

Asian Credit Daily18 July 2025

Market Commentary:

- The SGD SORA OIS curve traded mostly lower yesterday with shorter tenors trading 3-5bps lower and belly tenors trading flat to 2bps lower while 10Y traded 1bps higher.
- Flows in SGD corporates were heavy, with flows in BACR 5.4%-PERP, AIA 3.58% '35s, PRUFIN 3.8% '35s, SLHSP 3.5% '30s, STSP 3.3%-PERP, HSBC 3.4% '33s, VRTVEN 3.3% '28s.
- As per Bloomberg, bad debt in Hong Kong reached USD25bn by the end of March, prompting preliminary talks among major banks about creating a “bad bank” to absorb non-performing loans. However, significant challenges remain as banks face pressure to offload real estate-backed loans.
- Bloomberg Asia USD Investment Grade spreads traded flat at 68bps and Bloomberg Asia USD High Yield spreads tightened by 3bps to 362bps respectively. (Bloomberg, OCBC)

Credit Summary:

- There are no credit headlines for today.

New Issues:

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing
17 Jul	San Miguel Global Power Holdings Corp	Perpetual, Fixed	USD	400	PerpNC5	8.95%

Mandates:

- There were no notable mandates yesterday.

Key Market Movements

	18-Jul	1W chg (bps)	1M chg (bps)		18-Jul	1W chg	1M chg
iTraxx Asiax IG	72	-2	-6	Brent Crude Spot (\$/bbl)	69.7	-1.0%	-9.2%
				Gold Spot (\$/oz)	3,337	-0.6%	-1.0%
iTraxx Japan	60	-2	-4	CRB Commodity Index	304	1.3%	-3.2%
iTraxx Australia	71	0	-6	S&P Commodity Index - GSCI	549	0.6%	-5.5%
CDX NA IG	51	0	-5	VIX	16.5	4.7%	-18.0%
CDX NA HY	107	-0	1	US10Y Yield	4.44%	3bp	5bp
iTraxx Eur Main	54	0	-4				
iTraxx Eur XO	278	-3	-22	AUD/USD	0.651	-1.1%	-0.0%
iTraxx Eur Snr Fin	58	-0	-5	EUR/USD	1.162	-0.6%	1.3%
iTraxx Eur Sub Fin	99	-1	-9	USD/SGD	1.285	-0.3%	0.0%
				AUD/SGD	0.836	0.8%	0.1%
USD Swap Spread 10Y	-55	0	-2	ASX200	8,713	1.5%	2.1%
USD Swap Spread 30Y	-86	0	1	DJIA	44,484	-0.4%	5.5%
				SPX	6,297	0.3%	5.3%
China 5Y CDS	44	-3	-5	MSCI Asiax	812	1.2%	3.7%
Malaysia 5Y CDS	43	-1	-5	HSI	24,499	1.5%	3.3%
Indonesia 5Y CDS	74	-1	-5	STI	4,179	2.2%	6.6%
Thailand 5Y CDS	43	0	-3	KLCI	1,527	-0.6%	1.0%
Australia 5Y CDS	10	-1	-1	JCI	7,287	4.0%	2.5%
				EU Stoxx 50	5,377	-1.1%	2.1%

Source: Bloomberg

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