

Daily Credit Snapshot

Market Commentary

- US equities retreated on Tuesday as the rotation away from semiconductor hardware stocks extended despite Samsung Electronics reporting record preliminary 2Q operating profit. The semiconductor index tumbled 4.7%. Risk sentiment was further undermined by renewed uncertainty over the Middle East ceasefire. Oil prices rallied after the US revoked a sanctions waiver that had allowed Iran to continue selling oil globally, reversing a key element of the interim peace agreement following a series of attacks in the Strait of Hormuz. Brent crude climbed above USD75 per barrel, while WTI crude rose to around USD72 per barrel after settlement. The policy reversal came after three commercial vessels were attacked in the strategic waterway. On the data front, the Federal Reserve Bank of New York's Survey of Consumer Expectations pointed to a renewed rise in inflation expectations. One-year ahead inflation expectations increased to 3.7% in June from 3.5% in May, the highest reading since September 2023. Three-year ahead expectations also rose to 3.3% from 3.1%, marking the highest level since June 2022. Meanwhile, five-year ahead inflation expectations—closely monitored by Federal Reserve officials as a gauge of longer-term inflation credibility—remained unchanged at 3.0%. Despite higher inflation expectations, households expressed greater optimism about the labour market and reported improving assessments of both their current and future financial conditions.
- The SGD SORA OIS curve traded higher yesterday with shorter tenors trading 0-1bps higher, belly tenors trading 1-2bps higher, and the 10Y tenor trading 3bps higher.
- Flows in SGD corporates were moderate, with flows in OLGSPSP 5.375%-PERP, HSBC 5.25%-PERP.
- US Investment Grade spreads widened by 1bps to 74bps and US High Yield spreads tightened by 5bps to 260bps. Bloomberg Global Contingent Capital Index tightened by 4bps to at 206bps.
- Bloomberg Asia USD Investment Grade tightened by 1bps to 54bps and the Asia USD High Yield spreads tightened by 4bps to 338bps. (Bloomberg, OCBC)

Andrew Wong
Credit Research Analyst

Ezien Hoo
Credit Research Analyst

Wong Hong Wei
Credit Research Analyst

Chin Meng Tee
Credit Research Analyst

Aleen Lee Li Fei
Credit Research Analyst

Credit Summary:

Company	Ticker	Description
ESR-REIT	EREIT	<ul style="list-style-type: none"> ESR-REIT Management (S) Limited, the REIT manager of EREIT, announced the proposed acquisition of five freehold logistics properties located in Melbourne, Australia for a net purchase consideration of AUD276.8mn (~SGD247.9mn). The net purchase consideration represents a 1.9% discount to the market valuation of the properties. The total acquisition outlay is expected to be AUD303mn (~SGD271.3mn) with proceeds from the divestment of properties and debt financing (expected to be in SGD). Perpetuals may be used as well. On a proforma basis, reported aggregate leverage is expected to be ~41.9% (31 March 2026: 44.3%) and lower to 38.5% if up to SGD175mn of perpetuals is raised as funding. <p>Latest report: Credit Update – 22 August 2025</p>
Keppel Infrastructure Trust	KITSP	<ul style="list-style-type: none"> Keppel Infrastructure Fund Management Pte Ltd, in its capacity as trustee-manager of KITSP, announced that it has obtained a term loan and revolving credit facilities in an aggregate principal amount of SGD125mn. (Company) <p>Latest report: Credit Update – 12 November 2025</p>
Exxon Mobil Corporation	XOM	<ul style="list-style-type: none"> XOM announced that higher oil prices will positively impact 2Q2026 earnings by USD3.5bn to USD3.9bn in the Upstream segment. Energy Products, Chemical Products and Specialty Products segments are expected to see a positive impact from change in margins. Separately, XOM has completed its previously announced domiciliation reorganisation to Texas from New Jersey. As part of this move, a new parent company of XOM, namely ExxonMobil Holdings Corporation (“EMHC”) has been created. EMHC will guarantee XOM’s existing and future long-term debt. Moody’s does not expect corporate debt to be directly issued by EMHC. (Moody’s, Company) <p>Latest report: XOM Credit Update – 29 May 2026</p>

New Issues:

- The total issuances in the APAC and DM IG markets respectively were USD725mn and USD32.2bn (prior day: US1bn and US13.2bn respectively). (Bloomberg, OCBC)

Date	Issuer	Description	Currency	Size (mn)	Tenor (Yr)	Final Pricing (%)
07 Jul	Housing & Development Board	Fixed	SGD	1,000	7	2.21%
07 Jul	FWD Group Holdings Ltd	Fixed, Subordinated	SGD	270	5.75	3.18%
07 Jul	Amazon.com Inc	Fixed	USD	4,000	30	T + 110bps
07 Jul	Amazon.com Inc	Fixed	USD	4,250	5	T + 55bps
07 Jul	Amazon.com Inc	Fixed	USD	2,250	40	T + 125bps
07 Jul	Amazon.com Inc	FRN	USD	750	3	SOFR+ 58bps
07 Jul	Amazon.com Inc	Fixed	USD	4,500	10	T + 80bps
07 Jul	Amazon.com Inc	Fixed	USD	3,000	7	T + 70bps
07 Jul	Amazon.com Inc	Fixed	USD	3,500	3	T + 40bps
07 Jul	Amazon.com Inc	Fixed	USD	2,750	20	T + 100bps
07 Jul	United States Steel Corp (guarantor: Nippon Steel Corp)	Fixed	USD	700	5	T + 97bps

07 Jul	United States Steel Corp (guarantor: Nippon Steel Corp)	Fixed	USD	500	10	T + 122bps
07 Jul	Sunbelt Rentals Holdings Inc (guarantor: Subsidiaries)	Fixed	USD	450	4	T + 80bps
07 Jul	Sunbelt Rentals Holdings Inc (guarantor: Subsidiaries)	Fixed	USD	750	10	T + 125bps
07 Jul	Royal Bank of Canada	Fixed	USD	1,000	3NC2	T + 50bps
07 Jul	Royal Bank of Canada	FRN	USD	300	3NC2	SOFR+ 61bps
07 Jul	Royal Bank of Canada	Fixed	USD	1000	6NC5	T + 70bps
07 Jul	Prosus NV	Fixed	USD	650	7	T+115
07 Jul	Prosus NV	Fixed	USD	1000	10	T+135

Mandates:

- There are no notable mandates today.

Key Market Movements

	8-Jul	1W chg (bps)	1M chg (bps)		8-Jul	1W chg	1M chg
iTraxx Asiax IG	68	-0	-6	Brent Crude Spot (\$/bbl)	78.4	9.5%	-16.8%
				Gold Spot (\$/oz)	4,070	1.0%	-6.0%
iTraxx Japan	60	-1	-3	CRB Commodity Index	363	3.4%	-3.8%
iTraxx Australia	68	-1	-6	S&P Commodity Index - GSCI	631	1.9%	-9.2%
CDX NA IG	50	-0	-2	VIX	18.0	9.2%	-5.1%
CDX NA HY	108	0	0	US10Y Yield	4.57%	9bp	1bp
iTraxx Eur Main	51	-1	-3				
iTraxx Eur XO	242	-3	-23	AUD/USD	0.692	0.4%	-1.8%
iTraxx Eur Snr Fin	54	-1	-3	EUR/USD	1.141	0.3%	-1.0%
iTraxx Eur Sub Fin	87	-1	-5	USD/SGD	1.294	0.1%	-0.4%
				AUD/SGD	0.895	-0.3%	1.4%
USD Swap Spread 10Y	-42	-0	-1	ASX200	8,785	0.7%	1.9%
USD Swap Spread 30Y	-75	-0	-2	DJIA	52,925	1.4%	4.2%
				SPX	7,504	0.9%	1.3%
China 5Y CDS	37	-0	-4	MSCI Asiax	1,117	-2.3%	1.9%
Malaysia 5Y CDS	37	-1	1	HSI	24,199	5.8%	-1.9%
Indonesia 5Y CDS	89	-0	-12	STI	5,395	4.5%	8.7%
Thailand 5Y CDS	40	-0	-9	KLCI	1,680	1.4%	0.0%
Australia 5Y CDS	13	-0	-1	JCI	5,878	3.2%	10.0%
				EU Stoxx 50	6,218	-1.0%	2.6%

Source: Bloomberg

Disclaimers

This report is solely for information purposes and general circulation only and may not be published, circulated, reproduced or distributed in whole or in part to any other person without our prior written consent. This report should not be construed as an offer or solicitation for the subscription, purchase or sale of the securities/instruments mentioned herein or to participate in any particular trading or investment strategy. Any forecast on the economy, stock market, bond market and economic trends of the markets provided is not necessarily indicative of the future or likely performance of the securities/instruments. Whilst the information contained herein has been compiled from sources believed to be reliable and we have taken all reasonable care to ensure that the information contained in this report is not untrue or misleading at the time of publication, we cannot guarantee and we make no representation as to its accuracy or completeness, and you should not act on it without first independently verifying its contents. The securities/instruments mentioned in this report may not be suitable for investment by all investors. Any opinion or estimate contained in this report is subject to change without notice. We have not given any consideration to and we have not made any investigation of the investment objectives, financial situation or particular needs of the recipient or any class of persons, and accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of the recipient or any class of persons acting on such information or opinion or estimate. This report may cover a wide range of topics and is not intended to be a comprehensive study or to provide any recommendation or advice on personal investing or financial planning. Accordingly, it should not be relied on or treated as a substitute for specific advice concerning individual situations. Please seek advice from a financial adviser regarding the suitability of any investment product taking into account your specific investment objectives, financial situation or particular needs before you make a commitment to purchase the investment product. In the event that you choose not to seek advice from a financial adviser, you should consider whether the investment product mentioned herein is suitable for you. Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), Bank of Singapore Limited ("BOS"), OCBC Securities Private Limited ("OSPL") and their respective related companies, their respective directors and/or employees (collectively "Related Persons") may or might have in the future, interests in the investment products or the issuers mentioned herein. Such interests include effecting transactions in such investment products, and providing broking, investment banking and other financial or securities related services to such issuers as well as other parties generally. OCBC Bank and its Related Persons may also be related to, and receive fees from, providers of such investment products. There may be conflicts of interest between OCBC Bank, BOS, OSPL or other members of the OCBC Group and any of the persons or entities mentioned in this report of which OCBC Bank and its analyst(s) are not aware due to OCBC Bank's Chinese Wall arrangement. This report is intended for your sole use and information. By accepting this report, you agree that you shall not share, communicate, distribute, deliver a copy of or otherwise disclose in any way all or any part of this report or any information contained herein (such report, part thereof and information, "Relevant Materials") to any person or entity (including, without limitation, any overseas office, affiliate, parent entity, subsidiary entity or related entity) (any such person or entity, a "Relevant Entity") in breach of any law, rule, regulation, guidance or similar. In particular, you agree not to share, communicate, distribute, deliver or otherwise disclose any Relevant Materials to any Relevant Entity that is subject to the Markets in Financial Instruments Directive (2014/65/EU) ("MiFID") and the EU's Markets in Financial Instruments Regulation (600/2014) ("MiFIR") (together referred to as "MiFID II"), or any part thereof, as implemented in any jurisdiction. No member of the OCBC Group shall be liable or responsible for the compliance by you or any Relevant Entity with any law, rule, regulation, guidance or similar (including, without limitation, MiFID II, as implemented in any jurisdiction).

The information provided herein may contain projections or other forward looking statements regarding future events or future performance of countries, assets, markets or companies. Actual events or results may differ materially. Past performance figures are not necessarily indicative of future or likely performance.

Privileged / confidential information may be contained in this report. If you are not the addressee indicated in the message enclosing the report (or responsible for delivery of the message to such person), you may not copy or deliver the message and/or report to anyone. Opinions, conclusions and other information in this document that do not relate to the official business of OCBC Bank, BOS, OSPL and their respective connected and associated corporations shall be understood as neither given nor endorsed.

Co.Reg.no.: 193200032W

Additional disclosures and disclaimers applicable only to clients of Bank of Singapore Limited

This material is being made available to you through an arrangement between Bank of Singapore Limited (Co Reg. No.: 197700866R) ("BOS") and Oversea-Chinese Banking Corporation Limited ("OCBC Bank") (Co Reg. No.: 193200032W). BOS and OCBC Bank shall not be responsible or liable for any loss (whether direct, indirect or consequential) that may arise from, or in connection with, any use of or reliance on any information contained in or derived from this material, or any omission from this material, other than where such loss is caused solely by BOS' or OCBC Bank's wilful default or gross negligence.

The DIFC Branch of BOS has not conducted or produced any research contained in this material and is acting solely as a conduit in forwarding it to you.

For BOS clients in the United Kingdom:

This research has been prepared by OCBC Bank and made available to BOS. It is intended solely for informational purposes and does not constitute investment advice, a personal recommendation, or an offer or solicitation to buy or sell any financial instruments. Any payments or non-monetary benefits received or paid will be fully disclosed in accordance with applicable regulations, promptly and transparently, and will not influence the advice or services offered to you. If you would like more information about any inducements received, please contact your Relationship Manager.

Cross Border Disclaimer and Disclosures

Please refer to https://www.bankofsingapore.com/Disclaimers_and_Disclosures.html for cross-border marketing disclaimers and disclosures.