

Market Commentary

- The SGD swap curve mostly rose on Monday by 1-2bps across the curve.
- The Bloomberg Barclays Asia USD IG Bond Index average OAS was flat at 150bps, and the Bloomberg Barclays Asia USD HY Bond Index average OAS widened 2bps to 673bps. The HY-IG Index Spread widened 2bps to 523bps.
- 10Y UST gained another 3bps to 1.15% on the back of continued expectations of stimulus spending while the breakeven rates on the 10 year Treasury Inflation-Protected Securities traded at 2.07% after breaking 2.0% last week.
- There were very minimal flows in SGD corporates on Monday.

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Credit Summary:

- [CapitaLand Retail China Trust \(“CRCT”\)](#) | **Issuer Profile: Neutral (4):** CRCT is divesting CapitaMall Minzhongleyuan to an unrelated third party for RMB458.0mn (~SGD93.4mn).

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Credit Headlines

CapitaLand Retail China Trust (“CRCT”) | Issuer Profile: Neutral (4)

- CRCT is divesting CapitaMall Minzhongleyuan to an unrelated third party for RMB458.0mn (~SGD93.4mn).
- The net proceeds of the divestment is estimated to be ~RMB229.6mn (~SGD46.8mn) which may be used to repay debt, finance any capex and asset enhancement works, capital distribution, fund new acquisitions and/or to finance general corporate and working capital requirements. (Company, OCBC)

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Key Market Movements

	12-Jan	1W chg (bps)	1M chg (bps)		12-Jan	1W chg	1M chg
iTraxx Asiax IG	60	2	1	Brent Crude Spot (\$/bbl)	55.65	3.82%	11.37%
iTraxx SovX APAC	26	1	0	Gold Spot (\$/oz)	1,845.88	-5.34%	1.01%
iTraxx Japan	51	-1	-3	CRB	172.73	3.22%	7.12%
iTraxx Australia	58	2	0	GSCI	426.02	4.40%	8.20%
CDX NA IG	51	0	-3	VIX	24.08	-10.72%	3.30%
CDX NA HY	109	0	0	CT10 (%)	1.148%	19.29	25.14
iTraxx Eur Main	49	0	-1				
iTraxx Eur XO	254	1	-5	AUD/USD	0.769	-0.84%	2.11%
iTraxx Eur Snr Fin	60	1	-1	EUR/USD	1.214	-1.27%	-0.02%
iTraxx Eur Sub Fin	0	0	0	USD/SGD	1.332	-1.04%	0.28%
iTraxx Sovx WE	8	0	0	AUD/SGD	1.025	-0.20%	-1.83%
USD Swap Spread 10Y	0	1	0	ASX 200	6,698	0.24%	0.83%
USD Swap Spread 30Y	-26	0	1	DJIA	31,009	2.60%	3.20%
US Libor-OIS Spread	15	-1	1	SPX	3,800	2.67%	3.72%
Euro Libor-OIS Spread	-7	1	-1	MSCI Asiax	885	2.25%	8.13%
				HSI	27,995	1.25%	5.62%
China 5Y CDS	30	1	1	STI	2,976	4.06%	5.46%
Malaysia 5Y CDS	39	2	1	KLCI	1,605	-0.20%	-4.71%
Indonesia 5Y CDS	71	2	1	JCI	6,424	4.67%	8.17%
Thailand 5Y CDS	36	1	1	EU Stoxx 50	3,621	1.58%	3.87%
Australia 5Y CDS	0	0	0				

Source: Bloomberg

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New Issues

- Dafa Properties Group Ltd priced USD180mn of 364-day bond at 12.125%, tightening from IPT of 12.4% area.
- Central Plaza Development Ltd priced USD400mn of 5Y bond at 4.65%.
- Shanghai Pudong Development Bank Co Ltd/Singapore priced a 3Y bond at a reoffer spread of +84bps, tightening from IPT of +120bps.
- Fujian Zhanglong Group Co Ltd priced USD400mn of 2Y11M bond at 3.45%
- The Korea Development Bank priced a total of USD1.5bn across three tranches.
- PT Sri Rejeki Isman Tbk, PT Tower Bersama Infrastructure Tbk, China Huaneng Group Co. Ltd, China Cinda (HK) Holdings Company Limited, Singapore Airlines Limited and Yuexiu Property Company Limited have mandated banks to arrange for a series of fixed income investor calls which may result in proposed USD bond offerings.

Date	Issuer	Size	Tenor	Pricing
11-Jan-21	Dafa Properties Group Ltd	USD180mn	364-day	12.125%
11-Jan-21	Central Plaza Development Ltd	USD400mn	5-year	4.65%
11-Jan-21	Shanghai Pudong Development Bank Co Ltd/Singapore	USD300mn	3-year	Reoffer Spread + 84bps
11-Jan-21	Fujian Zhanglong Group Co Ltd	USD400mn	2-year 11-month	3.45%
11-Jan-21	The Korea Development Bank	USD700mn USD500mn USD300mn	3-year 5-month 5.5-year 10-year	T+25bps T+35bps T+52.5bps
8-Jan-21	ZhenAn Glory Investment Ltd. (Guarantor: Zhenro Properties Group Ltd)	USD100mn	363-day	5.35%
7-Jan-21	Haidilao International Holding Ltd	USD600mn	5-year	T+173bps
7-Jan-21	Bank of China Ltd/Hong Kong	USD500mn	3-year	T+72bps
7-Jan-21	Huarong Leasing Management Hong Kong Co Ltd	USD300mn	363-day	1.9%
7-Jan-21	RongXingDa Development BVI Ltd (Guarantor: RiseSun Real Estate Development Co., Ltd.)	USD300mn	364-day	8.95%

Source: OCBC, Bloomberg

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