

Market Commentary

- The SGD swap curve steepened yesterday, with the shorter tenors traded 0-0.5bps lower, while the longer tenors (>5yr) traded 0-2bps higher.
- The Bloomberg Barclays Asia USD IG Bond Index average OAS was unchanged at 136bps while the Bloomberg Barclays Asia USD HY Bond Index average OAS widened 6bps to 572bps.
- Flows in SGD corporates were heavy, with large ticket flows in UBS 4.85%-PERPs. We also saw flows in STANLN 5.375%-PERPs, UOBSP 3.58%-PERPs, ARASP 5.6%-PERPs, CS 5.675%-PERPs, HSBC 4.7%-PERPs, CAPLSP 3.15%'29s, SINTEC 5.0%-PERPs and SPHRSP 4.1%-PERPs.
- 10Y USTs yields fell 4bps to close at 1.46%, after US ISM manufacturing data for August showed that the manufacturing economy in the US contracted for the first time in 3 years. Spread between the 2-year treasury notes and 10-year treasury notes has ceased to be inverted, with the spread at +1bps, while the spread between 3-month treasury bills and 10-year treasury notes remains inverted at -48bps.

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Key Market Movements

	04-Sep	1W chg (bps)	1M chg (bps)		04-Sep	1W chg	1M chg
iTraxx Asiax IG	64	-3	-8	Brent Crude Spot (\$/bbl)	58.25	-3.70%	-5.88%
iTraxx SovX APAC	40	-2	-6	Gold Spot (\$/oz)	1,546.69	0.50%	5.67%
iTraxx Japan	61	-2	-1	CRB	169.19	0.17%	-2.40%
iTraxx Australia	64	-2	-4	GSCI	392.44	-0.02%	-3.73%
CDX NA IG	55	0	-6	VIX	19.66	1.76%	11.64%
CDX NA HY	106	0	0	CT10 (%)	1.456%	-2.38	-38.96
iTraxx Eur Main	50	1	-8				
				AUD/USD	0.676	0.42%	0.09%
iTraxx Eur XO	257	-4	-29	EUR/USD	1.097	-0.95%	-2.05%
iTraxx Eur Snr Fin	64	4	-7	USD/SGD	1.390	-0.11%	-0.40%
iTraxx Sovx WE	16	-1	0				
				DJIA	26,118	0.85%	-1.39%
USD Swap Spread 10Y	-12	-2	0	SPX	2,906	0.97%	-0.88%
USD Swap Spread 30Y	-43	-2	0	MSCI Asiax	602	0.23%	-2.79%
US Libor-OIS Spread	33	7	9	HSI	25,528	-0.53%	-5.17%
Euro Libor-OIS Spread	7	1	1	STI	3,091	0.75%	-5.23%
China 5Y CDS	45	-3	-10	KLCI	1,592	-0.56%	-2.17%
Malaysia 5Y CDS	50	-4	-13	JCI	6,262	-0.26%	-1.24%
Indonesia 5Y CDS	87	-7	-12				
Thailand 5Y CDS	30	-1	-4				

Source: Bloomberg

New Issues

- CK Hutchison International (19) (II) Ltd (Guarantor: CK Hutchison Holdings Ltd) has priced a USD1.25bn offering in 2 tranches: a USD500mn 10-year bond at T+135bps (tightening from revised guidance of T+140bps area), and a USD750mn 30-year bond at T+150bps (tightening from revised guidance of T+160bps area).
- BOC Aviation Ltd has priced a USD500mn 10-year bond at T+165bps, tightening from IPT of T+185bps area.
- Bank of the Philippine Islands has priced a USD300mn 5-year bond at T+120bps, tightening from IPT of T+145bps area.
- Zhangzhou Jiulongjiang Group Co., Ltd has priced a USD500mn 3-year bond at 5.6%, tightening from IPT of 6.15% area.
- Logan Property Holdings Co., Ltd has priced a USD100mn 5NC2 bond at 6.9%.

Date	Issuer	Size	Tenor	Pricing
03-Sep-19	CK Hutchison International (19) (II) Ltd	USD500mn USD750mn	10-year 30-year	T+135bps T+150bps
03-Sep-19	BOC Aviation Ltd	USD500mn	10-year	T+165bps
03-Sep-19	Bank of the Philippine Islands	USD300mn	5-year	T+120bps
03-Sep-19	Zhangzhou Jiulongjiang Group Co., Ltd	USD500mn	3-year	5.6%
03-Sep-19	Logan Property Holdings Co., Ltd	USD100mn	5NC2	6.9%
02-Sep-19	Skyfame Realty (Holdings) Ltd	USD100mn	SKYFAM 13.0%'22s	13.0%
29-Aug-19	Suzhou City Construction Investment Group (Holding) Co., Ltd	USD300mn	3-year	4.6%
29-Aug-19	Bocom Leasing Management Hong Kong Co., Ltd	USD200mn USD400mn	5-year 5-year	T+135bps 3m-US LIBOR+117.5bps
29-Aug-19	United Overseas Bank Ltd	USD500mn	3-year	MS+32bps
29-Aug-19	ARA Asset Management Ltd	SGD350mn	NC7-Perpetual	5.6%
28-Aug-19	Hysan (MTN) Ltd	USD500mn	10-year	T+140bps
28-Aug-19	Korean Air Lines Co.	USD300mn	3-year	T+70bps

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