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Daily Credit Snapshot

Market Commentary

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- The Republican led House voted to pass the government funding package to end the partial government shutdown on Tuesday, with President Trump signing the bill on Wednesday. This bill allows funding for the Pentagon, Education, Treasury, Labour and State departments through to the end of the fiscal year. There is a two-week measure to keep the Department of Homeland Security funded. Meanwhile, the economic data overnight was mixed. On the one hand, ADP employment change was lower than expected, with the private sector adding 22k jobs in January from a downwardly revised 37k in December. This data will hold more sway considering the January non-farm payroll release is postponed to 11 February. On the other hand, the January ISM Services Index held steady at 53.8 from December, but with lower readings on the employment and new orders sub-indices. The prices paid component continued to rise to 66.6 in January from 65.1 in December. US equities closed mixed, with S&P (-0.5%) and the tech-heavy NASDAQ (-1.51%) lower and Dow Jones (+0.53%) slightly higher. The DXY index was slightly firmer while UST yields were lower at the front-end of the curve but edged higher for the 30-year.

- The SGD SORA OIS curve traded lower yesterday with shorter tenors trading 1-4bps higher while belly tenors traded flat to 3-4bps lower and 10Y traded 5bps lower.

- Flows in SGD corporates were heavy, with flows in STANLN 4.3%-PERP, BPCEGP 4.6% '35s, BACR 4.65%-PERP, SIASP 2.7% '36s, STTGDC 5.7%-PERP.

- Global Investment Grade spreads widened by 1bps to 73bps and Global High Yield spreads widened by 3bps to 266bps respectively.

- Bloomberg Global Contingent Capital Index widened by 1bps to 215bps.

- Bloomberg Asia USD Investment Grade spreads traded flat at 57bps and Asia USD High Yield spreads widened by 1bps to 339bps respectively. (Bloomberg, OCBC)

Credit Summary:

Company	Ticker	Description
AIMS APAC REIT	AAREIT	• AAREIT disclosed its business update for the third quarter of the financial year ending 31 March 2026 ("3QFY2026"). For 9MFY2026, revenue grew by 1.4% y/y to SGD141.1mn while net property income ("NPI") grew by 4.1% y/y to SGD103.7mn. The increase was driven by higher rental reversion and lower property expenses led by cost efficiencies. We find implied 3QFY2026 revenue and NPI at SGD47.4mn (up 4.0% y/y) and SGD35.4mn(up 10.4% y/y) respectively. • As at 31 December 2025, reported aggregate leverage was 36.6%, rising 1.6 percentage point from 30 June 2025 while L12M reported interest coverage ratio was 2.6x, marginally higher than the last quarter. • As at 31 December 2025, there is no debt maturing in the remaining of FY2026. Debt maturing in FY2027 is relatively significant at SGD209mn (representing 27% of total debt). Per company, it is in the midst of active discussions on the refinancing of such debt. AAREIT priced the SGD150mn AAREIT 4.1%-PERP in January 2026 where we expect proceeds to be ultimately applied towards partly redeeming the SGD250mn AAREIT 5.375%-PERP. Funding for the SGD100mn gap remains to be decided although there is financial flexibility at AAREIT to replace this with debt and/or perpetual. Our base case had assumed that this perpetual will be called. (Company, OCBC) Latest report: Credit Update – 22 May 2025
CapitaLand China Trust	CRCTSP	• **Lacklustre results:** 2025 revenue fell 9.1% y/y to RMB1.67bn while net property income ("NPI") fell 9.4% y/y RMB1.10bn. NPI declined for both retail malls (-9.6% y/y to RMB776.5mn) and business parks and logistics parks (-8.9% y/y to RMB328.1mn). • **Retail declined on same-store basis:** Excluding CapitaMall Yuhuating which was divested to CapitaLand Commercial C-REIT, retail revenue fell 4.9% y/y while portfolio NPI fell 6.6% y/y. This is due to AEI downtime at certain malls (CapitaMall Xizhimen, Rock Square, CapitaMall Wangjing and CapitaMall Xuefu) while lower occupancy and rentals were recorded at CapitaMall Xinnan, CapitaMall Grand Canyon and CapitaMall Wangjing. • **Tenant sales no longer a reliable indicator of rental reversion:** Despite tenant sales rising 2.1% y/y in FY2025 with occupancy cost falling 0.9 ppts y/y to 17.5% (excluding supermarket and department store), retail rent reversion was -2.4% (-0.6% excluding automobile). We understand from management that margins of retailers have likely fallen (e.g. low pricing). Meanwhile, retail occupancy is largely stable at 97.2%, with most malls at or above 96% occupancy except CapitaMall Xinnan. • **Business Parks and Logistics Parks still in the doldrums:** While Business Park occupancy inched up 1.5 ppts q/q to 86.7%, led by two new major electronics and ICT tenants, reversion was -8.1% with CRCTSP deploying rental incentives to secure long-term tenancy in a softening market. Similarly, Logistics Park occupancy rose 1.5 ppts q/q to 98.1% though reversion was -24.5%, to secure occupancy through early renewal of strategic anchor tenants. • **Small dip in portfolio valuation** by 0.8% y/y to RMB23.0bn, due to small decline in retail (-0.4% y/y to RMB16.2bn), business park (-0.6% y/y to RMB5.4bn) and 6.7% y/y decline in logistics park to RMB1.37bn. • **Credit metrics still manageable,** with 40.7% aggregate leverage and reported interest coverage of 2.8x. We think it is likely for CRCTSP to undertake an acquisition

		to replace the loss of income from the divestment of CapitaMall Yuhuating. (Company, OCBC) Latest report: Credit Update – 31 October 2025
Crédit Agricole Group / Crédit Agricole SA	CAG / CASA	• CAG delivered a solid 4Q2025 and a resilient FY2025, with net income (Group share) at EUR1.63bn in 4Q2025 (–23.9% y/y) and EUR8.75bn for FY2025 (+1.3% y/y). 4Q2025 results reflect the first time consolidation of Banco BPM that had a -EUR607mn impact. Excluding this, 4Q2025 income before tax of EUR3.03bn was down 3.9% y/y on a higher cost of risk. • Revenues rose to EUR9.97bn in 4Q2025 (+1.6% y/y) and EUR39.56bn for FY2025 (+3.9% y/y), while gross operating income rose +2.5% y/y in the quarter to EUR4.05bn and +4.3% y/y for the year to EUR15.99bn. • Operating expenses were broadly contained (+0.9% y/y in 4Q2025; +3.7% y/y in 2025), keeping the cost/income ratio at 59.3% in 4Q (–0.4pp y/y) and 59.6% in FY (–0.1pp y/y). • CASA posted stable full year profitability despite one offs. FY2025 net income (Group share) was EUR7.07bn (–0.2% y/y) on revenues of EUR28.08bn (+3.3% y/y). In 4Q2025, net income was EUR1.03bn (–39.3% y/y) on EUR6.97bn revenues (–1.8% y/y) and gross operating income of EUR2.87bn (–9.7% y/y), with the quarter marked by the Banco BPM charge and by an earlier EUR304m capital gain on deconsolidation of Amundi US in 2Q2025. • CAG's capital position remains a core strength with its CET1 (phased in) at 17.4% as of 31 Dec 2025 (–0.2pp q/q), ~+7.6pp above its regulatory requirement. The distance to the distribution restriction trigger was EUR46bn. CASA's CET1 ratio of 11.8% as of 31 December 2025 had a distribution restriction trigger distance of EUR13bn. • Results continue to higher CAG's diversified, low risk, high capital profile with resilient earnings despite one-off impacts. (Company, OCBC) Latest report: Credit Update – 4 September 2025
Keppel Ltd	KEPSP	• KEPSP reported its financial results for the second half and full year of 2025. To provide greater clarity on the performance of the New Keppel, KEPSP has reported its results excluding a portfolio of non-core assets that are no longer aligned with its strategy and which will be divested over time. The non-core portfolio comprise of legacy offshore and marine assets, residential landbank, selected property developments and investment properties (among other investments) and include some cash and receivables. New Keppel's core business and strategy is being asset-light and recurring income-focused. • New Keppel's net profit for 2025 was SGD1.1bn, higher by 38.7% y/y. The performance was driven by higher profits from all three business segments. The Infrastructure Division contributed SGD803mn to net profit in 2025, followed by Real Estate at SGD273mn and Connectivity at SGD175mn. By nature of activity, ~88% of the Infrastructure Division's net profit was operating in nature while for Real Estate, valuation drove net profits, contributing 53% in 2025. Connectivity's net profit was boosted by capital recycling. • Recurring income contributed SGD941mn in 2025, increasing by 21% y/y. Overall net profit of SGD788.5mn in 2025 versus SGD940.2mn in 2024 was negatively impacted by an accounting loss of ~SGD222mn in relation to the proposed divestment of M1's telco business.

		• Per KEPSP, the earnings of New Keppel are being funded by only a part of its balance sheet. KEPSP reported that Net Debt-to-EBITDA for New Keppel was 2.0x as at 31 December 2025, lower than the 2.3x as at 31 December 2024. As at 31 December 2025, KEP's short term debt (including lease liabilities) was SGD1.9bn, representing ~17% of total debt (including lease liabilities) and manageable in our view against cash balance of SGD2.3bn. • Separately, KEPSP announced that Mr Piyush Gupta who is currently the Deputy Chairman of the KEPSP board of directors has been appointed as Non-Executive and Independent Chairman, effective April 2026. Mr Gupta, the long-serving Chief Executive Officer of DBS until his retirement, was appointed to the board of KEPSP in July 2025. (Company, OCBC) Latest report: Credit Update – 16 April 2025
Pfizer Inc	PFE	• Reduced COVID-19 revenue: 4Q2025 revenue of USD17.6bn represented an operational ("op") decline of 3% y/y, primarily due to decline in COVID-19 product revenues. Comirnaty (COVID-19 vaccine) op revenue fell 35% y/y to USD2.27bn and Paxlovid (COVID-19 antiviral treatment) op revenue fell 70% y/y to USD218mn. • Good spread of products provide diversification: Despite significant falls in COVID-19 product revenue, Primary Care segment op revenue fell just 13% y/y to USD7.9bn. Eliquis op revenue grew 8% y/y to USD2.02bn, Prevnar family op revenue grew 8% y/y to USD1.71bn while Abrysvo grew to USD481mn (2024: USD198mn). • Specialty Care and Oncology op revenues rose 6% y/y to USD4.77bn and 8% y/y to USD4.44bn respectively, which partly mitigated the fall in revenue from Primary Care. Products with higher contribution to growth include Vyndaqel family (+7% y/y to USD1.69bn), Xtandi (+5% y/y to USD592mn), Padcev (+15% y/y to USD508mn) and Oncology biosimilars (+76% y/y to USD369mn). • Driving cost savings: Management is planning USD1.3bn net cost savings from Phase 1 Manufacturing Optimization Program and Cost Realignment Program in 2026. • Reaffirmed 2026 guidance: PFE expects its leverage to end 2025 at ~2.7x following the close of the Metsera acquisition. 2026 revenue is expected to be in the range of USD59.5bn to USD62.5bn (2025: USD62.6bn) with COVID products expected to trend lower while certain non-COVID products may face revenue compression of USD1.5bn due to generic entry arising from loss of exclusivity ("LOE"). Excluding COVID products and LOE products, op revenues are expected to grow 4% y/y. Meanwhile, SI&A expenses are expected to range between USD12.5bn and USD13.5bn (2025: USD13.8bn) while R&D expenses are expected to range between USD10.5bn and USD11.5bn (2025: USD10.4bn). (Company, OCBC) Latest report: Credit Update – 4 April 2025

Singapore Exchange Limited	SGXSP	• **SGX reported its strongest half-year revenue and net profit for 1HFY2026 results ended 31 December 2025.**
		• Net revenue and adjusted net profit rose 7.6% and 11.6% y/y to SGD636.6mn and SGD357.1mn respectively.
		• **Meaningfully better operating metrics were recorded:**
		  o Equities securities daily average traded value rose 20% y/y to SGD1.51bn.
		  o Derivatives daily average traded value rose 8% y/y to 1.35mn contracts.
		  o FX average daily volumes rose 32% y/y to USD180bn.
		  o Equities securities daily average traded value rose 20% y/y to SGD1.51bn with a growing IPO pipeline and retail participation.

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- **Adjusted EBITDA rose 9.2% y/y to SGD466.2mn.**
  - Fixed Income, Currencies and Commodities +20.4% y/y to SGD106.5mn, led by strong currency and commodity derivatives volume.
  - Equities Cash +19.6% y/y to SGD161.1mn on positive market sentiments.
  - Equities Derivatives -7.1% y/y to SGD124.3mn due primarily to lower treasury income on collateral balance amidst lower rate environments while volume comparable y/y at 91mn contracts.
  - Platform and Others +8.6% y/y to SGD74.2mn amidst higher trading volume and usage.
- **Credit metrics remained robust** with net cash of SGD1.48bn and debt/EBITDA of 0.73x.(Company, OCBC)

Latest report: Credit Update – 22 October 2025</td></tr>
<tr><td>UBS Group AG / UBS AG</td><td>UBS / UBSAG</td><td>

- UBS delivered strong 4Q2025 and FY2025 results, with reported profit before tax ("PBT") of USD1.70bn in 4Q2025 (+62% y/y) and USD8.85bn for 2025 (+30% y/y); underlying PBT was USD2.87bn in 4Q2025 (+62% y/y) and USD11.73bn in 2025 (+33% y/y) as revenue growth and cost discipline led to positive JAWS (or operating leverage).
- Results absorbed integration items including a USD457mn net loss on the repurchase of legacy Credit Suisse Group AG ("CS") debt that were issued at distressed spreads prior to the acquisition, associate losses, and purchase price allocation adjustments.
- 4Q2025 total revenues of USD12.15bn (+4% y/y) were driven by higher net fee & commission income (USD7.22bn, +9% y/y) on stronger recurring and brokerage fees, and solid Global Markets performance. Combined net interest and fair value income rose y/y while other income reflected the CS debt buyback loss and associate impacts.
- 4Q2025 operating expenses of USD10.29bn were down 1% y/y (underlying USD9.17bn was up 1% y/y). Personnel costs rose on performance accruals and FA compensation while General & Administrative expenses fell y/y on lower litigation and professional fees.
- Cumulative gross cost saves reached USD10.7bn by 31 December 2025 (vs. ~USD10bn guidance), with total targeted gross saves increased to ~USD13.5bn by end of 2026. The underlying cost to income ratio improved to 75.2% in 4Q2025 and 74.4% in FY25 (81.9% and 79.5% in 4Q2024 and 2024 respectively.
- The CS integration remains on track with ~85% of Swiss booked accounts migrated while Asset Management integration and Personal & Corporate Banking account migrations largely complete.
- Results are consistent with our fundamental views (Company, OCBC)

Latest report: Credit Update – 4 September 2025</td></tr>
<tr><td>Zurich Insurance Group</td><td>ZURNVX</td><td>

- Beazley PLC has agreed to an GBP8.0bn takeover offer from ZURNVX, valuing the UK insurer at 1,310p per share in cash, or up to 1,335p including allowed dividends.
- The offer represents a 63% premium to Beazley's market value before the takeover process began in January, though it remains lower than ZURNVX's earlier approach made in June.
- Beazley's board indicated it is "minded to accept" the proposal, marking progress after two previous advances from ZURNVX were rejected by Beazley.
- If completed, the combined group would generate around GBP15bn in gross written premiums and strengthen ZURNVX's position in global specialty insurance. ZURNVX has until 16 February 2026 to finalize its intention to proceed.</td></tr>
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		• ZURNVX had previously stated that the acquisition would be funded through existing cash, debt and equity placing. • We see this proposed acquisition to have the capacity to strengthen its earnings growth and diversify revenue streams by building out specialty insurance. (Bloomberg, OCBC) Latest report: Initiation Report – 6 June 2025

New Issues:

The total issuance volumes for APAC and DM IG market yesterday were USD885.5mn and USD2.07bn respectively.

Date	Issuer	Description	Currency	Size (mn)	Tenor (Yr)	Final Pricing (%)
04 Feb	CDBL Funding 1 (guarantor: CDB Aviation Lease Finance Designated Activity Co)	Fixed	USD	500	5	T + 50bps
04 Feb	Citigroup Inc	Subordinated, Zero coupon	USD	119	30	6.11%
04 Feb	Wells Fargo Bank NA	FRN	USD	200	5	SOFR+62.5bps

Mandates:

- Central Nippon Expressway Company Limited may issue USD-denominated 5Y fixed or float rate green bonds.

Key Market Movements

	5-Feb	1W chg (bps)	1M chg (bps)
iTraxx Asiax IG	66	0	3
iTraxx Japan	57	-0	3
iTraxx Australia	65	0	1
CDX NA IG	50	1	1
CDX NA HY	108	-0	0
iTraxx Eur Main	51	-0	1
iTraxx Eur XO	247	-0	4
iTraxx Eur Snr Fin	53	-0	0
iTraxx Eur Sub Fin	91	-1	-0
USD Swap Spread 10Y	-40	-3	-2
USD Swap Spread 30Y	-69	-3	-1
China 5Y CDS	44	-0	4
Malaysia 5Y CDS	38	-1	0
Indonesia 5Y CDS	77	1	9
Thailand 5Y CDS	37	-1	-1
Australia 5Y CDS	13	0	1

	5-Feb	1W chg	1M chg
Brent Crude Spot ($/bbl)	68.0	-3.9%	10.1%
Gold Spot ($/oz)	4,905	-8.7%	10.3%
CRB Commodity Index	313	-1.9%	3.4%
S&P Commodity Index - GSCI	594	-2.7%	6.5%
VIX	18.6	14.0%	25.1%
US10Y Yield	4.26%	3bp	10bp
AUD/USD	0.697	-1.1%	3.8%
EUR/USD	1.179	-1.5%	0.6%
USD/SGD	1.275	-0.8%	0.6%
AUD/SGD	0.889	0.3%	-3.1%
ASX200	8,889	-0.4%	1.8%
DJIA	49,501	1.0%	1.1%
SPX	6,883	-1.4%	-0.3%
MSCI Asiax	989	-1.4%	4.5%
HSI	26,638	-4.8%	1.1%
STI	4,955	0.5%	5.9%
KLCI	1,736	-1.2%	3.3%
JCI	8,142	-1.1%	-8.1%
EU Stoxx 50	5,970	0.6%	0.8%

Source: Bloomberg