

Asian Credit Daily4 April 2024

Market Commentary:

- The SGD SORA curve traded higher yesterday, with short tenors trading 1-3bps higher, belly tenors trading 4-5bps higher and 10Y trading 5bps higher.
- Flows in SGD corporates were heavy, with flows in HSBC 4.75% '34s, UBS 5.75%-PERP, STTGDC 5.7%-PERP, BPCEGP 5% '34s, HSBC 5.3% '33s.
- Bloomberg has reported that an experienced banker, Omar Davis, who oversaw the restructuring of Vedanta Ltd (“Vedanta”), has left within a year of taking the role. Davis, who was named as president for strategy at Vedanta Resources Ltd. last year, was working closely with the group’s stakeholders to oversee its overhaul announced in September. The group had reached a deal with creditors in January to extend the maturities on three dollar bonds.
- Bloomberg Asia USD Investment Grade spreads remained flat at 84bps while Asia USD High Yield spreads widened by 3bps to 591bps, respectively. (Bloomberg, Reuters, OCBC)

Credit Summary:

- There are no credit headlines for today.

Key Market Movements

	4-Apr	1W chg (bps)	1M chg (bps)		4-Apr	1W chg	1M chg
iTraxx Asiax IG	103	1	3	Brent Crude Spot (\$/bbl)	89.6	4.1%	8.2%
				Gold Spot (\$/oz)	2,302	3.2%	8.9%
iTraxx Japan	47	2	-3	CRB Commodity Index	295	2.6%	6.5%
iTraxx Australia	64	0	1	S&P Commodity Index - GSCI	595	3.4%	6.0%
CDX NA IG	52	1	1	VIX	14.3	8.2%	6.2%
CDX NA HY	107	0	0	US10Y Yield	4.36%	15bp	14bp
iTraxx Eur Main	55	1	1				
iTraxx Eur XO	303	6	6	AUD/USD	0.658	1.0%	1.1%
iTraxx Eur Snr Fin	64	1	0	EUR/USD	1.084	0.5%	-0.1%
iTraxx Eur Sub Fin	114	0	-1	USD/SGD	1.348	0.2%	-0.3%
				AUD/SGD	0.887	-0.8%	-1.4%
USD Swap Spread 10Y	-38	-1	0	ASX200	7,821	0.5%	1.1%
USD Swap Spread 30Y	-74	-2	0	DJIA	39,127	-0.4%	0.4%
				SPX	5,211	0.2%	1.6%
China 5Y CDS	72	1	7	MSCI Asiax	655	0.4%	1.2%
Malaysia 5Y CDS	43	1	4	HSI	16,725	1.5%	0.8%
Indonesia 5Y CDS	75	2	5	STI	3,245	-0.2%	3.9%
Thailand 5Y CDS	45	1	3	KLCI	1,544	0.8%	0.3%
Australia 5Y CDS	16	0	0	JCI	7,167	-2.7%	-1.5%
				EU Stoxx 50	5,069	0.5%	3.2%

Source: Bloomberg

New Issues:

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing	Initial Pricing
03 Apr	CDBL Funding 2 (Guarantor: CDB Leasing International Co Ltd)	FRN	USD	115	3Y	SOFR+90bps	N.A
03 Apr	Development Bank of Japan Inc (DBJJP) (Guarantor: Unconditionally and irrevocably guaranteed by Japan)	WNG, Fixed	USD	1,000	5Y	SOFR MS+55bps	SOFR MS+59 area
03 Apr	Rakuten Group Inc (RAKUTN)	Fixed	USD	2,000	5NCL	9.875%	10% area
03 Apr	QNB Finance Ltd	Fixed	SGD	39	1.5Y	4.08%	N.A

Mandates:

- There are no Asiadollar mandates today.
-

Macro Research

Selena Ling
Head of Strategy & Research
LingSSSelena@ocbc.com

Tommy Xie Dongming
Head of Greater China Research
XieD@ocbc.com

Keung Ching (Cindy)
Hong Kong & Macau
Cindyckeung@ocbcwh.com

Herbert Wong
Hong Kong & Macau
HerberhtWong@ocbc.com

Lavanya Venkateswaran
Senior ASEAN Economist
LavanyaVenkateswaran@ocbc.com

Ahmad A Enver
ASEAN Economist
Ahmad.Enver@ocbc.com

Jonathan Ng
ASEAN Economist
JonathanNg4@ocbc.com

Ong Shu Yi
ESG Analyst
ShuyiOng1@ocbc.com

FX/Rates Strategy

Frances Cheung, CFA
Rates Strategist
FrancesCheung@ocbc.com

Christopher Wong
FX Strategist
ChristopherWong@ocbc.com

Credit Research

Andrew Wong
Credit Research Analyst
WongVKAM@ocbc.com

Ezien Hoo, CFA
Credit Research Analyst
EzienHoo@ocbc.com

Wong Hong Wei, CFA
Credit Research Analyst
WongHongWei@ocbc.com

Chin Meng Tee, CFA
Credit Research Analyst
MengTeeChin@ocbc.com

This publication is solely for information purposes 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. 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. 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).