

Asian Credit Daily

8 February 2024

Market Commentary:

- The SGD SORA curve traded lower yesterday, with short tenors trading 3-5bps lower while belly and 10Y tenors traded 5bps lower.
- Flows in SGD corporates were heavy, with flows in STTGDC 5.7%-PERP, BNP 5.9%-PERP, OCBCSP 4.05%-PERP, STTGDC 3.13% '28s, CMZB 6.5% '34s, AIA 2.9%-PERP, ACAFP 4.85% '33s, ESRCAI 5.65%-PERP, HSBC 5.3% '34s, INCINS 3.1% '50s, STANLN 4% '30s.
- According to Bloomberg, Lotte E&C said Shinhan, KB Kookmin, Hana, and Woori banks alongside Daishin and Kiwoom Securities are participating in a KRW2.3tn (USD1.7bn) fund to help roll over its PF contingent liabilities.
- Yesterday, Bloomberg Asia USD Investment Grade spreads tightened by 1bps to 100bps, which is another record low, while the Asia USD High Yield spreads tightened by 13bps to 653bps, which is the lowest level since 4Q2021.
- Yesterday in the Singdollar market, BNP Paribas SA issued a SGD550mn 10NC5 Tier 2 at 4.75%.
- Meanwhile in the Asiadollar market yesterday, China Ping An Insurance Overseas (Holdings) Limited issued a USD200mn 3Y senior unsecured fixed at T+110bps.

Credit Summary:

- There are no credit headlines for today.

Key Market Movements

	8-Feb	1W chg (bps)	1M chg (bps)		8-Feb	1W chg	1M chg
iTraxx Asiax IG	99	-3	-5	Brent Crude Spot (\$/bbl)	79.5	1.0%	4.4%
				Gold Spot (\$/oz)	2,038	-0.8%	0.5%
iTraxx Japan	59	1	-3	CRB Commodity Index	270	-0.8%	3.3%
iTraxx Australia	68	-2	-9	S&P Commodity Index - GSCI	548	-1.3%	3.3%
CDX NA IG	55	0	-2	VIX	12.8	-10.6%	-1.9%
CDX NA HY	106	0	0	US10Y Yield	4.09%	21bp	6bp
iTraxx Eur Main	60	0	-3				
iTraxx Eur XO	330	0	-3	AUD/USD	0.653	-0.6%	-2.8%
iTraxx Eur Snr Fin	71	1	-2	EUR/USD	1.078	-0.8%	-1.5%
iTraxx Eur Sub Fin	132	-1	0	USD/SGD	1.343	-0.5%	-1.1%
				AUD/SGD	0.877	0.1%	1.8%
USD Swap Spread 10Y	-36	0	1	ASX200	7,659	0.9%	2.8%
USD Swap Spread 30Y	-72	-1	-4	DJIA	38,677	1.4%	2.6%
				SPX	4,995	3.1%	4.9%
China 5Y CDS	63	-3	-2	MSCI AC AsiaxJ	625	2.5%	0.8%
Malaysia 5Y CDS	43	-3	-3	HSI	16,060	3.2%	-1.0%
Indonesia 5Y CDS	73	-3	-3	STI	3,151	0.3%	-1.1%
Thailand 5Y CDS	41	-1	-3	KLCI	1,520	0.5%	1.6%
Australia 5Y CDS	15	0	-1	JCI	7,235	0.4%	-0.7%
				EU Stoxx 50	4,679	0.7%	4.3%

Source: Bloomberg

New issues:

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing	Initial Pricing
07 Feb	BNP Paribas SA	Tier 2, Reset at Year 5 at SORACA6M+190.1bps	SGD	550	10NC5	4.75%	5.1% area
07 Feb	China Ping An Insurance Overseas (Holdings) Limited	Fixed	USD	200	3-Yr	T+110bps	NA

Mandates:

- There are no Asiadollar mandates for today.
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