

US & Europe Bond Markets

Govt, Equity, FX and Credit Benchmark & Economic Statistics

Benchmarks	Value	Net Change (bps)
UST 5Y	0.42%	2.18
UST 10Y	1.04%	0.69
UST 30Y	1.8%	0.42
Bund 5Y	-0.73%	1.00
Bund 10Y	-0.53%	1.70
Bund 30Y	-0.12%	2.00
DOW JONES	30937.04	(0.07)%
NASDAQ	13626.06	(0.07)%
S&P 500	3849.62	(0.15)%
DAX	13870.99	1.66 %
FTSE 100	6654.01	0.23 %
CAC 40	5523.52	0.93 %
EUR/USD	1.22	0.26 %
USD/JPY	103.70	(0.10)%
USD/CNY	6.46	(0.07)%
US 5Y CDS	--	--
Germany 5Y CDS	11.37	0.36
Italy 5Y CDS	--	--
Spain 5Y CDS	--	--
Portugal 5Y CDS	--	--
France 5Y CDS	15.98	(0.11)
Japan 5Y CDS	15.62	0.82
China 5Y CDS	30.74	0.14
Korea 5Y CDS	24.07	0.12

US & European Bond Markets

US & European Government Bond :

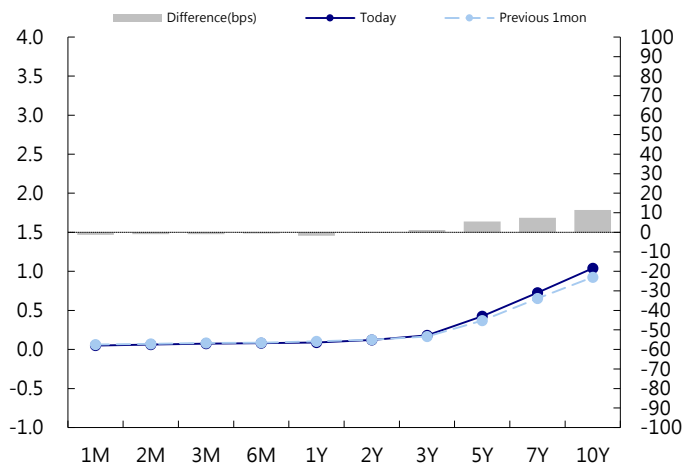
Treasuries ended Tuesday cheaper by ~1bp across the curve after paring small losses. Week' s second coupon auction, a record \$61b 5-year, stopped 0.2bp below the WI yield at the bidding deadline, a sign that demand exceeded dealer expectations. Attention turns to Wednesday' s FOMC statement and potential \$11b 7-Eleven bond offering after investor calls took place Tuesday. Treasury 10-year yield, steady around 1.04% with curves marginally steeper, plied a 2.5bp range from 1.026% to 1.052%

US & European Corporate Bonds:

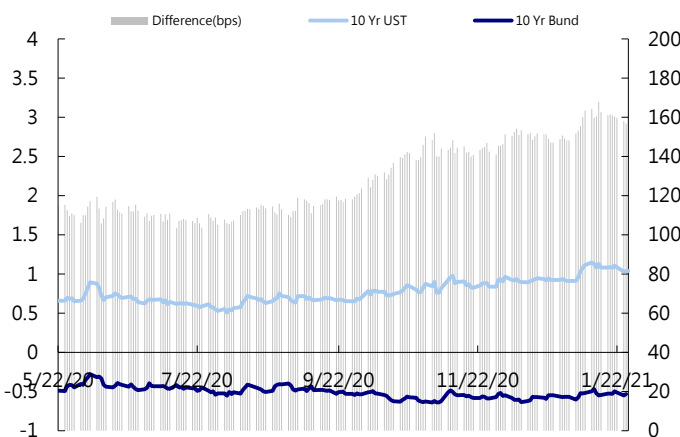
Technology shares led gains in U.S. stocks as investors awaited earnings from some of the biggest companies, while treasuries held bull flattening move and leaving yields near lows of the day with gains led by long-end of the curve. Credit market had a firm start of the week in China IG with stable UST and light-ish primary market better buying along the curve. China credit outperformed by Tencent surged in HSI , and driving almost all sector tighten by 5~10 bps especially in AMC/TMT/SOE Perp . HAOHUA was the best performer with continued buying on 22s / 24s / 27s and spread tighten by 10~20 bps. There were lots of earning release this week and supply on new debts will be a resistance for credit spread

Date	Event	Forecast	Previous
01/27	MBA Mortgage Applications	--	(0.019)
01/27	Durable Goods Orders	0.010	0.010
01/27	Durables Ex Transportation	0.005	0.004
01/27	Cap Goods Orders Nondef Ex Air	0.005	0.005
01/27	Cap Goods Ship Nondef Ex Air	0.006	0.005
01/28	FOMC Rate Decision (Upper Bound)	0.003	0.003
01/28	FOMC Rate Decision (Lower Bound)		
01/28	Interest Rate on Excess Reserves	0.001	0.001
01/28	Advance Goods Trade Balance	-\$83.5b	-\$84.8b
01/28	Retail Inventories MoM	--	0.007
01/28	Wholesale Inventories MoM	0.004	
01/28	GDP Annualized QoQ	0.042	0.334
01/28	Initial Jobless Claims	880k	900k
01/28	Continuing Claims	5000k	5054k
01/28	Personal Consumption	0.032	0.410
01/28	GDP Price Index	0.022	0.035
01/28	Core PCE QoQ	0.012	0.034
01/28	Bloomberg Consumer Comfort	--	43.700

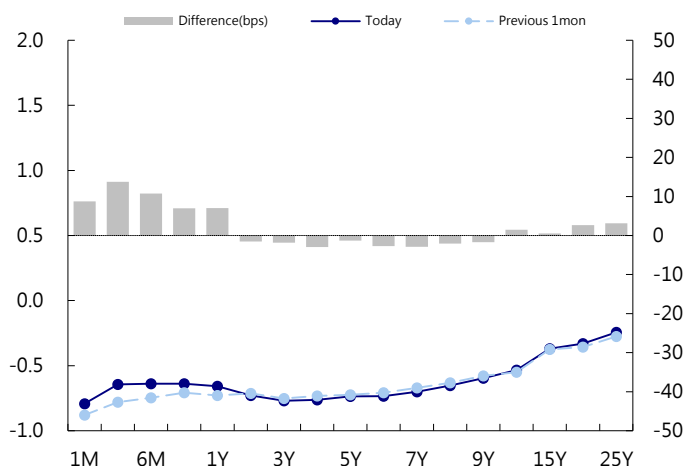
US Treasury Curve



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	2.99%	2.55%	3.00	0.81
CGB 10Y	3.16%	3.01%	3.40	(1.07)
CGB 20Y	3.69%	3.15%	--	(0.03)
Chinese Renminbi Spot	6.46	6.47	0.07%	0.05%
USDCNY 1M Forward	6.48	6.48	0.06%	0.04%
USDCNY 3M Forward	6.51	6.51	0.04%	0.03%
USDCNY 6M Forward	6.54	6.55	0.02%	0.01%
	7D Repo	3M Shibor	7D Repo	3M Shibor
CNY IRS 1Y	2.605%	3.025%	9.00	8.50
CNY IRS 2Y	2.7%	3.205%	8.00	9.50
CNY IRS 3Y	2.79%	3.33%	8.00	8.00
CNY IRS 4Y	2.86%	3.43%	7.00	8.00
CNY IRS 5Y	2.94%	3.52%	6.50	7.00

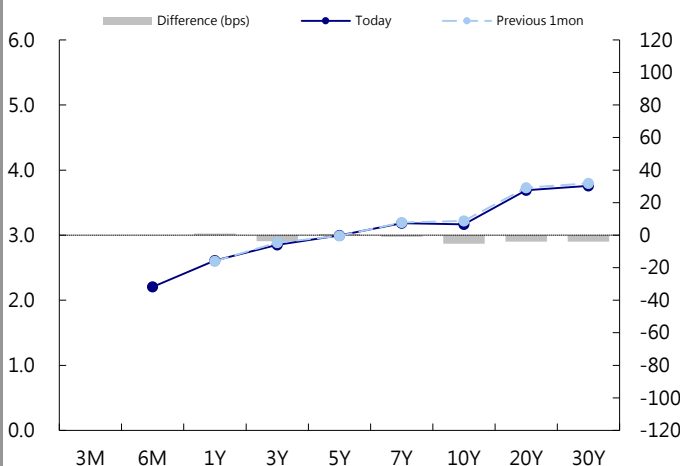
Benchmarks	Value	Net Change (bps)
SDBC 3.03 01/18/22	2.66%	15.994
SDBC 3.68 02/26/26	3.32%	5.000
SDBC 3.48 01/08/29	3.58%	3.011
SDBC 3 1/2 11/04/46	3.88%	387.820
CNH CCS 3M	2.75%	27.06
CNH CCS 6M	2.59%	23.21
CNH CCS 12M	2.45%	16.20
CNH CCS 3Y	2.37%	6.43
CNH CCS 5Y	2.48%	4.43

Date	Event	Forecast	Previous
01/27	Industrial Profits YoY	--	0.155

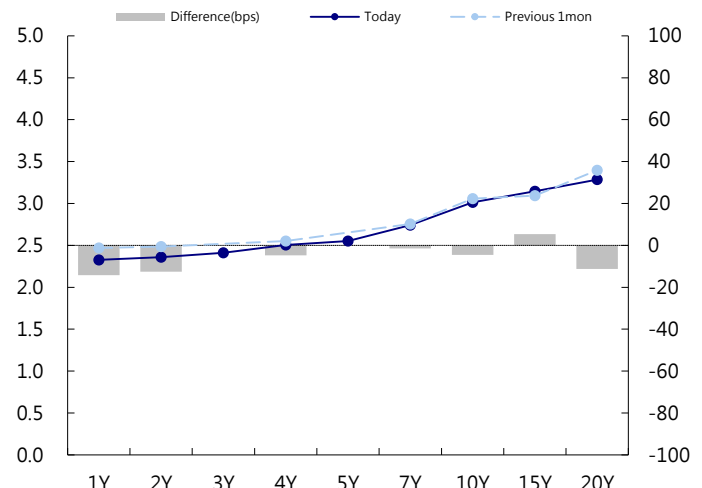
China Bond Market

Regarding bond market, affected by the tightening of funds, the Chinese bond market was once again weaker on Tuesday. China Financial Exchange' s government bond futures fell across the board, with 10-year products closing down 0.46%; short-term bonds still suffered a significant setback, and yields on individual products rose by more than 10 Basis points, 10-year interest rate bonds also rose by about 3 basis points. In terms of exchange rate, the RMB against the US dollar closed slightly higher on Tuesday, while the central parity continued to drop to a one-week low. Traders said that the U.S. fiscal stimulus has not made progress, and pandemic concerns have once again suppressed U.S. Treasury yields. The U.S. dollar index fluctuated upward during the Asian session, and the gains were slightly retreated in late trading. The renminbi followed the fluctuations of the U.S. dollar; short-term exchange rates are unlikely to have a clear direction, waiting for information guide.

Onshore CNY Government Bond Curve



Offshore CNH Government Bond Curve



Taiwan Bond Market

Taiwan Market data

Benchmarks	Value	Net Change (bps)
TWGB 5Y	0.21%	0.24
TWGB 10Y	0.33%	(1.07)
USD/TWD	27.98	(0.79)%
EUR/TWD	34.03	(0.36)%
HKD/TWD	3.61	(0.81)%
VNY/TWD	4.33	0.08 %
TWD Overnight Rate	0.077%	(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 higher 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 higher and closed at 0.3385%. Expect 5 years range trading within 0.16%~0.26% · 10 years within 0.27%~0.37% °

Taiwan Bond Primary Market

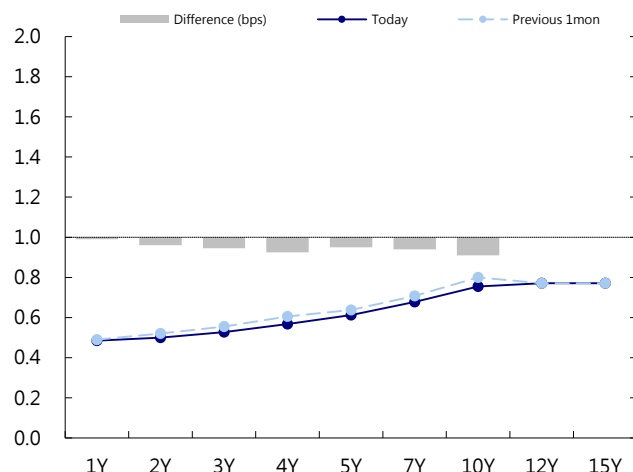
Announcements of Corporate Bonds Issuances approved by the Board of Directors on 26th January : None.
Bonds issued on 27th January:None.

Date	Event	Forecast	Previous
01/27	Monitoring Indicator	--	3000.0%
01/29	GDP Annual YoY	2.6%	--
01/29	GDP YoY	3.6%	3.9%

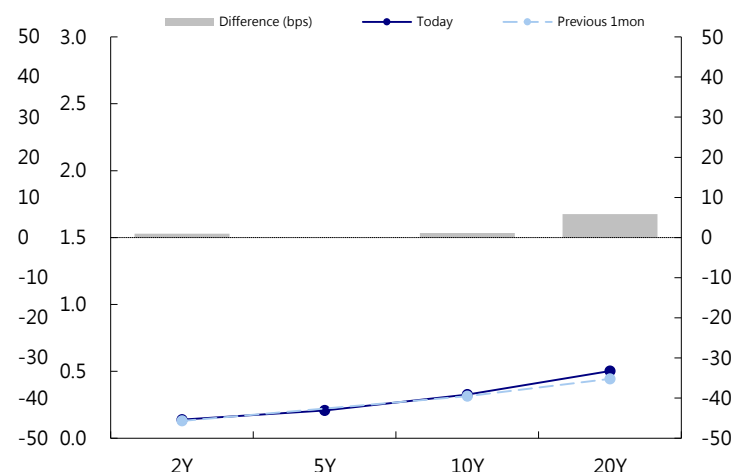
Money Market

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



Disclaimer

Sinopac Securities Corp ("**Sinopac Sec**") does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that Sinopac Sec may have a conflict of interest that could affect the objectivity of this report. Sinopac Sec regularly trades, generally deals as principal and generally provides liquidity (as market maker or otherwise) in the debt securities that are the subject of this research report (and related derivatives thereof). Sinopac Sec trading desks may have either a long and / or short position in such securities, other financial instruments and / or derivatives, which may pose a conflict with the interests of investing customers. To the extent that any historical pricing information was obtained from Sinopac Sec trading desks, the firm makes no representation that it is accurate or complete. All levels, prices and spreads are historical and do not necessarily represent current market levels, prices or spreads, some or all of which may have changed since the publication of this document. Sinopac Sec makes no guarantee that any recommendation and information provided is accurate or complete.

Global Locations

Hong Kong

SinoPac Securities (Asia) Ltd.
7th Floor, Lee Garden Three,
1 Sunning Road,
Causeway Bay, Hong Kong
Tel: +852-2586-8362
Toll Free : 0080-185-6674(Taiwan)
Fax: +852-2586-8399

Shanghai

SinoPac Securities (Asia) Limited
Suite 2405, Hua Xia Bank Tower,
256 South Pudong Road, Shanghai
People's Republic of China
Tel: +86-21-6886-5358
Fax: +86-21-6886-5969

London

SinoPac Securities (Europe) Ltd.
6 Lloyd's Avenue,
London EC3N 3AX,
United Kingdom,
Registered in England and Wales No. 3766464
Tel: +44-20-7614-9999
Fax: +44-20-7614-9979

Taipei

SinoPac Securities Corporation
17F · 2 Chung Ching S. Road · Sec 1
Taipei 100 ·
Taiwan
Tel: +886-2-2382-8219/2312-3866
Fax: +886-2-2382-3464

Contact Us

SinoPac Securities Corp
www.taiwanresearch.com
fixedincome@sinopac.com
Bloomberg page: SIAL