

## Asian Credit Daily

6 June 2025

## Market Commentary:

- The SGD SORA OIS curve traded lower yesterday with shorter tenors trading flat to 3bps lower, and belly tenors and 10Y trading 4bps lower.
- Flows in SGD corporates were heavy, with flows in AIA 3.58% '35s, ARTSP 4.2%-PERP, JTCSP 3.265% '25s, JTCSP 3.5% '26s, HSBC 5.25%-PERP, AIA 2.9%-PERP, ACAFP 4.85% '33s, STTGDC 3.13% '28s, VRTVEN 3.3% '28s.
- According to Bloomberg, New World Development Co. Ltd. ("New World") has launched a luxury residential project on Hong Kong Island at a record low price for new residential developments to boost sales amid debt concerns and pressure to repay loans and refinance HKD87.5bn in borrowings by month-end.
- In aviation news, Thailand's bankruptcy court is set to determine on 16 June whether Thai Airways International PCL can exit its debt rehabilitation program and executive powers can be transferred from the plan administrators back to the company's shareholders and board. Also, Delta Air Lines Inc. priced USD2bn of investment-grade bonds yesterday in the US to repay pandemic era government loans provided under a Payroll Support Program. The loans are due in 2030 and recently switched from a low fixed rate loan to a floating-rate structure that is ~200bps over the Secured Overnight Financing Rate.
- Bloomberg Asia USD Investment Grade spreads tightened by 2bps to 76bps and Bloomberg Asia USD High Yield spreads tightened by 6bps to 485bps respectively. (Bloomberg, OCBC)
- There were no notable issuances in the Asiadollar and Singdollar markets yesterday.

## Credit Summary:

- **Keppel Limited ("KEP"):** KEP is unlocking over SGD80mn from the divestment of its stakes in Computer Generated Solutions, Inc and the Keppel Wanjiang International Coldchain Logistics Park (Anhui) Co., Ltd in Anhui Province, China.

## Credit Headlines

### Keppel Limited ("KEP")

- KEP is unlocking over SGD80mn from the divestment of its stakes in Computer Generated Solutions, Inc and the Keppel Wanjiang International Coldchain Logistics Park (Anhui) Co., Ltd in Anhui Province, China. This follows the establishment of an Accelerating Monetisation Task Force (AMTF) earlier this year to optimise the speed of divestment and exit value of Keppel's non-core assets in line with its SGD10 - SGD12bn monetisation target by end-2026. (Company, OCBC)

## Key Market Movements

	6-Jun	1W chg (bps)	1M chg (bps)		6-Jun	1W chg	1M chg
iTraxx Asiax IG	77	-2	-18	Brent Crude Spot (\$/bbl)	65.2	2.1%	5.0%
				Gold Spot (\$/oz)	3,362	2.2%	-2.0%
iTraxx Japan	63	-0	-8	CRB Commodity Index	299	2.8%	2.2%
iTraxx Australia	74	-2	-17	S&P Commodity Index - GSCI	540	2.4%	3.0%
CDX NA IG	55	-1	-9	VIX	18.5	-3.6%	-25.4%
CDX NA HY	106	0	2	US10Y Yield	4.39%	-1bp	10bp
iTraxx Eur Main	56	-2	-8				
iTraxx Eur XO	293	-7	-38	AUD/USD	0.651	1.2%	0.2%
iTraxx Eur Snr Fin	61	-1	-8	EUR/USD	1.145	0.9%	0.7%
iTraxx Eur Sub Fin	105	-2	-15	USD/SGD	1.286	0.4%	0.2%
				AUD/SGD	0.837	-0.8%	-0.0%
USD Swap Spread 10Y	-52	2	2	ASX200	8,543	1.3%	4.8%
USD Swap Spread 30Y	-85	4	5	DJIA	42,320	0.2%	3.7%
				SPX	5,939	0.5%	5.9%
China 5Y CDS	50	-2	-11	MSCI Asiax	771	2.3%	4.3%
Malaysia 5Y CDS	47	-2	-16	HSI	23,907	2.7%	5.5%
Indonesia 5Y CDS	78	-1	-19	STI	3,922	0.7%	1.6%
Thailand 5Y CDS	46	-2	-15	KLCI	1,515	-0.3%	-1.4%
Australia 5Y CDS	11	-0	-3	JCI	7,113	-1.2%	4.1%
				EU Stoxx 50	5,411	0.7%	2.8%

Source: Bloomberg

## Macro Research

**Selena Ling**  
Head of Research & Strategy  
[lingssselena@ocbc.com](mailto:lingssselena@ocbc.com)

**Tommy Xie Dongming**  
Head of Asia Macro Research  
[xied@ocbc.com](mailto:xied@ocbc.com)

**Keung Ching (Cindy)**  
Hong Kong & Macau Economist  
[cindyckeung@ocbc.com](mailto:cindyckeung@ocbc.com)

**Herbert Wong**  
Hong Kong & Taiwan Economist  
[herberhtwong@ocbc.com](mailto:herberhtwong@ocbc.com)

**Lavanya Venkateswaran**  
Senior ASEAN Economist  
[lavanyavenkateswaran@ocbc.com](mailto:lavanyavenkateswaran@ocbc.com)

**Ahmad A Enver**  
ASEAN Economist  
[ahmad.enver@ocbc.com](mailto:ahmad.enver@ocbc.com)

**Jonathan Ng**  
ASEAN Economist  
[jonathannq4@ocbc.com](mailto:jonathannq4@ocbc.com)

**Ong Shu Yi**  
ESG Analyst  
[shuyionq1@ocbc.com](mailto:shuyionq1@ocbc.com)

## FX/Rates Strategy

**Frances Cheung, CFA**  
Head of FX & Rates Strategy  
[francescheung@ocbc.com](mailto:francescheung@ocbc.com)

**Christopher Wong**  
FX Strategist  
[christopherwong@ocbc.com](mailto:christopherwong@ocbc.com)

## Credit Research

**Andrew Wong**  
Head of Credit Research  
[wongvkam@ocbc.com](mailto:wongvkam@ocbc.com)

**Ezien Hoo, CFA**  
Credit Research Analyst  
[ezienhoo@ocbc.com](mailto:ezienhoo@ocbc.com)

**Wong Hong Wei, CFA**  
Credit Research Analyst  
[wonghongwei@ocbc.com](mailto:wonghongwei@ocbc.com)

**Chin Meng Tee, CFA**  
Credit Research Analyst  
[mengteechin@ocbc.com](mailto:mengteechin@ocbc.com)

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