

Apr 16, 2018

Market Commentary

- The SGD swap curve rose last Friday, with swap rates for the shorter tenors trading 1-2bps higher while the longer tenors traded 2-5bps higher.
- Flows in SGD corporates were moderate last Friday, with better selling in HYFSP 6% -PERP.
- The Bloomberg Barclays Asia USD IG Bond Index average OAS widened 1bps to 127bps while the Bloomberg Barclays Asia USD HY Bond Index average widened 2bps to 344bps.
- 10Y UST yields fell 1bps lower to 2.83%, as Wall Street stocks slipped, as quarterly results from large banks led by JPMorgan failed to stoke investor enthusiasm.

Credit Headlines

- There were no credit headlines over 13 Apr 2018.

Table 1: Key Financial Indicators

	16-Apr	1W chg (bps)	1M chg (bps)
iTraxx Asiax IG	75	-3	8
iTraxx SovX APAC	12	-1	1
iTraxx Japan	50	-1	8
iTraxx Australia	65	-4	8
CDX NA IG	61	-4	6
CDX NA HY	107	1	0
iTraxx Eur Main	55	-3	4
iTraxx Eur XO	276	-10	17
iTraxx Eur Snr Fin	57	-6	5
iTraxx Sovx WE	18	0	-1
AUD/USD	0.777	0.99%	0.78%
EUR/USD	1.234	0.12%	0.37%
USD/SGD	1.312	-0.01%	0.45%
China 5Y CDS	60	-4	3
Malaysia 5Y CDS	73	0	9
Indonesia 5Y CDS	97	-4	6
Thailand 5Y CDS	44	-1	4

	16-Apr	1W chg	1M chg
Brent Crude Spot (\$/bbl)	71.92	4.76%	8.62%
Gold Spot (\$/oz)	1,345.03	0.65%	2.34%
CRB	199.70	3.87%	2.70%
GSCI	468.31	5.54%	5.32%
VIX	17.41	-18.99%	10.19%
CT10 (bp)	2.840%	6.05	-0.50
USD Swap Spread 10Y (bp)	4	1	-1
USD Swap Spread 30Y (bp)	-13	3	1
TED Spread (bp)	60	-3	18
US Libor-OIS Spread (bp)	58	-1	9
Euro Libor-OIS Spread (bp)	2	-1	0
DJIA	24,360	1.79%	-2.35%
SPX	2,656	1.99%	-3.48%
MSCI Asiax	722	0.78%	-3.14%
HSI	30,808	3.23%	-2.20%
STI	3,501	1.71%	-0.31%
KLCI	1,868	1.71%	1.20%
JCI	6,270	1.54%	-0.55%

Source: OCBC, Bloomberg

New issues

- China Hongqiao Group Ltd has scheduled for investor meetings from 16 Apr for its potential USD bond issuance.
- Philippine National Bank has scheduled for investor meetings from 16 Apr for its potential USD 5-year bond issuance.
- China Overseas Finance (Cayman) VII Ltd has scheduled for investor meetings from 16 Apr for its potential USD 5-year bond issuance (guaranteed by China Overseas Land & Investment Ltd).

Table 2: Recent Asian New Issues

<u>Date</u>	<u>Issuer</u>	<u>Size</u>	<u>Tenor</u>	<u>Pricing</u>
12-Apr-18	Yango (Cayman) Investment Ltd	USD100mn	3NCNP2	11%
12-Apr-18	CIFI Holdings Group Co Ltd	USD500mn	3NC2	6.875%
12-Apr-18	Westwood Group Holdings Ltd	USD400mn	5.5-year	CT5+310bps
12-Apr-18	Westwood Group Holdings Ltd	USD800mn	3-year	CT3+270bps
12-Apr-18	Kunzhi Ltd	USD425mn	2-year	6.25%
12-Apr-18	Transurban Queensland Finance Property Ltd	USD500mn	10-year	CT10+185bps
12-Apr-18	Westpac Banking Corp	AUD225mn	WSTP 2.5%'22s	BBSW+86bps
11-Apr-18	CITIC Ltd	USD200mn	30-year MTN	5.07%
11-Apr-18	Industrial & Commercial Bank of China Ltd/ Dubai DIFC	USD100mn	3-year	3.09%
11-Apr-18	Oversea-Chinese Banking Corp Ltd	EUR500mn	7-year	MS+9bps

Source: OCBC, Bloomberg

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