

Asia Fixed Income Daily

20 September 2021

Overnight Bond Markets

- **US RATES:** Treasuries and stocks both ended lower last Friday NY without any real drivers except perhaps caution ahead of FOMC this week

Priced Overnight

- **ASIA:** Weifang Urban Construction and Development Investment priced USD400M 3Y at 2.60%. Chengdu Aerotropolis priced USD300M 3Y at 2.80%

Asia Credit Today

- **NEW ISSUES SO FAR:** In SGD, A2 CK Asset Holdings Senior PerpNC3 Fixed for Life at 3.625%. Unrated Oxley Holdings tender of 5.70% 2022 concurrently with a re-opening of 6.9% 2024 at par
- **NEW MANDATES:** Nil

Credit/Rating News

- **Bahamas** cut to Ba3 from Ba2 by Moody's, outlook negative. Moody's said the severity of the economic contraction contributed to a significant increase in The Bahamas' debt and interest burdens, which are now significantly higher than Ba-rated peers,
- **Portugal** upgraded to Baa2 from Baa3 by Moody's, outlook stable, on improved expectations in its longer-term growth prospects and confidence the debt burden will decline in coming years on stronger economic growth and fiscal policymaking
- **Botswana** outlook upgraded to stable by S&P
- **Dell Technologies Inc** upgraded to BBB- from BB+ by Fitch, outlook stable, ratings remain on credit watch positive, driven by its strengthened credit profile from the ongoing use of FCF for debt reduction enabled by solid operation performance. Ratings on further upgrade upon the spin-off on VMWare Inc
- **Lanzhou Construction Investment Holding** cut to BB+ from BBB- by Fitch, outlook negative reflecting Fitch's reassessment of the financial implications of default to "strong" from "very strong" and support record to "moderate" from "strong". The Negative Outlook reflects risks to LZJT's deleveraging and refinancing, which are reliant on timely government support, including fiscal subsidies, equity injections, policy-driven loan repayments, tariff adjustments on public transport, as well as the profitability of its commercial operations

Source: Bloomberg, unless otherwise stated.

U.S. Treasury	Close	Chg (bp)	31/12/2020	YTD (bp)
2Y UST	0.22%	0.2	0.12%	10
5Y UST	0.86%	2.1	0.36%	50
10Y UST	1.36%	2.5	0.92%	45
30Y UST	1.90%	1.6	1.65%	25
2-10 Curve	113.59	2.9	79.01	35
2-30 Curve	167.46	1.4	152.05	15
5-10 Curve	49.68	-0.5	55.08	-5
10Y Tips	-0.98	3.8	-1.09%	-10

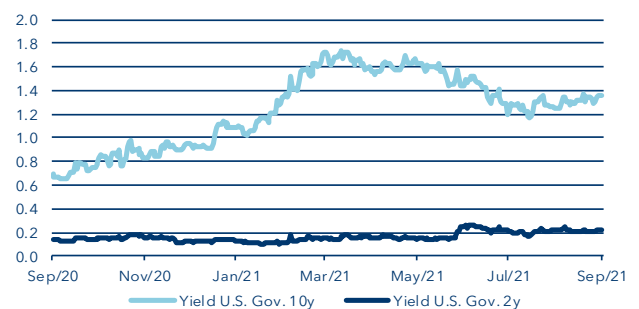
European Government	Close	Chg (bp)	31/12/2020	YTD (bp)
10Y UK	0.85%	2.9	0.19%	65
10Y France	0.05%	2.2	-0.34%	39
10Y Germany	-0.28%	2.2	-0.57%	29
10Y Italy	0.72%	2.9	0.54%	18
10Y Spain	0.35%	1.5	0.04%	31
10Y Portugal	0.26%	1.3	0.03%	23
10Y Switzerland	-0.21%	3.5	-0.58%	37
10Y Greece	0.81%	2.1	0.62%	19

Asia Pacific Government	Last	Chg (bp)	31/12/2020	YTD (bp)
10Y Japan	0.05%	0.0	0.02%	3
10Y Australia	1.33%	2.8	0.97%	36
10Y New Zealand	1.95%	1.8	0.99%	96
10Y China	2.88%	-0.8	3.14%	-26
10Y Singapore	1.44%	0.8	0.83%	60

Credit Indices (Spread)	Last	Change	31/12/2020	YTD
Asia IG	123	1.0	150	-28
Asia HY	926	-3.0	644	282
US IG	85	-1.0	96	-11
US HY	274	-1.0	360	-86
EM	287	1.0	281	6
AT1 Coco	278	1.1	370	-91
iTraxx Asia IG 5Y CDS	73	4	57	16
iTraxx EUR Main 5Y CDS	45	0.4	48	-3
iTraxx EUR Crossover 5Y CDS	227	2.9	242	-15
CDX US IG 5Y CDS	47	0.6	50	-3
CDX US HY 5Y CDS	278	5.1	293	-15

Singapore Time: 9:27:56 AM

Historical Yield U.S. Government Bonds



* Numbers shown in the content can vary from the table on page 1 due to the time the information was collected.

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