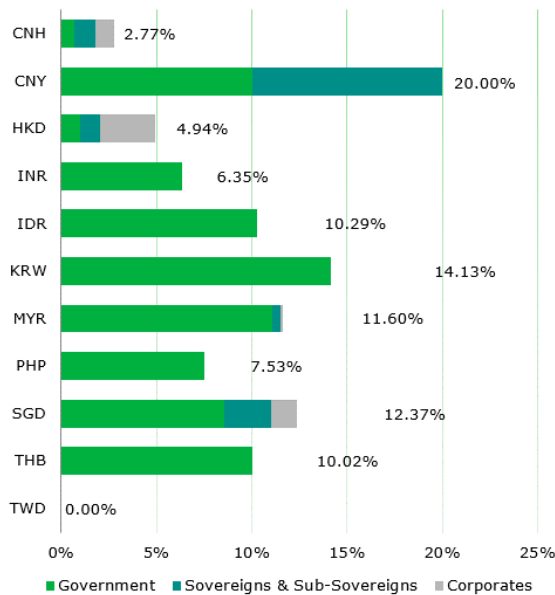


iBoxx ALBI Monthly Commentary

March 2022 Rebalance

Market Breakdown



iBoxx ALBI Duration Changes

	28-Feb-22	1-Mar-22
Overall (USD)	6.70	6.79
China Offshore	2.98	2.98
China Onshore	5.77	5.83
Hong Kong	4.58	4.66
India	6.78	6.77
Indonesia	6.06	6.08
South Korea	8.76	8.87
Malaysia	6.77	6.83
Philippines	5.01	5.22
Singapore	7.61	7.93
Thailand	8.39	8.34
Taiwan	9.11	9.19

*Semi-Annual Modified Duration

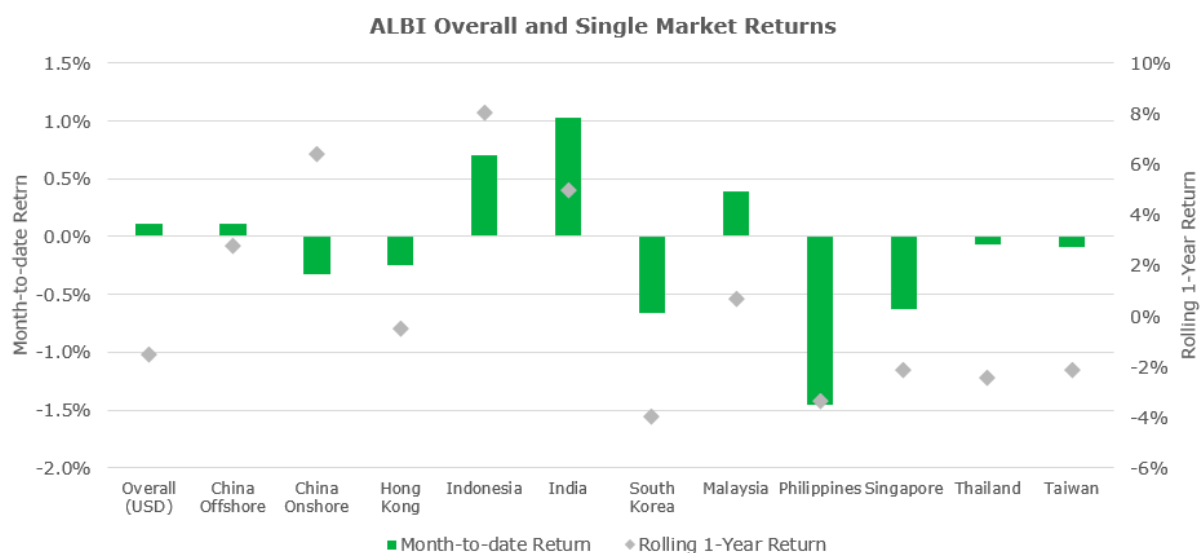
The latest rebalance saw 33 bonds entering and 29 bonds leaving the overall index. Please refer to the Appendix for a detailed breakdown of insertions and deletions.

As announced in the [2021 Asian Annual Index Review results](#), an annual weight change has been applied on the individual markets in the index on 30 November 2021. The latest weights are updated in the above chart.

The index duration lengthened by 0.09 to 6.79 years after the recent rebalance. All markets except Thailand (-0.05 years) and India (-0.01 years) saw their duration increase this month, with the largest increase coming from Singapore (+0.32 years). Effectively¹, South Korea currently has the longest duration (8.87 years) while China Offshore remains the least sensitive market to interest rates with a duration of 2.98 years.

¹ Taiwan has 0% weight in the index

February 2022 Commentary



Data as of 28 February 2022

At the time of writing, global markets have been met with fresh uncertainties and market volatility amidst the ongoing Russia-Ukraine conflict. The fluid situation is keeping everyone on their toes as we await the end of this conflict, and hopefully, the resumption of normalcy.

In February, global equities (as per the EMIX All World Index) fell -2.66%. US Treasuries (represented by the iBoxx \$ Treasuries index), regarded as the preeminent safe-haven asset class, also made a monthly loss of -0.71% (despite gaining 0.81% since the start of the Russian invasion of Ukraine on 24 February). Meanwhile, oil and gas prices soared.

In Asian fixed income, the iBoxx Asian Local Bond Index (unhedged in USD) gained 0.11% in February with mixed underlying market results. India (1.03%) and Indonesia (0.71%) were amongst the top performers, while the Philippines (-1.45%) and South Korea (-0.66%) played the laggards.

India, Indonesia, Malaysia and China Offshore recorded gains (in local currency terms) across the yield curve, of which the highest segment was India 10+ (1.85%). However, the Philippines and Singapore saw declines across maturities, especially towards the long-end.

Through February, the overall index yield increased by 7 bps to 3.48%. Excluding India (-7 bps), Indonesia (-2 bps) and Malaysia (-2 bps), all other underlying markets saw yield increases. Not since April 2020, the yield of the Philippines crossed the 4% mark. India remains the highest yielding bond market in the index offering 6.82%, while Singapore (2.19%) took over from Hong Kong as the lowest yielding market² in the index.

² Taiwan has 0% weight in the index

iBoxx ALBI Overall and Single Market Returns

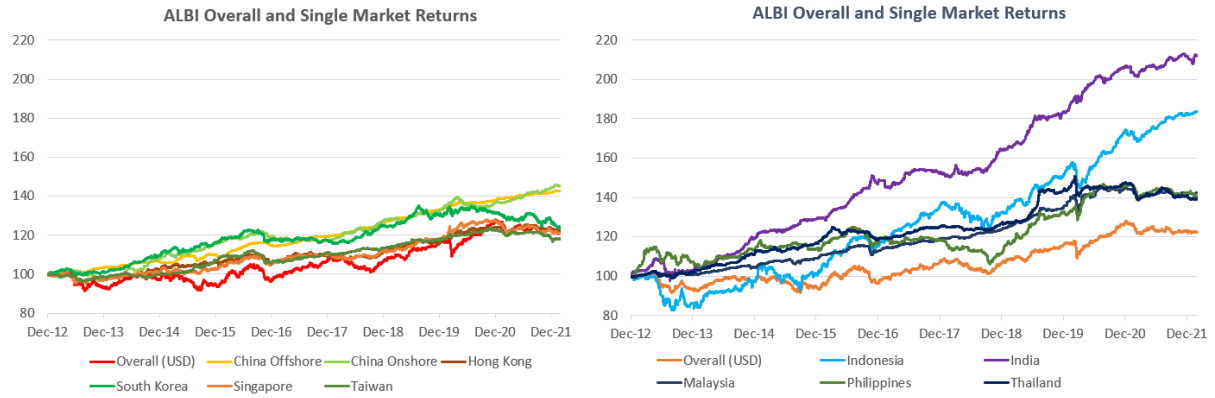
	Feb 22	MTD	YTD	3Y
Overall	122.30	0.11%	-3.94%	12.41%
China Offshore	142.83	0.11%	3.73%	11.72%
China Onshore	145.38	-0.33%	6.34%	13.36%
Hong Kong	121.66	-0.25%	-2.09%	7.89%
India	212.05	1.03%	2.77%	28.31%
Indonesia	183.76	0.71%	5.43%	35.23%
South Korea	124.04	-0.66%	-5.52%	-0.41%
Malaysia	142.44	0.39%	-1.53%	13.39%
Philippines	139.67	-1.45%	-4.39%	19.83%
Singapore	120.90	-0.63%	-5.18%	8.23%
Taiwan	118.17	-0.09%	-3.45%	3.44%
Thailand	139.17	-0.07%	-5.53%	9.31%

iBoxx ALBI Returns Attribution - Feb 2022

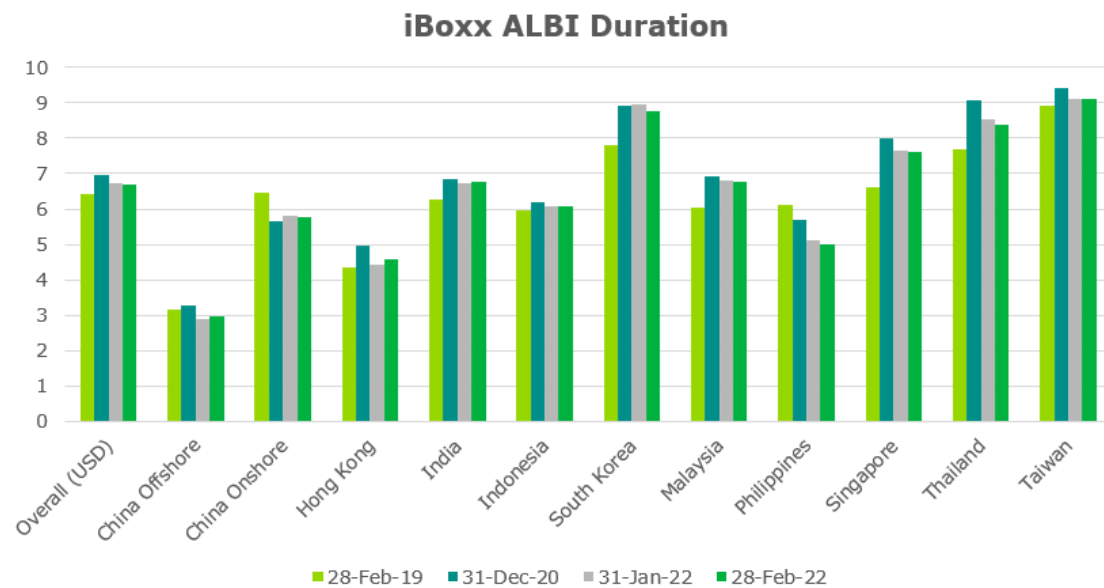
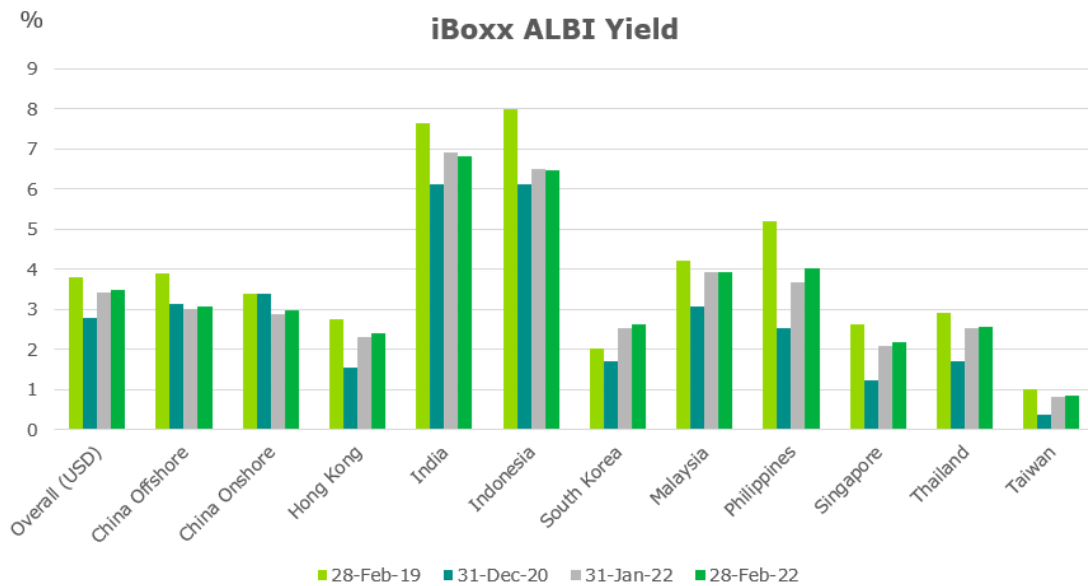
	FX Return	Accrual Return	Capital Return
Overall (USD)	0.29%	0.28%	-0.46%
China Offshore	1.09%	0.25%	-0.13%
China Onshore	0.86%	0.25%	-0.58%
Hong Kong	-0.20%	0.17%	-0.42%
India	-0.70%	0.54%	0.49%
Indonesia	0.10%	0.53%	0.18%
Malaysia	-0.32%	0.30%	0.08%
Philippines	-0.58%	0.28%	-1.73%
Singapore	-0.26%	0.19%	-0.82%
South Korea	0.26%	0.17%	-0.83%
Taiwan	-0.79%	0.10%	-0.19%
Thailand	2.02%	0.19%	-0.26%

iBoxx ALBI Countries Heatmap - Feb 2022

	1-3	3-5	5-7	7-10	10+
Overall (USD)	0.40%	0.11%	-0.19%	0.05%	0.02%
Overall (Local Currency)	0.02%	-0.16%	-0.36%	-0.25%	-0.24%
China Offshore	0.11%	0.06%	0.14%	0.47%	1.05%
China Onshore	0.04%	-0.44%	-0.53%	-0.50%	-0.40%
Hong Kong	-0.12%	-0.13%	-0.24%	-0.36%	-0.86%
India	0.56%	0.46%	0.15%	0.26%	1.85%
Indonesia	0.40%	0.34%	0.23%	0.64%	1.11%
Malaysia	0.29%	0.27%	0.11%	0.38%	0.62%
Philippines	-0.60%	-1.35%	-1.73%	-1.77%	-2.28%
Singapore	-0.20%	-0.32%	-0.58%	-0.83%	-1.07%
South Korea	0.12%	-0.03%	-0.25%	-0.46%	-1.71%
Taiwan	0.05%	-0.05%	-0.13%	-0.04%	-0.16%
Thailand	0.02%	0.20%	0.25%	-0.01%	-0.32%



Total Return Index Levels. Data as of 28 February 2022



Semi-annual yield and semi-annual duration. Data as of 28 February 2022.

Appendix

iBoxx ALBI Overall – March 2022 Insertions

Issue	Ccy	Rating	Notional (MM)
ASIA 2.5% 2027-2-15	CNH	AAA	500
SEK 2.63% 2025-2-16	CNH	AA	500
CGB 2.75% 2032-2-17	CNY	A	70,000
EXIMCH 2.61% 2027-1-27	CNY	A	30,450
CGB 2.26% 2025-2-24	CNY	A	30,000
SDBC 2.45% 2027-1-21	CNY	A	14,870
SDBC 2.65% 2027-2-24	CNY	A	10,000
ADBCH 2.27% 2024-2-21	CNY	A	10,000
ADBCH 2.91% 2029-2-21	CNY	A	10,000
SDBC 1.6% 2025-2-16	HKD	A	5,300
BOCHKL 1.33% 2024-2-17	HKD	AA	2,000
HKGB 0.94% 2024-2-21	HKD	AA	1,200
PSASP 2.6597% 2031-2-25	HKD	AA	1,000
HKMTGC 0.58% 2023-3-16	HKD	AA	1,000
CAPITA 2.95% 2031-2-18	HKD	A	900
AREIT 3.08% 2032-2-17	HKD	A	661
HKMTGC 1.9% 2027-2-10	HKD	AA	500
WSTP 2.4% 2029-2-9	HKD	AA	500
SANTAN 1.96% 2027-1-28	HKD	A	500
DBSSP 1.35% 2023-8-25	HKD	AA	500
HKMTGC 1.66% 2025-2-18	HKD	AA	450
NIB 1.48% 2025-2-25	HKD	AAA	400
OKB 1.58% 2027-2-2	HKD	AA	400
COE 1.74% 2027-2-21	HKD	AA	400
AiIB 0.965% 2024-2-10	HKD	AAA	400
EDC 0.55% 2023-8-10	HKD	AAA	300
HKMTGC 1.65% 2025-2-17	HKD	AA	300
ASIA 0.8% 2024-1-31	HKD	AAA	300
WHEELK 1.8% 2025-2-11	HKD	A	300
KTB 2.5% 2052-3-10	KRW	AA	1,100,000
LPPSA 4.58% 2039-4-11	MYR	NA	600
TGB 0.5% 2027-2-24	TWD	AA	30,000
TGB 0.625% 2032-2-18	TWD	AA	30,000

iBoxx ALBI Overall – March 2022 Deletions

Issue	Ccy	Rating	Notional (MM)
SDBC 3.24% 2023-2-25	CNY	A	157,000
CGB 3.52% 2023-2-21	CNY	A	78,790
ADBCH 3.28% 2023-2-26	CNY	A	52,000
SDBC 3% 2023-2-5	CNY	A	26,000
SDBC 2.45% 2027-1-21	CNY	A	14,870
HKMTGC 0.5% 2023-2-9	HKD	AA	7,000
HKGB 0.16% 2023-2-22	HKD	AA	1,200
HKMTGC 0.43% 2023-2-3	HKD	AA	1,000
CAPITA 3.28% 2023-2-27	HKD	A	885
ANVAU 2.62% 2028-3-24	HKD	A	875
CDBLFD 1.2% 2023-2-3	HKD	A	800
RABOBK 2.66% 2023-2-7	HKD	AA	728
ANVAU 3.21% 2028-2-28	HKD	A	700
BNS 2.682% 2023-2-1	HKD	AA	684
ANVAU 3.084% 2026-3-16	HKD	A	633
ANVAU 3.45% 2034-3-6	HKD	A	610
HKGB 2.71% 2023-2-20	HKD	AA	600
ANVAU 3.084% 2026-3-16	HKD	A	567
C 1.925% 2023-2-25	HKD	A	450
ANVAU 3.2% 2027-8-20	HKD	A	400
CM 2.726% 2023-2-6	HKD	AA	367
ASIA 0.085% 2023-2-19	HKD	AAA	300
HKMTGC 0.43% 2023-2-27	HKD	AA	300
KORMSB 0.87% 2023-2-2	KRW	AA	10,400,000
RPGB 3.5% 2023-2-11	PHP	BBB	310,828
RPGB 10.4% 2023-2-20	PHP	BBB	4,302
SIGB 1.75% 2023-2-1	SGD	AAA	10,000
HDBSP 3.63% 2023-2-27	SGD	AAA	300
TGB 2.5% 2023-2-18	TWD	AA	65,000

*Implied Rating

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