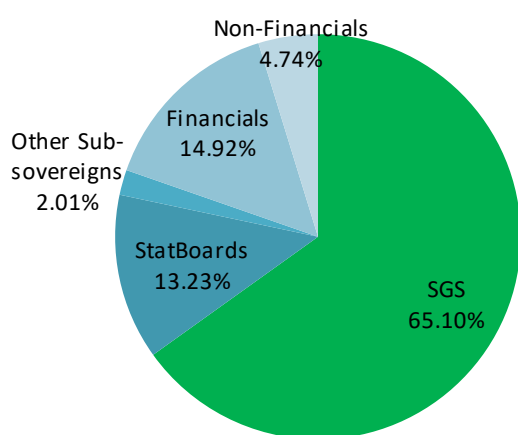


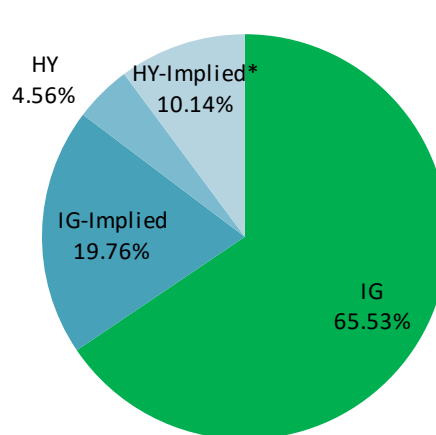
## iBoxx SGD Monthly Commentary

### August 2021 Rebalance

**iBoxx SGD Overall Breakdown**



**iBoxx SGD Non-Sovereigns Breakdown**



**IBOXX SGD Overall – August 2021 Insertions**

Issue	Rating	Notional (MM)
SIGB 1.625% 2031-07-01	AAA	3200
HDBSP 1.865% 2033-07-21	AAA	750
CHIEAS 2% 2026-07-15	A	500
VRTVEN 3.3% 2028-07-28	BB*	225
FLTSP 2.18% 2028-07-26	BBB*	75

This rebalance, S\$ 4.75 billion of new notional was inserted into the index via 5 bonds, including a 10 year Singapore Government Bond and a 12 year HDB bond.

Three corporate bonds and a Public Utilities Board bond left the index (due to each of their expected remaining lives falling below 1 year) resulting in S\$ 637.5 million of notional being removed.

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

**IBOXX SGD Overall – August 2021 Deletions**

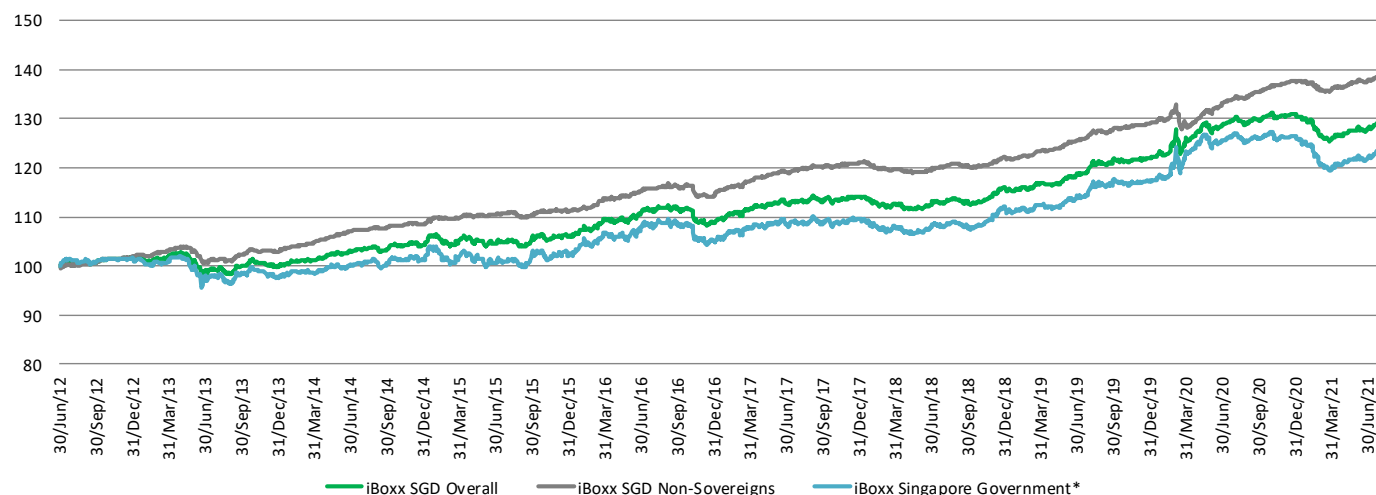
Issue	Rating	Notional (MM)
PUBLSP 3.012% 2022-07-12	AA*	200
OLAMSP 5.5% Perp	BB*	175
ARASP 5.2% Perp	BB*	150
TMGSP 4.8% 2022-07-18	BB*	112.5

**Rating changes**

Issue	Jul 21	Aug 21
SPHSP 3.2% 2030-01-22	BBB*	BB*
SUNSP 2.6% 2025-05-27	BBB*	BB*
SUNSP 2.95% 2027-02-05	BBB*	BB*
SUNSP 3.4% 2023-05-10	BBB*	BB*

\*Implied rated bonds are included in the index at 50% of their full market notional amounts

## 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 2021.

## July 2021 Performance

July welcomed the delayed start of the Tokyo 2020 Olympics as well as the easing of restrictions in some countries with sufficient vaccination rates. Singapore, however, turned course in July as the city-state returned to Phase 2 Heightened Alert restrictions given a number of local virus outbreaks related to the Delta variant.

The risk of coronavirus variants stymieing economic rebounds was also reflected in global markets where equity performance was mixed and safe-haven bond markets made gains.

The iBoxx SGD Overall index made 1.34% over the month. Positive returns were observed across the board with the Government portion of the index (approx. 65% of the index by market value) making 1.60% over the month. The Non-Sovereigns part generated 0.86%.

Other observations to note are that:

- Higher credit quality bonds outperformed lower quality segments
- Longer maturity bonds outperformed shorter ones
- AA bonds performed particularly well relative to other rating buckets

Furthermore, the iBoxx SGD Overall index attained a new milestone in July. It began tracking over S\$ 200 billion of bond notional amount outstanding, across almost 250 bonds.

The index closed the month offering a yield of 1.62% with a duration of 7.7 years.

## iBoxx SGD Rating &amp; Maturity Index Performance (Month-to-Date)

	Overall	1-3Yrs	3-5Yrs	5-7Yrs	7-10Yrs	10+Yrs
<b>iBoxx SGD Investment Grade</b>	1.37%	0.22%	0.63%	0.98%	1.53%	3.17%
iBoxx SGD AAA	1.49%	0.18%	0.63%	1.12%	1.66%	3.30%
iBoxx SGD AA	2.41%	0.10%	0.82%	1.16%	3.54%	1.17%
iBoxx SGD A	0.54%	0.36%	0.51%	0.67%	0.24%	1.15%
iBoxx SGD BBB	0.49%	0.38%	0.65%	0.22%	0.68%	0.56%
<b>iBoxx SGD High Yield</b>	0.66%	-	-	-	-	-

As of 31 July 2021

Top Performers Jul 2021	Yield	Return	Bottom Performers Jul 2021	Yield	Return
SIGB 1.875% 2050-03-01	1.67	4.25%	KREITS 3.15% Perp	4.13	-0.83%
HKLSP 3.95% 2038-11-28	3.24	4.07%	TEMASE 4.2% 2050-08-02	2.64	-0.70%
LTAZSP 3.38% 2059-01-30	2.42	4.03%	FULIN 3.7% 2023-04-15	3.76	-0.49%
LTAZSP 3.45% 2058-07-30	2.42	3.98%	MAPLSP 2.85% 2025-08-29	1.69	-0.47%
NUSSP 1.62% 2031-06-04	1.51	3.83%	TEMASE 4.2% 2039-12-07	2.45	-0.31%

Top and Bottom Performers data is as of 31 July 2021

## Key Analytics

iBoxx SGD Overall							
	Jul-21	Jun-21	Dec-20	Jul-18	Δ MTD	Δ YTD	Δ 3Y
Index Level	129.28	127.58	130.95	112.94	1.34%	-1.27%	14.47%
MV (Bn.)	217.41	210.04	211.15	163.61	7.37	6.26	53.81
Yield	1.62	1.79	1.27	2.72	-0.17	0.35	-1.11
Duration	6.96	6.95	7.10	5.83	0.01	-0.14	1.13
Nominal (Bn.)	200.03	195.25	188.56	160.29	4.78	11.47	39.74
No. of Bonds	248	244	242	230	-	-	-

iBoxx SGD Government							
	Jul-21	Jun-21	Dec-20	Jul-18	Δ MTD	Δ YTD	Δ 3Y
Index Level	160.25	157.73	164.11	140.27	1.60%	-2.35%	14.25%
MV (Bn.)	141.04	134.66	136.47	99.92	6.38	4.57	41.12
Yield	1.38	1.58	0.96	2.53	-0.20	0.42	-1.14
Duration	7.70	7.77	7.97	6.68	-0.08	-0.27	1.02
Nominal (Bn.)	128.00	123.80	119.20	97.60	4.20	8.80	30.40
No. of Bonds	18	18	19	20	-	-	-

iBoxx SGD Non-Sovereigns							
	Jul-21	Jun-21	Dec-20	Jul-18	Δ MTD	Δ YTD	Δ 3Y
Index Level	138.66	137.48	137.74	120.21	0.86%	0.67%	15.35%
MV (Bn.)	76.38	75.39	74.68	63.69	0.99	1.70	12.69
Yield	2.20	2.31	2.08	3.18	-0.10	0.12	-0.98
Duration	5.60	5.47	5.52	4.51	0.13	0.08	1.09
Nominal (Bn.)	72.03	71.45	69.36	62.69	0.58	2.67	9.34
No. of Bonds	230	226	223	210	-	-	-

Key Analytics Data is as of month-end.

MV refers to Market Value in billions. Yield refers to Semi-Annual Yield in percent. Duration refers to Semi-Annual Modified Duration.

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