

Market Commentary

- The SGD swap curve steepened yesterday, with the shorter tenors traded around 0-1bps lower, while the belly and longer tenors traded around 1bps higher.
- The Bloomberg Barclays Asia USD IG Bond Index average OAS tightened 1bps to 136bps while the Bloomberg Barclays Asia USD HY Bond Index average OAS tightened 7bps to 543bps.
- Flows in SGD corporates were light, with flows in UBS 4.85%-PERPs and F 4.125%'24s.
- 10Y USTs yields rose 8bps to 1.67% as trade talks between the US and China are set to resume, with Chinese Vice Premier Liu He saying that China was willing to reach an agreement with the US on matters that both sides cared about to prevent any escalation. The spread between 3-month treasury bills and 10-year treasury notes has ceased to be inverted, with the spread at +1bps.

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Key Market Movements

	11-Oct	1W chg (bps)	1M chg (bps)		11-Oct	1W chg	1M chg
iTraxx Asiax IG	77	-1	20	Brent Crude Spot (\$/bbl)	59.39	1.75%	-2.34%
iTraxx SovX APAC	36	0	0	Gold Spot (\$/oz)	1,494.41	-0.68%	-0.19%
iTraxx Japan	63	-1	7	CRB	173.58	0.10%	-0.08%
iTraxx Australia	68	-1	9	GSCI	402.16	1.21%	-0.51%
CDX NA IG	60	0	9	VIX	17.57	-8.11%	20.26%
CDX NA HY	106	0	-1	CT10 (%)	1.658%	12.87	-8.08
iTraxx Eur Main	56	-1	7				
iTraxx Eur XO	248	-1	1	AUD/USD	0.676	-0.12%	-1.44%
iTraxx Eur Snr Fin	66	-2	8	EUR/USD	1.101	0.31%	0.03%
iTraxx Eur Sub Fin	136	-7	9	USD/SGD	1.375	0.24%	0.30%
iTraxx Sovx WE	13	0	-2	AUD/SGD	0.930	0.34%	1.76%
USD Swap Spread 10Y	-9	-1	3	ASX 200	6,598	1.24%	-0.60%
USD Swap Spread 30Y	-40	-1	2	DJIA	26,497	1.13%	-2.36%
US Libor-OIS Spread	35	-1	5	SPX	2,938	0.94%	-2.09%
Euro Libor-OIS Spread	5	0	-3	MSCI Asiax	614	0.00%	-2.56%
				HSI	25,708	-1.29%	-5.34%
China 5Y CDS	47	-1	8	STI	3,089	0.05%	-3.59%
Malaysia 5Y CDS	52	-1	7	KLCI	1,552	-0.78%	-3.15%
Indonesia 5Y CDS	91	-1	14	JCI	6,024	-0.25%	-5.61%
Thailand 5Y CDS	30	0	3	EU Stoxx 50	3,494	2.24%	-0.65%
Australia 5Y CDS	21	1	3				

Source: Bloomberg

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New Issues

- Industrial & Commercial Bank of China Ltd, Dubai (DIFC) Branch priced a USD500mn 3-year FRN at 3m-US LIBOR+66bps (tightening from IPT of 3m-US LIBOR+95bps area), and a USD500mn 5-year FRN at 3m-US LIBOR+77bps (tightening from IPT of 3m-US LIBOR+105bps).
- E-House (China) Enterprise Holdings Ltd (Subsidiary Guarantors: Certain of the Issuer's existing subsidiaries incorporated outside the PRC) priced a USD200m 2.5-year bond at 8.375%, tightening from IPT of 8.625% area.
- SDSC International Development Ltd priced a USD200mn 3-year bond at 6.0%, tightening from guidance of 6.4% area.
- Oriental Capital Co., Ltd (Guarantor: Yancheng Oriental Investment & Development Group Co., Ltd) priced a USD360mn 3-year bond at 7.0%, tightening from IPT of 7.25% area.
- CapitaLand Treasury Ltd (Guarantor: CapitaLand Ltd) priced a SGD500mn NC5-Perpetual bond at 3.65%, tightening from IPT of 3.85% area.

Date	Issuer	Size	Tenor	Pricing
10-Oct-19	Industrial & Commercial Bank of China Ltd, Dubai (DIFC) Branch	USD500mn	3-year FRN	3m-US LIBOR+66bps
10-Oct-19	E-House (China) Enterprise Holdings Ltd	USD200m	2.5-year	8.375%
10-Oct-19	SDSC International Development Ltd	USD200mn	3-year	6.0%
10-Oct-19	Oriental Capital Co., Ltd	USD360mn	3-year	7.0%
10-Oct-19	CapitaLand Treasury Ltd	SGD500mn	NC5-Perpetual	3.65%
09-Oct-19	Bank of China Ltd., Macau Branch	USD350mn	3-year	SOFR+95bps
09-Oct-19	Three Gorges Finance I	USD500mn USD350mn	5-year 30-year	T+95bps 3.2%
09-Oct-19	Ronshine China Holdings Ltd	USD265mn	RONXIN 8.75% '22s	8.75%
09-Oct-19	Central Japan Railway Co	USD750mn	5-year	2.2%
09-Oct-19	PT Sri Rejeki Isman Tbk	USD225mn	5.25YNC3	7.25%
09-Oct-19	Thaioil Treasury Centre Co Ltd	USD565mn	30-year	T+145bps
08-Oct-19	Network i2i Ltd	USD750mn	NC5.5-Perpetual	5.65%
08-Oct-19	The Export-Import Bank of China, Paris Branch	USD300mn	3-year FRN	3m-US LIBOR+48bps
08-Oct-19	Macquarie Bank Ltd	USD1.25bn	3-year	T+75bps

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