

Daily Credit Snapshot

Market Commentary

- The volatility in US markets persisted on Wednesday, with equities ending the session mixed (S&P 500: -0.25%; Nasdaq: +0.24%; Dow Jones: -0.86%). US Treasury yields rebounded from their intraday lows, with the 10-year yield closing at 5.2849%, while the DXY traded broadly unchanged. Incoming US data continued to point to a combination of resilient economic growth and moderating inflationary pressures. The third estimate of 2Q GDP growth was revised higher to 2.2% q/q saar from 1.5% previously, while personal consumption growth was upgraded to 3.8%. In the labour market, ADP employment data showed that private-sector payrolls increased by 90,000 in September, up from 36,000 in August. On the inflation front, headline PCE rose 0.3% m/m in August, in line with expectations, while the year-on-year rate of 3.4% came in below consensus expectations of 3.7%. Core PCE increased by 0.2% m/m, also softer than expected, while the annual rate was unchanged at 3.0%. US asset markets initially reacted positively to the softer inflation data, with equities rallying, Treasury yields declining and the US dollar weakening. However, these moves were largely reversed as investors reassessed the implications of continued economic resilience. Among Federal Reserve officials, Minneapolis Fed President Neel Kashkari highlighted that the strength of the US economy extended beyond the AI sector, noting that "many sectors of the economy" continue to perform well. That said, he acknowledged that AI remains "the real engine of growth". Underscoring the strength of the AI cycle, Micron Technology reported another set of record results, posting fiscal 4Q26 revenue of USD54.23bn. The positive momentum in AI-related industries continues to ripple across global supply chains, prompting regional authorities to better capture these developments in official economic statistics.
- The SGD SORA OIS curve traded lower yesterday; shorter tenors traded 6bps lower, belly tenors traded 6bps lower, and 10Y tenor traded 6bps lower.
- Flows in SGD corporates were moderate, with flows in HSBC 5.3% '33s, OCBCSP 3.2%-PERP, AIA 3.58% '35s.
- US Investment Grade tightened by 2bps to 80bps, and US High Yield spreads widened by 2bps to 311bps respectively. Bloomberg Global Contingent Capital spreads widened by 3bps to 221bps.
- Bloomberg Asia USD Investment Grade spread tightened by 1bps to 56bps, and the Asia USD High Yield spreads tightened by 2bps to 339bps. (Bloomberg, OCBC)

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Credit Summary:

Company	Ticker	Description
Airport Authority Hong Kong	HKAA	- New World Development Company Limited (“NWDEVL”) will exit the 11 SKIES development project and hand it over to HKAA on 1 April 2027, paying over HKD3bn in termination fees and related contributions. The move supports NWDEVL’s deleveraging, while HKAA will reposition 11 SKIES as an entertainment and lifestyle hub integrated with SKYTOPIA, targeting a relaunch in 2028/29 - The transferred assets include an entertainment complex and three office towers. HKAA will receive these assets at no acquisition cost. - The surrender will release NWDEVL from future obligations and capital expenditures. Chow Tai Fook Enterprises Limited (the largest shareholder of NWDEVL) also granted HKAA a three-year option to acquire 750mn NWDEVL shares for HKD2.25bn. - HKAA will develop the 11 SKIES project along with SKYTOPIA to create a new landmark for HKSAR and contribute to economic development as a growth engine. (Company, OCBC) Latest report: Credit Update – 25 September 2026
ESR-REIT	EREIT	- ESR-REIT Management (S) Limited, the REIT manager of EREIT, announced that Perpetual (Asia) Limited in its capacity of a wholly-owned sub-trust of EREIT has entered into an agreement to sell 30 Pioneer Road, with a remaining underlying land lease for SGD32mn. This is a small transaction relative to EREIT’s total assets as at 30 June 2026 of SGD5.6bn. - The net proceeds from the divestment will be deployed to repay outstanding borrowings, finance potential acquisitions, asset enhancement initiatives and redevelopments and/or fund general working capital requirement. (Company, OCBC) Latest report: Credit Update – 17 August 2026
AIMS APAC REIT	AAREIT	- AIMS APAC REIT Management Limited, in its capacity as REIT Manager of AAREIT announced that it has received confirmation by the Monetary Authority of Singapore (“MAS”) to appoint Ms Lim Joo Lee as the Chief Executive Officer (“CEO”), effective today. - Until the CEO appointment, Ms Lim was the Chief Financial Officer (“CFO”) and in the interim the CFO function will continue to be covered by Ms Lim, with the incoming CFO commencing his role at the end of December 2026. (Company) Latest report: Credit Update – 25 May 2026
Australia & New Zealand Banking Group Ltd	ANZ	- ANZ has started operations in Europe after receiving regulatory approval, Bloomberg reported. Sarah Berry has been appointed head of ANZ Europe SA. She was previously Head of Business Execution, International, and CEO of ANZ Thailand. - Separately, ANZ Bank New Zealand appointed Michael Bullock as Chief Operating Officer effective November 2, subject to RBNZ non-objection. Bullock is currently ANZ Bank New Zealand’s Chief Information Officer with 17 years at ANZ. (Bloomberg, OCBC) Latest report: Credit Update – 26 August 2026

PTT Global Chemical PCL	PTTGC	• PTTGC and SCG Chemicals have entered into the confirmatory due diligence phase for a potential joint venture. The JV will combine their olefins and polyolefins business in Thailand. It will include PTTGC's Thai crackers, polyethylene facilities and investment in HMC Polymers, as well as SCG Chemical's crackers, polyethylene and polypropylene facilities and investments in several joint ventures. • The companies are finalizing key transaction terms, including the shareholding structure, transaction steps and quantified synergies, by October 2026. The deal remains subject to internal, shareholder and regulatory approvals. (Bloomberg, OCBC) Latest report: Credit Update – 27 April 2026
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New Issues:

- APAC and DM IG issuance were zero and USD350mn yesterday (prior day: USD750mn and zero).

Mandates:

- Lao People's Democratic Republic may issue USD-denominated bonds.

Key Market Movements

	Last Price	1W chg (bps)	1M chg (bps)		Last Price	1W chg	1M chg
US IG Credit Spread	80	4	2	Brent Crude Spot (\$/bbl)	98.1	-8.0%	3.6%
US HY Credit Spread	311	37	51	Gold Spot (\$/oz)	4,184	-2.1%	-3.3%
Global Contingent Capital Credit Spread	221	20	20	CRB Commodity Index	410	-2.3%	-1.7%
Asia IG Credit Spread	56	4	1	S&P Commodity Index - GSCI	730	-2.5%	-0.5%
Asia HY Credit Spread	339	28	23	VIX	16.3	7.6%	0.0%
				US10Y Yield	5.29%	9bp	49bp
iTraxx Asiax IG	70	-1	3				
iTraxx Japan	63	1	8	AUD/USD	0.695	-0.8%	-2.7%
iTraxx Australia	72	-0	5	EUR/USD	1.132	-0.6%	-2.4%
CDX NA IG	60	2	9	USD/SGD	1.279	0.0%	-0.5%
CDX NA HY	107	-1	-1	AUD/SGD	0.889	0.9%	2.3%
iTraxx Eur Main	63	2	11				
iTraxx Eur XO	301	7	49	ASX200	8,614	-1.0%	-5.0%
iTraxx Eur Snr Fin	69	4	15	DJIA	50,906	-1.2%	-3.5%
iTraxx Eur Sub Fin	115	7	26	SPX	7,652	-0.7%	0.3%
				MSCI Asiax	1,132	-1.6%	-1.0%
USD Swap Spread 10Y	-39	1	-0	HSI	24,613	-0.9%	-2.8%
USD Swap Spread 30Y	-66	2	2	STI	5,689	0.1%	-0.4%
				KLCI	1,635	-2.3%	-3.9%
China 5Y CDS	35	1	0	JCI	6,025	-4.3%	-8.7%
Malaysia 5Y CDS	35	-0	1	EU Stoxx 50	6,269	-0.5%	-1.6%
Indonesia 5Y CDS	91	3	6				
Thailand 5Y CDS	40	-0	-0				
Australia 5Y CDS	15	0	2				

Prices shown above are based on the latest available price or the previous market close

Source: Bloomberg

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