

**Market Commentary:**

- The SGD SORA OIS curve traded mixed last Friday with shorter tenors trading flat to 1bps higher while belly tenors traded flat to 1bps lower and 10Y traded 2bps lower.
- Flows in SGD corporates were heavy, with flows in CRCTSP 3.95%-PERP, STTGDC 5.7%-PERP, EQIX 2.9% '32s, BACR 5.4%-PERP, HSBC 5.25%-PERP, CKPH 3.38%-PERP, AITSP 4.4%-PERP and STANLN 5.3%-PERP.
- As per Bloomberg, China's central bank has introduced new performance measures for primary dealers to improve coordination in evaluating bond market makers, according to a PBOC statement. The revised indicators include the number of bonds traded with market-making and reasonable quoted pricing, as well as performance during stock market illiquidity or bond market volatility.
- In other news, Logan Group Co Ltd and KWG Group Holdings Ltd plan to refinance a USD1.05bn private loan secured by luxury Hong Kong residential project to reduce borrowing costs. The in-process USD800mn facility, backed by the Corniche complex and funded by investment firms, offers a refinancing yield of 10%, down from 13%.
- Bloomberg Asia USD Investment Grade spreads tightened by 2bps to 63bps and Bloomberg Asia USD High Yield spreads tightened by 14bps to 325bps respectively. (Bloomberg, OCBC)
- There were no notable issuances in the Asiadollar and Singdollar market last Friday.

**Credit Summary:**

- **ANZ Group Holdings Ltd / Australia & New Zealand Banking Group Ltd ("ANZ"):** Per a media release from the Australian Securities & Investments Commission ("ASIC"), ANZ had admitted to engaging in unconscionable conduct in its services provided to the Australian Government by overstating its bond trading data by tens of billions of dollars and also admitted to widespread misconduct across products and services impacting nearly 65,000 retail customers. As a result, ANZ and ASIC are asking the Federal Court to impose a fine of AUD240mn covering four separate proceedings across ANZ's Institutional and Retail divisions.
- **ABN Amro Bank N.V. ("ABN"):** Along similar lines to ANZ above, ABN is also reportedly reorganizing risk-related roles under its new Chief Executive Officer Marguerite Berard who started in April. The reorganizations require approval by the company's works council and job cuts are possible, according to a report in Bloomberg.

**Credit Headlines****ANZ Group Holdings Ltd / Australia & New Zealand Banking Group Ltd ("ANZ")**

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- The admission and fine follow investigations by ASIC on four separate matters:
  - Acting unconscionably in its dealings with the Australian Government whilst managing a AUD14bn bond deal and incorrectly reporting bond trading data over almost two years.
  - Failing to respond to hundreds of customer hardship notices over two years and failing to have proper hardship processes in place.
  - Making false and misleading statements about its savings interest rates and failing to pay the promised interest rate to tens of thousands of customers.
  - Failing to refund fees charged to thousands of dead customers and not responding to loved ones trying to deal with deceased estates within the required timeframe.
- The fine is ASIC's largest total penalty assessed on one company and comes in the context of new Chief Executive Officer Nuno Matos' current actions to reform the bank that has included numerous senior management changes, particularly within risk and compliance, and contemplates staff cuts of around 8% of its total as part of a simplification strategy. 3,500 staff will leave and result in a AUD560mn restructuring charge before tax in 2HFY2025 (ending 30 September 2025). Other actions include ending and reviewing consultant and other third party engagements. ANZ's 1HFY2025's cash profit was AUD3.57bn.
- We have previously highlighted that while ANZ's recent financial performance remains broadly in line with expectations, there are likely to be somewhat more influences on ANZ's fundamental profile compared to peers in our view given recent strategic developments, including the integration of Suncorp Bank (acquired 31 July 2024) and the recent appointment of Mr Matos (commenced 12 May 2025). Mr Matos' recent comments also point towards a shift in strategy and culture under his tenure. We see its fundamentals at the top of its range considering the dominant contribution of its Institutional division as well as other influences on fundamentals including a possible regulator driven increase in competition in New Zealand and higher public and regulatory scrutiny into ANZ's culture and non-financial risk management practices, specifically within ANZ's Markets business that necessitated a AUD250mn capital add-on.
- ANZ is scheduled to provide a strategy update on 13 October 2025. (ASIC, Company, Bloomberg, OCBC)

**ABN Amro Bank N.V. ("ABN")**

- Along similar lines to ANZ above, ABN is also reportedly reorganizing risk-related roles under its new Chief Executive Officer Marguerite Berard who started in April. The reorganizations require approval by the company's works council and job cuts are possible, according to a report in Bloomberg.
- Ms Berard is currently pursuing a strategic review of the bank focused on costs and enhancing profitability. The review's outcome is expected to be presented at ABN Amro's capital markets day in November. (Bloomberg, OCBC)

**Mandates:**

- Korea Air Lines Co Ltd (guarantor: Korea Development Bank) may issue a USD-denominated 5Y Bond.
- Transurban Finance Company Pty Limited may issue a USD 10Y Senior Secured Note.

## Key Market Movements

	15-Sep	1W chg (bps)	1M chg (bps)		15-Sep	1W chg	1M chg
iTraxx Asiax IG	60	-3	-6	Brent Crude Spot (\$/bbl)	67.4	2.1%	2.4%
				Gold Spot (\$/oz)	3,645	0.3%	9.3%
iTraxx Japan	53	0	-1	CRB Commodity Index	302	1.3%	2.1%
iTraxx Australia	61	-4	-5	S&P Commodity Index - GSCI	548	0.3%	2.6%
CDX NA IG	48	-2	-2	VIX	14.8	-2.8%	-2.2%
CDX NA HY	108	0	0	US10Y Yield	4.06%	-1bp	-22bp
iTraxx Eur Main	51	-2	-1				
iTraxx Eur XO	252	-9	-8	AUD/USD	0.666	1.1%	2.4%
iTraxx Eur Snr Fin	54	-3	-0	EUR/USD	1.173	-0.3%	0.2%
iTraxx Eur Sub Fin	91	-5	-0	USD/SGD	1.282	0.1%	0.1%
				AUD/SGD	0.854	-0.9%	-2.2%
USD Swap Spread 10Y	-53	-0	-0	ASX200	8,845	-0.0%	-1.0%
USD Swap Spread 30Y	-83	0	0	DJIA	45,834	1.0%	2.0%
				SPX	6,584	1.6%	2.1%
China 5Y CDS	38	-3	-5	MSCI Asiax	872	3.8%	4.8%
Malaysia 5Y CDS	38	-1	-3	HSI	26,476	3.3%	4.8%
Indonesia 5Y CDS	69	-3	1	STI	4,343	0.8%	2.7%
Thailand 5Y CDS	36	-2	-3	KLCI	1,600	1.4%	1.5%
Australia 5Y CDS	10	-0	-1	JCI	7,919	2.0%	0.3%
				EU Stoxx 50	5,391	1.4%	-1.1%

Source: Bloomberg

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