

Sept 25, 2018

## Market Commentary

- The SGD swap curve flattened yesterday, with swap rates for the shorter tenors trading 1-2bps higher while the longer tenors traded little changed (with the exception of the 15-year swap rates trading 1bps higher).
- Flows in SGD corporates were heavy yesterday, with better buying seen in HSBC 5.0%-PERPs, CMZB 4.2%'28s, DBSSP 3.98%-PERPs and HSBC 4.7%-PERPs.
- The Bloomberg Barclays Asia USD IG Bond Index average OAS were unchanged at 139bps while the Bloomberg Barclays Asia USD HY Bond Index average OAS tightened 2bps to 473bps.
- 10Y UST yields fell 2bps to 3.06% in the earlier part of the trading session after reports said that US Deputy Attorney General Rod Rosenstein was resigning from his post. Yields rebounded 3bps subsequently to close at 3.09% ahead of the Federal Reserve's meeting this week.

**Table 1: Key Financial Indicators**

	25-Sep	1W chg (bps)	1M chg (bps)
iTraxx Asiax IG	82	4	4
iTraxx SovX APAC	10	-3	-1
iTraxx Japan	58	7	3
iTraxx Australia	75	5	3
CDX NA IG	63	7	4
CDX NA HY	107	0	0
iTraxx Eur Main	70	10	4
iTraxx Eur XO	271	-9	-15
iTraxx Eur Snr Fin	81	13	0
iTraxx Sovx WE	24	0	-4
AUD/USD	0.726	0.50%	-1.31%
EUR/USD	1.176	0.76%	0.67%
USD/SGD	1.366	0.37%	-0.26%
China 5Y CDS	58	2	3
Malaysia 5Y CDS	96	0	10
Indonesia 5Y CDS	134	0	18
Thailand 5Y CDS	41	0	1

	25-Sep	1W chg	1M chg
Brent Crude Spot (\$/bbl)	81.33	2.91%	7.27%
Gold Spot (\$/oz)	1,199.09	0.06%	-1.01%
CRB	194.78	2.71%	1.41%
GSCI	480.36	3.66%	3.57%
VIX	12.2	-10.82%	1.75%
CT10 (bp)	3.087%	3.19	27.72
USD Swap Spread 10Y (bp)	5	0	-2
USD Swap Spread 30Y (bp)	-7	0	-2
TED Spread (bp)	21	2	-4
US Libor-OIS Spread (bp)	18	0	-6
Euro Libor-OIS Spread (bp)	3	0	-1
DJIA	26,562	1.92%	2.99%
SPX	2,919	1.06%	1.55%
MSCI Asiax	652	1.93%	-0.99%
HSI	27,499	2.10%	-0.62%
STI	3,219	2.48%	0.19%
KLCI	1,800	-0.20%	-0.47%
JCI	5,882	1.00%	-1.45%

## New issues

- CFLD (Cayman) Investment Ltd has priced a USD100mn re-tap of its CHFOTN 9.0%'21s (guaranteed by China Fortune Land Development Co Ltd) at a reoffer yield of 8.991%.

<u>Date</u>	<u>Issuer</u>	<u>Size</u>	<u>Tenor</u>	<u>Pricing</u>
24-Sept-18	CFLD (Cayman) Investment Ltd	USD100mn	CHFOTN 9.0%'21s	8.991% + accrued interest
21-Sept-18	Lum Chang Holdings Limited	SGD40mn	3-year	5.8%
20-Sept-18	Soilbuild Business Space REIT	SGD65mn	Perp NC3	6.0%
19-Sept-18	ICICI Bank UK PLC	SGD100mn	10-year	5.375%
19-Sept-18	BOC Aviation Ltd	USD500mn	5-year	3mL+112.5bps
19-Sept-18	Country Garden Holdings Company Ltd	USD425mn	3-year	7.125%
19-Sept-18	Country Garden Holdings Company Ltd	USD550mn	5-year	8.0%
19-Sept-18	Zhenro Properties Group Ltd	USD280mn	2.25-year	13.70%
19-Sept-18	Easy Tactic Limited	USD200mn	3-year	8.875%
19-Sept-18	Maoye Intl Holdings	USD150mn	2-year	13.25%
19-Sept-18	Agricultural Development Bank of China	USD700mn	3-year	3mL+62bps
19-Sept-18	Agricultural Development Bank of China	CNH1.2bn	2-year	4.16%
19-Sept-18	Asian Development Bank	USD750mn	10-year	MS+11bps
19-Sept-18	JT International Financial Services B.V.	USD525mn	5-year	CT5+65bps
19-Sept-18	JT International Financial Services B.V.	USD500mn	10-year	CT10+90bps
19-Sept-18	State Bank of India, London Branch	USD650mn	5-year	T+165bps

Source: OCBC, Bloomberg

**Andrew Wong**

Treasury Research & Strategy  
Global Treasury, OCBC Bank  
(65) 6530 4736  
[wongVKAM@ocbc.com](mailto:wongVKAM@ocbc.com)

**Ezien Hoo, CFA**

Treasury Research & Strategy  
Global Treasury, OCBC Bank  
(65) 6722 2215  
[EzienHoo@ocbc.com](mailto:EzienHoo@ocbc.com)

**Wong Hong Wei, CFA**

Treasury Research & Strategy  
Global Treasury, OCBC Bank  
(65) 6722 2533  
[WongHongWei@ocbc.com](mailto:WongHongWei@ocbc.com)

**Seow Zhi Qi**

Treasury Research & Strategy  
Global Treasury, OCBC Bank  
(65) 6530 7348  
[zhigiseow@ocbc.com](mailto:zhigiseow@ocbc.com)

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