

Jan 05, 2016

**Market Commentary:** The SGD swap rates flattened yesterday with the short-end-rates increasing by 1-2bps while the belly to long-end-rates dropped by 1-2bps. In the broader Asia dollar space, JACI IG corporates increased 2.56bps to 217.5bps while JACI HY corporates further dipped 6bps to 7.96%. 10y UST yields fell 2.66bps to 2.42% amidst broad stock market volatility to start the new year.

**Table 1: Key Financial Indicators**

	<u>5-Jan</u>	<u>1W chg (bps)</u>	<u>1M chg (bps)</u>		<u>5-Jan</u>	<u>1W chg</u>	<u>1M chg</u>
iTraxx Asiax IG	142	4	7	Brent Crude Spot (\$/bbl)	37.22	-1.77%	-13.44%
iTraxx SovX APAC	76	4	6	Gold Spot (\$/oz)	1,075.94	0.60%	-0.70%
iTraxx Japan	78	3	5	CRB	174.49	-0.91%	-4.78%
iTraxx Australia	131	3	7	GSCI	309.64	-1.39%	-6.55%
CDX NA IG	90	2	7	VIX	20.7	31.51%	39.77%
CDX NA HY	101	0	-1	CT10 (bp)	2.237%	-6.76	-3.19
iTraxx Eur Main	81	4	9	USD Swap Spread 10Y (bp)	#N/A N/A	11	11
iTraxx Eur XO	334	16	40	USD Swap Spread 30Y (bp)	-39	-3	1
iTraxx Eur Snr Fin	80	4	9	TED Spread (bp)	45	4	20
iTraxx Sovx WE	16	-1	-1	US Libor-OIS Spread (bp)	23	0	8
iTraxx Sovx CEEMEA	187	7	18	Euro Libor-OIS Spread (bp)	11	1	1
					<u>5-Jan</u>	<u>1W chg</u>	<u>1M chg</u>
				AUD/USD	0.718	-1.21%	-1.66%
				USD/CHF	1.002	-1.31%	-0.03%
				EUR/USD	1.083	-1.23%	0.17%
				USD/SGD	1.426	-0.98%	-1.48%
Korea 5Y CDS	61	4	7	DJIA	17,149	-2.30%	-3.91%
China 5Y CDS	117	8	14	SPX	2,013	-2.34%	-3.78%
Malaysia 5Y CDS	193	6	13	MSCI Asiax	484	-3.38%	-4.18%
Philippines 5Y CDS	117	10	13	HSI	21,327	-3.66%	-4.09%
Indonesia 5Y CDS	245	13	16	STI	2,836	-1.45%	-1.50%
Thailand 5Y CDS	145	11	13	KLCI	1,653	-0.61%	-0.87%
				JCI	4,526	0.18%	0.39%

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

**Andrew Wong**

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

**Nick Wong Liang Mian, CFA**

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

**Nicholas Koh Jun Ming**

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

This publication is solely for information purposes only and may not be published, circulated, reproduced or distributed in whole or in part to any other person without our prior written consent. This publication should not be construed as an offer or solicitation for the subscription, purchase or sale of the securities/instruments mentioned herein. Any forecast on the economy, stock market, bond market and economic trends of the markets provided is not necessarily indicative of the future or likely performance of the securities/instruments. Whilst the information contained herein has been compiled from sources believed to be reliable and we have taken all reasonable care to ensure that the information contained in this publication is not untrue or misleading at the time of publication, we cannot guarantee and we make no representation as to its accuracy or completeness, and you should not act on it without first independently verifying its contents. The securities/instruments mentioned in this publication may not be suitable for investment by all investors. Any opinion or estimate contained in this report is subject to change without notice. We have not given any consideration to and we have not made any investigation of the investment objectives, financial situation or particular needs of the recipient or any class of persons, and accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of the recipient or any class of persons acting on such information or opinion or estimate. This publication may cover a wide range of topics and is not intended to be a comprehensive study or to provide any recommendation or advice on personal investing or financial planning. Accordingly, they should not be relied on or treated as a substitute for specific advice concerning individual situations. Please seek advice from a financial adviser regarding the suitability of any investment product taking into account your specific investment objectives, financial situation or particular needs before you make a commitment to purchase the investment product. OCBC and/or its related and affiliated corporations may at any time make markets in the securities/instruments mentioned in this publication and together with their respective directors and officers, may have or take positions in the securities/instruments mentioned in this publication and may be engaged in purchasing or selling the same for themselves or their clients, and may also perform or seek to perform broking and other investment or securities-related services for the corporations whose securities are mentioned in this publication as well as other parties generally.