

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.38%	(0.48)
UST 10Y	0.93%	(1.66)
UST 30Y	1.67%	(2.49)
Bund 5Y	-0.75%	(0.90)
Bund 10Y	-0.58%	(0.90)
Bund 30Y	-0.18%	(1.60)
DOW JONES	30216.45	0.12 %
NASDAQ	12742.52	(0.10)%
S&P 500	3694.92	(0.39)%
DAX	13246.30	(2.82)%
FTSE 100	6416.32	(1.73)%
CAC 40	5393.34	(2.43)%
EUR/USD	1.22	0.69 %
USD/JPY	103.41	(0.40)%
USD/CNY	6.54	(0.09)%
US 5Y CDS	--	--
Germany 5Y CDS	10.59	(0.16)
Italy 5Y CDS	--	--
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	16.12	0.06
Japan 5Y CDS	16.04	(0.13)
China 5Y CDS	28.57	0.01
Korea 5Y CDS	21.85	(0.05)

US & European Bond Markets

US & European Government Bond :

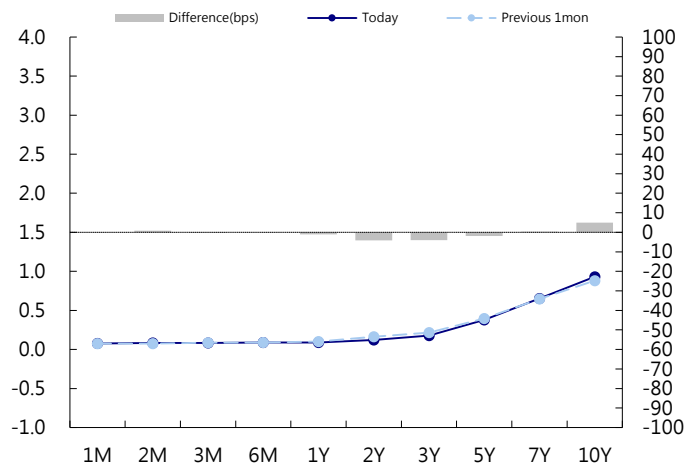
Treasury yields crept higher over the U.S. session, leaving yields from front-end out to 7-year sectors unchanged. Yields in long-end of the curve ended slightly richer, but within a basis point of Friday's close. The flight-to-quality bid into Treasuries over Asia, early Europe was faded over the U.S. day -- the move higher in yields was extended as stocks traded higher from the cash open, recovering some losses from the European slump which left Estoxx50 lower by 2.7% on the day.

US & European Corporate Bonds:

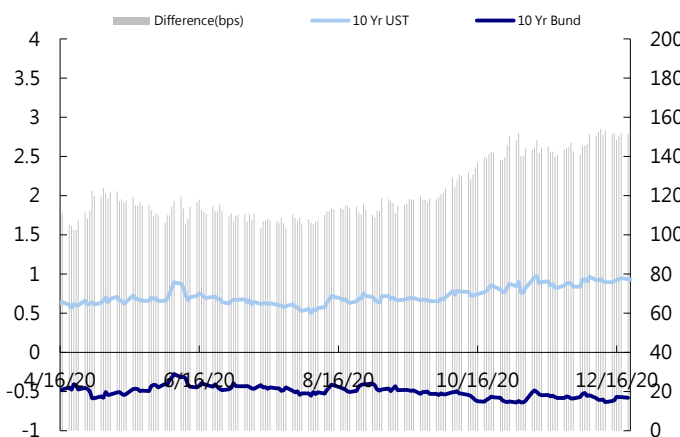
Slow day in China IG as many market participants out for Christmas week. Despite the US-China tension, China IG remained better buying from RM and PB as year-end technicals prevail.

Date	Event	Forecast	Previous
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
12/23	Personal Income	(0.002)	(0.007)

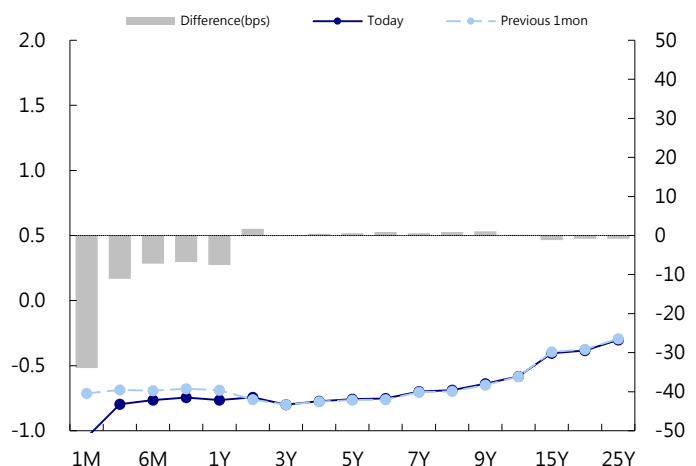
US Treasury Curve



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	3.02%	2.58%	(5.66)	--
CGB 10Y	3.24%	3.07%	(1.75)	--
CGB 20Y	3.75%	3.09%	--	--
Chinese Renminbi Spot	6.54	6.53	0.09%	0.03%
USDCNY 1M Forward	6.56	6.55	0.07%	0.04%
USDCNY 3M Forward	6.59	6.57	0.05%	0.04%
USDCNY 6M Forward	6.62	6.61	0.07%	0.06%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.515%	2.9%	(5.50)	(7.00)
CNY IRS 2Y	2.625%	3.075%	(5.00)	(6.50)
CNY IRS 3Y	2.71%	3.195%	(6.50)	(8.00)
CNY IRS 4Y	2.8%	3.32%	(6.50)	(6.00)
CNY IRS 5Y	2.89%	3.515%	(6.00)	2.50

Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.75%	-4.997
SDBC 3.68 02/26/26	3.29%	-2.490
SDBC 3.48 01/08/29	3.61%	-0.030
SDBC 3 1/2 11/04/46	3.97%	397.260

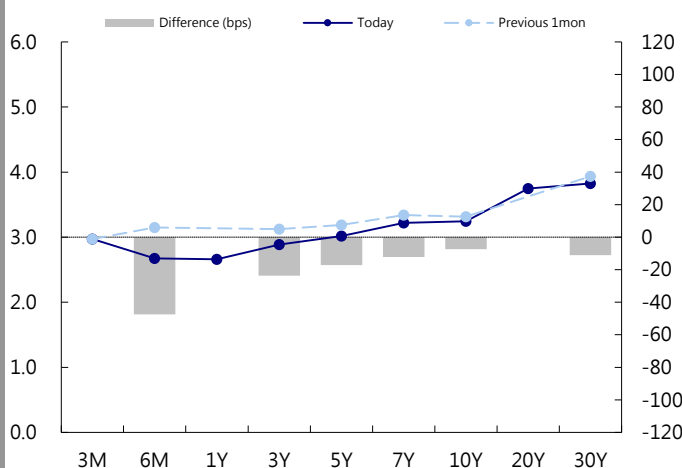
CNH CCS 3M	2.56%	(1.12)
CNH CCS 6M	2.47%	(2.18)
CNH CCS 12M	2.46%	(3.13)
CNH CCS 3Y	2.45%	(4.01)
CNH CCS 5Y	2.53%	(3.55)

Date	Event	Forecast	Previous
12/24	Swift Global Payments CNY	--	0.017
12/24	Bloomberg Dec. China Economic Surv		
12/25	BoP Current Account Balance	--	\$94.2b

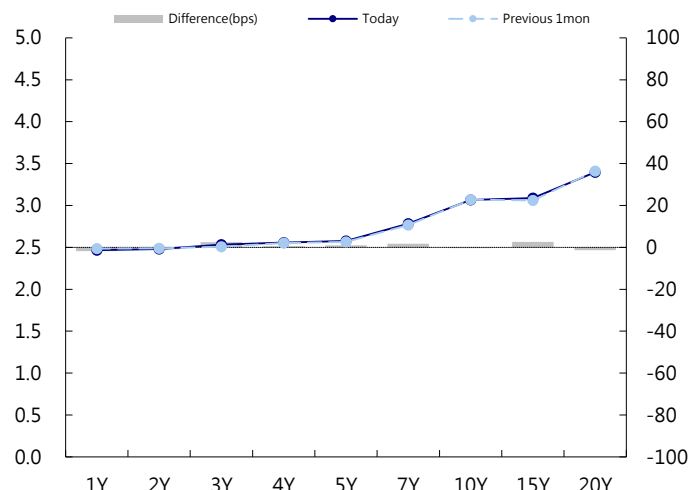
China Bond Market

Regarding bond market, China's inter-bank market's spot bond yields declined on Monday, with a short-term decline of 3-4 basis points (bp) by a slightly larger margin. Treasury bond futures also opened higher. Traders said that the Central Economic Work Conference's set of monetary policy for next year is "no quick turn" to boost market confidence; at the same time, the central bank restarted the 14-day reverse repurchase operation after a lapse of three months, demonstrating the protection of liquidity in the new year. The intention of the policy is to superimpose funds for warm incentives to buy into the market. In terms of exchange rate, the RMB against the US dollar fell by nearly a hundred points in early trading on Monday, but the effective volatility was limited. The central parity also fell by nearly 200 points, a record low in more than half a month. Traders said that the Brexit negotiations are still deadlocked. In addition, the outbreak of a variant virus in the United Kingdom has caused concerns about epidemic prevention and control in Europe and economic shocks. European currencies including the British pound have expanded their declines, the U.S. index has rebounded, and the renminbi has been indirectly under pressure.

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	(0.71)%
EUR/TWD	34.42	(0.23)%
HKD/TWD	3.63	(0.13)%
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%. Expect 5 years range trading within 0.12%~0.22% · 10 years within 0.23%~0.33% °

Taiwan Bond Primary Market

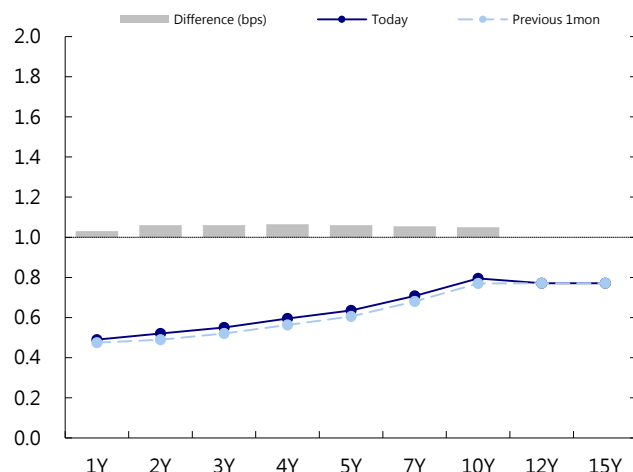
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 21st December : Dragon Steel Corporation planned to issue senior unsecured corporate bonds with the total amount not exceeding NTD 8BN and the tenor not exceeding 10 years.
Bonds issued on 22nd December : None.

Money Market

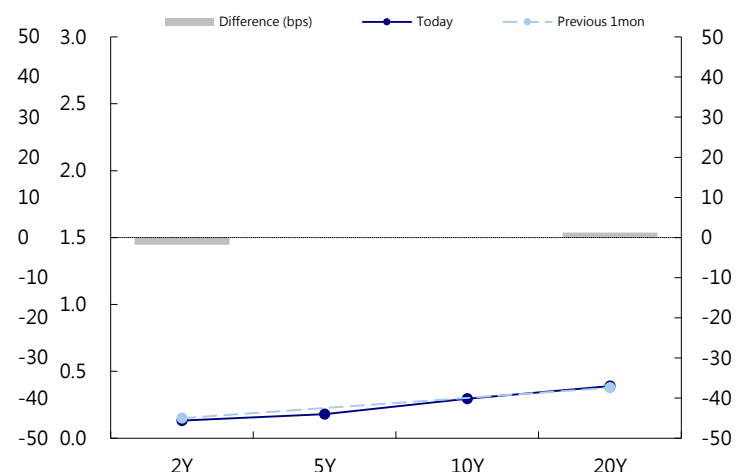
With sufficient fund in the market due to loose monetary policy supported by central bank, we expect repo rates continue to trade within the range, i.e., Govt bond repo rate at 0.18%-0.23%, while corporate bond repo rate at 0.25%-0.30%.

Date	Event	Forecast	Previous
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%

TWD IRS Curve



Taiwan Government Bond Yield curve



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