

## Asian Credit Daily

15 July 2025

## Market Commentary:

- The SGD SORA OIS curve traded flat yesterday with shorter tenors, belly tenors and 10Y trading flat.
- Flows in SGD corporates were heavy, with flows in BACR 5.4%-PERP, AIA 3.58% '35s, AAREIT 4.7%-PERP, MAPLSP 3.048% '40s, HSBC 5.25%-PERP, UBS 5.6%-PERP, UOLSP 2.78% '32s.
- As per Bloomberg, New World Development Co. missed its self-imposed deadline to complete an up to HKD15.6bn Deutsche Bank-led loan, according to people familiar with the matter. The loan, secured by Victoria Dockside, aims to repay debt and ease the developer's financial pressure. Some existing lenders showed little interest in increasing their exposure while Deutsche Bank seeks new lenders.
- On other developer, Grand Ming Group ("Grand Ming") obtained waivers from all lenders for breaching terms on HKD4.8bn in loans, per an HKEX filing. Lenders will not demand immediate repayment while Grand Ming continues to repay principal and interest as per original scheduled dates. Grand Mind also reaffirmed that existing financing arrangements remains available.
- Meanwhile, Road King Infrastructure planned a new consent solicitation process to propose revised amendments and waivers for certain notes, per an HKEX filing. While most holders supported the proposals, some requested clarifications and improvement of the terms, which the issuer have decided not to table extraordinary resolutions to properly consider the request.
- Bloomberg Asia USD Investment Grade spreads widened by 1bps to 70bps and Bloomberg Asia USD High Yield spreads traded flat at 364bps respectively. (Bloomberg, OCBC)

## Credit Summary:

- **AIMS APAC REIT ("AAREIT"):** AIMS APAC REIT Management Limited (the "REIT Manager") announced that its sponsor, AIMS Financial Group ("AIMS") has bought an additional 7% stake in AAREIT units to bring its total ownership to 18.66%.
- **Keppel Ltd ("KEP"):** Three power generation companies – Keppel's Infrastructure Division, PacificLight Power and YTL PowerSeraya – will be conducting carbon capture and storage ("CCS") feasibility studies for the power sector.

## Credit Headlines

### AIMS APAC REIT (“AAREIT”)

- AIMS APAC REIT Management Limited (the “REIT Manager”) announced that its sponsor, AIMS Financial Group (“AIMS”) has bought an additional 7% stake in AAREIT units to bring its total ownership to 18.66%. The units were bought from ESR HK Management Limited (“ESR HK”), a wholly-owned subsidiary of ESR Group Limited (“ESR”).
- As at 28 May 2025, ESR HK held a 7% stake in AAREIT although ESR held a deemed stake in AAREIT amounting to ~12.5% (another ~5.5% stake held through a different wholly owned subsidiary).
- Whilst ESR is a sponsor of other Singapore listed REITs, it has been a financial investor in AAREIT in our view, with no representation on the board of directors of the REIT Manager. (Company)

### Keppel Ltd (“KEP”)

- Three power generation companies – Keppel's Infrastructure Division, PacificLight Power and YTL PowerSeraya – will be conducting carbon capture and storage (“CCS”) feasibility studies for the power sector.
- Five proposals from these companies have been selected by the Energy Market Authority (“EMA”) to receive co-funding for the site-specific CCS studies.
- The grant facilitates the study of two power sector CCS pathways: (1) Post-combustion carbon capture and (2) Pre-combustion carbon capture. (“EMA”)

**New Issues:**

| Date   | Issuer        | Description   | Currency | Size (mn) | Tenor | Final Pricing              |
|--------|---------------|---------------|----------|-----------|-------|----------------------------|
| 14 Jul | NongHyup Bank | Social, FRN   | USD      | 300       | 3.5Y  | SOFR+68bps                 |
| 14 Jul | NongHyup Bank | Social, Fixed | USD      | 300       | 5Y    | T+50bps<br>(yield: 4.501%) |

**Mandates:**

- India Infra Buildco may issue USD denominated 3.25Y Notes.
- KIOXIA Holdings Corporation may issue USD1.5bn of debt in two tranches: a 5NC2 Fixed Note and an 8NC3 Fixed Note.

## Key Market Movements

|                     | 15-Jul | 1W chg<br>(bps) | 1M chg<br>(bps) |                            | 15-Jul | 1W chg | 1M chg |
|---------------------|--------|-----------------|-----------------|----------------------------|--------|--------|--------|
| iTraxx Asiax IG     | 74     | 1               | 0               | Brent Crude Spot (\$/bbl)  | 68.7   | -2.0%  | -7.4%  |
|                     |        |                 |                 | Gold Spot (\$/oz)          | 3,363  | 1.9%   | -0.7%  |
| iTraxx Japan        | 63     | -1              | -2              | CRB Commodity Index        | 303    | 1.4%   | -2.1%  |
| iTraxx Australia    | 72     | 1               | -1              | S&P Commodity Index - GSCI | 546    | -1.5%  | -4.0%  |
| CDX NA IG           | 51     | -0              | -3              | VIX                        | 16.9   | 0.6%   | -18.8% |
| CDX NA HY           | 107    | -0              | 1               | US10Y Yield                | 4.42%  | 2bp    | 2bp    |
| iTraxx Eur Main     | 55     | 1               | -1              |                            |        |        |        |
| iTraxx Eur XO       | 283    | 0               | -8              | AUD/USD                    | 0.656  | 0.4%   | 0.5%   |
| iTraxx Eur Snr Fin  | 59     | 0               | -2              | EUR/USD                    | 1.169  | -0.3%  | 1.1%   |
| iTraxx Eur Sub Fin  | 101    | -0              | -4              | USD/SGD                    | 1.281  | -0.1%  | -0.1%  |
|                     |        |                 |                 | AUD/SGD                    | 0.840  | -0.5%  | -0.6%  |
|                     |        |                 |                 |                            |        |        |        |
| USD Swap Spread 10Y | -56    | -1              | -7              | ASX200                     | 8,630  | 0.5%   | 1.0%   |
| USD Swap Spread 30Y | -87    | -1              | -6              | DJIA                       | 44,460 | 0.1%   | 5.4%   |
|                     |        |                 |                 | SPX                        | 6,269  | 0.6%   | 4.9%   |
| China 5Y CDS        | 47     | -1              | 0               | MSCI Asiax                 | 803    | 0.1%   | 3.3%   |
| Malaysia 5Y CDS     | 44     | -1              | -2              | HSI                        | 24,481 | 1.4%   | 2.5%   |
| Indonesia 5Y CDS    | 75     | 0               | -2              | STI                        | 4,125  | 1.9%   | 5.5%   |
| Thailand 5Y CDS     | 44     | 0               | -0              | KLCI                       | 1,529  | -0.0%  | 0.7%   |
| Australia 5Y CDS    | 10     | -1              | -1              | JCI                        | 7,107  | 2.9%   | -0.8%  |
|                     |        |                 |                 | EU Stoxx 50                | 5,386  | 0.3%   | 1.8%   |

Source: Bloomberg

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