

Asian Credit Daily

16 July 2025

Market Commentary:

- The SGD SORA OIS curve traded lower yesterday with shorter tenors trading 2-3bps lower while belly tenors and 10Y traded 3bps lower.
- Flows in SGD corporates were heavy, with flows in MAPLSP 3.048% '40s, GUOLSP 4.35%-PERP, HSBC 3.4% '33s, BACR 5.4%-PERP, SUNSP 4.48%-PERP.
- As per Bloomberg, MindWorks Property Ltd., a Hong Kong real estate firm linked to venture capital MindWorks Capital, has been sued to be wound up by creditor Withers, a law firm based in Hong Kong, on 11 July, per a court document.
- In other news by Bloomberg, Seatrium Ltd's subsidiary, Seatrium Financial Services, obtained a USD400mn sustainability-linked credit facility to support its ESG goals.
- Bloomberg Asia USD Investment Grade spreads tightened by 2bps to 68bps and Bloomberg Asia USD High Yield spreads tightened by 4bps to 360bps respectively. (Bloomberg, OCBC)

Credit Summary:

- **Lendlease Group ("LLC"):** LLC acquired a site at 175 Liverpool Street, Sydney. A luxury residential project will be developed alongside joint venture partners at the site. LLC is expected to sell down up to a 50% stake of the project in the coming weeks.
- **Singapore Airlines Ltd ("SIA"):** SIA reported its June 2025 operating data. On a group airline basis, passenger load factor rose to 88.7% in June 2025, up from 87.4% in June 2024. In May 2025, passenger load factor was 86.4%. Passenger load factor was 84.5% in January 2020 (before COVID-19 went global).
- **Société Générale ("SocGen"):** SocGen has signed an agreement to fully divest its 58.08% stake in Société Générale Cameroun to the State of Cameroon ("Cameroon").

Credit Headlines

Lendlease Group ("LLC")

- LLC acquired a site at 175 Liverpool Street, Sydney. A luxury residential project will be developed alongside joint venture partners at the site. LLC is expected to sell down up to a 50% stake of the project in the coming weeks. The planned sell down aligns with LLC's capital partnering model to enhance fee generation and earnings predictability.
- This project will feature up to 300 apartments and 2,000 sqm of retail space, with a gross end value exceeding AUD2.5bn. Construction is scheduled to begin between July 2026 to June 2027 and complete by 2030.
- This move builds on the success of One Circular Quay ("OCQ"), another luxury residential project developed by LLC that is a 10 minutes drive away from 175 Liverpool Street. Over 80% of OCQ were sold with sales of AUD2.0bn.
- Per news from RealEstateSource published in March 2025, the acquisition price of 175 Liverpool Street was speculated to be ~AUD1bn. The seller is Shimao Group Holdings Limited, which bought the site for AUD392mn in 2014. (RealEstateSource.com.au, Company, OCBC)

Singapore Airlines Ltd ("SIA")

- SIA reported its June 2025 operating data. On a group airline basis, passenger load factor rose to 88.7% in June 2025, up from 87.4% in June 2024. In May 2025, passenger load factor was 86.4%. Passenger load factor was 84.5% in January 2020 (before COVID-19 went global).
- Group passenger carried was 3.46 million in June 2025, an 8.2% increase y/y, while passenger capacity on a group airline basis increased 3.1% y/y to 14,764.8 million seat-kilometres.
- On the cargo front, load factor declined to 56.4% in June 2025 from 58.0% a year ago (May 2025: 57.2%)
- In June 2024, cargo load by million tonne-km increased by 0.4% y/y, below growth in capacity by million tonne-kilometres which increased by 3.3% y/y.
- Cargo demand remained supported by front-loading activity amidst global trade uncertainty though at a reduced paced. (Company)

Société Générale ("SocGen")

- SocGen has signed an agreement to fully divest its 58.08% stake in Société Générale Cameroun to the State of Cameroon ("Cameroon").
- Following the divestment, Cameroon's total stake will increase to 83.68% while Allianz Assurance Cameroon retains the remaining 16.32%.
- The completion is expected to take place by the end of 2025 and would positively impact SocGen's CET1 ratio by ~6bps.
- Upon completion, Cameroon will assume all operational activities, client portfolios and employees of the entity. (Company)

New Issues:

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing
15 Jul	Weifang Urban Construction & Development Investment Group Co. Ltd.	Fixed	USD	100	3Y	6.50%

Mandates:

- There were no notable mandates yesterday.

Key Market Movements

	16-Jul	1W chg (bps)	1M chg (bps)		16-Jul	1W chg	1M chg
iTraxx Asiax IG	74	1	0	Brent Crude Spot (\$/bbl)	68.9	-1.9%	-5.9%
				Gold Spot (\$/oz)	3,338	0.7%	-1.4%
iTraxx Japan	62	0	-2	CRB Commodity Index	303	0.3%	-2.4%
iTraxx Australia	72	0	-2	S&P Commodity Index - GSCI	545	-1.3%	-4.0%
CDX NA IG	52	2	-2	VIX	17.4	3.4%	-9.1%
CDX NA HY	107	-0	1	US10Y Yield	4.47%	14bp	2bp
iTraxx Eur Main	55	2	-1				
iTraxx Eur XO	283	4	-8	AUD/USD	0.653	-0.2%	0.0%
iTraxx Eur Snr Fin	59	1	-2	EUR/USD	1.162	-0.9%	0.5%
iTraxx Eur Sub Fin	102	2	-3	USD/SGD	1.285	-0.3%	-0.4%
				AUD/SGD	0.838	-0.2%	-0.3%
USD Swap Spread 10Y	-56	-1	-3	ASX200	8,560	0.3%	0.1%
USD Swap Spread 30Y	-87	-1	0	DJIA	44,023	-0.5%	3.5%
				SPX	6,244	0.3%	3.5%
China 5Y CDS	47	0	0	MSCI Asiax	812	1.6%	3.8%
Malaysia 5Y CDS	43	-0	-2	HSI	24,621	3.1%	2.3%
Indonesia 5Y CDS	75	1	-2	STI	4,131	1.8%	5.7%
Thailand 5Y CDS	43	0	-1	KLCI	1,518	-0.8%	-0.2%
Australia 5Y CDS	10	0	-0	JCI	7,179	3.4%	0.9%
				EU Stoxx 50	5,354	-0.3%	0.3%

Source: Bloomberg

Macro Research

Selena Ling
Head of Research & Strategy
lingssselena@ocbc.com

Tommy Xie Dongming
Head of Asia Macro Research
xied@ocbc.com

Keung Ching (Cindy)
Hong Kong & Macau Economist
cindyckeung@ocbc.com

Herbert Wong
Hong Kong & Taiwan Economist
herberhtwong@ocbc.com

Lavanya Venkateswaran
Senior ASEAN Economist
lavanyavenkateswaran@ocbc.com

Ahmad A Enver
ASEAN Economist
ahmad.enver@ocbc.com

Jonathan Ng
ASEAN Economist
jonathannq4@ocbc.com

Ong Shu Yi
ESG Analyst
shuyionq1@ocbc.com

FX/Rates Strategy

Frances Cheung, CFA
Head of FX & Rates Strategy
francescheung@ocbc.com

Christopher Wong
FX Strategist
christopherwong@ocbc.com

Credit Research

Andrew Wong
Head of Credit Research
wongvkam@ocbc.com

Ezien Hoo, CFA
Credit Research Analyst
ezienhoo@ocbc.com

Wong Hong Wei, CFA
Credit Research Analyst
wonghongwei@ocbc.com

Chin Meng Tee, CFA
Credit Research Analyst
mengteechin@ocbc.com

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