

## Daily Credit Snapshot

### Market Commentary

- After Venezuela, market attention is shifting to Iran next. US president Trump has warned of “hitting them very hard” if the Iranian regime starts killing protestors, whereas Tehran has also warned the US and Israel against any intervention. The US labour market added fewer than expected jobs at 50k in December, with the two-month net revision at -76k, while the unemployment rate dipped from a revised 4.5% to 4.4% and the average hourly earnings rose 3.8% YoY (0.35 MoM). The University of Michigan sentiment index improved from 52.9 in December to 54.0 in January, aided by both current and expectations gauges, while the 5–10-year inflation gauge accelerated from 3.2% to 3.4%. Friday also saw the S&P500 posting gains of 0.65% to the second record highs this year, bringing weekly gains to 1.6%, while the 10-year UST bond yield finished around 4.18% ahead of the anticipated FOMC rate pause later this month.
- The SGD SORA OIS curve traded higher last Friday with shorter tenors trading 1-2bps higher while belly tenors traded 2bps higher and 10Y traded 3bps higher.
- Flows in SGD corporates were heavy, with flows in STANLN 4.3%-PERP, ACAFP 2.75% '32s, BACR 4.65%-PERP, CDREIT 3.7%-PERP, UOBSP 3.58%-PERP, SNBAB 3.4% '35s, LLOYDS 5.25% '33s.
- Global Investment Grade spreads tightened by 1bps to 76bps and Global High Yield spreads tightened by 1bps to 256bps respectively.
- Bloomberg Global Contingent Capital Index tightened by 4bps to 227bps.
- Bloomberg Asia USD Investment Grade spreads traded flat at 60bps and Asia USD High Yield spreads tightened by 2bps to 346bps respectively. (Bloomberg, OCBC)
- There was no notable issuance in either the APAC or DM IG markets last Friday.
- There was also no notable issuance in the Singdollar market last Friday.

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## Credit Summary:

- There are no headlines for today.

## Mandates:

- There were no notable mandates last Friday.

## Key Market Movements

	12-Jan	1W chg (bps)	1M chg (bps)		12-Jan	1W chg	1M chg
iTraxx Asiax IG	65	1	-0	Brent Crude Spot (\$/bbl)	63.5	2.8%	3.9%
				Gold Spot (\$/oz)	4,575	2.8%	6.4%
iTraxx Japan	55	1	-0	CRB Commodity Index	301	1.2%	1.1%
iTraxx Australia	65	1	1	S&P Commodity Index - GSCI	560	0.4%	1.7%
CDX NA IG	49	-0	-2	VIX	14.5	-0.1%	-7.9%
CDX NA HY	108	0	0	US10Y Yield	4.17%	-3bp	-2bp
iTraxx Eur Main	50	-0	-2				
iTraxx Eur XO	241	-1	-10	AUD/USD	0.670	-0.2%	0.7%
iTraxx Eur Snr Fin	53	-0	-3	EUR/USD	1.167	-0.5%	-0.6%
iTraxx Eur Sub Fin	90	-1	-4	USD/SGD	1.287	-0.3%	0.4%
				AUD/SGD	0.862	-0.1%	-0.3%
USD Swap Spread 10Y	-35	6	7	ASX200	8,759	0.4%	0.7%
USD Swap Spread 30Y	-62	8	6	DJIA	49,504	2.3%	2.2%
				SPX	6,966	1.6%	2.0%
China 5Y CDS	41	2	-2	MSCI Asiax	945	-0.1%	4.7%
Malaysia 5Y CDS	39	1	-0	HSI	26,580	0.9%	2.3%
Indonesia 5Y CDS	70	2	-2	STI	4,774	2.0%	4.1%
Thailand 5Y CDS	38	1	-2	KLCI	1,694	0.8%	3.4%
Australia 5Y CDS	12	0	0	JCI	8,956	1.1%	3.4%
				EU Stoxx 50	5,997	2.5%	4.8%

Source: Bloomberg

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