

## Asian Credit Daily

25 March 2025

## Market Commentary:

- The SGD SORA OIS curve traded higher yesterday with shorter tenors trading 4bps higher, belly tenors trading 4-5bps higher and 10Y trading 5bps higher.
- Flows in SGD corporates were heavy, with flows in HSBC 5%-PERP, HSBC 5.25%-PERP, EREIT 5.5%-PERP, ARASP 5.65%-PERP, ESRDAY 5.65%-PERP, OLGSP 5.375%-PERP, BACR 5.4%-PERP, SRENVX 3.75% '31s.
- As per Bloomberg, Asian borrowers flooded the dollar bond market on Monday, marking one of the busiest days for transactions in 2025 to date, as they aimed to raise funding ahead of impending US trade tariffs.
- Deutsche Bank AG ("DB") priced a new 7.125% EUR1.5bn AT1 yesterday, receiving ~EUR10bn of orders. Per Bloomberg, the order book is the largest for a EUR denominated AT1 this year with the 460bps spread over mid-swaps DB's tightest since 2021. This issue comes shortly after DB's decision not to call a USD1.25bn AT1 at the end of April (please refer to **OCBC Asian Credit Daily - 24 Mar 2025**). Reaction highlights investor comfort on (1) DB's fundamentals and (2) a non-call where there is a rationale (in this case, avoiding adverse FX impacts). Timing of the new issue was likely to avoid any perception that DB would call both USD AT1s with a call date on 30 April 2025. DB has one more AT1 with first call on 30 October 2025.
- Trading of shares for Greentown China Holdings Ltd was suspended from 9AM on Monday, awaiting the announcement of a director's resignation and possible changes to the board, as stated in a filing with the HKEX.
- Bloomberg Asia USD Investment Grade spreads tightened by 1bps to 74bps while Bloomberg Asia USD High Yield spreads tightened by 3bps to 403bps respectively. (Bloomberg, OCBC)

## Credit Summary:

- **DBS Group Holdings Ltd ("DBS"):** DBS' incoming CEO Tan Su Shan responded to questions by Reuters addressing the bank's focus for acquisitions (bolt-on versus large, high-return businesses such as wealth and transaction banking, expansion in Asia outside of Singapore), creation of a new COO role, plus staff identification for upskilling.

## Credit Headlines

### DBS Group Holdings Ltd (“DBS”)

- DBS’ incoming CEO Tan Su Shan responded to questions by Reuters, and shared the following:
- **Prefer bolt-on acquisitions versus large acquisitions:** DBS is only interested in bolt-on deals rather than large-scale M&As, which will divert attention from areas of focus, including digital and AI, existing operational footprint and not spread itself too thin.
- **Focus areas include** acquisitions to boost high-return businesses such as wealth and transaction banking. In addition, DBS will also focus on ‘sweating’ acquisitions in India (acquired Lakshmi Vilas Bank in 2020) and Taiwan (acquired Citi consumer banking in 2022), building strength of Asia footprint and markets outside Singapore.
- **Created new COO role, identified staff for upskilling:** A new role of chief operating officer will be assumed by current group audit head Derrick Goh, who will oversee both the bank’s operations and transformation. 13,000 staff have been identified for upskilling or reskilling, including for AI and data-related skills, with around 10,000 having already begun training. DBS total workforce stands at around 41,000. (Reuters, Business Times, OCBC)

## New Issues:

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing
24 Mar	Hyundai Capital America	Fixed	USD	800	2Y	T+85bps
24 Mar	Hyundai Capital America	Fixed	USD	750	5Y	T+110bps
24 Mar	Hyundai Capital America	FRN	USD	650	2Y	SOFR+99bps
24 Mar	Hyundai Capital America	FRN	USD	450	5Y	SOFR+135bps
24 Mar	Hyundai Capital America	Fixed	USD	350	7Y	T+122bps
24 Mar	Glencore Funding LLC (guarantors: Glencore plc, Glencore International AG and Glencore (Schweiz))	Fixed	USD	1200	10Y	T+135bps
24 Mar	Glencore Funding LLC (guarantors: Glencore plc, Glencore International AG and Glencore (Schweiz))	Fixed	USD	750	5Y	T+110bps
24 Mar	Glencore Funding LLC (guarantors: Glencore plc, Glencore International AG and Glencore (Schweiz))	Fixed	USD	550	3Y	T+90bps
24 Mar	Glencore Funding LLC (guarantors: Glencore plc, Glencore International AG and Glencore (Schweiz))	FRN	USD	500	1.5Y	SOFR+75bps
24 Mar	Korea National Oil Corp	FRN	USD	400	3Y	SOFR+77bps
24 Mar	Korea National Oil Corp	Fixed	USD	300	3Y	T+65bps
24 Mar	Korea National Oil Corp	Fixed	USD	300	5Y	T+70bps
24 Mar	Soar Wise Limited (guarantor: AVIC International Leasing Co Ltd)	FRN	USD	500	5Y	SOFR+83bps

24 Mar	Soar Wise Limited (guarantor: AVIC International Leasing Co Ltd)	Fixed	USD	300	3Y	T+63bps
24 Mar	Marubeni Corp	Fixed	USD	500	10Y	T+105bps
24 Mar	SMBC Aviation Capital Finance DAC (guarantor: SMBC Aviation Capital Ltd)	Fixed	USD	500	5Y	T+103bps
24 Mar	Zhengzhou Jinshui Holding Group Co Ltd	Social, Fixed	USD	200	3Y	6.80%
24 Mar	Hanrui Overseas Investment Co Ltd (guarantor: Jiangsu Hanrui Investment Holdings Co., Ltd.)	Green, Fixed	USD	180	3Y	6.00%
24 Mar	CMT MTN Pte. Ltd. (guarantor: Capitaland Integrated Commercial Trust)	Fixed	SGD	150	7Y	3.088%

## Mandates:

- POSCO Holdings Inc. may issue USD denominated 5Y and/or 10Y Green notes.
- QBE Insurance Group Limited may issue USD denominated 10.5NC5.5 Tier 2 Subordinated notes.
- New Development Bank may issue USD denominated 3Y bonds.
- Sammaan Capital Ltd. may issue USD denominated 4Y Senior Social bonds with 3.25Y weighted average life.
- Petroliam Nasional Bhd may issue USD denominated Long 5Y and/or 10Y and/or 30Y bonds.
- MTR Corp. may issue USD denominated Senior notes.
- Jollibee Worldwide Pte (guarantor: Jollibee Foods Corp.) may issue USD denominated 5Y Senior Unsecured bonds.

## Key Market Movements

	25-Mar	1W chg (bps)	1M chg (bps)		25-Mar	1W chg	1M chg
iTraxx Asiax IG	75	2	5	Brent Crude Spot (\$/bbl)	73.0	3.5%	0.0%
				Gold Spot (\$/oz)	3,016	-0.6%	3.5%
iTraxx Japan	55	4	5	CRB Commodity Index	306	0.6%	0.0%
iTraxx Australia	76	2	10	S&P Commodity Index - GSCI	560	1.1%	0.0%
CDX NA IG	57	3	8	VIX	17.5	-14.8%	-10.0%
CDX NA HY	106	0	-1	US10Y Yield	4.33%	4bp	3bp
iTraxx Eur Main	58	2	5				
iTraxx Eur XO	305	1	17	AUD/USD	0.629	-1.1%	-0.9%
iTraxx Eur Snr Fin	63	4	6	EUR/USD	1.080	-1.3%	2.7%
iTraxx Eur Sub Fin	110	8	11	USD/SGD	1.339	-0.6%	-0.2%
				AUD/SGD	0.842	0.5%	0.7%
USD Swap Spread 10Y	-44	-3	-3	ASX200	7,966	1.3%	-3.5%
USD Swap Spread 30Y	-78	-4	-3	DJIA	42,583	1.8%	-2.4%
				SPX	5,768	1.6%	-3.2%
China 5Y CDS	50	2	2	MSCI Asiax	739	-0.7%	1.2%
Malaysia 5Y CDS	49	2	3	HSI	23,414	-5.4%	1.7%
Indonesia 5Y CDS	92	7	16	STI	3,973	2.0%	1.5%
Thailand 5Y CDS	49	3	8	KLCI	1,513	-1.0%	-3.5%
Australia 5Y CDS	13	1	2	JCI	6,207	-0.3%	-5.8%
				EU Stoxx 50	5,416	-0.5%	-0.6%

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  
[shuyiong1@ocbc.com](mailto:shuyiong1@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 report 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 report should not be construed as an offer or solicitation for the subscription, purchase or sale of the securities/instruments mentioned herein or to participate in any particular trading or investment strategy. 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 report 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 report 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 report 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, it 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. In the event that you choose not to seek advice from a financial adviser, you should consider whether the investment product mentioned herein is suitable for you. Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), Bank of Singapore Limited ("BOS"), OCBC Investment Research Private Limited ("OIR"), OCBC Securities Private Limited ("OSPL") and their respective 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 or securities related services to such issuers as well as other parties generally. 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, BOS, OIR, OSPL 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).

The information provided herein may contain projections or other forward looking statements regarding future events or future performance of countries, assets, markets or companies. Actual events or results may differ materially. Past performance figures are not necessarily indicative of future or likely performance.

Privileged / confidential information may be contained in this report. If you are not the addressee indicated in the message enclosing the report (or responsible for delivery of the message to such person), you may not copy or deliver the message and/or report to anyone. Opinions, conclusions and other information in this document that do not relate to the official business of OCBC Bank, BOS, OIR, OSPL and their respective connected and associated corporations shall be understood as neither given nor endorsed.

Co.Reg.no.: 193200032W

Follow our podcasts by searching 'OCBC Research Insights' on Telegram!