

Asian Credit Daily

9 October 2025

Market Commentary:

- The SGD SORA OIS curve traded lower yesterday with shorter tenors trading 1-3bps lower while belly tenors traded 3-4bps lower and 10Y traded 4bps lower.
- Flows in SGD corporates were heavy, with flows in HSBC 5.25%-PERP, HSBC 5.3% '33s, LLCAU 3.9%-PERP and MAPLSP 3.95%-PERP.
- As per Bloomberg, Trafigura Group Pte Ltd has closed a new syndicated revolving credit facility and term loan facility totalling approximately USD3.4bn, including a 365-day USD1.1bn revolving credit facility, a 1-year CNH term loan of USD1.1bn, and a 3-year USD1.2bn term loan. The funds will refinance maturing loans from 2022 and 2024 and support general corporate purposes.
- Bloomberg Asia USD Investment Grade spreads traded flat at 60bps and Bloomberg Asia USD High Yield spreads widened by 1bps to 325bps respectively. (Bloomberg, OCBC)

Credit Summary:

- **Sembcorp Industries Ltd ("SCI"):** SCI through its wholly-owned subsidiary, Sembcorp Green Infra Private Limited has entered into a share purchase agreement with ReNew Private Limited to buy a 100% ownership of ReNew Sun Bright Private Limited ("ReNew Sun Bright") for a total consideration of ~SGD246mn.
- **HSBC Holdings PLC ("HSBC"), Hang Seng Bank Ltd ("HSB"):** HSBC announced a conditional proposal to privatise Hang Seng Bank Ltd through a scheme of arrangement, offering to purchase the remaining shares it does not own at a 33% premium to the last 30 days closing price.

Credit Headlines**Sembcorp Industries Ltd ("SCI")**

- SCI through its wholly-owned subsidiary, Sembcorp Green Infra Private Limited has entered into a share purchase agreement with ReNew Private Limited to buy a 100% ownership of ReNew Sun Bright Private Limited ("ReNew Sun Bright") for a total consideration of ~SGD246mn.
- ReNew Sun Bright owns and operates a 300MW solar power asset located in Rajasthan, India. The project is connected to the national grid via the Inter-State Transmission System. It operates under a 25Y power purchase agreement with Maharashtra State Electricity Distribution Company Limited. The acquisition will be funded through a combination of internal cash resources and external borrowings. (Company)

HSBC Holdings PLC ("HSBC"), Hang Seng Bank Ltd ("HSB")

- HSBC announced a conditional proposal to privatise Hang Seng Bank Ltd through a scheme of arrangement, offering to purchase the remaining shares it does not own at a 33% premium to the last 30 days closing price. HSBC currently owns ~63% of HSB and the cost of the privatisation offer is around HKD105bn (~USD13.5bn). Funding is likely to come from HSBC's existing resources which would include postponing share buybacks for the next three quarters per Bloomberg.
- The proposal is consistent with HSBC's ongoing strategic pivot to exit non-strategic activities and re-allocate resources to growth areas. This includes risk weighted asset reductions in certain businesses and locations and reallocation of capital to more higher returning businesses that are mostly in Southeast Asia and China. The move is also consistent with the re-organisation of its businesses into four divisions announced in late October 2024 and effective 1 January 2025 to accelerate this strategic pivot, with one of the divisions being Hong Kong and comprising personal and commercial banking segments.
- It was recently reported that HSBC had taken a more hands on role with HSB, seeking to accelerate the disposal of impaired real estate loans in Hong Kong held by HSB. Per Bloomberg, HSB saw an 85% y/y rise in impaired Hong Kong real estate loans and is now seeking to sell three real estate secured loan portfolios of around USD3bn under the supervision of HSBC.
- Per HSBC's announcement, the proposal will become effective on the satisfaction of conditions, including HSB shareholder approval, and sanction by the High Court in Hong Kong. The Hong Kong Monetary Authority also commented that it is in communication with both HSBC and HSB on regulatory approval and both banks plans to operate separately while investing in Hong Kong. (Company, HKMA, Bloomberg, OCBC)

New Issues:

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing
08 Oct	Public Utilities Board	Fixed	SGD	500	30Y	2.486%
08 Oct	Emirates NBD Bank PJSC	Fixed	SGD	160	2Y	1.75%
08 Oct	Republic of Indonesia	Fixed	USD	1250	10.5Y	Reoffer price 99.594 to yield 4.95%
08 Oct	Republic of Indonesia	Fixed	USD	600	5.5Y	Reoffer price 99.758 to yield 4.35%
08 Oct	Development Bank of Kazakhstan	Fixed	USD	500	Long 5Y	Issue price 98.852 to yield 4.85%

Mandates:

- Hong Kong Mortgage Corporation Limited may issue USD-denominated Infrastructure loan backed securities, which may include a sustainability tranche.

Key Market Movements

	9-Oct	1W chg (bps)	1M chg (bps)		9-Oct	1W chg	1M chg
iTraxx Asiax IG	65	1	2	Brent Crude Spot (\$/bbl)	65.9	2.8%	-0.7%
				Gold Spot (\$/oz)	4,026	4.4%	11.0%
iTraxx Japan	55	-1	2	CRB Commodity Index	302	1.3%	0.7%
iTraxx Australia	64	-0	-0	S&P Commodity Index - GSCI	556	2.3%	1.7%
CDX NA IG	52	0	2	VIX	16.3	0.1%	8.4%
CDX NA HY	108	-0	0	US10Y Yield	4.12%	4bp	3bp
iTraxx Eur Main	56	1	3				
iTraxx Eur XO	265	7	4	AUD/USD	0.660	0.1%	0.2%
iTraxx Eur Snr Fin	60	2	4	EUR/USD	1.164	-0.6%	-0.5%
iTraxx Eur Sub Fin	103	3	6	USD/SGD	1.294	-0.4%	-0.9%
				AUD/SGD	0.854	-0.4%	-1.1%
USD Swap Spread 10Y	-48	1	5	ASX200	8,958	0.1%	1.8%
USD Swap Spread 30Y	-77	2	5	DJIA	46,602	0.3%	1.9%
				SPX	6,754	0.6%	3.7%
China 5Y CDS	40	2	-2	MSCI Asiax	899	0.3%	5.7%
Malaysia 5Y CDS	41	-1	2	HSI	26,814	-0.2%	3.4%
Indonesia 5Y CDS	78	-2	5	STI	4,451	1.3%	3.6%
Thailand 5Y CDS	40	-0	2	KLCI	1,632	-0.4%	2.8%
Australia 5Y CDS	12	-0	1	JCI	8,209	1.7%	7.6%
				EU Stoxx 50	5,650	1.2%	5.2%

Source: Bloomberg

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