

Market Commentary

- The SGD swap curve bull-steepened slightly yesterday, with the shorter tenors traded 1-2bps lower, while the longer tenors (>5yr) traded 0-1bps lower.
- The Bloomberg Barclays Asia USD IG Bond Index average OAS tightened 3bps to 133bps while the Bloomberg Barclays Asia USD HY Bond Index average OAS tightened 13bps to 565bps.
- Flows in SGD corporates were heavy, with large ticket flows in UBS 4.85%-PERPs. We also saw flows in STANLN 5.375%-PERPs, CAPLSP 3.15%'29s, CS 5.625%-PERPs, ARASP 5.6%-PERPs and FPLSP 4.98%-PERPs.
- 10Y USTs yields rose 9bps to close at 1.56%, after better than expected US economic data and US-China trade war optimism on the resumption of trade talks boosted risk-on sentiment. Spread between 3-month treasury bills and 10-year treasury notes remains inverted though narrower at -37bps.

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Key Market Movements

	06-Sep	1W chg (bps)	1M chg (bps)		06-Sep	1W chg	1M chg
iTraxx Asiax IG	59	-5	-12	Brent Crude Spot (\$/bbl)	60.86	0.71%	3.26%
iTraxx SovX APAC	37	-3	-7	Gold Spot (\$/oz)	1,519.17	-0.08%	3.04%
iTraxx Japan	56	-5	-7	CRB	172.35	0.67%	1.06%
iTraxx Australia	59	-4	-10	GSCI	404.27	0.97%	1.70%
CDX NA IG	52	-2	-7	VIX	16.27	-15.92%	-19.34%
CDX NA HY	107	0	1	CT10 (%)	1.562%	6.58	-14.04
iTraxx Eur Main	48	0	-9				
				AUD/USD	0.682	1.22%	0.80%
iTraxx Eur XO	244	-8	-37	EUR/USD	1.103	0.46%	-1.48%
iTraxx Eur Snr Fin	58	-3	-11	USD/SGD	1.384	0.21%	-0.20%
iTraxx Sovx WE	15	-1	-1				
				DJIA	26,728	2.66%	2.68%
USD Swap Spread 10Y	-11	0	-1	SPX	2,976	3.05%	3.27%
USD Swap Spread 30Y	-41	1	-2	MSCI Asiax	620	1.86%	3.81%
US Libor-OIS Spread	29	0	5	HSI	26,516	3.16%	2.08%
Euro Libor-OIS Spread	6	-1	1	STI	3,147	2.12%	-0.74%
				KLCI	1,600	0.62%	-0.75%
China 5Y CDS	41	-5	-11	JCI	6,307	0.28%	3.06%
Malaysia 5Y CDS	46	-5	-14				
Indonesia 5Y CDS	80	-9	-16				
Thailand 5Y CDS	28	-2	-4				

Source: Bloomberg

New Issues

- Jincheng State-Owned Capital Investment Operation Co., Ltd has priced a USD190mn 3-year bond at 6.5%, in line with IPT.
- Chang Development International Ltd (Guarantor: Changchun Urban Development & Investment Holdings (Group) Co., Ltd) has priced a USD250mn 3-year bond at 3.9%, tightening from IPT of 4.5% area.
- Indorama Ventures Global Services Ltd (Guarantor: Indorama Ventures Public Company Ltd) has priced a USD300mn 5-year bond at T+310bps, tightening from IPT of T+335bps area.
- FEC Finance Ltd (Guarantor: Far East Consortium International Ltd) has priced a USD250mn NC5.1-Perpetual bond at 7.35%, tightening from IPT of 7.5% area.
- Wharf REIC Finance (BVI) Ltd (Guarantor : Wharf Real Estate Investment Company Ltd) has priced a USD300mn 5-year bond at T+120bps, tightening from IPT of T+140bps area.
- Industrial and Commercial Bank of China (Macau) Ltd has priced a USD500mn 10NC5 Tier 2 bond at T+165bps, tightening from IPT of T+190bps area.
- Wanda Group Overseas Ltd (Guarantor: Dalian Wanda Group Co., Ltd) has priced a USD150mn re-tap of its existing DALWAN 7.5%'22s at 8.25%, in line with final guidance.
- Power Finance Corporation Ltd has priced a USD300mn 5-year bond at T+187.5bps (tightening from IPT of T+215bps area), and a USD450mn 10-year bond at T+240bps (tightening from IPT of T+265bps area).
- Guangxi Communications Investment Group Corp. Ltd has scheduled investor roadshows commencing on 6 Sep for its potential USD bond offering.

Date	Issuer	Size	Tenor	Pricing
05-Sep-19	Jincheng State-Owned Capital Investment Operation Co., Ltd	USD190mn	3-year	6.5%
05-Sep-19	Chang Development International Ltd	USD250mn	3-year	3.9%
05-Sep-19	Indorama Ventures Global Services Ltd	USD300mn	5-year	T+310bps
05-Sep-19	FEC Finance Ltd	USD250mn	NC5.1-Perpetual	7.35%
05-Sep-19	Wharf REIC Finance (BVI) Ltd	USD300mn	5-year	T+120bps
05-Sep-19	Industrial and Commercial Bank of China (Macau) Ltd	USD500mn	10NC5	T+165bps
05-Sep-19	Wanda Group Overseas Ltd	USD150mn	DALWAN 7.5%'22s	8.25%
05-Sep-19	Power Finance Corporation Ltd	USD300mn USD450mn	5-year 10-year	T+187.5bps T+240bps
04-Sep-19	Chinalco Capital Holdings Ltd	USD750mn	NC5-Perpetual	4.1%
04-Sep-19	Rizal Commercial Banking Corporation	USD300mn	5-year	T+170bps

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