

Asia Fixed Income Daily

17 May 2024

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Overnight Bond Markets

- **US RATES:** Treasuries sold off reversing some of the gains made post CPI while equities also closed slightly lower though the Dow briefly hit record 40,000 levels intra-day

Priced Overnight

- **US:** Apollo Global priced USD750M 30Y at 5.80%. AES Corp priced USD950M 30.5NC5.5 Sub at 7.60%. Merck priced EUR850M 8Y at 3.25% (99.736), EUR850M 13Y at 3.50% (99.476), EUR850M 20Y at 3.70% (99.555) and EUR850M 30Y at 3.75% (99.237). Timken priced EUR600M 10Y at 4.125% (98.832)
- **EU:** Cellnex priced EUR750M 01/29 at 3.625% (99.145). Convivio Hotels priced EUR500M 9Y at 4.125% (99.455). Finnair priced EUR500M 5Y at 4.75% (99.63). Unipolsai priced EUR750M 10Y Sub at 4.90% (99.853). OI European priced EUR500M 5NC2 at 5.25%. LHV Group priced EUR300M 4NC3 at 5.375% (99.822)
- **ASIA:** ICBC HK Branch priced USD1B 3Y FRN at SOFR+48bp, London Branch priced EUR300M 3Y at 3.697%, Singapore Branch priced CNH3B at 2.88

Asia Credit Today

- **NEW ISSUES SO FAR:** Nil
- **NEW MANDATE:** PT Krakatau POSCO USD 3Y and/or 5Y

Credit/Rating News

- **Agile Group** cut to C from Caa3 by Moody's, outlook negative. The downgrade of Agile's ratings and the negative outlook reflect the company's weak liquidity with an interest payment default, as well as Moody's expectation of weak recovery prospects for the company's bondholders
- **CrowdStrike Holdings** upgraded to Baa3 from Ba2 by Moody's, outlook positive. The rating upgrade reflects CrowdStrike's strong long term growth prospects and Moody's expectations for further strengthening of the company's credit profile with growing profitability
- **Natwest Markets NV** subordinated ratings cut to Baa2 from Baa1 by Moody's reflecting the lower buffer provided in a resolution scenario by more junior debt, following the redemption of undated Tier 2 notes in 2023

Source: Bloomberg, unless otherwise stated.

U.S. Treasury	Close	Chg (bp)	31/12/2023	YTD (bp)
2Y UST	4.80%	7.2	4.25%	55
5Y UST	4.40%	5.4	3.85%	55
10Y UST	4.38%	3.5	3.88%	50
30Y UST	4.51%	1.2	4.03%	48
2-10 Curve	-41.32	-3.7	-37.29	-4
2-30 Curve	-26.90	-5.9	-22.29	-5
5-10 Curve	-2.01	-1.9	3.02	-5
10Y Tips	2.07	2.9	1.71%	36

European Government	Close	Chg (bp)	31/12/2023	YTD (bp)
10Y UK	4.08%	1.3	3.53%	55
10Y France	2.94%	3.3	2.56%	38
10Y Germany	2.46%	3.7	2.02%	44
10Y Italy	3.76%	2.5	3.69%	7
10Y Spain	3.22%	2.5	2.98%	24
10Y Portugal	3.07%	2.9	2.63%	45
10Y Switzerland	0.69%	0.4	0.65%	4
10Y Greece	3.46%	4.1	3.05%	41

Asia Pacific Government	Last	Chg (bp)	31/12/2023	YTD (bp)
10Y Japan	0.93%	0.0	0.61%	33
10Y Australia	4.21%	2.6	3.96%	26
10Y New Zealand	4.61%	3.2	4.32%	29
10Y China	2.30%	-0.6	2.56%	-25
10Y Singapore	3.20%	2.3	2.69%	51

Credit Indices (Spread)	Last	Change	31/12/2023	YTD
Asia IG	79	-3.2	105	-26
Asia HY	514	-19.9	781	-267
US IG	87	-1.0	99	-12
US HY	298	-3.0	323	-25
EM	251	-5.0	297	-46
AT1 Coco	316	-7.6	398	-82
iTraxx Asia IG 5Y CDS	93	0	91	2
iTraxx EUR Main 5Y CDS	51	-0.1	58	-7
iTraxx EUR Crossover 5Y CDS	290	-1.3	310	-21
CDX US IG 5Y CDS	49	0.4	57	-7
CDX US HY 5Y CDS	330	3.1	356	-26

Singapore Time: 09:36:49

Historical Yield U.S. Government Bonds





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