

Asia Fixed Income Daily

02 July 2025

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Overnight Bond Markets

- **US RATES:** Treasuries bear flattened with front end yields higher Tuesday NY following better data prints from ISM Manufacturing at 49.0 versus 48.8 consensus and 48.5 prior as well as JOLTS Job Openings at 7.769M versus 7.3M consensus and 7.395M prior

Priced Overnight

- **US:** Hilton Domestic Op priced USD1B 8NC3 at 5.75%
- **EU:** RTE priced EUR500M 4Y at 2.625% (99.54) and EUR500M 20Y at 4.0% (98.626). Sogecap SA priced EUR800M Sub PerpNC10.5 RT1 at 6.25%
- **ASIA:** KEXIM priced GBP300M 3.25Y at 4.125% (99.939). HDB priced SGD875M 5Y at 1.837%

Asia Credit Today

- **NEW ISSUES SO FAR:** Aa2 Korea Gas 3Y FRN at SOFR+105bp and 5Y at T+85bp. A3 NH Investment & Securities 3Y at T+130bp and 5Y at T+140bp. BBB (S&P) China Modern Dairy 5Y SLB at T+165bp. BB+ (S&P) Softbank Group Corp 3.75Y at 6.75%, 5.5Y at 7.125%, 7Y at 7.50% and 10Y at 7.875% and in EUR, 4.25Y at 5.50%, 6Y at 6.25% and 8Y at 6.75%. In EUR, Baa3 Bright Food 5Y SLB at MS+165bp. In AUD, A+ (S&P) Rabobank Australia 5Y FRN at 3MBBSW+93bp and 5Y at 4.34%
- **NEW MANDATE:** Nil

Credit/Rating News

- **African Export-Import Bank** cut to Baa2 from Baa1 by Moody's, outlook stable reflecting weaker asset performance than previously expected and the consequent negative impact on capital
- **Hershey Co** outlook cut to negative by Moody's reflecting expectation that earnings will weaken over the next year due to high cocoa prices and tariffs
- **Huntsman International** cut to Ba1 from Baa3 by Moody's, outlook negative
- **Peabody Trust and Town & Country Housing** cut to BBB+ from A- by S&P, outlook stable
- **Lippo Karawaci Tbk PT B-** ratings withdrawn by Fitch for commercial reasons
- **Statkraft AS** cut to BBB+ from A- by Fitch, outlook stable. The downgrade reflects Fitch expectations that projected FFO net leverage will exceed the 2.7x updated negative sensitivity for the 'bbb+' SCP for the next two years

Source: Bloomberg, unless otherwise stated.

U.S. Treasury	Close	Chg (bp)	31/12/2024	YTD (bp)
2Y UST	3.77%	5.2	4.24%	-47
5Y UST	3.83%	3.6	4.38%	-55
10Y UST	4.24%	1.3	4.57%	-33
30Y UST	4.77%	-1.0	4.78%	-2
2-10 Curve	46.91	-3.8	32.53	14
2-30 Curve	99.19	-6.1	54.07	45
5-10 Curve	40.85	-2.2	18.70	22
10Y Tips	1.94	0.5	2.23%	-29

European Government	Close	Chg (bp)	31/12/2024	YTD (bp)
10Y UK	4.45%	-3.5	4.56%	-11
10Y France	3.25%	-3.4	3.19%	6
10Y Germany	#VALUE!	#VALUE!	2.36%	#VALUE!
10Y Italy	3.45%	-2.7	3.52%	-7
10Y Spain	3.21%	-2.7	3.06%	16
10Y Portugal	3.02%	-2.8	2.84%	18
10Y Switzerland	0.39%	-1.9	0.27%	12
10Y Greece	3.28%	-1.1	3.22%	6

Asia Pacific Government	Last	Chg (bp)	31/12/2024	YTD (bp)
10Y Japan	1.41%	0.0	1.09%	33
10Y Australia	4.15%	3.1	4.36%	-21
10Y New Zealand	4.49%	1.1	4.41%	8
10Y China	1.64%	-0.4	1.67%	-3
10Y Singapore	2.15%	1.8	2.85%	-70

Credit Indices (Spread)	Last	Change	31/12/2024	YTD
Asia IG	74	-0.9	78	-4
Asia HY	376	-77.3	417	-40
US IG	82	-1.0	80	2
US HY	281	-9.0	287	-6
EM	213	-7.0	220	-7
AT1 Coco	275	-5.0	284	-10
iTraxx Asia IG 5Y CDS	74	-1.0	82	-8
iTraxx EUR Main 5Y CDS	54	-0.2	58	-3
iTraxx EUR Crossover 5Y CDS	283	0.4	313	-30
CDX US IG 5Y CDS	51	-0.5	50	1
CDX US HY 5Y CDS	316	-1.6	311	5

Singapore Time:

09:32:09

Historical Yield U.S. Government Bonds





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