

**Asian Credit Daily**

15 October 2024

**Market Commentary:**

- The SGD SORA OIS curve traded lower yesterday, with shorter and belly tenors trading 2-3bps lower and 10Y trading 2bps lower.
- Flows in SGD corporates were heavy, with flows in HSBC 5.25%-PERP, STANLN 5.3%-PERP, BNP 3.95% '35s, STSP 3.3%-PERP, SINTEC 4.2%-PERP, UBS 5.6%-PERP, BPCEGP 5% '34s.
- In September, China's loan expansion fell short of expectations despite credit growth surpassing predictions due to a surge in government bond sales according to calculations by Bloomberg based on data released by the People's Bank of China. Aggregate financing increased by RMB3.8trn per Bloomberg calculations, slightly lower than the RMB4.1 trillion recorded in the same month last year and falling short of the median estimate from a Bloomberg survey of economists of RMB3.6trn.
- Following recent government support measures, Country Garden Holdings Co Ltd reported Golden Week sales that reached 123% of its target.
- As reported on Bloomberg, several senior central bank and supervision officials have indicated that a takeover approach for Commerzbank AG by UniCredit AG will likely get EU regulatory approval. This is notwithstanding the higher systemic risks associated with having a larger bank in Germany and Europe. The German government, which is perhaps the most significant detractor to a possible deal, has previously indicated it cannot block the deal aside from not selling its current ~12% stake.
- Bloomberg Asia USD Investment Grade spreads remained flat at 79bps while Bloomberg Asia USD High Yield spreads remained flat at 481bps as a result of the Columbus Day holiday. (Bloomberg, OCBC)

**Credit Summary:**

- **There are no credit headlines today.**

**New Issues:**

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing	Initial Pricing
14 Oct	IRB Infrastructure Developers Ltd	Fixed	USD	200	Tap of IRBIN 7.11%	7.11%	NA

**Mandates:**

- China Huadian Overseas Development 2018 Ltd. (guarantor: China Huadian Corp.) is planning to issue USD subordinated guaranteed perpetuals.
- Korea Land & Housing Corp. is planning to issue USD senior unsecured bonds with expected tenor of 2-3Y.
- Sepco Virgin Ltd. (guarantor: Power Construction Corp. of China) is planning to issue USD subordinated guaranteed perpetuals.
- PT Bank KB Bukopin Tbk is planning to issue a USD Fixed with an expected tenor of 3Y.
- Export Finance Australia is planning to issue USD 5Y Fixed senior unsecured notes.
- Zhaoqing Guolian Investment Holding Co., Ltd may price a USD 3Y sustainability, fixed note.

**Key Market Movements**

	15-Oct	1W chg (bps)	1M chg (bps)		15-Oct	1W chg	1M chg
iTraxx Asiax IG	72	-1	-25	Brent Crude Spot (\$/bbl)	75.2	-2.5%	5.1%
				Gold Spot (\$/oz)	2,650	1.1%	2.6%
iTraxx Japan	50	-1	-1	CRB Commodity Index	287	-2.2%	4.9%
iTraxx Australia	65	0	2	S&P Commodity Index - GSCI	550	-2.9%	6.0%
CDX NA IG	52	-1	2	VIX	19.7	-13.0%	19.0%
CDX NA HY	107	0	0	US10Y Yield	4.08%	7bp	43bp
iTraxx Eur Main	56	-2	2				
iTraxx Eur XO	304	-11	14	AUD/USD	0.673	-0.3%	-0.4%
iTraxx Eur Snr Fin	64	-3	2	EUR/USD	1.091	-0.7%	-2.0%
iTraxx Eur Sub Fin	114	-4	5	USD/SGD	1.308	-0.3%	-1.0%
				AUD/SGD	0.880	0.0%	-0.6%
USD Swap Spread 10Y	-48	-1	2	ASX200	8,321	1.8%	2.7%
USD Swap Spread 30Y	-82	0	4	DJIA	43,065	2.6%	4.0%
				SPX	5,860	2.9%	4.2%
China 5Y CDS	62	-1	3	MSCI Asiax	757	0.4%	9.2%
Malaysia 5Y CDS	39	1	2	HSI	21,016	-9.0%	21.0%
Indonesia 5Y CDS	69	0	1	STI	3,621	1.3%	1.6%
Thailand 5Y CDS	36	1	0	KLCI	1,638	0.1%	-0.9%
Australia 5Y CDS	12	0	0	JCI	7,560	0.7%	-3.2%
				EU Stoxx 50	5,041	1.4%	4.1%

Source: Bloomberg

## Macro Research

**Selena Ling**  
Head of Research & Strategy  
[lingssselena@ocbc.com](mailto:lingssselena@ocbc.com)

**Tommy Xie Dongming**  
Head of Asia Macro Research  
[xied@ocbc.com](mailto:xied@ocbc.com)

**Keung Ching (Cindy)**  
Hong Kong & Macau Economist  
[cindyckeung@ocbc.com](mailto:cindyckeung@ocbc.com)

**Herbert Wong**  
Hong Kong & Taiwan Economist  
[herberhtwong@ocbc.com](mailto:herberhtwong@ocbc.com)

**Lavanya Venkateswaran**  
Senior ASEAN Economist  
[lavanyavenkateswaran@ocbc.com](mailto:lavanyavenkateswaran@ocbc.com)

**Ahmad A Enver**  
ASEAN Economist  
[ahmad.enver@ocbc.com](mailto:ahmad.enver@ocbc.com)

**Jonathan Ng**  
ASEAN Economist  
[jonathannq4@ocbc.com](mailto:jonathannq4@ocbc.com)

**Ong Shu Yi**  
ESG Analyst  
[shuyionq1@ocbc.com](mailto:shuyionq1@ocbc.com)

## FX/Rates Strategy

**Frances Cheung, CFA**  
Head of FX & Rates Strategy  
[francescheung@ocbc.com](mailto:francescheung@ocbc.com)

**Christopher Wong**  
FX Strategist  
[christopherwong@ocbc.com](mailto:christopherwong@ocbc.com)

## Credit Research

**Andrew Wong**  
Head of Credit Research  
[wongvkam@ocbc.com](mailto:wongvkam@ocbc.com)

**Ezien Hoo, CFA**  
Credit Research Analyst  
[ezienhoo@ocbc.com](mailto:ezienhoo@ocbc.com)

**Wong Hong Wei, CFA**  
Credit Research Analyst  
[wonghongwei@ocbc.com](mailto:wonghongwei@ocbc.com)

**Chin Meng Tee, CFA**  
Credit Research Analyst  
[mengteechin@ocbc.com](mailto:mengteechin@ocbc.com)

This publication is solely for information purposes and general circulation only and may not be published, circulated, reproduced or distributed in whole or in part to any other person without our prior written consent. This publication should not be construed as an offer or solicitation for the subscription, purchase or sale of the securities/instruments mentioned herein. Any forecast on the economy, stock market, bond market and economic trends of the markets provided is not necessarily indicative of the future or likely performance of the securities/instruments. Whilst the information contained herein has been compiled from sources believed to be reliable and we have taken all reasonable care to ensure that the information contained in this publication is not untrue or misleading at the time of publication, we cannot guarantee and we make no representation as to its accuracy or completeness, and you should not act on it without first independently verifying its contents. The securities/instruments mentioned in this publication may not be suitable for investment by all investors. Any opinion or estimate contained in this report is subject to change without notice. We have not given any consideration to and we have not made any investigation of the investment objectives, financial situation or particular needs of the recipient or any class of persons, and accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of the recipient or any class of persons acting on such information or opinion or estimate. This publication may cover a wide range of topics and is not intended to be a comprehensive study or to provide any recommendation or advice on personal investing or financial planning. Accordingly, they should not be relied on or treated as a substitute for specific advice concerning individual situations. Please seek advice from a financial adviser regarding the suitability of any investment product taking into account your specific investment objectives, financial situation or particular needs before you make a commitment to purchase the investment product. Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), its related companies, their respective directors and/or employees (collectively "Related Persons") may or might have in the future interests in the investment products or the issuers mentioned herein. Such interests include effecting transactions in such investment products, and providing broking, investment banking and other financial services to such issuers. OCBC Bank and its Related Persons may also be related to, and receive fees from, providers of such investment products. There may be conflicts of interest between OCBC Bank, Bank of Singapore Limited, OCBC Investment Research Private Limited, OCBC Securities Private Limited or other members of the OCBC Group and any of the persons or entities mentioned in this report of which OCBC Bank and its analyst(s) are not aware due to OCBC Bank's Chinese Wall arrangement. This report is intended for your sole use and information. By accepting this report, you agree that you shall not share, communicate, distribute, deliver a copy of or otherwise disclose in any way all or any part of this report or any information contained herein (such report, part thereof and information, "Relevant Materials") to any person or entity (including, without limitation, any overseas office, affiliate, parent entity, subsidiary entity or related entity) (any such person or entity, a "Relevant Entity") in breach of any law, rule, regulation, guidance or similar. In particular, you agree not to share, communicate, distribute, deliver or otherwise disclose any Relevant Materials to any Relevant Entity that is subject to the Markets in Financial Instruments Directive (2014/65/EU) ("MiFID") and the EU's Markets in Financial Instruments Regulation (600/2014) ("MiFIR") (together referred to as "MiFID II"), or any part thereof, as implemented in any jurisdiction. No member of the OCBC Group shall be liable or responsible for the compliance by you or any Relevant Entity with any law, rule, regulation, guidance or similar (including, without limitation, MiFID II, as implemented in any jurisdiction).