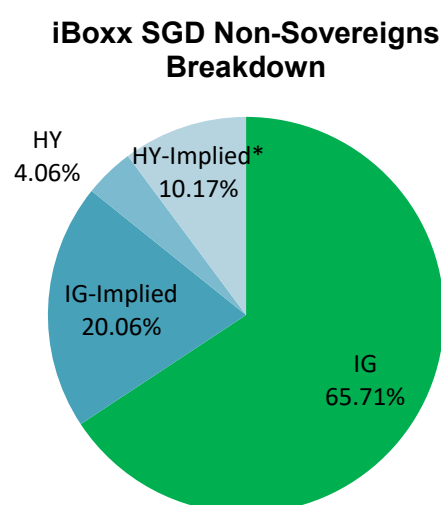
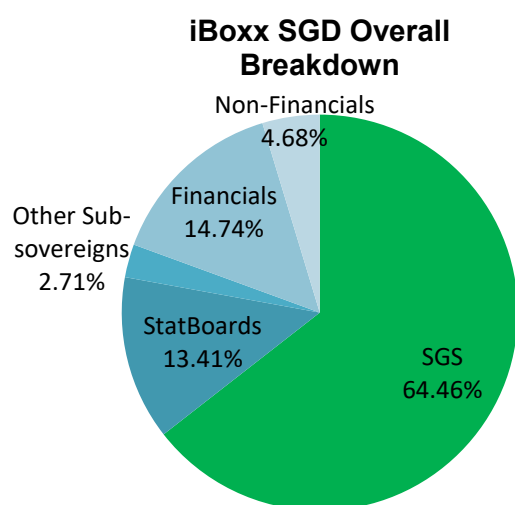


## iBoxx SGD Monthly Commentary

### December 2021 Rebalance



This rebalance, S\$ 4.5 billion of new notional was inserted into the index via five new bonds. The insertions included a 2.5 billion SIGB and a 1 billion HDB bond, both with durations of just under 5 years as of November month-end.

Meanwhile, just over S\$ 850 million of bond notional (that is expiring in less than one year) left the index via four departing real estate bonds and an SMU bond.

Please refer to the Appendix for rating changes observed at the December rebalance.

#### IBOXX SGD Overall – Dec 2021 Insertions

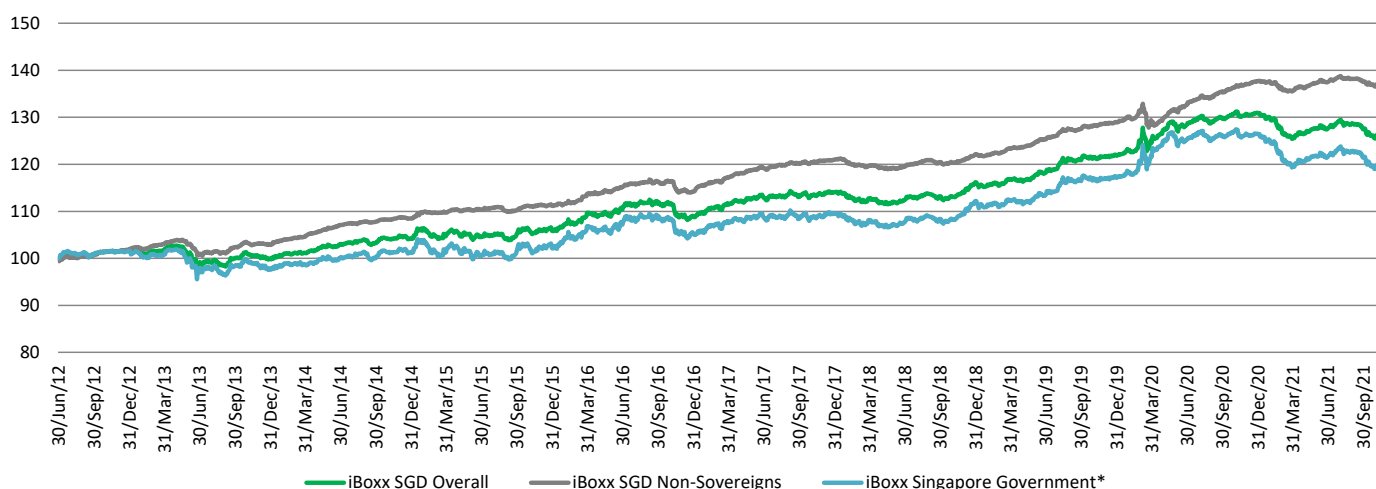
Issue	Rating	Notional (MM)
SIGB 1.25% 2026-11-01	AAA	2500
HDBSP 1.645% 2026-11-23	AAA	1000
MLTSP 3.725% Perp	BBB	400
TEMASE 1.8% 2026-11-24	AAA	350
SINTEC 4.2% Perp	BB*	250

#### IBOXX SGD Overall – Dec 2021 Deletions

Issue	Rating	Notional (MM)
MAPLSP 3.95% Perp	BB*	350
ARTSP 4.205% 2022-11-23	BBB	200
SMUSP 1.945% 2022-11-28	AAA	150
WINGTP 4.25% 2022-11-29	BB*	85
EREIT 4.6% Perp	BB*	75

\*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 30 Nov 2021.

## November 2021 Performance

Variant B.1.1.529, named Omicron, was determined a 'variant of concern' by the WHO on 26 November. By then, world stock markets had already plunged with associated implied volatility spiking considerably. Commodity markets were also spooked with oil prices being hit particularly hard by month-end.

Global government yields also fell substantially by 30 November\* (before the advent of Omicron, many had been on a rising, inflation induced, trajectory).

In Singapore, just before Omicron started to dominate the news, the MAS released its latest inflation statistics (the Consumer Price Developments report) that showed YOY core inflation at its highest level in over two and a half years (1.5% for October 2021). Interestingly, at the end of the month, it was also widely reported that the MAS had, for the first time in decades, added to Singapore's gold reserves earlier this year.

Over November, the iBoxx SGD Overall index delivered a gain of just over 1%. The government index outperformed the non-government index. Longer dated SGBs were among the best performers in the overall index (reversing their October misfortunes). Positive returns were seen across all maturity and rating segments with longer-dated high grade bonds performing the best.

The overall index closed the month offering a yield of 2.01% with a duration of 7.31 years.

\*The iBoxx Global Government index yield tightened 12 bps over the month.

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

	Overall	1-3Yrs	3-5Yrs	5-7Yrs	7-10Yrs	10+Yrs
<b>iBoxx SGD Investment Grade</b>	1.05%	0.13%	0.31%	0.88%	1.21%	2.35%
iBoxx SGD AAA	1.17%	0.12%	0.26%	0.96%	1.32%	2.52%
iBoxx SGD AA	1.21%	0.09%	0.47%	0.95%	0.94%	1.45%
iBoxx SGD A	0.24%	0.11%	0.02%	0.77%	0.55%	0.52%
iBoxx SGD BBB	0.37%	0.24%	0.56%	0.29%	0.40%	0.04%
<b>iBoxx SGD High Yield</b>	0.33%	-	-	-	-	-

As of 30 Nov 2021

Top Performers Nov 2021	Yield	Return	Bottom Performers Nov 2021	Yield	Return
OHLSP 6.9% 2024-07-08	7.35	6.72%	OLAMSP 5.375% Perp	5.33	-1.25%
HRINTH 3.8% 2025-11-07	5.05	4.06%	SUNSP 4.25% Perp	4.79	-1.24%
SIGB 1.875% 2051-10-01	1.94	3.95%	CCTSP 3.327% 2025-03-21	1.95	-1.10%
SIGB 1.875% 2050-03-01	1.99	3.82%	TEMASE 4.2% 2039-12-07	2.66	-1.02%
SIGB 2.75% 2042-04-01	1.99	3.24%	TMGSP 4.05% 2025-01-28	3.71	-0.87%

Top/Bottom Performers data is as of 30 Nov 2021

## Key Analytics

iBoxx SGD Overall							
	Nov-21	Oct-21	Dec-20	Nov-18	Δ MTD	Δ YTD	Δ 3Y
Index Level	126.85	125.58	130.95	114.17	1.01%	-3.13%	11.11%
MV (Bn.)	217.89	209.39	211.15	170.03	8.51	6.75	47.86
Yield	2.01	2.12	1.27	2.73	-0.12	0.73	-0.72
Duration	7.31	7.15	7.10	6.02	0.15	0.21	1.28
Nominal (Bn.)	206.65	199.98	188.56	166.50	6.67	18.10	40.15
No. of Bonds	251	249	242	240	-	-	-

iBoxx SGD Government							
	Nov-21	Oct-21	Dec-20	Nov-18	Δ MTD	Δ YTD	Δ 3Y
Index Level	156.53	154.43	164.11	142.28	1.36%	-4.62%	10.01%
MV (Bn.)	140.30	133.15	136.47	100.81	7.15	3.83	39.49
Yield	1.77	1.91	0.96	2.46	-0.14	0.81	-0.69
Duration	7.94	7.76	7.97	6.93	0.18	-0.03	1.01
Nominal (Bn.)	131.80	126.40	119.20	97.90	5.40	12.60	33.90
No. of Bonds	19	18	19	19	-	-	-

iBoxx SGD Non-Sovereigns							
	Nov-21	Oct-21	Dec-20	Nov-18	Δ MTD	Δ YTD	Δ 3Y
Index Level	137.18	136.66	137.74	120.93	0.38%	-0.40%	13.44%
MV (Bn.)	77.59	76.24	74.68	69.22	1.35	2.91	8.37
Yield	2.55	2.59	2.08	3.30	-0.04	0.48	-0.75
Duration	6.17	6.09	5.52	4.70	0.08	0.65	1.47
Nominal (Bn.)	74.85	73.58	69.36	68.60	1.27	5.50	6.25
No. of Bonds	232	231	223	221	-	-	-

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.

## Appendix

### Rating changes

Issue	Nov 21	Dec 21
FLTSP 2.18% 2028-07-26	BBB*	A*
LTAZSP 2.75% 2028-03-19	AA*	A*
LTAZSP 2.9% 2023-06-19	AA*	A*
LTAZSP 3.09% 2027-08-31	AA*	A*
LTAZSP 3.275% 2025-10-29	AA*	A*
LTAZSP 3.3% 2054-06-03	AA*	A*
LTAZSP 3.35% 2048-03-19	AA*	A*
LTAZSP 3.38% 2059-01-30	AA*	A*
LTAZSP 3.43% 2053-10-30	AA*	A*
LTAZSP 3.45% 2058-07-30	AA*	A*
LTAZSP 3.51% 2030-09-18	AA*	A*
SUNSP 2.6% 2025-05-27	BB*	BBB*
SUNSP 2.95% 2027-02-05	BB*	BBB*
SUNSP 3.4% 2023-05-10	BB*	BBB*

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