

Market Commentary:

- The SGD SORA OIS curve traded lower yesterday with shorter tenors trading 2bps lower while belly tenors and 10Y traded 1bps lower.
- Flows in SGD corporates were moderate, with flows in BACR 4.65%-PERP, HSBC 3.4% '33s, LLCAU 3.9%-PERP.
- As per Bloomberg, talks between the Cheng family and potential investors in New World Development Co Ltd are stalling, highlighting the company's struggle to secure funding. The deadlock stems from disagreements over how much control the family will hand over for a capital injection. The family is looking for a partner to match a possible capital injection of ~HKD10bn for equity stake.
- Meanwhile, China Vanke Co Ltd has completed the redemption of its 4.11% '27s.
- Lastly, Australia's corporate regulator are threatening more aggressive legal action against private credit funds that fail to protect investors and plans to step up enforcement against poor private credit practices.
- Bloomberg Asia USD Investment Grade spreads traded flat at ~60bps and Bloomberg Asia USD High Yield spreads widened by 1bps to 352bps respectively. (Bloomberg, OCBC)

Credit Summary:

- **Ho Bee Land Ltd ("HOBEE"):** Acquiring two Australia development sites in Queensland and Victoria for AUD96.6mn. The sites worth AUD96.6mn (~SGD82.3mn) are expected to yield around 1,079 residential lots.
- **ABN AMRO Bank N.V. ("ABN"):** ABN reported 3Q2025 profit before tax of EUR809mn, down 15% y/y and 3% q/q, while net profit was EUR617mn, a modest 2% increase q/q but 11% lower y/y. The y/y decline reflects weaker operating income and higher costs, while q/q performance was broadly stable despite pressure on other income due to lower impairment charges.

Credit Headlines

Ho Bee Land Ltd ("HOBEE")

- **Acquiring Australia development sites for AUD96.6mn:** The sites worth AUD96.6mn (~SGD82.3mn) are expected to yield around 1,079 residential lots. These sites are in Queensland and Victoria:
 - **Queensland (3 sites, 594 residential lots)**, including 7.69-ha at Ripley (127 residential lots), 21.99-ha at South Ripley (372 residential lots), and 5.56-ha at Park Ridge (95 residential lots).
 - **Victoria (2 sites, 485 residential lots)**, including 15.75-ha at Donnybrook (111 residential lots) and 23.59-ha at Batesford (374 residential lots).
- **In-line with current business:** The acquired lots should help to replenish HOBEE's pipeline. As a recap, in 2024 HOBEE handed over 600 lots to buyers with revenue of SGD234.4mn, with 3,500 lots remaining in the pipeline as of end-2024. According to HOBEE, the acquisitions of the development sites are in-line with the objective to develop master-planned communities in Queensland and Victoria.
- **Acquisition can be well digested:** According to HOBEE, these will be financed by internal funds and bank borrowings. As of end-1H2025, HOBEE has SGD144.9mn in cash, which exceeds the acquisition value of the sites. The acquisition value is small relative to total assets of SGD6.5bn as of end-1H2025. (Company, OCBC)

ABN AMRO Bank N.V. ("ABN")

- ABN reported 3Q2025 profit before tax of EUR809mn, down 15% y/y and 3% q/q, while net profit was EUR617mn, a modest 2% increase q/q but 11% lower y/y. The y/y decline reflects weaker operating income and higher costs, while q/q performance was broadly stable despite pressure on other income due to lower impairment charges.
 - For 9M2025, profit before tax fell 12% y/y to EUR2.47bn, with net profit down 8% y/y to EUR1.84bn. Return on equity was 9.5% in 3Q2025 (9.6% for 9M2025), within the strategic target range of 9.0-10.0%, but below prior-year levels (11.6% in 3Q2024).
 - Overall, while results look consistent with our fundamental views and the bank has maintained its strong capital buffers with a proforma CET1 ratio of 14.8% as at 30 September 2025 (stable q/q, +70bps y/y), the material development announced was the acquisition of Dutch focused NIBC Bank N.V. ("NIBC") from Blackstone for EUR960mn that will reduce ABN's CET1 ratio by 70bps.
 - This acquisition, along with other recent developments will be presented in the context of ABN's strategy refresh to be announced at its Capital Markets Day on 25 November 2025.
- Per ABN's press release, NIBC is a Dutch-focused entrepreneurial bank specialised in mortgage lending, savings products, commercial real estate and digital infrastructure lending with ~500,000 retail clients and ~175 corporate clients in Northwest Europe. Key benefits of the transaction in management's view include:
 - Stronger market position in the Dutch retail market as well as the German and Belgian savings markets with potential synergies for neobroker BUX's investment offerings.
 - Meets ABN's strategy and acquisition criteria with NIBC expected to improve profitability and generate a return on invested capital of ~18%.
 - Focusing of its core mortgage labels which will see two remaining instead of three to accommodate NIBC's mortgage label.
 - Intention to legally merge ABN AMRO Hypotheken Groep B.V. into ABN AMRO Bank N.V. to improve operational efficiency.
- As for operating performance, 3Q2025 operating income was EUR2.17bn, down 4% y/y but up 1% q/q, while 9M2025 operating income declined 2% y/y to EUR6.46bn. The income mix for 3Q2025 comprised:
 - 3Q2025 net interest income of EUR1.58bn (~73% of operating income), down 4% y/y but up 3% q/q, supported by recent acquisition Hauck Aufhäuser Lampe ("HAL")'s contribution (EUR34mn) and stronger Treasury results. The y/y decline reflects ongoing margin pressure on deposits and mortgages, partly offset by volume growth. Net interest margin fell to 149bps (165bps in 3Q2024; flat q/q), driven by lower asset yields and higher average balances. Mortgage volumes grew EUR2.1bn q/q to EUR161.8bn, while corporate loans rose EUR2.1bn (including EUR1.7bn from HAL). Client

deposits increased EUR14.8bn q/q to EUR250.2bn, largely due to HAL inflows and targeted offerings in Wealth Management.

- Net fee and commission income was EUR561mn (~26% of operating income), up 17% y/y and 14% q/q, driven by HAL (EUR52mn), repricing in Personal & Business Banking, and higher Wealth Management fees from discretionary mandates and advisory products. Seasonal transaction volumes also supported q/q growth, while Corporate Banking fees softened due to lower capital markets activity.
- Other operating income of EUR28mn (~1% of operating income) was down noticeably by 79% y/y and 76% q/q, reflecting negative fair value revaluations on loans, lower asset and liability management results at Treasury and weaker equity participation gains at Corporate Bank. For 9M2025, other income fell 40% y/y to EUR226mn.
- 3Q2025 operating expenses rose 6% y/y and 7% q/q to EUR1.41bn, while 9M2025 expenses increased 5% y/y to EUR4.04bn. Personnel costs were EUR791mn (+10% y/y, +8% q/q), reflecting HAL integration, wage increases under the Dutch collective labour agreement and restructuring provisions (EUR17mn in 3Q). Internal FTEs rose to 23,222 (+8% y/y), mainly due to HAL, while external FTEs fell to 2,699 (-30% y/y), evidencing management's focus on cost control. Excluding HAL and incidentals, underlying expenses trended lower, supported by contractor reductions and IT savings. Management reaffirmed FY2025 cost guidance at EUR5.4–5.5bn including HAL (EUR5.3–5.4bn excluding HAL), targeting the lower end of the range.
- Cost of risk remained negative at -7bps in 3Q2025 (vs -2bps in 3Q2024), with EUR49mn in net impairment releases, mainly from corporate loans due to reversals of individual provisions and recoveries from written-off exposures. For 9M2025, cost of risk was -2bps, well below through-the-cycle guidance (15–20bps). Stage 3 ratio improved slightly to 2.0% (2.1% in 2Q2025) due to higher loans, while coverage remained stable at 17.0%. Forbearance and past-due ratios were stable or improved at 1.8% and 0.7% as at 30 September 2025, respectively, aided by lower arrears in mortgages and corporate loans. Residential mortgage arrears declined to 0.6%, supported by rising house prices (+1.8% q/q, +7.8% y/y per Dutch Land Registry). The average loan-to-market value stayed at 53%, with amortising mortgages increasing to 53% of the portfolio (Q2: 51.8%), while interest-only mortgages fell to 37.4%.
- As mentioned, ABN's CET1 ratio remained strong at 14.8% and was comfortably above the 11.2% maximum distributable amount ("MDA") requirement (rises to 11.4% in 2026).
 - CET1 capital increased to EUR21.1bn, supported by retained earnings and offset risk weighted asset growth and other movements.
 - The leverage ratio declined to 5.3% (5.5% in Q2) due to higher exposure measure post-HAL.
 - MREL ratio stood at 31.8%, above the 28.4% requirement.
 - Management completed the EUR250mn share buyback and interim dividend payment of EUR0.54 per share (EUR449mn) in September.
 - Management will reassess distribution capacity in 4Q2025, balancing growth investments (including NIBC acquisition) against regulatory buffers. The acquisition of NIBC is expected to close in 2H2026 and will have a projected 70bps CET1 impact at closing. Completion of the transaction is subject to regulatory approvals.
- ABN's outlook remains constructive with the Dutch economy growth forecast at 1.7% for 2025 and 2.4% in 2026, supporting housing demand although the unemployment rate is expected to rise, albeit from a low base. ABN economists project house price growth of 8% in 2025, moderating to 3% in 2026. Scenario weightings for expected credit losses remained stable q/q with baseline at 55%, negative at 30%, and positive at 15%. (Company, OCBC)

New Issues:

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing
12 Nov	Inventive Global Investments Ltd (guarantor: ABC International Holdings Ltd)	FRN	USD	500	3Y	SOFR+48bps
12 Nov	Inventive Global Investments Ltd (guarantor: ABC International Holdings Ltd)	Fixed	USD	300	2Y	T+32bps (reoffer price 99.979 to yield 3.886%)
12 Nov	Malayan Banking Bhd	FRN	USD	500	3Y	SOFR+60bps
12 Nov	GLP Pte Ltd	Fixed	USD	200	Retap of its GLPSP 9.75% '28s	104.49 to yield 7.74%

Mandates:

- There were no notable mandates yesterday.

Key Market Movements

	13-Nov	1W chg (bps)	1M chg (bps)		13-Nov	1W chg	1M chg
iTraxx Asiax IG	66	-3	-3	Brent Crude Spot (\$/bbl)	62.6	-1.2%	-1.1%
				Gold Spot (\$/oz)	4,204	5.7%	2.3%
iTraxx Japan	56	-1	-2	CRB Commodity Index	303	-0.5%	2.4%
iTraxx Australia	66	-2	-3	S&P Commodity Index - GSCI	559	1.2%	2.2%
CDX NA IG	52	-1	-3	VIX	17.5	-2.8%	-8.0%
CDX NA HY	107	0	1	US10Y Yield	4.09%	0bp	5bp
iTraxx Eur Main	54	-1	-4				
iTraxx Eur XO	259	-8	-22	AUD/USD	0.656	1.3%	0.7%
iTraxx Eur Snr Fin	58	-2	-5	EUR/USD	1.159	0.4%	0.2%
iTraxx Eur Sub Fin	98	-5	-9	USD/SGD	1.301	0.2%	-0.2%
				AUD/SGD	0.854	-1.1%	-0.9%
USD Swap Spread 10Y	-42	2	6	ASX200	8,711	-1.3%	-1.9%
USD Swap Spread 30Y	-71	4	6	DJIA	48,255	2.0%	4.7%
				SPX	6,851	0.8%	2.9%
China 5Y CDS	42	-1	-4	MSCI Asiax	921	0.8%	2.7%
Malaysia 5Y CDS	39	-2	-4	HSI	26,805	1.2%	3.5%
Indonesia 5Y CDS	74	-2	-7	STI	4,565	1.8%	4.0%
Thailand 5Y CDS	39	-2	-3	KLCI	1,633	0.9%	1.1%
Australia 5Y CDS	11	-0	-1	JCI	8,402	0.8%	2.1%
				EU Stoxx 50	5,787	2.1%	3.9%

Source: Bloomberg

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