

Market Commentary:

- The SGD SORA OIS curve traded higher yesterday with shorter tenors trading 1-2bps higher, belly tenors trading 2-3bps higher and 10Y trading 3bps higher.
- Flows in SGD corporates were heavy, with flows in EQIX 3.5% '30s, HSBC 5.25%-PERP, OLGSP 5.375%-PERP, STSP 3.3%-PERP.
- Shanghai Bull Fund Management ("Bull Fund"), a bondholder of Logan Group Co Ltd ("Logan"), opposes the company's preliminary plan to restructure RMB22bn of onshore debt as the plan's recovery rate is below market expectations. If bondholders opt for a 9.5-year maturity extension, the recovery could reach 40%-47.2%, while other proposed options would yield only 15%-30%.
- Bloomberg Asia USD Investment Grade spreads tightened by 1bps to 73bps while Bloomberg Asia USD High Yield spreads tightened by 6bps to 396bps. (Bloomberg, OCBC)

Credit Summary:

- **City Developments Ltd ("CDL"):** Discontinuation of tussle within the board and all directors remain including newly appointed ones. According to CDL Executive Chairman Kwek Leng Beng, directors will set aside differences for greater good and focus on CDL.
- **Mapletree Logistics Trust ("MLT"):** Mapletree Logistics Trust Management Ltd, as REIT Manager of MLT announced that HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of MLT) has entered into an agreement for the proposed divestment of 31 Penjuru Lane in Singapore at a sale price of SGD7.8mn.
- **Sembcorp Industries Ltd ("SCI"):** Sembcorp Development, a wholly-owned subsidiary of SCI and its joint venture partner Becamex IDC ("Becamex") has been awarded two new Vietnam Singapore Industrial Park ("VSIP") projects.

Credit Headlines

City Developments Ltd (“CDL”)

- **Discontinuation of tussle within the board:** CDL announced that its executive chairman Kwek Leng Beng (“Elder Kwek”) will be discontinuing the lawsuit that was launched recently regarding the board (read more in our write-up OCBC Asian Credit Daily – 260225, OCBC Asian Credit Daily – 270225, OCBC Asian Credit Daily – 030325).
- **All directors remain, including newly appointed ones:** Elder Kwek will remain as CDL’s Executive Chairman. Despite earlier assertions to install a “professional CEO”, CDL announced that Sherman Kwek will continue as Group CEO. All other directors, including the newly appointed directors Jennifer Duong Young and Su Yen Wong, will remain on the CDL board.
- **Setting aside differences for greater good and to focus on CDL:** According to Elder Kwek, the board of directors will continue to focus on strengthening CDL’s business, including completing the landmark developments in Singapore and globally, further expansion of various brands under Millennium & Copthorne, continue capital recycling initiative and maximise shareholder value. (Company, OCBC)

Mapletree Logistics Trust (“MLT”)

- Mapletree Logistics Trust Management Ltd, as REIT Manager of MLT announced that HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of MLT) has entered into an agreement for the proposed divestment of 31 Penjuru Lane in Singapore at a sale price of SGD7.8mn.
- The proposed divestment is in line with the REIT Manager’s efforts to rejuvenate its portfolio through selective divestments of assets that are no longer aligned with its strategy. (Company)

Sembcorp Industries Ltd (“SCI”)

- Sembcorp Development, a wholly-owned subsidiary of SCI and its joint venture partner Becamex IDC (“Becamex”) has been awarded two new Vietnam Singapore Industrial Park (“VSIP”) projects.
- Both VSIPs will be developed to the principles of low-carbon industrial parks and in addition, SCI and Becamex will explore the development of a first VSIP in Ha Nam province. (Company)

New Issues:

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing
12 Mar	Bank of China Ltd/Panama	FRN	USD	500	3Y	SOFRIX+50bps
12 Mar	Yangzhou Economic and Technological Development Zone Development Group Co Ltd	Transition, Fixed	USD	300	3Y	4.98%
12 Mar	Ganzhou Development Investment Holding Group Co Ltd	Sustainable, Fixed	USD	300	3Y	5.05%
12 Mar	Shengzhou Communications Investment Development Group Co Ltd (guarantor: Shengzhou Investment Holding Co Ltd)	Fixed	USD	142	3Y	5.40%

Mandates:

- Zhuzhou City Construction Development Group Co., Ltd. may issue USD denominated Senior Unsecured Sustainable bonds.

Key Market Movements

	13-Mar	1W chg (bps)	1M chg (bps)		13-Mar	1W chg	1M chg
iTraxx Asiax IG	72	2	1	Brent Crude Spot (\$/bbl)	70.8	1.9%	-5.6%
				Gold Spot (\$/oz)	2,937	0.9%	0.3%
iTraxx Japan	51	0	0	CRB Commodity Index	304	0.8%	-3.0%
iTraxx Australia	74	5	10	S&P Commodity Index - GSCI	553	1.0%	-2.9%
CDX NA IG	55	3	8	VIX	24.2	10.5%	60.5%
CDX NA HY	106	-1	-2	US10Y Yield	4.29%	1bp	-24bp
iTraxx Eur Main	56	2	5				
iTraxx Eur XO	304	13	24	AUD/USD	0.630	-0.6%	-0.3%
iTraxx Eur Snr Fin	60	3	3	EUR/USD	1.088	0.9%	4.0%
iTraxx Eur Sub Fin	105	5	5	USD/SGD	1.333	0.0%	0.8%
				AUD/SGD	0.839	0.6%	1.1%
USD Swap Spread 10Y	-43	-1	-5	ASX200	7,749	-4.3%	-9.3%
USD Swap Spread 30Y	-76	1	-7	DJIA	41,351	-3.8%	-7.5%
				SPX	5,599	-4.2%	-8.4%
China 5Y CDS	48	0	2	MSCI Asiax	725	-2.0%	0.5%
Malaysia 5Y CDS	49	2	6	HSI	23,295	-4.4%	6.8%
Indonesia 5Y CDS	79	2	6	STI	3,834	-2.1%	-1.2%
Thailand 5Y CDS	46	2	3	KLCI	1,507	-3.3%	-5.4%
Australia 5Y CDS	12	0	1	JCI	6,658	0.6%	0.7%
				EU Stoxx 50	5,359	-2.4%	-2.6%

Source: Bloomberg

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