

Asian Credit Daily

11 July 2024

Market Commentary:

- The SGD SORA curve traded mostly flat yesterday, with short tenors traded flat while belly tenors trading 1bps lower and 10Y were trading flat.
- Flows in SGD corporates were heavy, with flows in HSBC 5.25%-PERP, UBS 5.6%-PERP, OLGSP 5.375%-PERP, TD 5.7%-PERP, ARASP 5.6%-PERP.
- Bloomberg Asia USD Investment Grade remain unchanged at 81bps while Bloomberg Asia USD High Yield widened by 1bps to 493bps. (Bloomberg, OCBC)

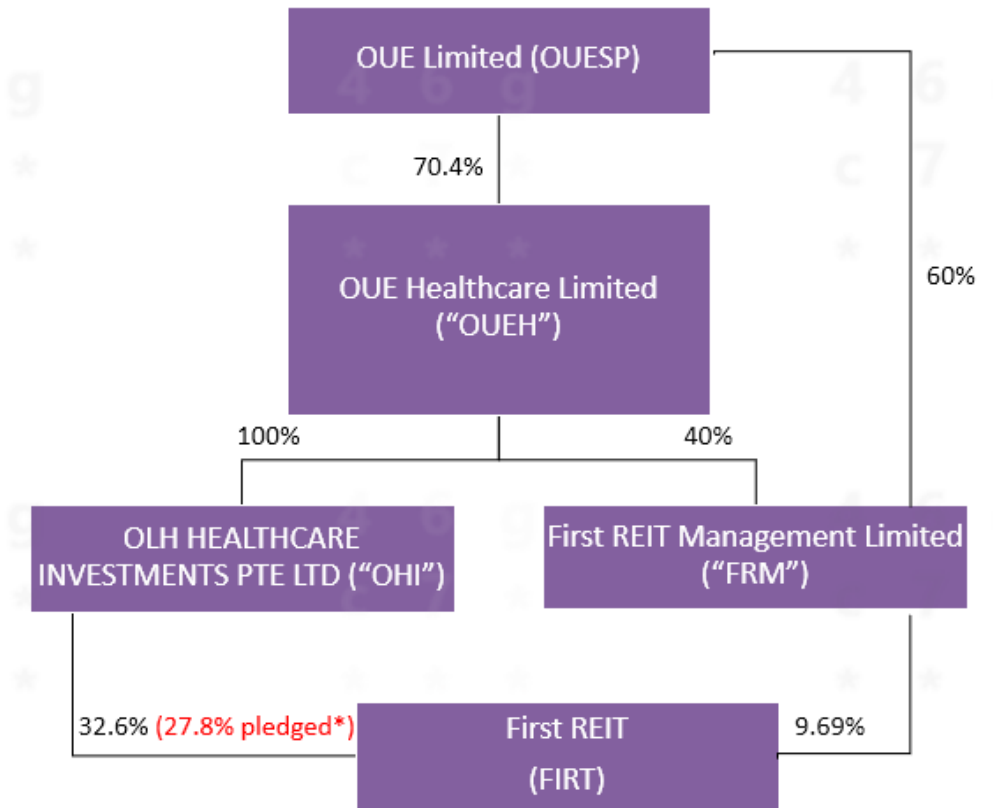
Credit Summary:

- **First Real Estate Investment Trust ("FIRT"):** LH Healthcare Investments Pte. Ltd. ("OHI"), an indirect wholly-owned subsidiary of OUE Healthcare Limited ("OUEH"), has repledged the 100mn units (4.79% of FIRT's outstanding units) of FIRT that was initially pledged in Sept 2023.
- **PARAGON REIT ("SPHR"):** SPHR announced that it will be redeeming its SGD300mn SPHRSP 4.1% PERP on 31 August 2024.

Credit Headlines:

First Real Estate Investment Trust (“FIRT”)

- OLH Healthcare Investments Pte. Ltd. (“OHI”), an indirect wholly-owned subsidiary of OUE Healthcare Limited (“OUEH”), has repledged the 100mn units (4.79% of FIRT’s outstanding units) of FIRT that was initially pledged in Sept 2023. The total pledged units remain unchanged at 580mn (27.8% of FIRT’s total outstanding units).
- Based on our understanding, the pledge was not conducted on FIRT level but on OHI level. There is no announcement by OUEHL or OHI regarding the purpose of the pledge, but pledging of shares is used by companies to raise secured debt. (Company, OCBC)



* 10 July 2024: OHI repledged the 100mn units of FIRT that was announced in Sept 2023, total pledged units remain at 580mn (27.8% of FIRT’s total outstanding units).

PARAGON REIT (“SPHR”)

- **Perp redemption:** SPHR announced that it will be redeeming its SGD300mn SPHRSP 4.1% PERP on 31 August 2024. Aside from the perpetual, there is no outstanding issue by SPHR. (Company, OCBC)

New Issues:

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing	Initial Pricing
10 Jul	Korean Ocean Business Corp	FRN	USD	400	5Y	SOFR+88bps	T+90bps area
10 Jul	Saudi Arabian Oil Co	Fixed	USD	2000	10Y	T+105bps (5.336%)	T+140bps area
10 Jul	Saudi Arabian Oil Co	Fixed	USD	2000	30Y	T+145bps (5.932%)	T+180bps area
10 Jul	Saudi Arabian Oil Co	Fixed	USD	2000	40Y	T+155bps (6.032%)	T+195bps area
10 Jul	Mitsubishi Corp	Fixed	USD	500	10Y	T+93bps (5.214%)	T+120bps area
10 Jul	Ziyang Development Investment Group Co Ltd (Guarantor: Chongqing Xingnong Financing Guarantee Group Co Ltd)	Fixed	USD	42	2Y	7.5%	NA
10 Jul	Muthoot Finance Ltd	Fixed	USD	100	Retap of MUTHIN 7.125% 14/02/28	101+Accrued	7.011%
10 Jul	Astrea 8	Class A-1	SGD	260	15NC5	4.35%	4.7% area
10 Jul	Astrea 8	Class A-2	USD	150	15NC6	6.35%	6.7% area

Mandates:

- There were no new Asiadollar mandates yesterday.

Key Market Movements

	11-Jul	1W chg (bps)	1M chg (bps)		11-Jul	1W chg	1M chg
iTraxx Asiax IG	92	-2	-4	Brent Crude Spot (\$/bbl)	85.8	-1.9%	4.7%
				Gold Spot (\$/oz)	2,375	0.8%	2.5%
iTraxx Japan	48	-2	-2	CRB Commodity Index	290	-0.9%	-1.0%
iTraxx Australia	62	-3	-4	S&P Commodity Index - GSCI	573	-2.7%	0.0%
CDX NA IG	49	-1	-2	VIX	12.9	6.8%	0.0%
CDX NA HY	107	0	0	US10Y Yield	4.29%	-7bp	-12bp
iTraxx Eur Main	53	-1	-3				
iTraxx Eur XO	290	-3	-13	AUD/USD	0.676	0.5%	2.3%
iTraxx Eur Snr Fin	60	-1	-4	EUR/USD	1.084	0.3%	0.9%
iTraxx Eur Sub Fin	107	-2	-9	USD/SGD	1.348	0.3%	0.4%
				AUD/SGD	0.911	-0.2%	-1.9%
USD Swap Spread 10Y	-43	-1	-5	ASX200	7,894	0.8%	1.8%
USD Swap Spread 30Y	-78	1	-3	DJIA	39,721	1.0%	2.5%
				SPX	5,634	2.3%	4.8%
China 5Y CDS	57	-4	-8	MSCI Asiax	711	0.4%	3.8%
Malaysia 5Y CDS	41	-1	-5	HSI	17,757	-1.5%	-2.3%
Indonesia 5Y CDS	71	-3	-1	STI	3,477	1.1%	5.1%
Thailand 5Y CDS	39	-2	-3	KLCI	1,626	0.7%	0.9%
Australia 5Y CDS	13	0	0	JCI	7,320	1.4%	6.8%
				EU Stoxx 50	4,959	-0.1%	-0.1%

Source: Bloomberg

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