

Market Commentary

- The SGD swap curve traded mostly higher yesterday, with the shorter tenors trading 1-2bps higher (with the exception of 1-year trading 1bps lower) while the belly and longer tenors traded 3-4bps higher (with the exception of 20-year traded 1bps lower).
- The Bloomberg Barclays Asia USD IG Bond Index average OAS remained mostly unchanged at 168bps, while the Bloomberg Barclays Asia USD HY Bond Index average OAS tightened 5bps to 669bps. The HY-IG Index Spread tightened 5bps to 501bps.
- Flows in SGD corporates were heavy, with flows in OLAMSP 4%'26s, CMZB 4.875%'27s, CS 5.625%-PERPs, NTUCSP 3.1%'50s, MAPLSP 3.15%'31s, OLAMSP 5.5%-PERPs and UBS 5.875%-PERPs.
- 10Y UST Yields gained 3bps to 0.68%, driven by a reaffirmation of the US-China Phase 1 trade deal and a solid 2-year auction which raised a record USD50bn.

Credit Summary:

- There are no credit headlines today.

Credit Research

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Key Market Movements

	26-Aug	1W chg (bps)	1M chg (bps)		26-Aug	1W chg	1M chg
iTraxx Asiax IG	63	-2	-12	Brent Crude Spot (\$/bbl)	45.95	1.28%	6.02%
iTraxx SovX APAC	34	-2	-8	Gold Spot (\$/oz)	1,929.17	0.01%	-0.67%
iTraxx Japan	60	1	0	CRB	152.64	0.42%	6.71%
iTraxx Australia	65	-2	-12	GSCI	360.04	0.51%	5.27%
CDX NA IG	66	-2	-4	VIX	22.03	2.42%	-14.74%
CDX NA HY	105	1	3	CT10 (%)	0.690%	0.99	10.12
iTraxx Eur Main	55	0	-5				
iTraxx Eur XO	329	-6	-30	AUD/USD	0.720	0.31%	0.77%
iTraxx Eur Snr Fin	63	-2	-6	EUR/USD	1.183	-0.03%	0.70%
iTraxx Eur Sub Fin	132	-2	-12	USD/SGD	1.368	0.14%	0.77%
iTraxx Sovx WE	14	0	-2	AUD/SGD	0.986	-0.11%	0.02%
USD Swap Spread 10Y	-1	1	0	ASX 200	6,104	-1.03%	1.33%
USD Swap Spread 30Y	-37	4	4	DJIA	28,248	1.69%	6.72%
US Libor-OIS Spread	16	-1	-2	SPX	3,444	1.59%	7.09%
Euro Libor-OIS Spread	-2	0	-4	MSCI Asiax	732	1.84%	6.60%
				HSI	25,486	0.47%	3.16%
China 5Y CDS	36	-2	-8	STI	2,559	-0.16%	-0.79%
Malaysia 5Y CDS	48	-2	-12	KLCI	1,555	-0.37%	-2.18%
Indonesia 5Y CDS	97	-5	-20	JCI	5,339	1.90%	5.03%
Thailand 5Y CDS	38	-1	-3	EU Stoxx 50	3,330	1.22%	0.57%
Australia 5Y CDS	14	-1	-2				

Source: Bloomberg

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New Issues

- RKPF Overseas 2019 A Ltd (Guarantor: Road King Infrastructure Limited) priced a USD300mn 5NC3 bond at 6.0%, tightening from IPT of 6.4% area.
- Fuyuan Worldwide Ltd (Guarantor: Shandong Commercial Group Co Ltd) priced a USD180mn 3-year bond at 7%, tightening from IPT of 7.5% area.
- Olam International Limited priced a SGD100mn re-tap of its OLAMSP 4.0%'26s.
- Tencent Music Entertainment Group has arranged investor calls commencing 24 August 2020 for its proposed USD bond offering.

Date	Issuer	Size	Tenor	Pricing
25-Aug-20	RKPF Overseas 2019 A Ltd (Guarantor: Road King Infrastructure Limited)	USD300mn	5NC3	6.0%
25-Aug-20	Fuyuan Worldwide Ltd (Guarantor: Shandong Commercial Group Co Ltd)	USD180mn	3-year	7%
25-Aug-20	Olam International Limited	SGD100mn	OLAMSP 4.0%'26s	4.0%
24-Aug-20	Boen Investment Limited (Guarantor: Jiangsu Kewei Holding Group Co., Ltd.)	USD100mn	3-year	3.2%
24-Aug-20	Guohui International (BVI) Co. (Guarantor: Shandong Guohui Investment Co.)	USD400mn	5-year	3.15%
24-Aug-20	KT Corp	USD400mn	5-year	T+80bps
24-Aug-20	Industrial & Commercial Bank of China Ltd of London	USD100mn USD100mn	3-year 3-year	3m-US LIBOR+75bps 3m-US LIBOR+75bps
21-Aug-20	Perennial Real Estate Holdings Limited	SGD44.25mn	2-year	5.95%
20-Aug-20	Rizal Commercial Banking Corp.	USD300mn	PerpNC5	6.75%
20-Aug-20	Industrial Investment Overseas Limited (Guarantor: New & High (HK) Limited)	USD200mn	364-day	3.7%
20-Aug-20	Hongkong Electric Finance Limited (Guarantor: The Hongkong Electric Company, Limited)	USD500mn	10-year	T+130bps
20-Aug-20	JIC Zhixin Limited (Guarantor: China Jianyin Investment Limited)	USD400mn USD500mn	5-year 10-year	T+125bps T+160bps
20-Aug-20	Nan Fung Treasury Limited (Guarantor: Nan Fung International Holdings Limited)	USD500m	10-year	T+305bps

Source: OCBC, Bloomberg

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