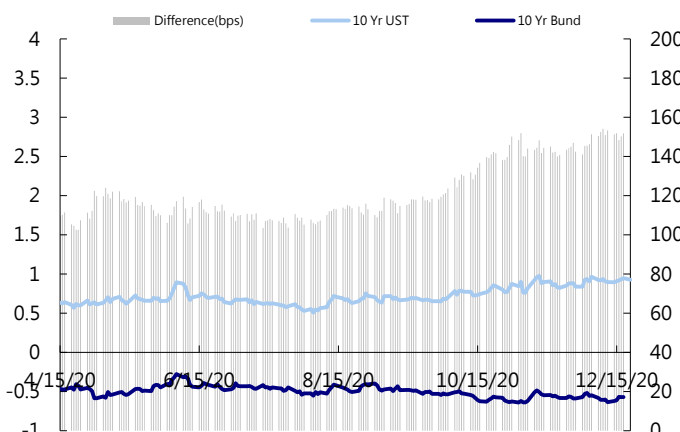
Quite but firm day in Financial sector. Squeezing goes further in European AT1s. Chinese AT1 and other financials were strongly supported as more investment came from onshore recently. we saw strong buying interest in short tenor financials like INDUBK 23s, CHIMIN 23s and etc. For Chinese AT1s we saw active two way flows on ICBAS, NANYAN and BOCHKL etc. In Chinese SOE space, saw small loose bond to come out as U.S. to blacklist dozens of Chinese firms but quickly absorbed. As for LGFVs, we were active on HFIGCZ, GZGETH, TRTHK and also saw bottom fishing buyers on XIANGY.

Date	Event	Forecast	Previous
12/21	Chicago Fed Nat Activity Index	--	0.830
12/22	GDP Annualized QoQ	0.331	0.331
12/22	Personal Consumption	0.406	0.406
12/22	GDP Price Index	0.036	0.036
12/22	Core PCE QoQ	0.035	0.035
12/22	Conf. Board Expectations	--	89.500
12/22	Conf. Board Consumer Confidence	97.000	96.100
12/22	Conf. Board Present Situation	--	105.900
12/22	Existing Home Sales	6.70m	6.85m
12/22	Existing Home Sales MoM	(0.022)	0.043
12/22	Richmond Fed Manufact. Index	12.000	15.000
12/23	MBA Mortgage Applications	--	0.011
12/23	Durables Ex Transportation	0.005	0.013
12/23	Initial Jobless Claims	875k	885k
12/23	Durable Goods Orders	0.006	0.013
12/23	Continuing Claims	5560k	5508k
12/23	Cap Goods Orders Nondef Ex Air	0.005	0.008
12/23	Cap Goods Ship Nondef Ex Air	0.006	0.024

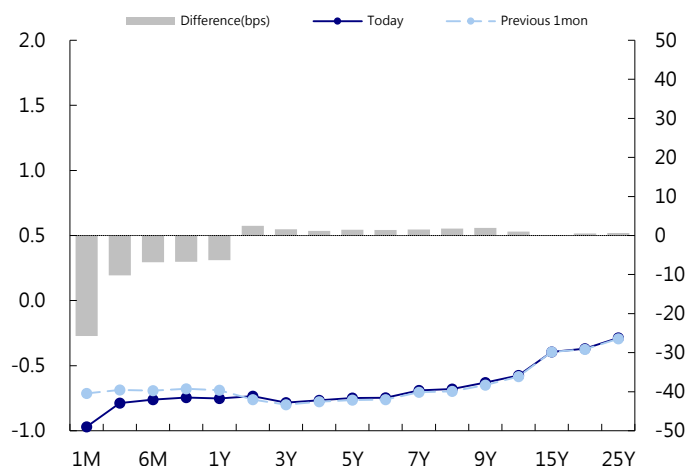
### US Treasury Curve



### 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	3.07%	2.58%	(2.75)	(0.03)
CGB 10Y	3.27%	3.07%	(0.10)	(0.02)
CGB 20Y	3.77%	3.09%	5.60	(0.01)
Chinese Renminbi Spot	6.55	6.53	-0.17%	(0.23)%
USDCNY 1M Forward	6.56	6.55	(0.18)%	(0.24)%
USDCNY 3M Forward	6.59	6.57	(0.16)%	(0.23)%
USDCNY 6M Forward	6.63	6.61	(0.15)%	(0.23)%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.55%	2.97%	(3.00)	1.00
CNY IRS 2Y	2.655%	3.14%	(3.00)	3.50
CNY IRS 3Y	2.755%	3.275%	(2.50)	4.50
CNY IRS 4Y	2.845%	3.38%	(2.50)	5.00
CNY IRS 5Y	2.93%	3.49%	(2.50)	5.50

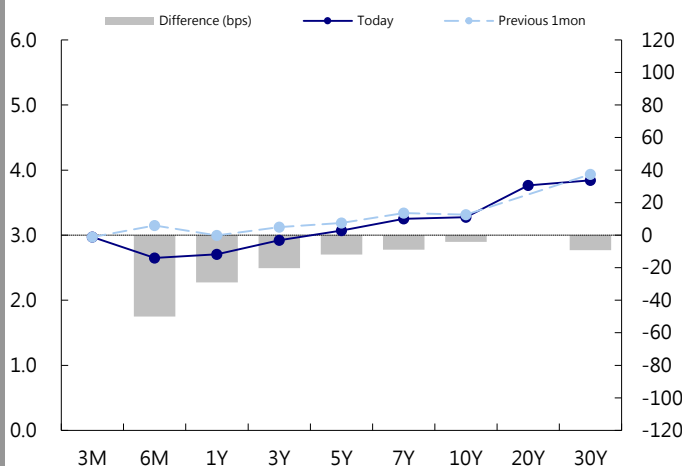
Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.81%	0.002
SDBC 3.68 02/26/26	3.33%	-1.000
SDBC 3.48 01/08/29	3.63%	2.006
SDBC 3 1/2 11/04/46	3.98%	398.220
CNH CCS 3M	2.59%	5.81
CNH CCS 6M	2.50%	1.13
CNH CCS 12M	2.48%	0.45
CNH CCS 3Y	2.47%	(0.80)
CNH CCS 5Y	2.55%	(0.44)

Date	Event	Forecast	Previous
12/21	5-Year Loan Prime Rate	0.047	0.047
12/21	1-Year Loan Prime Rate	0.039	0.039
12/24	Swift Global Payments CNY	--	0.017
12/24	Bloomberg Dec. China Economic Surv		
12/25	BoP Current Account Balance	--	\$94.2b

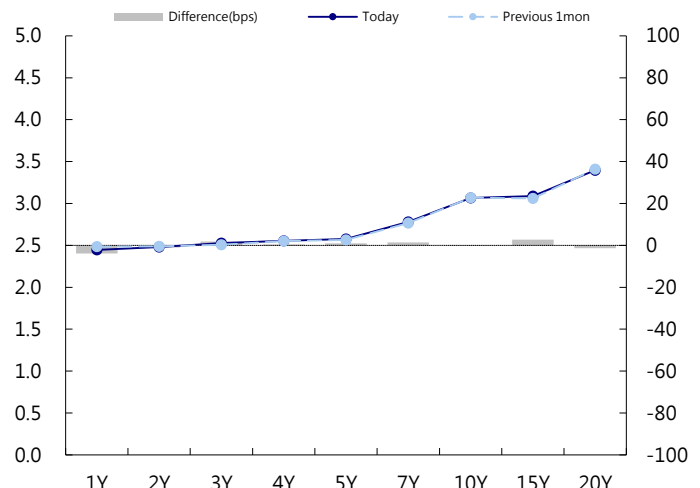
## China Bond Market

Regarding bond market, the Chinese inter-bank market's capital interest rate jumped on Friday to suppress the weak spot in the period, and the yield of major interest rate bonds rose by about 1-2 basis points. Traders said that the interest rate of tax funds has risen significantly, and continues to suppress the sentiment of institutions to do more. Considering that the end of the year is approaching and the Central Economic Work Conference is about to be held, the bond market is expected to maintain a weak and volatile pattern as a whole. In terms of exchange rate, the RMB/USD spot closed down slightly on Friday, while the central parity hit a new high in more than a week. Traders said that the rebound in risk appetite suppressed the U.S. index to stay below the 90 mark, but near the end of the year, the willingness of institutions to trade decreases, and the settlement and purchase of foreign exchange by customers are more balanced, and the RMB response is calm.

## Onshore CNY Government Bond Curve



## Offshore CNH Government Bond Curve



# Taiwan Bond Market

## Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.16%	(0.20)
TWGB 10Y	0.28%	0.78
USD/TWD	28.13	(0.61)%
EUR/TWD	34.36	(0.89)%
HKD/TWD	3.63	0.04 %
VNY/TWD	4.30	(0.09)%
TWD Overnight Rate	0.079%	(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 0.2848%.

## Taiwan Bond Primary Market

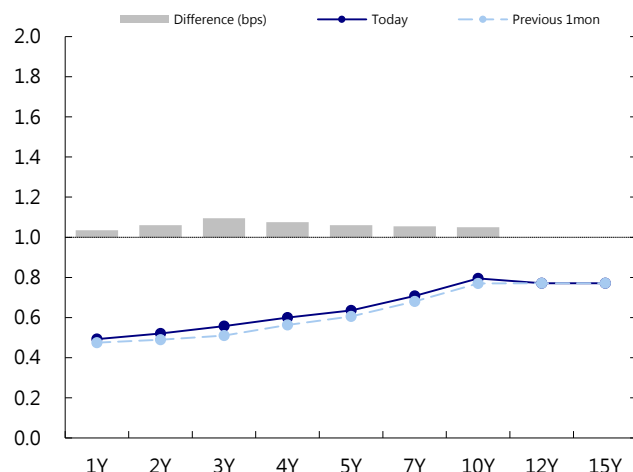
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 18th December : None.  
Bonds issued on 21st December : Far Eastern New Century Corporation issued NTD 3.8BN 5-year senior unsecured corporate bonds at a coupon rate of 0.54%. Ta Ching Securities CO., Ltd. issued NTD 0.3BN 5-year senior secured corporate bonds at a coupon rate of 0.65%.

Date	Event	Forecast	Previous
12/21	Export Orders YoY	14.3%	9.1%
12/22	Unemployment Rate	3.7%	3.8%
12/23	Industrial Production YoY	7.7%	7.1%
12/24	Money Supply M1B Daily Avg YoY	--	12.9%
12/24	Money Supply M2 Daily Avg YoY	--	7.1%

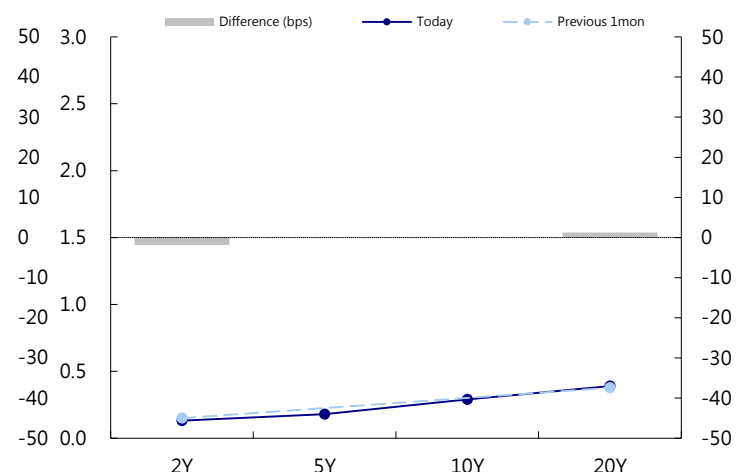
## Money Market

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 0.18%-0.23%, while corporate bond repo rate at 0.25%-0.30%.

## TWD IRS Curve



## Taiwan Government Bond Yield curve



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