

Market Commentary

- Shorter tenors traded 0-2bps higher (with the exception of the 3-year trading 3bps lower), while belly tenors traded 2-3bps lower and longer tenors traded 3-4bps lower across the SGD swap curve on Friday.
- There were moderate flows in SGD corporates on Friday, with flows in SINTEC 4.2%-PERPs, MAPLSP 3.7%-PERPs and MLTSP 3.725%-PERPs.
- UST 10Y yields traded 8bps higher to a close to 2-year record high of 1.78% on Friday as investors priced in higher inflation expectations. This came amidst lower-than-expected retail sales for December 2021 released by the US Census Bureau, which registered a decline of 1.9% m/m, below Bloomberg median consensus of a 0.1% m/m decline. This pointed towards the persistence of inflation-exacerbating supply chain bottlenecks, which have led to goods shortages and hence the pulling forward of holiday sales before December, denting December's retail sales.

Credit Summary:

- [Credit Suisse Group AG \("CS"\)](#) | **Issuer Profile: Neutral (4)**: Antonio Horta-Osorio has resigned, less than 12 months after the former CEO of Lloyd's Banking Group Plc replaced Mr Urs Rohner as Chairman of CS. While CS is currently undertaking a restructure following a series of events including several new senior management appointments, we do not expect this change to impact the restructuring or CS fundamentals. CS Neutral (4) issuer profile remains appropriate for now, although its credit profile is in a state of transition in our view.

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Asian Credit Daily

Credit Headlines

Credit Suisse Group AG ("CS") | Issuer Profile: Neutral (4):

- Antonio Horta-Osorio has resigned, less than 12 months after the former CEO of Lloyd's Banking Group Plc replaced Mr Urs Rohner as Chairman of CS. Driving the resignation were several breaches of COVID-19 protocols that were under investigation by the board.
- CS named Axel P. Lehmann as the new Chairman. Mr Lehmann was elected to the CS board in October and had been serving as chair of the risk committee. Mr Lehmann was previously head of personal and corporate banking at UBS Group AG and prior to that was with Zurich Insurance Group AG for over 20 years in numerous roles that included chief risk officer.
- CS is currently undertaking a restructure, following several new senior management appointments and the twin impacts of [Archegos Capital Management \("Archegos"\)](#) and [Greensill Capital \("GC"\)](#). We do not expect this change to impact the restructuring or CS fundamentals. CS Neutral (4) issuer profile remains appropriate for now, although its credit profile is in a state of transition in our view. (Bloomberg, OCBC)

Key Market Movements

	17-Jan	1W chg (bps)	1M chg (bps)		17-Jan	1W chg	1M chg
iTraxx Asiax IG	87	6	5	Brent Crude Spot (\$/bbl)	86.45	6.90%	17.59%
iTraxx SovX APAC	24	1	2	Gold Spot (\$/oz)	1,816.06	0.80%	1.00%
iTraxx Japan	49	1	0	CRB	245.43	3.17%	9.01%
iTraxx Australia	69	2	3	GSCI	596.76	3.22%	10.45%
CDX NA IG	54	1	1	VIX	19.19	2.29%	-11.03%
CDX NA HY	108	0	0	CT10 (%)	1.784%	2.38	38.20
iTraxx Eur Main	52	0	1				
iTraxx Eur XO	258	0	4	AUD/USD	0.721	0.53%	1.16%
iTraxx Eur Snr Fin	60	0	2	EUR/USD	1.141	0.72%	1.49%
iTraxx Eur Sub Fin	115	0	2	USD/SGD	1.349	0.55%	1.39%
iTraxx Sovx WE	4	0	0	AUD/SGD	0.972	0.04%	0.24%
USD Swap Spread 10Y	6	0	-2	ASX 200	7,406	-0.56%	1.39%
USD Swap Spread 30Y	-18	0	-2	DJIA	35,912	-0.88%	1.54%
US Libor-OIS Spread	5	-3	-6	SPX	4,663	-0.30%	0.91%
Euro Libor-OIS Spread	-8	0	1	MSCI Asiax	804	1.78%	3.32%
				HSI	24,383	3.79%	5.13%
China 5Y CDS	48	4	6	STI	3,282	2.39%	5.47%
Malaysia 5Y CDS	54	5	7	KLCI	1,555	0.79%	3.55%
Indonesia 5Y CDS	85	5	9	JCI	6,693	-0.12%	1.39%
Thailand 5Y CDS	30	3	2	EU Stoxx 50	4,272	-0.78%	2.66%
Australia 5Y CDS	14	0	0				

Source: Bloomberg

Asian Credit Daily**New Issues**

- Indian Railway Finance Corp Ltd priced a USD500mn 10-year senior unsecured green bond at T+185bps.

Date	Issuer	Size	Tenor	Pricing
13-Jan-22	Indian Railway Finance Corp Ltd	USD500mn	10-year	T+185bps

Source: OCBC, Bloomberg

Temporary Suspension

- Do note that our official coverage on **Keppel Corporation Ltd**, **City Development Limited** and **Fraser's Centrepoint Trust** is temporarily suspended due to OCBC's other business.

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