

Asian Credit Daily8 July 2024

Market Commentary:

- The SGD SORA curve traded lower last Friday, with short tenors trading 1bps lower, belly tenors trading 1bps lower and 10Y trading 1bps lower.
- Flows in SGD corporates were heavy, with flows in TD 5.7%-PERP, UBS 5.6%-PERP, HSBC 5.25%-PERP, OCBCSP 4.05%-PERP, CAPITA 2.88% '27s.
- Cathay Pacific Airways Ltd., based in Hong Kong, achieved another significant milestone in its COVID recovery efforts. The company announced its intention to repurchase the remaining half of the HKD19.5bn (USD2.5bn) worth of preference shares that were lent by the government to support its operations during the pandemic.
- Bloomberg Asia USD Investment Grade widened by 1bps to 82bps while Bloomberg Asia USD High Yield tightened by 2bps to 498bps. (Bloomberg, OCBC)
- There were no notable issuances in the Asiadollar and Singdollar market yesterday.

Credit Summary:

- There are no credit headlines today.

Mandates:

- Bayfront Infrastructure Management Pte. Ltd. And Bayfront Infrastructure Capital V Pte. Ltd is planning to issue a Reg S transaction with multiple classes of USD senior secured notes backed by cashflows.

Key Market Movements

| | 8-Jul | 1W chg (bps) | 1M chg (bps) | | 8-Jul | 1W chg | 1M chg |
|---------------------|-------|-----------------|-----------------|----------------------------|--------|--------|--------|
| iTraxx Asiax IG | 93 | -5 | -3 | Brent Crude Spot (\$/bbl) | 86.8 | 0.2% | 9.0% |
| | | | | Gold Spot (\$/oz) | 2,387 | 2.3% | 3.3% |
| iTraxx Japan | 50 | -4 | -1 | CRB Commodity Index | 293 | 0.7% | 1.2% |
| iTraxx Australia | 64 | -5 | 0 | S&P Commodity Index - GSCI | 587 | 1.1% | 4.0% |
| CDX NA IG | 50 | -3 | 0 | VIX | 12.5 | 2.0% | 2.1% |
| CDX NA HY | 107 | 0 | 0 | US10Y Yield | 4.28% | -12bp | 0bp |
| iTraxx Eur Main | 54 | -4 | 1 | | | | |
| iTraxx Eur XO | 296 | -14 | 2 | AUD/USD | 0.675 | 1.3% | 2.1% |
| iTraxx Eur Snr Fin | 61 | -6 | 1 | EUR/USD | 1.083 | 0.8% | 0.6% |
| iTraxx Eur Sub Fin | 109 | -11 | 0 | USD/SGD | 1.349 | 0.7% | 0.3% |
| | | | | AUD/SGD | 0.910 | -0.6% | -1.7% |
| | | | | | | | |
| USD Swap Spread 10Y | -42 | -7 | -23 | ASX200 | 7,822 | 0.7% | -0.5% |
| USD Swap Spread 30Y | -80 | -6 | -21 | DJIA | 39,376 | 0.5% | 1.5% |
| | | | | SPX | 5,567 | 1.5% | 4.1% |
| China 5Y CDS | 60 | -6 | -5 | MSCI Asiax | 709 | 1.8% | 2.5% |
| Malaysia 5Y CDS | 42 | -2 | -4 | HSI | 17,800 | 0.5% | -3.1% |
| Indonesia 5Y CDS | 74 | -4 | 3 | STI | 3,411 | 2.3% | 2.4% |
| Thailand 5Y CDS | 42 | -3 | -1 | KLCI | 1,611 | 1.3% | -0.4% |
| Australia 5Y CDS | 13 | 0 | 0 | JCI | 7,253 | 2.7% | 5.2% |
| | | | | EU Stoxx 50 | 4,979 | 1.7% | -1.4% |

Source: Bloomberg

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