

### Market Commentary

- The SGD swap curve traded mostly lower last Thursday, with shorter tenors trading at 2-3bps lower. The 1D though, traded 13bps higher. Belly tenors traded 3bps lower while longer tenors traded 4-5bps lower.
- The Bloomberg Barclays Asia USD IG Bond Index average OAS tightened 1bps to 130bps, and the Bloomberg Barclays Asia USD HY Bond Index average OAS tightened 8bps to 622bps. The HY-IG Index Spread tightened 7bps to 492bps.
- There were heavy flows in SGD corporates on Thursday including CS 5.625%-PERPs, HSBC 4.7%-PERPs and HRINTH 3.8%'25s.
- 10Y UST Yields gained 5bps to 1.72% on the back of a better-than-expected jobs report which came in at 916,000. Meanwhile, unemployment in the U.S. fell to 6%.

### Credit Research

**Andrew Wong**

+65 6530 4736

[WongVKAM@ocbc.com](mailto:WongVKAM@ocbc.com)

**Ezien Hoo, CFA**

+65 6722 2215

[EzienHoo@ocbc.com](mailto:EzienHoo@ocbc.com)

**Wong Hong Wei, CFA**

+65 6722 2533

[WongHongWei@ocbc.com](mailto:WongHongWei@ocbc.com)

**Seow Zhi Qi, CFA**

+65 6530 7348

[zhiqiseow@ocbc.com](mailto:zhiqiseow@ocbc.com)

### Credit Summary:

- **[Commerzbank AG \("CMZB"\)](#) | Issuer Profile: Neutral (4):** Following [news of board level uncertainty](#) that has overshadowed, and could add to, its fundamental problems, CMZB has announced the proposal of four new candidates for its Supervisory Board to replace the four who recently resigned in the process of selecting a new chairman.
- **[Credit Suisse Group AG \("CS"\)](#) | Issuer Profile: Neutral (4):** Fallout from Archegos Capital Management ("Archegos") continues for CS as expected with reports that Chief Risk Officer Lara Warner may be replaced following Archegos as well as other recent issues with Greensill Capital and Luckin Coffee from a year ago. Head of the Investment Bank Brian Chin is also under pressure – the prime brokerage business which will also be reviewed sits in the Investment Bank and under his purview.

## Asian Credit Daily

### Credit Headlines

#### Commerzbank AG (“CMZB”) | Issuer Profile: Neutral (4)

- Following [news of board level uncertainty](#) that has overshadowed, and could add to, its fundamental problems, CMZB has announced the proposal of four new candidates for its Supervisory Board to replace the four who recently resigned in the process of selecting a new chairman.
- According to Bloomberg, CMZB proceeded with the nomination of Helmut Gottschalk, former supervisory board chairman of DZ Bank AG, as the new chairman of its supervisory board. CMZB also proposed to fill the remaining vacated board positions with DZ Bank executive Frank Westhoff, Autobahn GmbH supervisory board member Daniela Mattheus and former Deutsche Telekom AG executive Caroline Seifert.
- Further appointments and proposals for the supervisory board are also expected at a later stage before CMZB’s scheduled annual general meeting on 18<sup>th</sup> May 2021.
- Separately on the fundamental front, CMZB announced that it will post a restructuring charge of EUR470mn in 1Q2021 its job-reduction program which covers 1,700 job cuts as agreed with the works council. In total, new CEO Manfred Knof is planning to reduce CMZB’s total headcount by 10,000 in Germany in a restructuring that will cost around EUR1.8bn. (Company, Bloomberg, OCBC)

#### Credit Suisse Group AG (“CS”) | Issuer Profile: Neutral (4)

- Fallout from Archegos Capital Management (“Archegos”) continues for CS as expected with reports that Chief Risk Officer Lara Warner may be replaced following Archegos as well as other recent issues with Greensill Capital and Luckin Coffee from a year ago. Head of the Investment Bank Brian Chin is also under pressure – the prime brokerage business which will also be reviewed sits in the Investment Bank and under his purview.
- [As mentioned last week](#), CEO Thomas Gottstein appears to be secure for now given he has been in the role only 12 months – replacing him would likely be more destabilizing than not. CS is reportedly preparing to update the market on its potential losses from Archegos. We continue to monitor the situation. (Bloomberg, OCBC)

## Asian Credit Daily

### Key Market Movements

	5-Apr	1W chg (bps)	1M chg (bps)		5-Apr	1W chg	1M chg
iTraxx Asiax IG	62	-2	0	Brent Crude Spot (\$/bbl)	64.48	-0.14%	-7.04%
iTraxx SovX APAC	27	-1	-2	Gold Spot (\$/oz)	1,728.10	0.93%	1.61%
iTraxx Japan	47	-2	-1	CRB	186.70	1.28%	-1.73%
iTraxx Australia	62	-2	1	GSCI	474.02	0.00%	-3.54%
CDX NA IG	51	-6	-3	VIX	17.33	-12.52%	-28.09%
CDX NA HY	109	1	1	CT10 (%)	1.704%	-0.44	13.76
iTraxx Eur Main	50	-4	0				
iTraxx Eur XO	245	-19	-13	AUD/USD	0.762	-0.21%	-0.90%
iTraxx Eur Snr Fin	58	-4	-2	EUR/USD	1.177	0.00%	-1.26%
iTraxx Eur Sub Fin	108	-9	-1	USD/SGD	1.346	0.16%	-0.26%
iTraxx Sovx WE	5	0	-1	AUD/SGD	1.025	0.38%	0.64%
USD Swap Spread 10Y	4	1	-1	ASX 200	6,829	0.56%	0.98%
USD Swap Spread 30Y	-21	2	4	DJIA	33,153	1.64%	5.61%
US Libor-OIS Spread	13	0	2	SPX	4,020	2.82%	3.86%
Euro Libor-OIS Spread	-5	0	0	MSCI Asiax	880	1.96%	-0.60%
				HSI	28,939	3.72%	-0.54%
China 5Y CDS	33	-1	0	STI	3,182	1.27%	6.99%
Malaysia 5Y CDS	43	-2	0	KLCI	1,585	-1.00%	-0.92%
Indonesia 5Y CDS	84	-3	5	JCI	6,011	-1.82%	-5.47%
Thailand 5Y CDS	39	-1	-1	EU Stoxx 50	3,946	2.96%	6.43%
Australia 5Y CDS	15	0	-12				

Source: Bloomberg

## Asian Credit Daily

### New Issues

- There were no new issues or mandates last Thursday.

Date	Issuer	Size	Tenor	Pricing
31-Mar-21	Chengdu Jiaozhi Financial Holding Group Co Ltd	USD200mn	5-year	2.6%
31-Mar-21	Logan Group Co Ltd	USD300mn	4.25NC2.25	4.5%,
31-Mar-21	Ooredoo International Finance Ltd (Guarantor: Ooredoo QPSC)	USD1.0bn	10-year	MS+100bps
31-Mar-21	Pioneer Reward Limited	USD100mn	HTSC 1.3%'24s	T+100bps
31-Mar-21	ReNew Wind Energy Pvt, Ostro Jaisalmer Pvt, Ostro Urja Wind Pvt, Ostro Madhya Wind Pvt, Badoni Power Pvt, AVP Powerinfra Pvt, Prathamesh Solarfarms Ltd., Ostro Anantapur Pvt, ReNew Wind Energy Delhi Pvt Ostro Mahawind Power Pvt (Guarantor: ReNew Power Pvt Ltd)	USD585mn	7.25NC2.5	4.5%

Source: OCBC, Bloomberg

# Treasury Research & Strategy

## Macro Research

**Selena Ling**
*Head of Research & Strategy*
[LingSSSelena@ocbc.com](mailto:LingSSSelena@ocbc.com)
**Tommy Xie Dongming**
*Head of Greater China*
*Research*
[XieD@ocbc.com](mailto:XieD@ocbc.com)
**Wellian Wiranto**
*Malaysia & Indonesia*
[WellianWiranto@ocbc.com](mailto:WellianWiranto@ocbc.com)
**Howie Lee**
*Thailand, Korea &*
*Commodities*
[HowieLee@ocbc.com](mailto:HowieLee@ocbc.com)
**Carie Li**
*Hong Kong & Macau*
[carierli@ocbcwh.com](mailto:carierli@ocbcwh.com)
**Herbert Wong**
*Hong Kong & Macau*
[herberhtwong@ocbcwh.com](mailto:herberhtwong@ocbcwh.com)

## FX/Rates Strategy

**Frances Cheung**
*Rates Strategist*
[FrancesCheung@ocbc.com](mailto:FrancesCheung@ocbc.com)
**Terence Wu**
*FX Strategist*
[TerenceWu@ocbc.com](mailto:TerenceWu@ocbc.com)

## Credit Research

**Andrew Wong**
*Credit Research Analyst*
[WongVKAM@ocbc.com](mailto:WongVKAM@ocbc.com)
**Ezien Hoo**
*Credit Research Analyst*
[EzienHoo@ocbc.com](mailto:EzienHoo@ocbc.com)
**Wong Hong Wei**
*Credit Research Analyst*
[WongHongWei@ocbc.com](mailto:WongHongWei@ocbc.com)
**Seow Zhi Qi**
*Credit Research Analyst*
[ZhiQiSeow@ocbc.com](mailto:ZhiQiSeow@ocbc.com)

This publication is solely for information purposes only and may not be published, circulated, reproduced, or distributed in whole or in part to any other person without our prior written consent. This publication should not be construed as an offer or solicitation for the subscription, purchase or sale of the securities/instruments mentioned herein. Any forecast on the economy, stock market, bond market and economic trends of the markets provided is not necessarily indicative of the future or likely performance of the securities/instruments. Whilst the information contained herein has been compiled from sources believed to be reliable and we have taken all reasonable care to ensure that the information contained in this publication is not untrue or misleading at the time of publication, we cannot guarantee and we make no representation as to its accuracy or completeness, and you should not act on it without first independently verifying its contents. The securities/instruments mentioned in this publication may not be suitable for investment by all investors. Any opinion or estimate contained in this report is subject to change without notice. We have not given any consideration to and we have not made any investigation of the investment objectives, financial situation or particular needs of the recipient or any class of persons, and accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of the recipient or any class of persons acting on such information or opinion or estimate.

This publication may cover a wide range of topics and is not intended to be a comprehensive study or to provide any recommendation or advice on personal investing or financial planning. Accordingly, they should not be relied on or treated as a substitute for specific advice concerning individual situations. Please seek advice from a financial adviser regarding the suitability of any investment product taking into account your specific investment objectives, financial situation, or particular needs before you make a commitment to purchase the investment product. OCBC and/or its related and affiliated corporations may at any time make markets in the securities/instruments mentioned in this publication and together with their respective directors and officers, may have or take positions in the securities/instruments mentioned in this publication and may be engaged in purchasing or selling the same for themselves or their clients, and may also perform or seek to perform broking and other investment or securities-related services for the corporations whose securities are mentioned in this publication as well as other parties generally. There may be conflicts of interest between Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), Bank of Singapore Limited, OCBC Investment Research Private Limited, OCBC Securities Private Limited or other members of the OCBC Group and any of the persons or entities mentioned in this report of which OCBC Bank and its analyst(s) are not aware due to OCBC Bank's Chinese Wall arrangement.

This report is intended for your sole use and information. By accepting this report, you agree that you shall not share, communicate, distribute, deliver a copy of or otherwise disclose in any way all or any part of this report or any information contained herein (such report, part thereof and information, "Relevant Materials") to any person or entity (including, without limitation, any overseas office, affiliate, parent entity, subsidiary entity or related entity) (any such person or entity, a "Relevant Entity") in breach of any law, rule, regulation, guidance or similar. In particular, you agree not to share, communicate, distribute, deliver or otherwise disclose any Relevant Materials to any Relevant Entity that is subject to the Markets in Financial Instruments Directive (2014/65/EU) ("MiFID") and the EU's Markets in Financial Instruments Regulation (600/2014) ("MiFIR") (together referred to as "MiFID II"), or any part thereof, as implemented in any jurisdiction. No member of the OCBC Group shall be liable or responsible for the compliance by you or any Relevant Entity with any law, rule, regulation, guidance or similar (including, without limitation, MiFID II, as implemented in any jurisdiction).