

**Asian Credit Daily**

8 January 2025

**Market Commentary:**

- The SGD SORA OIS curve traded lower yesterday, with shorter tenors trading 1-3bps lower, and belly tenors trading 3-4bps lower and the 10Y trading 4bps lower.
- Flows in SGD corporates were heavy, with flows in ANZ 3.75% '34s, HSBC 5.25%-PERP, BNP 3.95% '35s, STANLN 5.3%-PERP, STSP 3.3%-PERP, OUECT 3.9% '31s.
- As per Bloomberg, Country Garden Holdings Co. experienced a continued decline in sales during December. Contracted sales fell by 51% year-on-year to RMB3.42bn (USD467mn), a slight improvement from the 52% year-on-year drop recorded in November, according to Bloomberg's analysis of corporate filings.
- Jinke Property Group Co. announced that it has secured agreements with 16 financial investors, who will contribute a total of RMB1.07bn (USD146mn) towards the company's restructuring in exchange for 1.03 billion shares, as stated in Jinke's filing with the Shenzhen Stock Exchange.
- Bloomberg Asia USD Investment Grade spreads tightened by 1bps to 76bps while Bloomberg Asia USD High Yield spreads tightened by 4bps to 408bps. (Bloomberg, OCBC)

**Credit Summary:**

- **Julius Baer Group Ltd ("JBG"):** JBG has announced the sale of its domestic Brazilian unit to Banco BTG Pactual SA, Latin America's biggest investment bank, for USD101mn.
- **Singapore Post Ltd ("SingPost"):** On 7 Jan, Senior Minister of State for Digital Development and Information Mr. Tan Kiat How responded to the questions from Members of Parliament, mentioning that the irregularities of SingPost was limited to international transshipment parcel delivery overseas and did not affect domestic postal services.

**Credit Headlines:****Julius Baer Group Ltd (“JBG”)**

- JBG has announced the sale of its domestic Brazilian unit to Banco BTG Pactual SA, Latin America’s biggest investment bank, for USD101mn.
- As of November 2024, JBG Brazil had BRL61bn in assets under management (AUM) which is expected to be combined with BTG’s BRL40bn in AUM.
- The transaction is expected to close in the first quarter of 2025. (Bloomberg, OCBC)

**Singapore Post Ltd (“SingPost”)**

- On 7 Jan, Senior Minister of State for Digital Development and Information Mr. Tan Kiat How responded to the questions from Members of Parliament, mentioning that the **irregularities of SingPost was limited to international transshipment parcel delivery overseas and did not affect domestic postal services**. SingPost’s domestic postal services have met the quality of service standard, which is independently audited, in the past four years.
- The Senior Minister commented that Infocomm Media Development Authority (“IMDA”) will continue to keep a close watch and work closely with SingPost to uphold the public’s interests. IMDA has also issued SingPost an advisory to uphold proper corporate governance and processes. (The Straits Times, OCBC)

**New Issues:**

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing
07 Jan	Sumitomo Mitsui Financial Group Inc	Fixed	USD	800	5.25Y	T+78bps
07 Jan	Sumitomo Mitsui Financial Group Inc	FRN	USD	800	5.25Y	SOFR+105bps
07 Jan	Sumitomo Mitsui Financial Group Inc	Fixed	USD	600	7Y	T+88bps
07 Jan	Sumitomo Mitsui Financial Group Inc	Fixed	USD	1000	10Y	T+95bps
07 Jan	Export-Import Bank of Korea	Sustainable, Fixed	USD	850	3Y	T+30bps
07 Jan	Export-Import Bank of Korea	Sustainable, FRN	USD	400	3Y	SOFR+47bps
07 Jan	Export-Import Bank of Korea	Fixed	USD	1250	5Y	T+48bps
07 Jan	Export-Import Bank of Korea	Fixed	USD	500	10Y	T+63bps
07 Jan	Dai-ichi Life Insurance Co Ltd/The	Sub Variable	USD	2000	PerpNC10	6.20%
07 Jan	Clifford Capital Pte Ltd (guarantor: Government of Singapore)	Fixed	USD	500	5Y	T+35bps
07 Jan	BOC Aviation USA Corp (guarantor: BOC Aviation Limited)	Fixed	USD	500	3Y	T+60bps
07 Jan	Chugoku Electric Power Co Inc/The	Fixed	USD	500	10Y	T+110bps
07 Jan	Henan Railway Construction & Investment Group Co Ltd	Green, Fixed	USD	400	3Y	4.80%
07 Jan	Asian Development Bank	Fixed	USD	5000	3Y	SOFR MS+31bps

07 Jan	Credit Agricole SA	Subordinated (Tier2)	SGD	400	10NC5	4.25%
07 Jan	SNB Funding (guarantor: Saudi National Bank/The)	Senior Unsecured	SGD	130	2Y	3.40%

## Mandates:

- Chouzhou International Investment Ltd. (guarantor: Yiwu State-owned Capital Operation Co.) may issue USD denominated Senior Unsecured bonds.

**Key Market Movements**

	8-Jan	1W chg (bps)	1M chg (bps)		8-Jan	1W chg	1M chg
iTraxx Asiax IG	77	-3	8	<b>Brent Crude Spot (\$/bbl)</b>	77.3	3.6%	8.7%
				<b>Gold Spot (\$/oz)</b>	2,649	0.9%	-0.4%
iTraxx Japan	51	-1	-2	<b>CRB Commodity Index</b>	299	0.9%	4.5%
iTraxx Australia	68	-1	4	<b>S&amp;P Commodity Index - GSCI</b>	557	1.4%	4.9%
CDX NA IG	50	-1	2	<b>VIX</b>	17.8	2.4%	39.5%
CDX NA HY	108	0	-1	<b>US10Y Yield</b>	4.68%	11bp	53bp
iTraxx Eur Main	56	-2	2				
iTraxx Eur XO	302	-11	11	<b>AUD/USD</b>	0.623	0.7%	-3.3%
iTraxx Eur Snr Fin	62	-2	3	<b>EUR/USD</b>	1.035	0.0%	-1.9%
iTraxx Eur Sub Fin	110	-2	5	<b>USD/SGD</b>	1.365	0.1%	-1.8%
				<b>AUD/SGD</b>	0.850	-0.5%	1.6%
<b>USD Swap Spread 10Y</b>	-49	1	-5	<b>ASX200</b>	8,349	2.3%	-0.9%
<b>USD Swap Spread 30Y</b>	-83	1	-8	<b>DJIA</b>	42,528	-0.1%	-4.7%
				<b>SPX</b>	5,909	0.0%	-3.0%
<b>China 5Y CDS</b>	63	-4	1	<b>MSCI Asiax</b>	704	-0.1%	-2.3%
<b>Malaysia 5Y CDS</b>	48	-1	5	<b>HSI</b>	19,288	-3.8%	-2.9%
<b>Indonesia 5Y CDS</b>	77	-2	6	<b>STI</b>	3,846	1.5%	1.3%
<b>Thailand 5Y CDS</b>	43	-1	4	<b>KLCI</b>	1,626	-1.0%	0.8%
<b>Australia 5Y CDS</b>	11	0	1	<b>JCI</b>	7,105	0.4%	-3.8%
				<b>EU Stoxx 50</b>	5,012	2.9%	0.7%

*Source: Bloomberg*

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