

Asia Fixed Income Daily

27 September 2021

Overnight Bond Markets

- **US RATES:** Treasuries bear steepened last Friday NY with 30Y trading to a whisker from 2.0%. We have auctions this week starting with the USD60B 2Y and USD61B 5Y tonight and USD62B 7Y tomorrow

Priced Overnight

- **ASIA:** Gansu Province Electric Power Investment Group priced USD300M 3Y at 3.70%. Macquarie Group priced GBP400M 10Y at 2.125%

Asia Credit Today

- **NEW ISSUES SO FAR:** In SGD, Unrated Frasers Property tap of its 3% 10/2028 at 100. In AUD, BBB (S&P) Woolworths Group Sustainability Linked Bonds long 6Y at 2.0% and long 10Y at 2.8%
- **NEW MANDATES:** NBN Co Limited USD 3Y, 5.25Y and 10.25Y. AVIC International Leasing Co USD Senior. Chengdu Xingcheng Investment Group USD Senior. Investa Commercial Property Fund (ICPF) AUD 9Y Green Bond.

Credit/Rating News

- **Hungary** upgraded to Baa2 from Baa3 by Moody's, outlook stable given a strong economic rebound in the first half and the potential for fiscal consolidation and debt-burden reduction
- **Cemex** outlook upgraded to positive by S&P
- **eHi Car Services** upgraded to B+ from B by S&P, outlook stable
- **Ethiopia** cut to CCC+ from B- by S&P, outlook negative
- **Geo Energy Resources** upgraded to CCC+ from CCC by Fitch
- **Belgium** outlook upgraded to stable by Fitch
- **Ronshine China** cut to B+ from BB- by Fitch, outlook negative reflecting its weak profitability as the result of high land costs for projects acquired in the past few years, while price caps imposed by local governments have limited its average selling price
- **Evergrande Update:** China's housing regulator boosted oversight of China Evergrande Group's bank accounts to protect funds earmarked for housing projects from being diverted to creditors. Meanwhile, its subsidiary China Evergrande New Energy Vehicle Group (708 HK) stock fell after it warned it has a serious shortage of funds and scrapped listing plans in Shanghai.

Source: Bloomberg, unless otherwise stated.

U.S. Treasury	Close	Chg (bp)	31/12/2020	YTD (bp)
2Y UST	0.27%	0.9	0.12%	15
5Y UST	0.95%	0.0	0.36%	59
10Y UST	1.45%	2.1	0.92%	54
30Y UST	1.98%	4.4	1.65%	34
2-10 Curve	118.11	1.4	79.01	39
2-30 Curve	171.38	3.5	152.05	19
5-10 Curve	50.25	2.2	55.08	-5
10Y Tips	-0.88	1.4	-1.09%	-21

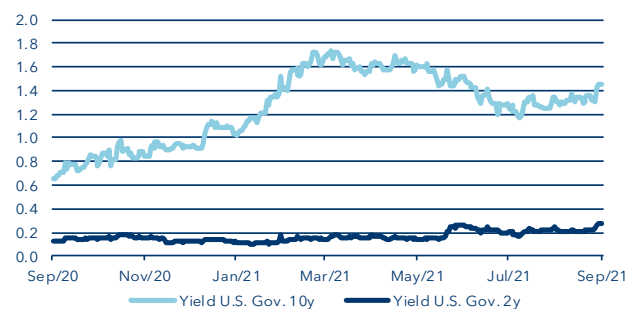
European Government	Close	Chg (bp)	31/12/2020	YTD (bp)
10Y UK	0.92%	1.8	0.19%	73
10Y France	0.11%	3.7	-0.34%	45
10Y Germany	-0.23%	3.0	-0.57%	34
10Y Italy	0.78%	6.0	0.54%	24
10Y Spain	0.41%	3.4	0.04%	36
10Y Portugal	0.32%	4.2	0.03%	29
10Y Switzerland	-0.18%	3.6	-0.58%	40
10Y Greece	0.81%	4.2	0.62%	19

Asia Pacific Government	Last	Chg (bp)	31/12/2020	YTD (bp)
10Y Japan	0.05%	-0.2	0.02%	4
10Y Australia	1.41%	1.0	0.97%	44
10Y New Zealand	2.01%	0.5	0.99%	102
10Y China	2.87%	0.8	3.14%	-26
10Y Singapore	1.48%	0.2	0.83%	65

Credit Indices (Spread)	Last	Change	31/12/2020	YTD
Asia IG	124	-0.8	150	-26
Asia HY	940	-2.0	644	296
US IG	82	-2.0	96	-14
US HY	277	2.0	360	-83
EM	295	2.0	281	14
AT1 Coco	285	6.8	370	-85
iTraxx Asia IG 5Y CDS	86	1	57	29
iTraxx EUR Main 5Y CDS	49	0.5	48	1
iTraxx EUR Crossover 5Y CDS	242	3.3	242	0
CDX US IG 5Y CDS	51	0.1	50	1
CDX US HY 5Y CDS	275	1.2	293	-17

Singapore Time: 9:16:44 AM

Historical Yield U.S. Government Bonds



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