

Market Commentary

- The SGD swap curve was higher across the board yesterday, with all the tenors traded around 2-3higher.
- The Bloomberg Barclays Asia USD IG Bond Index average OAS widened 1bps to 137bps while the Bloomberg Barclays Asia USD HY Bond Index average OAS widened 2bps to 549bps.
- Flows in SGD corporates were light, with big ticket flows in FULIN 3.7%'23s, STANLN 5.375%-PERPs and UBS 4.85%-PERPs. We also saw flows in KITSP 4.75%-PERPs, ARASP 5.6%-PERPs, MAPLSP 3.95%-PERPs, F 4.125%-PERPs and HSBC 4.7%-PERPs.
- 10Y USTs yields fell 3bps to 1.53% after rising tensions between the US and China (eg: US President Donald Trump included more Chinese firms to the trade blacklist, US travel ban on Chinese officials) while US producer prices also unexpectedly fell in September. The spread between 3-month treasury bills and 10-year treasury notes tightening to -13bps and remains inverted.

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Key Market Movements

	09-Oct	1W chg (bps)	1M chg (bps)		09-Oct	1W chg	1M chg
iTraxx Asiax IG	80	1	22	Brent Crude Spot (\$/bbl)	58.05	0.62%	-7.25%
iTraxx SovX APAC	37	0	1	Gold Spot (\$/oz)	1,506.35	0.46%	0.48%
iTraxx Japan	62	0	7	CRB	173.32	-0.44%	-0.57%
iTraxx Australia	68	0	9	GSCI	399.49	-0.70%	-2.49%
CDX NA IG	63	0	11	VIX	20.28	9.27%	32.81%
CDX NA HY	106	0	-1	CT10 (%)	1.536%	-6.35	-10.81
iTraxx Eur Main	59	2	11				
iTraxx Eur XO	259	18	19	AUD/USD	0.674	0.46%	-1.81%
iTraxx Eur Snr Fin	70	2	12	EUR/USD	1.096	0.03%	-0.78%
iTraxx Eur Sub Fin	146	0	22	USD/SGD	1.382	0.15%	-0.17%
iTraxx Sovx WE	13	0	-2	AUD/SGD	0.931	-0.32%	1.69%
USD Swap Spread 10Y	-9	1	2	ASX 200	6,539	-1.52%	-1.64%
USD Swap Spread 30Y	-40	0	1	DJIA	26,164	-1.54%	-2.50%
US Libor-OIS Spread	38	1	7	SPX	2,893	-1.60%	-2.87%
Euro Libor-OIS Spread	5	0	-3	MSCI Asiax	615	0.29%	-1.66%
				HSI	25,893	-0.76%	-2.95%
China 5Y CDS	50	0	10	STI	3,097	-0.20%	-1.56%
Malaysia 5Y CDS	53	-1	9	KLCI	1,553	-1.37%	-3.18%
Indonesia 5Y CDS	94	0	16	JCI	6,040	-1.61%	-4.53%
Thailand 5Y CDS	31	1	3	EU Stoxx 50	3,433	-2.43%	-1.78%
Australia 5Y CDS	20	0	2				

Source: Bloomberg

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New Issues

- Network i2i Ltd (Guarantor: Bharti Airtel Ltd) priced a USD750mn NC5.5-Perpetual bond at 5.65%, tightening from IPT of 6% area.
- The Export-Import Bank of China, Paris Branch priced a USD300mn 3-year FRN at 3m-US LIBOR+48bps, tightening from IPT of 3m-US LIBOR+75bps area.
- Macquarie Bank Ltd priced a USD1.25bn 3-year bond at T+75bps, tightening from IPT of T+85bps area.
- Tuspark Forward Ltd (Guarantor: Tus-Holdings Co., Ltd) priced a USD50mn re-tap of its existing THSCPA 7.95%'21s at 8.875%, in line with IPT.
- Commonwealth Bank of Australia (Covered Bond Guarantor: Perpetual Corporate Trust Ltd., in its capacity as trustee of the CBA Covered Bond Trust) priced a USD1.25bn 3-year covered bond at MS+30bps, tightening from IPT of MS+33bps area.
- Societe Generale SA priced a USD1.0bn 5-year senior non-preferred bond at T+130bps, tightening from IPT of T+140bps area.
- Bank of China Ltd., Macau Branch scheduled investor meetings from 8 Oct for its potential USD, EUR or CNH bond issuance.
- E-House (China) Enterprise Holdings Ltd scheduled investor meetings and calls from 8 Oct for its potential USD bond issuance.

Date	Issuer	Size	Tenor	Pricing
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
08-Oct-19	Tuspark Forward Ltd	USD50mn	THSCPA 7.95%'21s	8.875%
08-Oct-19	Commonwealth Bank of Australia	USD1.25bn	3-year	MS+30bps
08-Oct-19	Societe Generale SA	USD1.0bn	5-year	T+130bps
04-Oct-19	Helenbergh China Holdings Ltd	USD300mn	2-year	13.5%
04-Oct-19	Fullerton India Credit Co., Ltd	SGD150mn	3.5-year	3.7%
03-Oct-19	Adani Renewable Energy (RJ) Ltd Kodangal Solar Parks Pte Ltd Wardha Solar (Maharashtra) Pte Ltd	USD362.5mn	20-year	4.625%
27-Sep-19	Zhongliang Holdings Group Co. Ltd	USD100mn	ZHLGHD 11.5%'21s	11.75%
27-Sep-19	Hongkong Ideal Investment Ltd	USD100mn	3NP2	14.75%

Source: OCBC, Bloomberg

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