

Asian Credit Daily

Tuesday, May 26, 2020

Market Commentary

- Both the U.S. and Singapore markets were closed yesterday to observe holidays. With the exception of the 1-year trading around 1bp higher, the SGD swap curve bull-flattened last Friday, with the shorter and the belly tenors trading 0-3bps lower while the 20-year and 30-year traded 10-11bps lower.
- Last Friday, the Bloomberg Barclays Asia USD IG Bond Index average OAS widened 1bps to 229bps, and the Bloomberg Barclays Asia USD HY Bond Index average OAS widened 12bps to 901bps. The HY-IG Index Spread widened 11bps to 671bps.
- Flows in SGD corporates were heavy, with flows in HPLSP 3.8%'25s, HSBC 4.7%-PERPs, HSBC 5%-PERPs, CS 5.625%-PERPs, UBS 5.875%-PERPs, STANLN 5.375%-PERPs, UBS 4.85%-PERPs, SOCGEN 4.3%'26s, BAERVX 5.9%-PERPs, SOCGEN 6.125%-PERPs, UOBSP 3.58%-PERPs, SPHSP 4.5%-PERPs and STANLN 4.4%'26s.
- 10Y UST Yields fell 1bps to 0.66% by the end of last Friday, as risk sentiments soured due to heightened U.S.-China trade tensions made worse by China announcing its plans to impose new security laws on Hong Kong.

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Key Market Movements

	26-May	1W chg (bps)	1M chg (bps)		26-May	1W chg	1M chg
iTraxx Asiax IG	107	-4	-15	Brent Crude Spot (\$/bbl)	35.82	3.38%	67.07%
iTraxx SovX APAC	58	-5	-13	Gold Spot (\$/oz)	1,732.34	-0.73%	1.07%
iTraxx Japan	77	-4	-6	CRB	129.53	3.84%	14.88%
iTraxx Australia	108	-7	-19	GSCI	297.92	4.48%	23.39%
CDX NA IG	88	-2	-6	VIX	28.16	-11.70%	-21.63%
CDX NA HY	96	2	2	CT10 (%)	0.659%	-2.91	5.83
iTraxx Eur Main	79	-2	-2				
iTraxx Eur XO	479	-11	-18	AUD/USD	0.657	0.49%	1.61%
iTraxx Eur Snr Fin	95	-4	-8	EUR/USD	1.091	-0.12%	0.75%
iTraxx Eur Sub Fin	0	-17	-23	USD/SGD	1.422	-0.39%	-0.25%
iTraxx Sovx WE	28	0	-4	AUD/SGD	0.934	-0.86%	-1.82%
USD Swap Spread 10Y	0	2	-2	ASX 200	5,695	2.44%	8.63%
USD Swap Spread 30Y	-45	3	-2	DJIA	24,465	3.29%	2.90%
US Libor-OIS Spread	32	1	-49	SPX	2,955	3.20%	4.18%
Euro Libor-OIS Spread	19	-2	-11	MSCI Asiax	590	-3.27%	1.01%
				HSI	22,952	-5.89%	-3.69%
China 5Y CDS	52	3	2	STI	2,523	-0.65%	0.19%
Malaysia 5Y CDS	95	-9	-21	KLCI	1,437	2.37%	4.88%
Indonesia 5Y CDS	176	-12	-53	JCI	4,546	-0.18%	0.98%
Thailand 5Y CDS	53	-3	-16	EU Stoxx 50	2,971	2.04%	5.78%
Australia 5Y CDS	0	-1	-1				

Source: Bloomberg

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New Issues

- China Ping An Insurance Overseas (Holdings) Limited arranged investor calls commencing 25 May for its proposed USD bond offering.
- AVIC Capital Co., Ltd arranged investor calls commencing 26 May for its proposed USD bond offering.

Date	Issuer	Size	Tenor	Pricing
21-May-20	Hotel Properties Ltd	SGD170mn	5-year	3.8%
21-May-20	The Bank of East Asia Limited	USD600mn	10NC2	T+375bps
21-May-20	Clark Equipment Co (Guarantor: Doosan Bobcat Inc)	USD300mn	5NC2	5.875%
20-May-20	Henderson Land MTN Limited (Guarantor: Henderson Land Development Company Limited)	USD300mn	5-year	T+210bps
20-May-20	Jining High Tech Urban Construction Investment Co.	USD118mn	3-year	5.5%
20-May-20	Industrial & Commercial Bank of China Limited of Dubai	USD100mn	3-year	3m-US LIBOR+60bps
20-May-20	Korea Expressway Corporation	USD100mn	5-year	3m-US LIBOR+120bps
19-May-20	Xi'an Aerospace High-Tech Industry Development Co., Ltd (SBLC Provider: Bank of Xi'an Co., Ltd.)	USD200mn	3-year	3.95%
19-May-20	Redco Properties Group Limited	USD150mn	3NC2P2	14.875% (yield to put)
19-May-20	Country Garden Holdings Company Limited	USD544mn	5NC3	5.4%
19-May-20	The Hongkong Land Finance (Cayman Islands) Co. (Guarantor: The Hongkong Land Co.)	USD600mn	10-year	T+220bps
19-May-20	Suntec REIT MTN Pte. Ltd	SGD200mn	5-year	2.6%
15-May-20	Industrial Investment Overseas Limited (Guarantor: New & High (HK) Limited; Provider of Keepwell and Liquidity Support Deed and Deed of Equity Interest Purchase Undertaking: Nanjing Jiangbei New Area Industrial Investment Group)	USD300mn	364-day	3.8%
14-May-20	Zhenro Properties Group Limited	USD200mn	3.8NCNP2.8	8.35% (yield to put)

Source: OCBC, Bloomberg

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