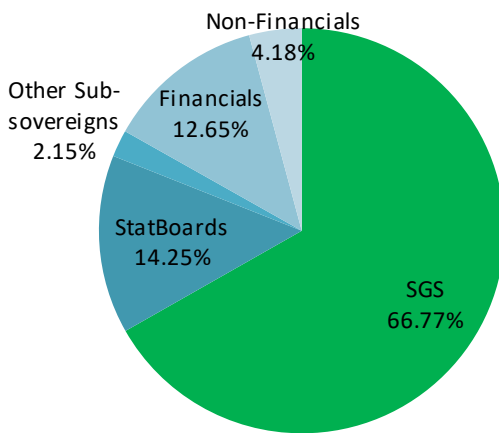


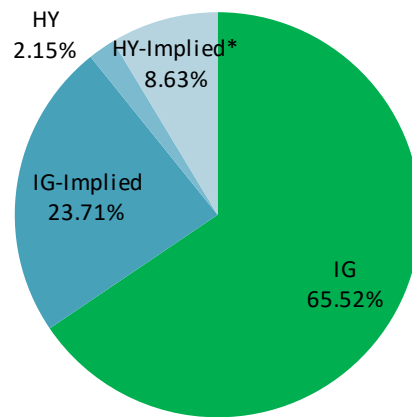
iBoxx SGD Monthly Commentary

August 2020 Rebalance

iBoxx SGD Overall Breakdown



iBoxx SGD Non-Sovereigns Breakdown



IBOXX SGD Overall – August 2020 Insertions

| Issue | Rating | Notional (MM) |
|--------------------------|--------|---------------|
| SRENVX 3.125% 2035-07-03 | BBB | 350 |
| SINTEC 4.1% Perp | BB* | 187.5 |
| NTUCSP 3.1% 2050-07-20 | A | 800 |
| STTGDC 3.13% 2028-07-28 | BBB* | 200 |

IBOXX SGD Overall – August 2020 Deletions

| Issue | Rating | Notional (MM) |
|-------------------------|--------|---------------|
| HDBSP 2.815% 2021-07-26 | AAA | 600 |
| WHARF 4.5% 2021-07-20 | BBB* | 130 |
| HDBSP 1.47% 2021-07-19 | AAA | 700 |
| STRTR 3.73% 2021-07-19 | BBB* | 75 |
| SUNSP 3% 2021-07-16 | BBB | 150 |

The index took in four new corporate bonds at the August rebalance, inserting just over S\$ 1.5 billion of fresh notional. The three new financials added are fixed-to-float type bonds with initial coupon rates in the 3.1 to 4.1% range.

Five bonds with a combined notional of just over S\$ 1.6 billion were removed from the index as their expected remaining life fell to below one year.

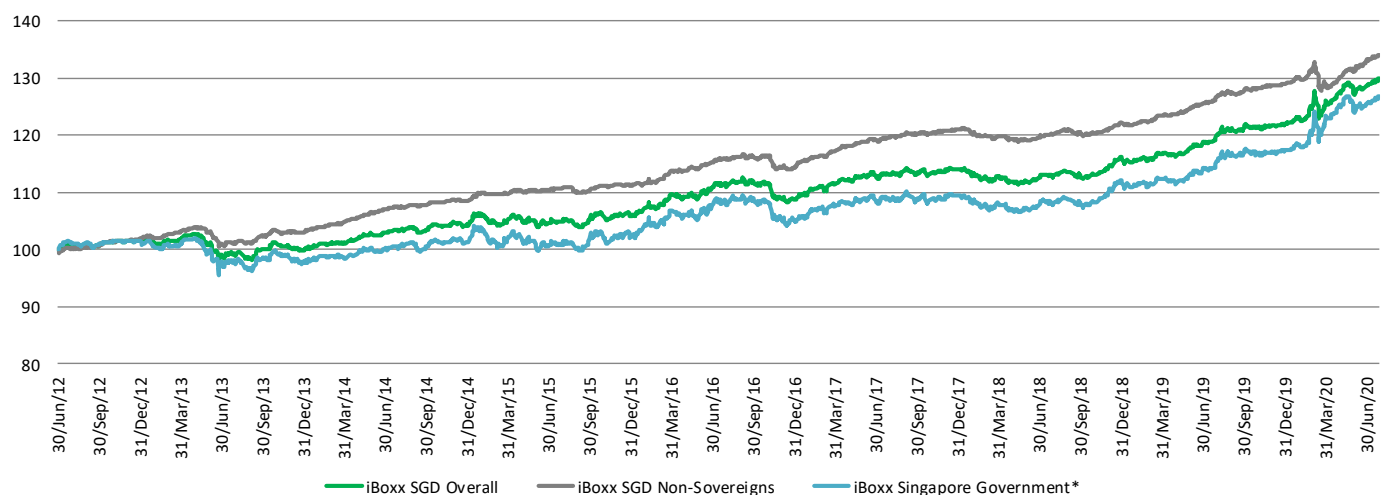
Please refer to the table below for rating changes observed at the August rebalance.

Rating changes

| Issue | July 20 | August 20 |
|-------------------------|---------|-----------|
| CITSP 2.7% 2025-01-23 | A* | BBB* |
| CITSP 2.8% 2023-06-27 | A* | BBB* |
| CITSP 3% 2024-01-17 | A* | BBB* |
| CITSP 3.48% 2026-06-15 | A* | BBB* |
| GUOLSP 3.4% 2025-08-10 | BBB* | BB* |
| SRBJNG 4.11% 2025-10-03 | BBB* | A* |
| TSHSP 2.8% 2022-10-18 | AA* | BBB* |

*Implied rated bond. The included notional for implied rated bonds in the iBoxx SGD index is half of the notional displayed in the table

Total Return Levels



*iBoxx Singapore Government level is rebased to 100 on 30 Jun 2012 to reconcile with iBoxx SGD Overall and iBoxx SGD Non-Sovereigns levels. Data as of 31 July 2020.

July 2020 Performance

The overall index gained 1.20% as its yield fell 15 bps to 1.24% by the end of the month. Notably the index duration surpassed 7 years for the first time since index inception.

Monthly return dispersion across ratings and maturity was quite small with all segments, apart from the AA/5-7 year segment, making positive returns.

The AA sector as a whole bounced back strongly from the previous month with the 7-10 maturity segment posting strong gains. Across the whole index, the top 5 performers were also AA rated issues (Ultra long-end Land Transport Authority bonds).

The government index (+1.31%) outperformed the non-sovereigns index (+0.99%) this month. Year to date, Singapore government bonds have returned 8.15%.

The HY segment underperformed relative to the previous month, making a return of +0.90%.

iBoxx SGD Rating and Maturity Month-to-Date Index Performance*

| | Overall | 1-3Yrs | 3-5Yrs | 5-7Yrs | 7-10Yrs | 10+Yrs |
|-----------------------------------|---------|--------|--------|--------|---------|--------|
| iBoxx SGD Investment Grade | 1.21% | 0.14% | 0.26% | 0.31% | 0.67% | 3.65% |
| iBoxx SGD AAA | 1.14% | 0.07% | 0.18% | 0.33% | 0.69% | 3.25% |
| iBoxx SGD AA | 5.14% | 0.14% | 0.40% | -0.66% | 7.96% | 0.59% |
| iBoxx SGD A | 0.49% | 0.26% | 0.81% | 0.17% | 0.18% | 0.76% |
| iBoxx SGD BBB | 0.48% | 0.55% | 0.36% | 0.35% | 1.13% | 1.02% |
| iBoxx SGD High Yield | 0.96% | - | - | - | - | - |

*As of 31 July 2020

| Top Performers July 2020 | Yield | Return | Bottom Performers July 2020 | Yield | Return |
|--------------------------|-------|--------|-----------------------------|-------|--------|
| LTAZSP 3.38% 2059-01-30 | 2.27 | 10.88% | IVLSP 3.73% 2025-10-07 | 2.20 | -1.91% |
| LTAZSP 3.45% 2058-07-30 | 2.26 | 10.61% | AGSP 3.15% 2025-01-16 | 3.30 | -1.21% |
| LTAZSP 3.3% 2054-06-03 | 2.20 | 8.97% | HRINTH 3.8% 2025-11-07 | 3.38 | -1.09% |
| LTAZSP 3.43% 2053-10-30 | 2.19 | 8.63% | SUNSP 2.6% 2025-05-27 | 3.22 | -0.97% |
| LTAZSP 3.35% 2048-03-19 | 2.07 | 7.10% | STHSP 3.95% Perp | 4.32 | -0.81% |

Key Analytics*

| iBoxx SGD Overall | | | | | | | |
|-------------------|--------|--------|--------|--------|-------|-------|--------|
| | Jul-20 | Jun-20 | Dec-19 | Jul-17 | Δ MTD | Δ YTD | Δ 3Y |
| Index Level | 129.94 | 128.39 | 121.98 | 113.19 | 1.20% | 6.52% | 14.79% |
| MV (Bn.) | 198.12 | 201.38 | 189.24 | 164.36 | -3.26 | 8.88 | 33.77 |
| Yield | 1.24 | 1.39 | 2.08 | 2.27 | -0.15 | -0.84 | -1.02 |
| Duration | 7.05 | 6.65 | 6.44 | 5.82 | 0.40 | 0.61 | 1.23 |
| Nominal (Bn.) | 176.74 | 182.08 | 178.16 | 156.36 | -5.34 | -1.43 | 20.38 |
| No. of Bonds | 235 | 237 | 241 | 215 | - | - | - |

| iBoxx SGD Government | | | | | | | |
|----------------------|--------|--------|--------|--------|-------|-------|--------|
| | Jul-20 | Jun-20 | Dec-19 | Jul-17 | Δ MTD | Δ YTD | Δ 3Y |
| Index Level | 164.55 | 162.42 | 152.16 | 141.26 | 1.31% | 8.15% | 16.49% |
| MV (Bn.) | 130.98 | 135.37 | 118.58 | 99.32 | -4.39 | 12.40 | 31.65 |
| Yield | 0.88 | 1.02 | 1.82 | 2.07 | -0.14 | -0.94 | -1.19 |
| Duration | 7.78 | 7.21 | 7.14 | 6.76 | 0.57 | 0.64 | 1.02 |
| Nominal (Bn.) | 113.70 | 119.70 | 110.40 | 93.80 | -6.00 | 3.30 | 19.90 |
| No. of Bonds | 19 | 20 | 19 | 20 | - | - | - |

| iBoxx SGD Non-Sovereigns | | | | | | | |
|--------------------------|--------|--------|--------|--------|-------|-------|--------|
| | Jul-20 | Jun-20 | Dec-19 | Jul-17 | Δ MTD | Δ YTD | Δ 3Y |
| Index Level | 133.97 | 132.66 | 128.99 | 119.61 | 0.99% | 3.86% | 12.01% |
| MV (Bn.) | 67.15 | 66.01 | 70.67 | 65.03 | 1.13 | -3.52 | 2.11 |
| Yield | 2.23 | 2.39 | 2.68 | 2.72 | -0.16 | -0.46 | -0.50 |
| Duration | 5.63 | 5.50 | 5.28 | 4.38 | 0.13 | 0.35 | 1.25 |
| Nominal (Bn.) | 63.04 | 62.38 | 67.76 | 62.56 | 0.66 | -4.73 | 0.48 |
| No. of Bonds | 216 | 217 | 222 | 195 | - | - | - |

*Data as of month-end. MV refers to market Value. Yield refers to Semi-Annual Yield. Duration refers to Semi-Annual Modified Duration.

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