

Asian Credit Daily4 June 2024

Market Commentary:

- The SGD SORA curve traded lower yesterday, with short tenors trading 2-4bps lower, belly tenors trading 4bps lower and 10Y trading 4bps lower.
- Flows in SGD corporates were moderate, with flows in AAREIT 5.375%-PERP, INCINS 3.1% '50s, CAPLSP 3.65%-PERP.
- Last weekend, two major cities in China witnessed an improvement in the sentiment of homebuyers, pointing to the gradually improving real estate sector. This came after the relaxation of property restrictions, which had been in place for months. In Shanghai, over 90% of the 300 units available at a new project were sold, surpassing the sales rate of the same development in March. Similarly, in Shenzhen, buyer interest increased significantly, leading some developers to withdraw their discount offers. Additionally, both cities experienced a recovery in existing-home sales.
- Bloomberg Asia USD Investment Grade widened by 2bps to 78bps while Asia USD High Yield tightened by 11bps to 494bps. (Bloomberg, OCBC)

Credit Summary:

- There are no credit headlines for today.

Key Market Movements

	4-Jun	1W chg (bps)	1M chg (bps)		4-Jun	1W chg	1M chg
iTraxx Asiax IG	95	3	-6	Brent Crude Spot (\$/bbl)	78.2	-7.2%	-5.8%
				Gold Spot (\$/oz)	2,351	-0.4%	1.2%
iTraxx Japan	50	2	-2	CRB Commodity Index	289	-1.8%	0.9%
iTraxx Australia	65	2	-1	S&P Commodity Index - GSCI	564	-3.1%	-1.6%
CDX NA IG	50	0	-1	VIX	13.1	9.9%	-2.8%
CDX NA HY	107	0	0	US10Y Yield	4.40%	-15bp	-11bp
iTraxx Eur Main	52	0	-2				
iTraxx Eur XO	291	3	-17	AUD/USD	0.669	0.7%	1.0%
iTraxx Eur Snr Fin	58	0	-3	EUR/USD	1.091	0.5%	1.3%
iTraxx Eur Sub Fin	104	0	-7	USD/SGD	1.345	0.2%	0.4%
				AUD/SGD	0.901	-0.4%	-0.6%
USD Swap Spread 10Y	-37	0	4	ASX200	7,758	-0.1%	1.7%
USD Swap Spread 30Y	-74	-1	5	DJIA	38,571	-1.3%	-0.3%
				SPX	5,283	-0.4%	3.0%
China 5Y CDS	62	1	-2	MSCI Asiax	686	-1.6%	1.8%
Malaysia 5Y CDS	46	2	2	HSI	18,403	-2.3%	-0.4%
Indonesia 5Y CDS	72	1	1	STI	3,349	0.9%	1.7%
Thailand 5Y CDS	43	0	1	KLCI	1,597	-1.4%	0.4%
Australia 5Y CDS	0	-4	-4	JCI	7,036	-2.0%	-1.4%
				EU Stoxx 50	5,004	-1.1%	1.7%

Source: Bloomberg

New Issues:

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing	Initial Pricing
03 Jun	Nine Dragons Paper Holdings Ltd	Fixed	USD	400	PerpNC3	14%	14.25% area
03 Jun	National Australia Bank Ltd	Fixed	USD	900	3Y	T+47bps	T+70bps area
03 Jun	National Australia Bank Ltd	FRN	USD	850	3Y	SOFR+62bps	N.A
03 Jun	National Australia Bank Ltd	Fixed	USD	750	10Y	T+78bps	T+100bps area
03 Jun	IFAST Corporation Ltd	Fixed	SGD	100	5Y	4.328%	4.75% area

Mandates:

- Suntory Holdings Ltd is planning to issue USD 5Y 144A/Reg S Notes.
- China Great Wall AMC International is planning to raise around USD600mn via offshore bond offering.

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