

**Asian Credit Daily**

6 March 2025

**Market Commentary:**

- The SGD SORA OIS curve traded mixed yesterday with shorter tenors trading 1bps lower to flat, belly tenors trading 1-2bps higher and 10Y trading 2bps higher.
- Flows in SGD corporates were heavy, with flows in HSBC 5.25%-PERP, STANLN 4% '30s, STSP 3.3%-PERP, BACR 5.4%-PERP, UOBSP 5.25%-PERP.
- Per Bloomberg, Chinese technology company Baidu Inc. has issued RMB10bn (USD1.4bn) in bonds outside of mainland China, marking its first debt issuance since 2021. This transaction represents Baidu's inaugural RMB denominated note, according to Bloomberg's compiled data. The debt financing occurs as the company approaches the April maturity of a USD600mn note.
- Chinese developer Sunac Real Estate Group ("Sunac") intends to repurchase up to RMB800mn in bonds across 10 tranches, as indicated in a stock exchange filing. The subscription period for this bond buyback is set from March 10 to March 24, with the settlement scheduled for April 8.
- Country Garden Holdings Co. ("Country Gardens") has missed its self-imposed deadline for finalizing its debt restructuring plan, due to difficulties in securing creditor support. The company had anticipated reaching an agreement by the end of February but has made minimal headway with a crucial group of creditors regarding the terms of the restructuring. To garner creditor support and avoid liquidation, Country Gardens has re-engaged financial advisers, with its next winding-up hearing set for May 26.
- Bloomberg Asia USD Investment Grade spreads tightened by 1bps to 71bps while Bloomberg Asia USD High Yield spreads tightened by 7bps to 394bps. (Bloomberg, OCBC)

**Credit Summary:**

- **Industry Outlook – Singapore Property:** On 5 March 2025, the Government announced changes to the Additional Buyer's Stamp Duty ("ABSD") regime for licensed housing developers. ELIAS Green condominium in Pasir Ris will be launched for en bloc sale with a guide price of SGD928mn (~19% higher than the SGD780mn price tag when it was put on the market in 2018).

## Credit Headlines

### Industry Outlook – Singapore Property

- **On 5 March 2025, the Government announced changes to the Additional Buyer's Stamp Duty ("ABSD") regime for licensed housing developers:**
  - The changes are: (1) Extension to the ABSD remission timelines for Complex Projects and (2) Extension to qualifying period for the ABSD remission timeline extensions for smaller projects (total gross floor area (GFA) under 30,000 sqm) submitted through CORENET X. We understand that CORENET is an IT initiative led by the Ministry of National Development ("MND") and driven by the Building and Construction Authority ("BCA") in collaboration with other public and private organisations.
  - Projects that fall within any of the four Complex Project categories will be provided an extension of six months to the ABSD commencement, completion and sale timelines. Projects that fall within more than one category will be provided with an extension of 12 months to the commencement, completion, and sale timelines. These revisions to the ABSD remission timelines will apply to projects on residential land acquired on or after 6 March 2025.
  - Broadly, Complex Projects include large en bloc developments (eg: site yields at least 700 residential units upon redevelopment, number of residential units upon redevelopment is at least 1.5x the number of residential units of the existing development), projects with complex technical or infrastructural requirements, projects approved under URA's Strategic Development Incentive Scheme and projects that aim to achieve higher productivity targets (eg: uses nascent construction technologies, methodologies or progressive practices).
  - The Real Estate Developers' Association of Singapore ("REDAS"), a trade association for the property development industry, said that the extended ABSD sales timeline provided some "much-needed flexibility" for developers taking on such large projects.
- **Launch of large en bloc**
  - ELIAS Green condominium in Pasir Ris will be launched for en bloc sale with a guide price of SGD928mn (~19% higher than the SGD780mn price tag when it was put on the market in 2018). Per the Business Times, the guide price represents a land rate of ~SGD1,355 per square foot per plot ratio (psf ppr), after factoring in the 10% bonus gross floor area and includes an estimated land betterment charge of SGD150.8mn for the underlying land lease to be topped up to 99 years. (Business Times, IRAS, OCBC)

**New Issues:**

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing
05 Mar	Cikarang Listrindo Tbk PT	Fixed	USD	350	10Y	5.65%
05 Mar	Korea Gas Corporation	FRN	USD	200	3Y	SOFR+57bps
05 Mar	IIFL Finance Ltd	Fixed	USD	100	Retap of IIFOIN 8.75% '28s	8.35%
05 Mar	Thomson Medical Group Limited	Fixed	SGD	25	Retap of TMGSP 4.65 '29s	N.A.

**Mandates:**

- GF Financial Holdings BVI Ltd. (guarantor: GF Securities Co.) may issue USD denominated and RMB denominated Fixed guaranteed bonds.

**Key Market Movements**

	6-Mar	1W chg (bps)	1M chg (bps)		6-Mar	1W chg	1M chg
iTraxx Asiax IG	69	-1	-7	Brent Crude Spot (\$/bbl)	69.7	-5.8%	-6.1%
				Gold Spot (\$/oz)	2,924	1.6%	2.4%
iTraxx Japan	50	0	-2	CRB Commodity Index	301	-1.2%	-1.9%
iTraxx Australia	70	5	2	S&P Commodity Index - GSCI	546	-2.5%	-2.8%
CDX NA IG	50	0	2	VIX	21.9	14.8%	41.5%
CDX NA HY	107	0	-1	US10Y Yield	4.32%	6bp	-12bp
iTraxx Eur Main	54	0	1				
iTraxx Eur XO	288	1	1	AUD/USD	0.634	1.7%	0.9%
iTraxx Eur Snr Fin	57	0	-2	EUR/USD	1.080	3.9%	4.0%
iTraxx Eur Sub Fin	99	0	-4	USD/SGD	1.333	1.2%	1.3%
				AUD/SGD	0.845	-0.5%	0.4%
USD Swap Spread 10Y	-42	0	1	ASX200	8,091	-2.1%	-5.0%
USD Swap Spread 30Y	-77	-1	0	DJIA	43,007	-1.0%	-3.9%
				SPX	5,843	-1.9%	-4.0%
China 5Y CDS	46	-1	-10	MSCI Asiax	729	-0.7%	2.2%
Malaysia 5Y CDS	47	2	2	HSI	24,182	2.0%	15.8%
Indonesia 5Y CDS	78	2	2	STI	3,926	0.1%	2.5%
Thailand 5Y CDS	44	2	1	KLCI	1,560	-1.7%	-1.6%
Australia 5Y CDS	11	0	-1	JCI	6,658	2.7%	-3.2%
				EU Stoxx 50	5,489	-0.7%	2.5%

*Source: Bloomberg*

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