

Asian Credit Daily

3 December 2024

Market Commentary:

- The SGD SORA OIS curve traded lower yesterday, with shorter tenors trading 2bps lower, belly tenors trading 1-2bps lower and 10Y trading 1bps lower.
- Flows in SGD corporates were moderate, with flows in BACR 5.4%-PERP, STANLN 5.3%-PERP.
- Shanghai Shimao Co Ltd has announced in a filing to the Shanghai Stock Exchange that it is under investigation by the China Securities Regulatory Commission for purported violations of disclosure regulations.
- The Kyrgyz Republic intends to raise as much as USD1bn through USD bonds and up to RMB5bn through dim sum bonds, as stated during an investor roadshow on Monday.
- Shimao Group Holdings Ltd. ("Shimao") received a favourable ruling from a Hong Kong court that dismissed a creditor's petition to liquidate the company, allowing it more time to finalize its USD11.5bn debt restructuring plan. The court's decision followed Shimao's October filing, which indicated support from several banks and bondholders for the plan. Shimao has scheduled a hearing for January 16 to request a vote on the restructuring.
- The issuance of sustainable debt in Asia has reached USD360.3bn this year, a 9.2% increase y/y, bolstered by USD11.3bn in the past two weeks, per Bloomberg data. The Thailand Government Bond issued the largest ESG bond in the last two weeks, while Frasers Property Thailand Pcl secured the largest ESG loan.
- Bloomberg Asia USD Investment Grade spreads remain flat at 74bps while Bloomberg Asia USD High Yield spreads tightened by 2bps to 456bps. (Bloomberg, OCBC)

Credit Summary:

- **Sembcorp Industries Ltd ("SCI"):** SCI announced that its wholly-owned subsidiary, Sembcorp Power Pte Ltd ("Sembcorp Power"), has signed a long-term renewable energy power purchase agreement ("PPA") for a tenure of 15Y with Equinix, Inc ("Equinix").

Credit Headlines:

Sembcorp Industries Ltd ("SCI")

- SCI announced that its wholly-owned subsidiary, Sembcorp Power Pte Ltd ("Sembcorp Power"), has signed a long-term renewable energy power purchase agreement ("PPA") for a tenure of 15Y with Equinix, Inc ("Equinix"). to supply up to 58.5MWp from its renewable energy portfolio in Singapore starting in 2029.
- This PPA adds to an earlier renewable energy agreement signed with Equinix in April 2025. (Company)

New Issues:

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing
02 Dec	Cixi State Owned Asset Investment Holdings Co Ltd	Sustainability, Fixed	USD	300	3Y	4.85%
02 Dec	Caofeidian State Holding Investment Group Co Ltd (guarantor: Tangshan State Holding Group Company Limited)	Fixed	USD	100	3Y	7.2%

Mandates:

- Rakuten Group, Inc is planning to issue a USD500mn PerpNC5.

Key Market Movements

	3-Dec	1W chg (bps)	1M chg (bps)		3-Dec	1W chg	1M chg
iTraxx Asiax IG	73	-2	-2	Brent Crude Spot (\$/bbl)	71.9	-1.3%	-1.7%
				Gold Spot (\$/oz)	2,641	0.3%	-3.5%
iTraxx Japan	53	1	0	CRB Commodity Index	285	-1.8%	1.8%
iTraxx Australia	66	0	-2	S&P Commodity Index - GSCI	533	-2.5%	-0.3%
CDX NA IG	47	-1	-7	VIX	13.3	-12.5%	-39.0%
CDX NA HY	109	0	2	US10Y Yield	4.19%	-12bp	-20bp
iTraxx Eur Main	56	-2	-3				
iTraxx Eur XO	301	-9	-13	AUD/USD	0.647	0.0%	-1.7%
iTraxx Eur Snr Fin	63	-2	-2	EUR/USD	1.050	0.1%	-3.5%
iTraxx Eur Sub Fin	113	-3	-3	USD/SGD	1.347	0.0%	-2.0%
				AUD/SGD	0.871	0.1%	-0.3%
USD Swap Spread 10Y	-47	-1	14	ASX200	8,510	1.8%	4.8%
USD Swap Spread 30Y	-79	0	16	DJIA	44,782	1.1%	6.5%
				SPX	6,047	1.3%	5.6%
China 5Y CDS	64	0	-2	MSCI Asiax	709	0.5%	-2.9%
Malaysia 5Y CDS	45	0	4	HSI	19,585	2.2%	-4.5%
Indonesia 5Y CDS	74	0	2	STI	3,790	2.1%	6.6%
Thailand 5Y CDS	40	0	1	KLCI	1,597	-0.4%	-0.5%
Australia 5Y CDS	10	0	-4	JCI	7,047	-2.1%	-6.1%
				EU Stoxx 50	4,847	1.0%	-0.6%

Source: Bloomberg

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