

Asian Credit Daily

11 June 2024

Market Commentary:

- The SGD SORA curve traded higher yesterday, with short tenors trading 5-9bps higher, belly tenors trading 9-10bps higher and 10Y trading 10bps higher.
- Flows in SGD corporates were heavy, with flows in HSBC 5.25%-PERP, SPOST 3.23% '27s, HSBC 4.75% '34s, SPOST 2.53% '30s, HSBC 5.3% '33s, DB 4.4% '28s, HSBC 4.5% '29s, HSBC 5.3% '34s, OLGSP 5.375%-PERP, SIASP 3.13% '26s.
- Asia credit markets had a muted start to the week due to holidays in Asia and Australia as well as the impending US Federal Reserve meeting this week and the release of inflation data.
- In Europe, the announcement of snap elections in France caused some market volatility with bank shares taking a hit. This follows the recent negative rating action on France's sovereign rating on a higher-than-expected budget deficit. Recent results of French banks though show solid underlying credit fundamentals amidst strategic repositioning with FY2024 targets affirmed following decent 1Q2024 results.
- There were no notable bond issuers in the Asiadollar and Singdollar market yesterday.
- There are no Asiadollar mandates for today.

Credit Summary:

- **Singapore Post Ltd ("SingPost"):** Alibaba Investment Limited, a wholly owned subsidiary of Alibaba Group Holding Limited ("Alibaba"), cut its stake on Singapore Post Limited from 14.56% to 11.34%.

Credit Headlines:

Singapore Post Ltd ("SingPost")

- Alibaba Investment Limited, a wholly owned subsidiary of Alibaba Group Holding Limited ("Alibaba"), cut its stake on Singapore Post Limited from 14.56% to 11.34%. Alibaba remains the second largest shareholder post the stake cut, while Singapore Telecommunication Limited remains the largest shareholder based on latest available data.
- We view Alibaba as a passive investor so no credit impact from this development. (Company, OCBC)

Key Market Movements

	11-Jun	1W chg (bps)	1M chg (bps)		11-Jun	1W chg	1M chg
iTraxx Asiax IG	96	1	-3	Brent Crude Spot (\$/bbl)	81.7	5.4%	-1.3%
				Gold Spot (\$/oz)	2,308	-0.8%	-1.2%
iTraxx Japan	51	1	-1	CRB Commodity Index	291	0.8%	0.7%
iTraxx Australia	65	0	0	S&P Commodity Index - GSCI	572	1.4%	-0.9%
CDX NA IG	50	-1	-1	VIX	12.7	-2.8%	1.5%
CDX NA HY	107	0	0	US10Y Yield	4.45%	12bp	-5bp
iTraxx Eur Main	53	0	0				
iTraxx Eur XO	294	-2	-4	AUD/USD	0.660	-0.7%	-0.1%
iTraxx Eur Snr Fin	61	2	1	EUR/USD	1.077	-1.0%	-0.2%
iTraxx Eur Sub Fin	108	2	-1	USD/SGD	1.353	-0.5%	0.0%
				AUD/SGD	0.893	0.3%	0.1%
USD Swap Spread 10Y	-38	-1	0	ASX200	7,761	0.0%	0.2%
USD Swap Spread 30Y	-75	-1	1	DJIA	38,868	0.8%	-1.6%
				SPX	5,361	1.5%	2.6%
China 5Y CDS	65	2	1	MSCI Asiax	689	2.2%	1.2%
Malaysia 5Y CDS	47	1	0	HSI	18,163	-1.3%	-4.2%
Indonesia 5Y CDS	71	0	0	STI	3,323	-0.5%	1.0%
Thailand 5Y CDS	43	0	-1	KLCI	1,616	0.0%	0.9%
Australia 5Y CDS	13	0	-4	JCI	6,922	-1.6%	-2.4%
				EU Stoxx 50	5,016	0.3%	-1.3%

Source: Bloomberg

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