

Market Commentary

- The SGD swap curve traded higher yesterday, with shorter tenors trading 0-7bps higher, and belly and longer tenors trading 7-9bps higher.
- There were moderate flows in SGD corporates yesterday, with flows in SINTEC 4.2%-PERPs and LREIT 4.2%-PERPs.
- UST 10Y yields remained unchanged at 1.78% yesterday, as the US markets were closed in observance of the Martin Luther King Jr. holiday.

Credit Research

Andrew Wong

+65 6530 4736

WongVKAM@ocbc.com

Ezien Hoo, CFA

+65 6722 2215

EzienHoo@ocbc.com

Wong Hong Wei, CFA

+65 6722 2533

WongHongWei@ocbc.com

Toh Su N

+65 6530 8355

TohSN@ocbc.com

Credit Summary:

- [Singapore Airlines Ltd \("SIA"\)](#) | **Issuer Profile: Neutral (5):** SIA reported its December 2021 operating data. Key results for December 2021 include a passenger load factor of 46.5% on a group airline basis, higher than the 29.1% in November 2021 and 13.7% a year ago in December 2020. In December, SIA also saw increased passenger demand due to the continued expansion of its Vaccinated Travel Lane ("VTL") services and high travelling season during the year end period.

Asian Credit Daily

Credit Headlines

Singapore Airlines Ltd (“SIA”) | Issuer Profile: Neutral (5):

- SIA reported its December 2021 operating data. On a group airline basis, passenger load factor was 46.5% in December 2021, higher than the 29.1% in November 2021 (December 2020: 13.7%). Passenger load factor was 87.6% in December 2019.
- SIA saw increased in passenger demand in December 2021 due to continued expansion of its Vaccinated Travel Lane (“VTL”) services and high travelling season during the year end period. Group passenger carried had almost doubled month-on-month in December 2021 (+97.3% m/m).
- Passenger capacity (measured in available seat-kilometres) in December 2021 has reached 45% of January 2020 levels (before COVID-19 went global).
- Passenger capacity on a group airline basis was 7,119.9 million seat-kilometres in December 2021, higher than the 5,910.3 million seat-kilometres in November 2021 (up 20.5% m/m).
- SIA cargo load factor was 78.8% in December 2021, decreasing from 83.9% in November 2021 (-9.9 percentage points y/y). Bellyhold capacity on passenger flights had increased and such increase had trailed behind the increase in loads. (Company, OCBC)

Key Market Movements

	18-Jan	1W chg (bps)	1M chg (bps)		18-Jan	1W chg	1M chg
iTraxx Asiax IG	90	11	6	Brent Crude Spot (\$/bbl)	86.48	6.94%	17.63%
iTraxx SovX APAC	24	2	2	Gold Spot (\$/oz)	1,820.15	-0.08%	1.63%
iTraxx Japan	48	0	-1	CRB	245.43	3.17%	9.01%
iTraxx Australia	71	5	4	GSCI	596.76	3.22%	10.45%
CDX NA IG	53	2	0	VIX	19.19	2.29%	-11.03%
CDX NA HY	108	0	0	CT10 (%)	1.811%	7.51	40.87
iTraxx Eur Main	53	2	1				
iTraxx Eur XO	259	8	0	AUD/USD	0.722	0.12%	1.50%
iTraxx Eur Snr Fin	61	3	2	EUR/USD	1.142	0.45%	1.23%
iTraxx Eur Sub Fin	118	5	3	USD/SGD	1.347	0.27%	1.49%
iTraxx Sovx WE	4	0	0	AUD/SGD	0.972	0.15%	-0.02%
USD Swap Spread 10Y	6	-1	-1	ASX 200	7,441	0.69%	1.87%
USD Swap Spread 30Y	-18	-2	1	DJIA	35,912	-0.88%	1.54%
US Libor-OIS Spread	5	-4	-6	SPX	4,663	-0.30%	0.91%
Euro Libor-OIS Spread	-8	0	1	MSCI Asiax	801	0.92%	3.00%
				HSI	24,218	1.99%	4.42%
China 5Y CDS	50	8	6	STI	3,288	1.89%	5.67%
Malaysia 5Y CDS	57	9	9	KLCI	1,543	-0.47%	2.72%
Indonesia 5Y CDS	87	10	8	JCI	6,645	-0.69%	0.65%
Thailand 5Y CDS	31	3	4	EU Stoxx 50	4,302	1.48%	3.38%
Australia 5Y CDS	14	0	0				

Source: Bloomberg

Asian Credit Daily

New Issues

- Henan Railway Construction & Investment Group Co., Ltd. has arranged investor calls commencing 17 January for its proposed USD senior unsecured green bond offering.
- Huzhou City Investment Development Group Co. has arranged investor calls commencing 17 January for its proposed USD senior unsecured bond offering.
- Health & Happiness (H&H) International Holdings Ltd. has arranged investor calls commencing 17 January for its proposed USD bond offering.

Temporary Suspension

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

Treasury Research & Strategy

Macro Research

Selena Ling

Head of Research & Strategy

LingSSSelena@ocbc.com

Tommy Xie Dongming

Head of Greater China

Research

XieD@ocbc.com

Wellian Wiranto

Malaysia & Indonesia

WellianWiranto@ocbc.com

Howie Lee

Thailand, Korea &

Commodities

HowieLee@ocbc.com

Herbert Wong

Hong Kong & Macau

herberthwong@ocbcwh.com

FX/Rates Strategy

Frances Cheung

Rates Strategist

FrancesCheung@ocbc.com

Terence Wu

FX Strategist

TerenceWu@ocbc.com

Credit Research

Andrew Wong

Credit Research Analyst

WongVKAM@ocbc.com

Ezien Hoo

Credit Research Analyst

EzienHoo@ocbc.com

Wong Hong Wei

Credit Research Analyst

WongHongWei@ocbc.com

Toh Su N

Credit Research Analyst

TohSN@ocbc.com

This publication is solely for information purposes only and may not be published, circulated, reproduced, or distributed in whole or in part to any other person without our prior written consent. This publication should not be construed as an offer or solicitation for the subscription, purchase or sale of the securities/instruments mentioned herein. Any forecast on the economy, stock market, bond market and economic trends of the markets provided is not necessarily indicative of the future or likely performance of the securities/instruments. Whilst the information contained herein has been compiled from sources believed to be reliable and we have taken all reasonable care to ensure that the information contained in this publication is not untrue or misleading at the time of publication, we cannot guarantee and we make no representation as to its accuracy or completeness, and you should not act on it without first independently verifying its contents. The securities/instruments mentioned in this publication may not be suitable for investment by all investors. Any opinion or estimate contained in this report is subject to change without notice. We have not given any consideration to and we have not made any investigation of the investment objectives, financial situation or particular needs of the recipient or any class of persons, and accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of the recipient or any class of persons acting on such information or opinion or estimate.

This publication may cover a wide range of topics and is not intended to be a comprehensive study or to provide any recommendation or advice on personal investing or financial planning. Accordingly, they should not be relied on or treated as a substitute for specific advice concerning individual situations. Please seek advice from a financial adviser regarding the suitability of any investment product taking into account your specific investment objectives, financial situation, or particular needs before you make a commitment to purchase the investment product. OCBC and/or its related and affiliated corporations may at any time make markets in the securities/instruments mentioned in this publication and together with their respective directors and officers, may have or take positions in the securities/instruments mentioned in this publication and may be engaged in purchasing or selling the same for themselves or their clients, and may also perform or seek to perform broking and other investment or securities-related services for the corporations whose securities are mentioned in this publication as well as other parties generally. There may be conflicts of interest between Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), Bank of Singapore Limited, OCBC Investment Research Private Limited, OCBC Securities Private Limited or other members of the OCBC Group and any of the persons or entities mentioned in this report of which OCBC Bank and its analyst(s) are not aware due to OCBC Bank's Chinese Wall arrangement.

This report is intended for your sole use and information. By accepting this report, you agree that you shall not share, communicate, distribute, deliver a copy of or otherwise disclose in any way all or any part of this report or any information contained herein (such report, part thereof and information, "Relevant Materials") to any person or entity (including, without limitation, any overseas office, affiliate, parent entity, subsidiary entity or related entity) (any such person or entity, a "Relevant Entity") in breach of any law, rule, regulation, guidance or similar. In particular, you agree not to share, communicate, distribute, deliver or otherwise disclose any Relevant Materials to any Relevant Entity that is subject to the Markets in Financial Instruments Directive (2014/65/EU) ("MiFID") and the EU's Markets in Financial Instruments Regulation (600/2014) ("MIFIR") (together referred to as "MiFID II"), or any part thereof, as implemented in any jurisdiction. No member of the OCBC Group shall be liable or responsible for the compliance by you or any Relevant Entity with any law, rule, regulation, guidance or similar (including, without limitation, MiFID II, as implemented in any jurisdiction).