

Asia Fixed Income Daily

09 May 2024

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Overnight Bond Markets

- **US RATES:** Treasuries gave back some recent gains in the long end while equities ended mixed on slow Wednesday NY trading. The USD42B 10Y printed at 4.483% and received a 2.49x bid to cover, in line with recent average

Priced Overnight

- **US:** PNC Financial priced USD1.75B 6NC5 at 5.492%. Hasbro priced USD500M 10Y at 6.05% (99.718). CNO Financial priced USD700M 10Y at 6.45% (99.668)
- **EU:** HSBC priced USD1.85B 4NC3 at 5.597% and USD1.4B 8NC7 at 5.733%. UBS priced USD1.75B 6NC5 at 5.617% (99.958). ENI SpA priced USD1B 10Y at 5.50% (99.333) and USD1.25B 30Y at 5.95% (98.828). Barclays priced GBP1.25B AT1 Coco PerpNC6 at 8.50%. Pension Insurance priced GBP500M 10.5NC5 Sub at 6.875% (99.617)
- **EM:** Islamic Development Bank priced USD2B 5Y Sukuk at 4.754%. Aldar Investment priced USD500M 10Y Sukuk at 5.50% (99.363)
- **ASIA:** Westpac priced USD750M 2Y at 5.20% (99.992), USD750M 2Y at SOFR+42bp, USD750M 5Y at 5.05% (99.815) and USD750M 5Y at SOFR+81bp. Thai EXIM priced USD400M 5Y at 5.354. Ping An priced USD300M 10Y at 6.125% (99.271). Security Bank priced USD400M 5Y at 5.50% (99.595). Manuppuram priced USD300M 4Y at 7.375% (99.64). Nanping Wuyi with SBLC Xiamen Bank Nanping priced CNH250M 3Y at 3.60%. Bendigo & Adelaide Bank priced AUD750M 3Y at 3MBBSW+100bp and AUD150M 3Y Fixed at 5.10% (99.868)

Asia Credit Today

- **NEW ISSUES SO FAR:** In AUD, Baa2 CNH Industrial 3Y at 5.50%
- **NEW MANDATE:** BFCM AUD 3Y Senior Preferred. Al Rajhi Bank USD AT1 PerpNC5.5 SLB Sukuk

Credit/Rating News

- **Truist Financial Corp** cut to Baa1 from A3 by Moody's, outlook stable
- **West China Cement** cut to B2 from Ba3 by Moody's, outlook negative
- **ENN Natural Gas** upgraded to BBB from BBB- by S&P, outlook stable

Source: Bloomberg, unless otherwise stated.

U.S. Treasury	Close	Chg (bp)	31/12/2023	YTD (bp)
2Y UST	4.84%	0.6	4.25%	59
5Y UST	4.50%	2.8	3.85%	65
10Y UST	4.49%	3.7	3.88%	61
30Y UST	4.64%	4.2	4.03%	61
2-10 Curve	-34.31	3.1	-37.29	3
2-30 Curve	-19.89	3.6	-22.29	2
5-10 Curve	-0.75	0.9	3.02	-4
10Y Tips	2.16	1.6	1.71%	45

European Government	Close	Chg (bp)	31/12/2023	YTD (bp)
10Y UK	4.14%	1.5	3.53%	61
10Y France	2.94%	4.1	2.56%	38
10Y Germany	2.46%	4.3	2.02%	44
10Y Italy	3.79%	3.6	3.69%	10
10Y Spain	3.25%	4.4	2.98%	26
10Y Portugal	3.10%	3.3	2.63%	47
10Y Switzerland	0.70%	2.4	0.65%	4
10Y Greece	3.47%	4.5	3.05%	42

Asia Pacific Government	Last	Chg (bp)	31/12/2023	YTD (bp)
10Y Japan	0.91%	0.0	0.61%	30
10Y Australia	4.34%	5.1	3.96%	39
10Y New Zealand	4.73%	5.8	4.32%	41
10Y China	2.30%	0.8	2.56%	-25
10Y Singapore	3.28%	1.9	2.69%	59

Credit Indices (Spread)	Last	Change	31/12/2023	YTD
Asia IG	80	-0.4	105	-24
Asia HY	557	-5.4	781	-224
US IG	86	0.0	99	-13
US HY	295	3.0	323	-28
EM	257	0.0	297	-40
AT1 Coco	323	1.3	398	-76
iTraxx Asia IG 5Y CDS	103	2.0	91	12
iTraxx EUR Main 5Y CDS	52	0.1	58	-6
iTraxx EUR Crossover 5Y CDS	300	0.2	310	-10
CDX US IG 5Y CDS	50	0.2	57	-6
CDX US HY 5Y CDS	336	1.2	356	-20

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Historical Yield U.S. Government Bonds





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