

Jan 06, 2016

**Market Commentary:** SGD swap rates fell by 3-5bps across the curve. In the broader Asia dollar space, JACI IG corporate spreads tightened 1bps while the yield on JACI HY corporates fell 3bps to 7.92%. 10y UST yield fell by 0.71bp to 2.24%. In the SGD corporate space, DBS bought back SGD134.25mn of its 3.3% 2022 LT2 paper at 101 and SGD491.75mn of its 3.10% 2023 LT2 paper at 100.9 while issuing SGD480mn in 2.78% 2020 senior notes. Elsewhere, AusGroup announced a consent solicitation for its SGD110mn 7.45% 2016 paper.

**Table 1: Key Financial Indicators**

	<u>6-Jan</u>	<u>1W chg (bps)</u>	<u>1M chg (bps)</u>		<u>6-Jan</u>	<u>1W chg</u>	<u>1M chg</u>
iTraxx Asiax IG	139	4	5	Brent Crude Spot (\$/bbl)	36.63	-3.07%	-14.81%
iTraxx SovX APAC	73	2	3	Gold Spot (\$/oz)	1,075.95	0.80%	-0.70%
iTraxx Japan	77	2	4	CRB	173.07	-0.80%	-5.55%
iTraxx Australia	129	2	4	GSCI	307.16	-0.74%	-7.30%
CDX NA IG	91	2	7	VIX	19.34	14.37%	30.59%
CDX NA HY	101	0	-1	CT10 (bp)	2.229%	-6.57	-4.07
iTraxx Eur Main	80	2	8	USD Swap Spread 10Y (bp)	#N/A N/A	11	11
iTraxx Eur XO	328	13	34	USD Swap Spread 30Y (bp)	-42	-3	-3
iTraxx Eur Snr Fin	77	0	6	TED Spread (bp)	42	1	17
iTraxx Sovx WE	17	0	0	US Libor-OIS Spread (bp)	23	0	8
iTraxx Sovx CEEMEA	185	5	17	Euro Libor-OIS Spread (bp)	11	1	1
					<u>6-Jan</u>	<u>1W chg</u>	<u>1M chg</u>
				AUD/USD	0.714	-2.15%	-2.29%
				USD/CHF	1.008	-1.71%	-0.61%
				EUR/USD	1.077	-1.44%	-0.45%
				USD/SGD	1.427	-1.00%	-1.56%
Korea 5Y CDS	57	2	4	DJIA	17,159	-2.11%	-3.86%
China 5Y CDS	112	4	9	SPX	2,017	-1.93%	-3.58%
Malaysia 5Y CDS	187	5	7	MSCI Asiax	484	-3.36%	-4.26%
Philippines 5Y CDS	111	5	8	HSI	21,143	-3.90%	-4.92%
Indonesia 5Y CDS	235	5	6	STI	2,841	-1.63%	-1.31%
Thailand 5Y CDS	141	7	9	KLCI	1,663	-1.34%	-0.30%
				JCI	4,558	0.78%	1.10%

Source: OCBC, Bloomberg

**Table 2: Recent Asian New Issues**

<u>Date</u>	<u>Issuer</u>	<u>Ratings</u>	<u>Size</u>	<u>Tenor</u>	<u>Pricing</u>
14-Dec-15	Industrial & Commercial Bank of China Ltd, London Branch	A/A1/A	USD300mn	3yr	CT3+105bps
14-Dec-15	China National Bluestar Group Co Ltd	BBB/Baa2/BBB+	SGD500mn	Perp NC3	4.5%
10-Dec-15	China Construction Bank Corp	A/A1/A	USD3.05bn	Perp NC5	4.65%
09-Dec-15	Hydoo International Holding Ltd	B/B2/B	USD100mn	3yr	14%
03-Dec-15	Tsinghua Unigroup Ltd	NR/NR/NR	USD450mn	3yr	5.625%
03-Dec-15	Tsinghua Unigroup Ltd	NR/NR/NR	USD350mn	5yr	6.375%
02-Dec-15	Tianjin FTZ Investment Holding Group Co.	Baa2e/BBB+	USD500mn	3yr	CT3+257.5bps

Source: OCBC, Bloomberg

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