

Market Commentary

- The SGD swap curve slightly fell yesterday, with the shorter tenors trading 0-1bps lower while the belly and longer tenors traded 1-2bps lower.
- The Bloomberg Barclays Asia USD IG Bond Index average OAS widened 1bps to 171bps, and the Bloomberg Barclays Asia USD HY Bond Index average OAS widened 8bps to 680bps. The HY-IG Index Spread widened 7bps to 509bps.
- Flows in SGD corporates were heavy, with flows in HSBC 4.7%-PERPs, STANLN 5.375%-PERPs, HSBC 5%-PERPs, CAPLSP 2.9%'32s, OLAMSP 4%'26s, SOCGEN 6.125%-PERPs, SINTEC 4.1%-PERPs and SOCGEN 4.3%'26s.
- 10Y UST Yields gained 1bps to 0.67% after US home sales in August hit a new high in nearly 14 years, largely reflecting the positive effect of record-low mortgage rates and a steady recovery of the US housing market.

Credit Summary:

- There are no credit headlines today.

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Key Market Movements

	23-Sep	1W chg (bps)	1M chg (bps)		23-Sep	1W chg	1M chg
iTraxx Asiax IG	75	18	12	Brent Crude Spot (\$/bbl)	41.48	-1.75%	-6.47%
iTraxx SovX APAC	34	3	0	Gold Spot (\$/oz)	1,902.79	-2.88%	-1.35%
iTraxx Japan	0	1	0	CRB	147.52	-1.48%	-1.63%
iTraxx Australia	74	14	7	GSCI	347.96	0.82%	-1.53%
CDX NA IG	53	-15	-13	VIX	26.86	4.96%	19.17%
CDX NA HY	106	-1	1	CT10 (%)	0.668%	-2.94	3.93
iTraxx Eur Main	58	4	4				
iTraxx Eur XO	331	39	4	AUD/USD	0.713	-2.37%	-0.42%
iTraxx Eur Snr Fin	78	17	16	EUR/USD	1.168	-1.13%	-0.89%
iTraxx Eur Sub Fin	156	27	26	USD/SGD	1.367	-0.59%	0.30%
iTraxx Sovx WE	12	0	-2	AUD/SGD	0.975	1.83%	0.72%
USD Swap Spread 10Y	1	1	2	ASX 200	5,884	-1.21%	-3.72%
USD Swap Spread 30Y	-36	1	2	DJIA	27,288	-2.53%	-2.30%
US Libor-OIS Spread	14	-1	-4	SPX	3,316	-2.52%	-2.40%
Euro Libor-OIS Spread	-3	-2	-1	MSCI Asiax	712	-2.71%	-0.44%
				HSI	23,701	-4.14%	-5.63%
China 5Y CDS	45	10	8	STI	2,466	-1.58%	-2.49%
Malaysia 5Y CDS	52	8	3	KLCI	1,507	-1.61%	-4.47%
Indonesia 5Y CDS	111	20	12	JCI	4,934	-3.27%	-6.42%
Thailand 5Y CDS	45	8	6	EU Stoxx 50	3,164	-5.05%	-2.93%
Australia 5Y CDS	17	2	2				

Source: Bloomberg

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New Issues

- China Merchants Bank Co Ltd/Luxembourg Branch priced a USD300mn 3-year sustainability bond at T+95bps, tightening from IPT of T+140bps area.
- China Merchants Bank Singapore Branch priced USD400mn 3-year bond at 3m-US LIBOR+85bps, tightening from IPT of 3m-US LIBOR+130bps area.
- Zhejiang Baron BVI Co Ltd (Guarantors: Hangzhou Jianggan District Urban Construction & Comprehensive Development Co Ltd) priced a USD200mn Will Not Grow ("WNG") bond at 2.8%, tightening from IPT of 3.25% area.
- DianJian Haiyu Ltd. (Guarantor: Power Construction Corp. of China) priced a USD300mn PerpNC5 bond at 3.45%, tightening from IPT of 3.85% area.
- China Development Bank Financial Leasing Co Ltd priced a USD700mn 10NC5 bond T+275bps, tightening from IPT of T+305bps area.

Date	Issuer	Size	Tenor	Pricing
22-Sep-20	China Merchants Bank Co Ltd/Luxembourg Branch	USD300mn	3-year	T+95bps
22-Sep-20	China Merchants Bank Singapore Branch	USD400mn	3-year	3m-US LIBOR+85bps
22-Sep-20	Zhejiang Baron BVI Co Ltd (Guarantors: Hangzhou Jianggan District Urban Construction & Comprehensive Development Co Ltd)	USD200mn	3-year	2.8%
22-Sep-20	DianJian Haiyu Ltd. (Guarantor: Power Construction Corp. of China)	USD300mn	PerpNC5	3.45%
22-Sep-20	China Development Bank Financial Leasing Co Ltd	USD700mn	10NC5	T+275bps
21-Sep-20	CCBL Cayman 1 Corp Ltd (Guarantor: CCB Leasing International Corp DAC)	USD200mn USD100mn	5-year 10-year	T+152.5bps T+190bps
21-Sep-20	Sdoe Development I Co. Ltd. (Guarantor: Shandong Marine Group Ltd)	USD200mn	3-year	4.8%
17-Sep-20	Xianjin Industry Investment Co. (Guarantor: Hefei Industry Investment Holding (Group) Co.)	USD300mn	3-year	2.95%
17-Sep-20	Jining High Tech Urban Construction Investment Co Ltd	USD82mn	JIHITE 5.5%'23s	5.5%
17-Sep-20	Tingyi Cayman Islands Holding Corp	USD500mn	5-year	T+147.5bps
17-Sep-20	China Aoyuan Group Ltd	USD350mn	5.5NC3	6.2%

Source: OCBC, Bloomberg

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