

Dec 11, 2018

Market Commentary

- The SGD swap curve flattened yesterday, with swap rates trading 1-2bps lower across most tenors.
- Flows in SGD corporates were heavy yesterday, with flows seen in UBS 5.875%-PERPs, DBSSP 3.98%-PERPs, OCBCSP 4.0%-PERPS and HSBC 5.0%-PERPs.
- The Bloomberg Barclays Asia USD IG Bond Index average OAS widened 1bps to 163bps while the Bloomberg Barclays Asia USD HY Bond Index average OAS was unchanged at 618bps.
- Overall, 10Y UST yields traded little changed to close 1bps higher at 2.86% as Wall Street stocks recovered.

Table 1: Key Financial Indicators

	11-Dec	1W chg (bps)	1M chg (bps)
iTraxx Asiax IG	97	6	10
iTraxx SovX APAC	10	0	0
iTraxx Japan	84	16	15
iTraxx Australia	94	6	15
CDX NA IG	82	3	14
CDX NA HY	103	-1	-2
iTraxx Eur Main	88	6	16
iTraxx Eur XO	356	28	62
iTraxx Eur Snr Fin	111	5	21
iTraxx Sovx WE	26	0	0
AUD/USD	0.719	-2.06%	0.20%
EUR/USD	1.136	0.11%	1.22%
USD/SGD	1.374	-0.65%	0.73%
China 5Y CDS	71	4	7
Malaysia 5Y CDS	113	4	7
Indonesia 5Y CDS	144	3	-1
Thailand 5Y CDS	45	1	2

	11-Dec	1W chg	1M chg
Brent Crude Spot (\$/bbl)	59.97	-2.79%	-14.55%
Gold Spot (\$/oz)	1,244.23	0.46%	3.65%
CRB	181.65	-1.01%	-3.61%
GSCI	408.35	-1.55%	-7.31%
VIX	22.64	37.71%	30.41%
CT10 (bp)	2.849%	-6.51	-33.34
USD Swap Spread 10Y (bp)	3	-3	-3
USD Swap Spread 30Y (bp)	-16	-4	-6
TED Spread (bp)	39	-1	13
US Libor-OIS Spread (bp)	40	3	12
Euro Libor-OIS Spread (bp)	4	0	1
DJIA	24,423	-4.37%	-6.03%
SPX	2,638	-4.44%	-5.15%
MSCI Asiax	596	-5.02%	-0.28%
HSI	25,752	-5.26%	0.59%
STI	3,072	-3.70%	-0.18%
KLCI	1,663	-2.14%	-2.62%
JCI	6,111	-0.11%	4.04%

New issues

- Shimao Property Holdings Ltd has priced a USD570mn re-tap of its SHIMAO 6.375%'21s at 7.125%, tightening from its initial price guidance of 7.375% (subsidiary guarantors: certain of the company's restricted subsidiaries outside the PRC).
- Industrial & Commercial Bank of China Ltd/Dubai DIFC has priced a USD100mn 2-year bond at 3mL+60bps.
- Shandong Commercial Group Co Ltd has scheduled for investor meeting from 11 Dec for its potential USD bond issuance.
- Guangzhou Metro Investment Finance (BVI) Ltd has scheduled for conference call on 10 Dec for its potential USD bond issuance (guaranteed by Guangzhou Metro Investment Finance (HK) Ltd).
- Hungry has hired banks for its potential CNY bond issuance.

Date	Issuer	Size	Tenor	Pricing
10-Dec-18	Shimao Property Holdings Ltd	USD570mn	SHIMAO 6.375%'21s	7.125%
10-Dec-18	Industrial & Commercial Bank of China Ltd/Dubai DIFC	USD100mn	2-year	3mL+60bps
6-Dec-18	Haitong Securities Co Ltd	USD300mn	5-year	CT5+185bps
6-Dec-18	Jinan Hi-Tech Holding Group Co Ltd	USD250mn	3-year	6.4%
6-Dec-18	Industrial & Commercial Bank of China Limited/Dubai DIFC	USD100mn	2-year	3mL+60bps
6-Dec-18	Logan Property Holdings Company Limited	USD370mn	2-year	8.75%
5-Dec-18	Zhuji Development Ltd	USD230mn	3-year	7.0%
4-Dec-18	China Development Bank	USD1bn	3-year	3mL+63bps
4-Dec-18	China Development Bank	USD500mn	5-year	3mL+73bp
4-Dec-18	Baidu Inc	USD250mn	BIDU 4.375%'24s	CT5+162.5bps
4-Dec-18	Zhuji City Yuedu Investment Co Ltd	USD230mn	3-year	7.0%
4-Dec-18	Kaisa Group Holdings Ltd	USD500mn	3-year	7.875%
3-Dec-18	Republic of Indonesia	USD1bn	30-year	5.38%
3-Dec-18	Republic of Indonesia	USD1.25bn	10-year	4.78%
3-Dec-18	Republic of Indonesia	USD750mn	5-year	4.48%
3-Dec-18	Vanke Real Estate (Hong Kong) Co Ltd	USD630mn	5.25-year	CT5+250bps

Source: OCBC, Bloomberg

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