

Mar 7, 2019

Market Commentary

- The SGD swap curve flattened yesterday, with the shorter tenors trading 1bps lower while the longer tenors traded 1-2bps lower (with the exception of the 30-year swap rates trading 4bps lower).
- The Bloomberg Barclays Asia USD IG Bond Index average OAS traded little change at 139bps while the Bloomberg Barclays Asia USD HY Bond Index average OAS tightened 3bps to 487bps.
- Flows in SGD corporates were heavy, with flows seen in MAPLSP 3.58%'29s, DBSSP 3.98%-PERP, GUOLSP 4.6%-PERPs, FPLSP 4.15%'27s and OUECT 3.03%'20s.
- 10Y UST yields fell 2bps to 2.69%, on the back of weakening equity performance and lowered expectations of an interest rate hike in the short term after comments by New York Federal Reserve President John Williams regarding the current low inflation levels.

Table 1: Key Financial Indicators

	7-Mar	1W chg (bps)	1M chg (bps)
iTraxx Asiax IG	67	-3	-13
iTraxx SovX APAC	50	-3	-10
iTraxx Japan	57	-4	-4
iTraxx Australia	67	-1	-8
CDX NA IG	63	3	-6
CDX NA HY	106	-1	0
iTraxx Eur Main	62	0	-11
iTraxx Eur XO	279	2	-39
iTraxx Eur Snr Fin	75	1	-16
iTraxx Sovx WE	21	-1	-4
AUD/USD	0.704	-0.72%	-0.82%
EUR/USD	1.131	-0.56%	-0.30%
USD/SGD	1.357	-0.35%	-0.04%
China 5Y CDS	47	-3	-9
Malaysia 5Y CDS	61	-4	-21
Indonesia 5Y CDS	97	-7	-17
Thailand 5Y CDS	44	-1	4

	7-Mar	1W chg	1M chg
Brent Crude Spot (\$/bbl)	66.24	0.32%	7.48%
Gold Spot (\$/oz)	1,287.26	-1.98%	-1.74%
CRB	181.23	-1.09%	1.76%
GSCI	422.72	-0.95%	4.07%
VIX	15.74	7.07%	-3.85%
CT10 (bp)	2.688%	-2.71	3.07
USD Swap Spread 10Y (bp)	2	1	-1
USD Swap Spread 30Y (bp)	-20	0	-1
US Libor-OIS Spread (bp)	20	-1	-10
Euro Libor-OIS Spread (bp)	5	0	0
DJIA	25,673	-1.20%	2.00%
SPX	2,771	-0.75%	2.42%
MSCI Asiax	659	0.94%	2.83%
HSI	28,968	1.17%	3.49%
STI	3,232	0.60%	0.97%
KLCI	1,690	-1.06%	-0.23%
JCI	6,458	-1.04%	-1.20%

New issues

- Santos Finance Ltd has priced a USD600mn 10-year bond (guarantor: Santos Ltd) at CT10+265bps, tightening from IPT of +290bps area.
- CES Treasury Pte Ltd has priced a SGD100mn 3-year bond (guarantor: Chip Eng Seng Co Ltd) at 6.0%.

<u>Date</u>	<u>Issuer</u>	<u>Size</u>	<u>Tenor</u>	<u>Pricing</u>
6-Mar-19	Santos Finance Ltd	USD600mn	10-year	CT10+265bps
6-Mar-19	CES Treasury Pte Ltd	SGD100mn	3-year	6.0%
5-Mar-19	Greenland Global Investment Ltd	USD350mn	3-year	7.25%
5-Mar-19	Export-Import Bank of India	USD500mn	5-year	CT5+140bps
5-Mar-19	Renew Power Ltd	USD375mn	5NC2	6.67%
5-Mar-19	Competition Team Technologies Ltd	USD700mn USD300mn	5-year 10-year	CT5+125bps CT10+155bps
5-Mar-19	PT Delta Merlin Dunia Textile	USD300mn	5NC3	8.625%
5-Mar-19	ESR Cayman Ltd	SGD25mn	ESRCAY 6.75%'22s	6.75%
5-Mar-19	Housing and Developmental Board	SGD500mn	7-year	2.495%
5-Mar-19	Mapletree Treasury Services Ltd	SGD250mn	10-year	3.58%
4-Mar-19	Guotai Junan Holdings Ltd	USD500mn	3-year	CT3+147.5bps
4-Mar-19	CDBL Funding 2	USD700mn	3-year	CT3+125bps

Source: OCBC, Bloomberg

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