Asian Credit Daily

28 October 2025

Market Commentary:

- The SGD SORA OIS curve traded mixed yesterday with shorter tenors trading 1bps lower to 1bps higher while belly tenors traded flat to 1bps higher and 10Y traded 1bps higher.
- Flows in SGD corporates were heavy, with flows in CRCTSP 3.95%-PERP, LLCAU 3.9%-PERP, AIA 3.58% '35s, STTGDC 5.7%-PERP & BNP 5.9%-PERP.
- As per Bloomberg, a HKSAR court hearing on a winding-up petition, filed by the London branch of Bank of New Work Mellon, against Hilong Holding Ltd was adjourned to 05 January 2026, the petition is in relation to the nonpayment of the firm's 9.75% notes due November 2024.
- In ratings, S&P has upgraded Zijin Mining Group Co Ltd's long-term rating to BBB from BBB- and outlook to stable from positive, citing outlook over the next two years with strong operating cash flow and maintenance of debt-to-EBITDA ratio of less than 2 times.
- Meanwhile, Fitch has placed Genting Bhd BBB long-term issuer default rating and ratings of its group companies on watch negative from outlook stable. The decision comes after the firm's proposal to acquire the remaining 50.6% stake it does not own in Genting Malaysia for up to MYR6.7mn. Previously on 16 October 2025, Moody's has also placed Genting Bhd on watch negative.
- Bloomberg Asia USD Investment Grade spreads tightened by 2bps to 60bps and Bloomberg Asia USD High Yield spreads tightened by 7bps to 343bps respectively. (Bloomberg, OCBC)

Credit Summary:

- **CapitaLand Integrated Commercial Trust ("CICT"):** CICT reported 9M2025 results, which were largely stable with decent portfolio metrics and stable credit metrics. Net property income ("NPI") rose 1.4% y/y on a like-for-like basis, which excludes income from 21 Collyer Quay (divested on 11 November 2024) and CapitaSpring (remaining 55% interest acquired on 26 August 2025). ION Orchard (which CICT acquired a 50% stake in) does not contribute to NPI as its contribution is reported under share of results from joint ventures.
- **Keppel Infrastructure Trust ("KIT")**: KIT announced their 3Q2025 and 9M2025 business updates where operational updates and some key financial highlights were provided. Total Distributable Income had increased by 3.6% y/y in 9M2025.

Credit Headlines

CapitaLand Integrated Commercial Trust ("CICT")

- **CICT reported 9M2025 results, which were largely stable with decent portfolio metrics and stable credit metrics.** Net property income ("NPI") rose 1.4% y/y on a like-for-like basis, which excludes income from 21 Collyer Quay (divested on 11 November 2024) and CapitaSpring (remaining 55% interest acquired on 26 August 2025). ION Orchard (which CICT acquired a 50% stake in) does not contribute to NPI as its contribution is reported under share of results from joint ventures.
- **Portfolio occupancy improved 0.9 ppts q/q to 97.2% while retention rate remains healthy**, with improvements in office (+1.6 ppts q/q to 96.2%) and retail (+0.1 ppts q/q to 98.7%) though occupancy at integrated development fell 0.5 ppts q/q to 97.3%. That said, overall occupancy remains healthy. Retail retention rate was 80% while office retention rate was 74%. For retail, retention rate at downtown (80.8%) was slightly stronger than suburban (78.7%).
- **Rental reversion is decent while tenant sales are steady:** Rent reversion was +7.8% for retail and +6.5% for office. For retail, suburban rent reversion (+8.4%) outperformed that of downtown (+7.4%). Meanwhile, tenant sales rose 1% y/y excluding ION Orchard, with downtown tenant sales (+1.3% y/y) outperforming that of suburban (+0.7% y/y).
- **AEIs are progressing, Gallileo to resume contribution:** At Gallileo, handover to the European Central Bank is progressing, while the handover to the remaining tenants is expected in 1Q2026. Gallileo with valuation of SGD363.7mn as at 31 December 2024 had not been contributing revenue as it undertook a sizeable EUR180mn AEI since February 2024. CICT expects contribution to be more meaning from FY2026. Meanwhile, ongoing AEIs which are smaller include Lot One Shoppers' Mall (commencing November 2025, completion 1Q2027), Tampines Mall (commenced September 2025, completing 3Q2026) while AEI is commencing at Raffles City Tower (commencing 4Q2025, completing 4Q2026), which include refurbishment of level 1 office, creation of end-of-trip facilities and improvement of transfer floor lift lobbies and wayfinding on all floors.
- **Credit metrics remain manageable:** Aggregate leverage increased 1.3 ppts q/q to 39.2%, likely because of the acquisition of 55% interest in CapitaSpring office for SGD1.405bn on 26 August 2025. Meanwhile, reported interest coverage improved to 3.5x as of 30 September (30 June 2025: 3.3x) while cost of debt fell 0.1 ppts q/q to 3.3%.
- **Progressing on sustainability:** CICT's portfolio remains 100% green-rated. CICT maintained 5-Star rating under GRESB Real Estate 2025 and maintained "A" for GRESB Public Disclosure. CICT is also "AA" rated by MSCI ESG Ratings and rated 9.0 Negligible Risk by Sustainalytics as disclosed by CICT. Energy saving measures were also piloted, including disinfecting filtration system @ CapitaGreen, Solar Hybrid ACDC Air-con @ IMM Building, Enhanced Integrated Facilities Management Platform @ Bedok Mall and Car Park Smart Lighting @ IMM Building. (Company, OCBC)

Keppel Infrastructure Trust ("KIT")

- KIT announced their 3Q2025 and 9M2025 business updates where operational updates and some key financial highlights were provided. Total Distributable Income had increased by 3.6% y/y in 9M2025.
- **9M2025 Distributable Income boosted by Ixom, City Energy and full period contribution of Ventura:**
    - KIT's reported Distributable Income (what we historically refer to as OCF) for 9M2025 was SGD194.8mn, increasing by 3.6% y/y.
    - Per KIT, Distributable Income is derived from Funds From Operations ("FFO", which represents cash flow generated by the underlying assets), and adjusted mainly for (-) mandatory debt repayment, (-) growth capex, (+) capex funded by debt and (+) divestment gain. While KIT intends to refinance debt at the holding entity level, in our view, Distributable Income may also be used to cover financing costs, perpetual distributions and debt/perpetual redemptions at that level. Distributable Income is post-capex and fluctuates depending on the capex requirements of each asset.
    - Bulk of KIT segments saw a y/y fall in Distributable Income in 9M2025 although offset by higher contribution at Ixom and City Energy as well as Ventura which was bought in June 2024. By absolute

amount, the y/y fall was led by Renewables Portfolio (wind farms), Transition Assets and Singapore Waste and Water.
  - The decline in Renewables Portfolio (wind farms) was driven by lower wind production and weak power prices, particularly in Sweden. Transition Assets saw lower Distributable Income due to higher interest rate after refinancing at Aramco Gas Pipelines Company ("AGPC") and lower contribution from Keppel Merlimau Cogen ("KMC") due to debt repayment. Singapore Waste and Water Assets saw lower contribution from Senoko Waste-to-Energy ("Senoko WTE") plant (extended for another three years with KIT receiving nominal contributions) although this was partly offset by the contribution from Keppel Marina East Desalination Plant ("KMEDP") which was bought from sponsor, Keppel Limited ("KEP") in December 2024.
- **Asset movements to continue**
  - In March 2025, KIT had completed the sale of its 50%-stake in Philippine Coastal while the sale of a ~25%-stake in Ventura was completed in August 2025. In total, KIT received SGD301mn of divestment proceeds and we understand that ~SGD100-150mn was used to pay down revolving facilities in the interim, pending deployment into new investments. In April 2025, KIT announced the proposed acquisition of a 46.7%-stake in Global Marine Group ("GMG") from related party, Keppel Infrastructure Fund ("KIF"). The proposed acquisition is subject to unitholder approval, with an extraordinary general meeting scheduled for 11 November 2025. ~SGD119mn from the divestment proceeds is expected to go towards funding the GMG acquisition (assuming equity holders approve the deal) with the remaining SGD182mn to be deployed to other investment opportunities.
  - We note that while the GMG deal has a headline price tag of SGD119mn, KIT will also have an equity commitment of SGD68mn to support GMG growth plans and may (but is not obliged to) participate in future capital calls at GMG.
  - With KEP developing a pipeline of assets (eg: hydrogen ready power plant in Singapore targeted to be operational in 1H2026), we expect KIT to consider acquiring such assets when they are completed.
  - Management may embark on bolt-on acquisitions at Ventura, using available external debt (originally in place for bus electrification). Such bolt-on acquisitions and new investments may help offset a decline in Distributable Income due to the Ventura partial stake sale in time.
- **Sizeable debt coming due in 2026 but mainly linked to Ixom and manageable:**
  - As at 30 September 2025, KIT faces minimal debt maturing in the remaining of 2025. However, KIT faces SGD907mn of debt due in 2026 (representing ~30% of total debt). Bulk of the 2026 debt relates to debt at Ixom which the company does not envisage it will have issues with refinancing. The amount coming due also includes the SGD200mn KITSP 3.0% '26s that comes due in December 2026. Another SGD130mn is bank debt at the holding entity level. Per KIT, it has undrawn committed facilities totalling ~SGD530mn as of 3Q2025.
- **Reported leverage stable q/q:**
  - As at 30 September 2025, weighted average debt maturity is 3.1 years, with fixed and hedged debt at 77% (30 June 2025: 80%).
  - KIT's reported net debt-to-EBITDA based on 12 months trailing EBITDA was 4.6x in 3Q2025, unchanged from the previous quarter. (Company, OCBC)

New Issues:

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing
27 Oct	Barclays PLC	Additional Tier 1	SGD	500	PerpNC6	4.65%
27 Oct	Korea East-West Power Co Ltd	Fixed	USD	300	5.5Y	T+48bps (reoffer price 99.429 to yield 4.117%)
27 Oct	Zhongtai International Finance (BVI) Company Limited (keepwell agreement: Zhongtai Financial International Ltd)	Subordinated, Fixed, Perpetual	USD	100	PerpNC3	6.00%

Mandates:

- Meituan may issue a multi-tranche offering of USD-denominate and CNH-denominated notes, the USD-denominated notes may include tenors of 5.5Y, 7Y and 10Y notes.

Key Market Movements

	28-Oct	1W chg (bps)	1M chg (bps)		28-Oct	1W chg	1M chg
iTraxx Asiax IG	66	-3	1	**Brent Crude Spot ($/bbl)**	65.5	6.9%	-6.5%
				Gold Spot ($/oz)	3,989	-3.3%	4.1%
iTraxx Japan	56	-1	-1	**CRB Commodity Index**	302	1.7%	-1.1%
iTraxx Australia	67	-3	2	**S&P Commodity Index - GSCI**	557	2.2%	-0.8%
CDX NA IG	50	-2	-2	**VIX**	15.8	-13.4%	3.3%
CDX NA HY	108	1	0	**US10Y Yield**	3.98%	2bp	-19bp
iTraxx Eur Main	53	-3	-3				
iTraxx Eur XO	256	-11	-6	**AUD/USD**	0.656	1.0%	-0.3%
iTraxx Eur Snr Fin	58	-2	-2	**EUR/USD**	1.165	0.4%	-0.7%
iTraxx Eur Sub Fin	97	-5	-4	**USD/SGD**	1.296	0.2%	-0.5%
				AUD/SGD	0.850	-0.9%	-0.2%
USD Swap Spread 10Y	-43	3	9	**ASX200**	9,019	-0.8%	2.6%
USD Swap Spread 30Y	-71	3	12	**DJIA**	47,545	1.8%	2.8%
				SPX	6,875	2.1%	3.5%
China 5Y CDS	42	-2	4	**MSCI Asiax**	923	1.8%	6.8%
Malaysia 5Y CDS	41	-2	-2	**HSI**	26,434	2.2%	1.2%
Indonesia 5Y CDS	77	-4	-5	**STI**	4,440	1.4%	4.1%
Thailand 5Y CDS	41	-2	-0	**KLCI**	1,618	0.7%	0.6%
Australia 5Y CDS	11	-0	-1	**JCI**	8,117	0.3%	0.2%
				EU Stoxx 50	5,711	0.5%	3.8%

Source: Bloomberg

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