

Market Commentary:

- The SGD SORA OIS curve traded higher last Friday with shorter tenors, belly tenors and 10Y trading 1bps higher.
- Flows in SGD corporates were moderate, with flows in LLCAU 3.9%-PERP & BNP 5.9%-PERP.
- As per Bloomberg, ReNew Energy Global PLC plans a dollar bond offering early next year to partly refinance its offshore notes and may use an onshore project loan to refinance the remaining notes. The company has USD525mn 7.95% notes maturing in July, callable at par from 28 Jan 2026.
- In other news, China plans to sell up to USD4bn of USD-denominated government bonds in HKSAR on 03 Nov 2025. This will mark the first dollar sales of similar size in HKSAR since 2021, the previous issuances since 2021 was a USD2bn issue in 2024. The issuance will help the government maintain its funding channels abroad and sustain its engagement with global investors while also serving as a pricing benchmark for Chinese offshore corporate debt.
- Lastly, Fitch has downgraded Shanghai Commercial Bank Limited's ("SCB") long-term issuer default rating and viability rating to BBB+ from A- with stable outlook, citing continued weakening asset quality.
- Bloomberg Asia USD Investment Grade spreads traded flat at 62bps and Bloomberg Asia USD High Yield spreads widened by 1bps to 350bps respectively. (Bloomberg, OCBC)

Credit Summary:

- **Industry Outlook – Singapore Property, City Developments Ltd ("CDL"):** 590 out of 706 units (84%) of Zyon Grand units were sold over the weekend launch. The development is a joint venture between CDL and Mitsui Fudosan Asia Pte Ltd ("MFA").
- **HSBC Holdings PLC ("HSBC"):** HSBC announced that it will raise a USD1.1bn provision for litigation related to investor losses tied to Bernard Madoff. The provision will be recognised in HSBC's 3Q2025 results due to be released tomorrow (28 October 2025).

Credit Headlines**Industry Outlook – Singapore Property****City Developments Ltd (“CDL”)**

- **84% of Zyon Grand units sold at SGD3,050 psf:** 590 out of 706 units at Zyon Grand were sold over the weekend launch. The development is a joint venture between CDL and Mitsui Fudosan Asia Pte Ltd (“MFA”).
- **Anchored by residents:** According to CDL, all buyers were Singaporeans and permanent residents. 14% comprise PRs from China, Malaysia, India, Indonesia, South Korea, Japan and others.
- **Factors driving demand:** According to Mr Sherman Kwek, CDL’s Group CEO, the positive take-up reflects the market’s confidence and genuine demand for homes in a sought-after neighbourhood (at Zion Road), while the project is conveniently located near Havelock MRT. According to Daijiro Eguchi, MFA’s Managing Director, buyers were drawn to the lifestyle and sense of community it represents.
- **Strong sales thus far in October:** In total, four major projects saw high sell-out rates in October, including Faber Residence (sold 86% of 399 units), Penrith (97% of 462 units) and Skye at Holland (99% of 666 units) aside from Zyon Grand (84% of 706 units). (Company, Business Times, EdgeProp, OCBC)

HSBC Holdings PLC (“HSBC”)

- HSBC announced that it will raise a USD1.1bn provision for litigation related to investor losses tied to Bernard Madoff. The provision will be recognised in HSBC’s 3Q2025 results due to be released tomorrow (28 October 2025).
- The provision is expected to reduce HSBC’s CET1 capital ratio by ~15bps which was 14.6% as at 30 June 2025 (14.9% as at 31 December 2024). The CET1 ratio was within HSBC’s medium-term target range of 14.0–14.5% and above its 11.2% Maximum Distributable Amount (“MDA”) threshold.
- HSBC is continuing to defend the claim that has been brought by Herald Fund SPC and will initiate a second appeal after its first appeal was denied by a court in Luxembourg. (Bloomberg, Company, OCBC)

New Issues:

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing
24 Oct	SELECT ACCESS Investments Limited	Secured, Fixed	USD	2000	10.25Y	5.60%

Mandates:

- There were no notable mandates last Friday.

Key Market Movements

	27-Oct	1W chg (bps)	1M chg (bps)		27-Oct	1W chg	1M chg
iTraxx Asiax IG	69	-0	4	Brent Crude Spot (\$/bbl)	66.4	8.9%	-5.3%
				Gold Spot (\$/oz)	4,070	-6.6%	6.2%
iTraxx Japan	57	--	0	CRB Commodity Index	303	2.2%	-0.7%
iTraxx Australia	70	-1	5	S&P Commodity Index - GSCI	559	3.6%	-0.4%
CDX NA IG	51	-1	-1	VIX	16.4	-21.2%	7.1%
CDX NA HY	108	0	-0	US10Y Yield	4.02%	4bp	-15bp
iTraxx Eur Main	55	-1	-1				
iTraxx Eur XO	264	-6	2	AUD/USD	0.654	0.4%	-0.6%
iTraxx Eur Snr Fin	59	-1	-1	EUR/USD	1.163	-0.1%	-0.8%
iTraxx Eur Sub Fin	101	-1	-0	USD/SGD	1.298	-0.3%	-0.6%
				AUD/SGD	0.848	-0.7%	0.0%
USD Swap Spread 10Y	-44	3	9	ASX200	9,083	0.6%	3.4%
USD Swap Spread 30Y	-72	3	11	DJIA	47,207	2.2%	2.1%
				SPX	6,792	1.9%	2.2%
China 5Y CDS	44	-1	6	MSCI Asiax	908	0.5%	5.1%
Malaysia 5Y CDS	42	-1	-1	HSI	26,160	3.6%	0.1%
Indonesia 5Y CDS	80	-2	-2	STI	4,422	1.5%	3.7%
Thailand 5Y CDS	43	-1	2	KLCI	1,613	0.1%	0.3%
Australia 5Y CDS	11	0	-0	JCI	8,272	4.5%	2.1%
				EU Stoxx 50	5,675	1.2%	3.2%

Source: Bloomberg

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