By Global Markets | 5 November 2026

Daily Credit Snapshot

Market Commentary

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

Yao Liu
Credit Research Analyst

Eshita Suvarna
Credit Research Analyst

- US equities rallied overnight following the Democrats' decisive victory in the midterm elections, securing control of both chambers of Congress. The election outcome eased political uncertainty, while sharply lower oil prices supported broader risk sentiment. However, technology shares were mixed, with data centre operators declining amid concerns over tighter AI regulation, while the semiconductor index fell 3.1%. Brent crude plunged 8.7% to USD94.6/barrel as investors anticipated greater political pressure on President Trump to pursue a diplomatic resolution to the US-Iran conflict. US Treasury yields also declined, with the 10-year yield falling to 4.88%. On the economic front, ADP private payrolls increased by 86k in October, above consensus expectations of 67k. Services accounted for 82k of the increase, led by trade, transportation and utilities (+39k) and education and healthcare (+28k), while professional and business services shed 27k jobs. Separately, the ISM Services PMI eased to 54.5 in October from 54.9 in September, slightly below expectations of 54.8. New orders moderated to 55.9 from 59.8, while business activity slowed to 53.8 from 56.5. Meanwhile, the employment index improved to 51.4 from 50.1, while prices paid remained elevated at 73.0, despite easing from 74.0. Overall, the data pointed to continued economic expansion, albeit with moderating services demand and persistent input cost pressures.

- The SGD SORA OIS curve traded flat to lower yesterday; shorter tenors traded flat to 3bps lower, belly tenors both 3-4bps lower, and the 10Y tenor traded 4bps lower.

- Flows in SGD corporates were light, with flows in MLTSP 3.5%-PERP, UOBSP 3%-PERP, LLOYDS 5.25% '33s.

- US Investment Grade spreads traded 2bps tighter to 89bps, and US High Yield spreads tightened by 11bps to 324bps.

- Bloomberg Asia USD Investment Grade widened by 1bps to 73bps, and the Asia USD High Yield spreads also widened by 4bps to 389bps. The Bloomberg Global contingent capital statistics tightened by 3bps to 251bps. (Bloomberg, OCBC)

Credit Summary:

Company	Ticker	Description
Alphabet Inc	GOOGL	• Google will invest **USD15bn in Malaysia over 2027-28** to expand its data-center operations, develop local talent, and support clean-energy and water initiatives. The company plans to build new campuses in Selangor and Negeri Sembilan, while its first Malaysian campus at Elmina Business Park in Selangor is already operational. • The construction phase is expected to contribute an average of **USD1.1bn annually to Malaysia's GDP and support more than 37,000 jobs per year** over the next two years. Google also plans to add more than **1GW of clean-energy capacity** to Malaysia's national grid and train around **800,000 Malaysians** over the next five years. • The investment adds to Google's multi-year infrastructure spending outside the US and **highlights its geographic diversification as US data-centre development faces rising political and regulatory scrutiny**. The Democratic sweep of Congress points to tighter AI oversight, while growing state-level opposition could constrain US data-centre capacity. This could **benefit established hyperscalers such as Microsoft, Amazon and Alphabet through stronger pricing power and barriers to new capacity**, while posing greater risks to data-centre developers and other AI-infrastructure players. (WSJ, OCBC) Latest report: Credit Update – 05 August 2026
UBS Group AG	UBS	• A compromise proposal has emerged in the Swiss parliament that would allow UBS to apply more conservative valuations to its foreign subsidiaries when calculating additional capital requirements. The proposal could reduce the bank's potential capital uplift from the government's original plan, amid concerns that stricter rules could weaken UBS's international competitiveness. • The lower house's Economic Affairs and Taxation Committee will debate the proposal behind closed doors on 23-24 November. The development follows the upper house's earlier push for a less stringent approach to UBS's foreign subsidiary capital requirements. • The compromise could materially reduce UBS's additional capital burden while improving regulatory clarity. However, the proposal remains subject to parliamentary debate, and the final requirements and implementation timeline remain uncertain. (Bloomberg, OCBC) Latest report: Credit Update – 01 September 2026
Prudential PLC	PRUFIN	• Prudential PLC's 3Q2026 new business profit growth was muted due to impacts from Chinese Mainland. Overall impacts from tighter restrictions against Chinese Mainland visitors in HKSAR were manageable, supported by strong structural demands from domestic customers. PRUFIN's outlook remains stable. • **Muted growth due to Chinese Mainland:** On a constant exchange rate basis, 3Q2026 new business profit ("NBP") rose 1% y/y to USD709mn (9M2026: +6% to USD2.1bn). The muted growth was driven primarily by significantly weaker results from Chinese Mainland. Excluding Chinese Mainland, NBP rose 13% y/y in 3Q2026 and 11% y/y in 9M2026. ○ **HKSAR**: **3Q2026 NBP rose by double-digit y/y,** driven by repricing, higher bancassurance margins and volumes from domestic customers.

		Slower sales from Chinese Mainland visitors ("CMV") were evidenced. However, management expects double-digit growth for the full year as the fundamentals drivers of demand remained unchanged despite concerns of tighter restrictions from Mainland China. ○ **Chinese Mainland: NBP declined significantly y/y** due to impacts of bancassurance expense rules changes and a high comparator in July and August 2025 (government reduced maximum guaranteed return of insurance policies by 25bps to 50bps on 1 September 2025). On a positive note, sales grew strongly in September and October, and PRUFIN expects a return to growth in 4Q2026 though full year NBP will still be 10% to 15% lower than 2025. ○ **Singapore: NBP fell slightly y/y**, as lower sales volumes were partly offset by better margins from a shift towards investment-linked savings. ○ **Malaysia: NBP grew by double-digit y/y** on the back of strong demand from the mass affluent segment. ○ **Indonesia: NBP fell marginally y/y** amidst lower agency sales volumes in July and August. ○ **Growth markets and other: NBP rose by double-digit y/y,** with growth evidenced in Thailand, Taiwan and Vietnam. • **Stable outlook:** PRUFIN's outlook is underpinned by (1) its strong capital position, (2) growth opportunities in its core Asian markets, (3) prominent market positions, (4) diversified distribution channels, (5) strengths in life insurance and asset management and (6) modest impacts from the CMV despite tighter capital control and 20% tax on insurance income (Company, OCBC) Latest report: Credit Update – 15 April 2026
DBS Group Holdings Ltd	DBSSP	• **DBSSP reported 3Q2026 results, which look mixed.** Net profit (-5% y/y, -9% q/q to SGD2.81bn) fell on weaker markets trading (-65% y/y, -68% q/q to SGD15mn) which impacted total income (-1% y/y, -4% q/q to SGD5.85bn). That said, total income for 9M2026 (+2% y/y) remains on track to exceed 2025 levels (as per guidance in 1H2026). Credit metrics remain healthy. • **Franchise growth partly offset weaker trading:** Group net interest income ("NII") was SGD3.71bn, up 4% y/y and 4% q/q. NII was supported by growth in loans (+3% q/q to SGD484bn) driven by non-trade corporate and wealth management loans while NIM was stable q/q at 1.87% though commercial-book NIM fell to 2.16% (2Q2026: 2.21%). Meanwhile, deposits grew 3% q/q to SGD650bn. • **Wealth underlying momentum continues though fee income fell q/q:** Wealth management fees were SGD864mn, up 9% y/y but down 6% q/q as customer investment activity moderated from a strong 2Q2026. Meanwhile, record SGD15bn net new money lifted wealth assets under management 5% q/q to SGD544bn. • **Asset quality remains stable:** New non-performing assets in institutional banking eased to SGD82mn (2Q2026: SGD155mn) and the non-performing loan ratio improved to 0.9% (2Q2026: 1.0%). Specific allowances ("SP") were 17bp of loans, at the bottom of the 17-20bp guidance as of 2H2026, and allowance coverage rose to 134% (June 2026: 130%). • **Capital lower though overall profile remains strong:** Fully phased-in CET1 fell to 14.0% (June 2026: 14.6%) largely on higher risk-weighted assets of SGD398bn (June 2026: SGD382bn). This remains above DBSSP's target of

		around 13.0% ± 0.5%. The liquidity coverage ratio rose to 146% and the net stable funding ratio to 115%, well above regulatory requirements of 100%. • **Orderly board renewal:** DBSSP announced that Chairman Peter Seah will retire on 31 December 2026 after 16 years. Anthony Lim, a director since April 2020 who chairs the committee behind the CEO transition, succeeds him on 1 January 2027. We think this is orderly renewal. • **2026 guide on track, 2027 outlook issued:** Aside from NII which is on track to exceed 2025 levels, and SP which is at the bottom of guidance, other DBSSP 2026 guidance appears to be on track, including deposit growth of high single digit (9M2026: +7%) and cost-income ratio of low-40% (9M2026: 39.3%). For 2027, DBSSP guides mid-single-digit total income growth with specific allowances still at 17-20bp, while cost-income ratio is guided at low-40% range due to mid-single digit expense growth. (Company, OCBC) Latest report: Credit Update – 12 March 2026
Commerzbank AG, UniCredit SpA	CMZB, UniCredit	• CMZB reported its best-ever nine-month result in 9M2026. 3Q2026 operating profit rose 25.3% y/y to EUR1.31bn, and net profit increased to EUR859m (vs EUR591m in 3Q2025). 9M2026 net profit reached a record EUR2.67bn (+41.4% y/y), helped by much lower restructuring expenses (EUR1m vs EUR553m). Net return on tangible equity ("RoTE") was 11.9% in 3Q2026 and a record 12.4% for 9M2026, in line with management's ~12% FY2026 target. • Revenues increased 8.8% y/y to EUR3.20bn. Net interest income rose 3.5% y/y to EUR2.12bn on growth in Private and Small-Business Customers (“PSBC”) Germany and Corporate Clients, which more than offset lower Polish interest rates. Net commission income grew 8.8% y/y to EUR1.07bn, driven by securities and payments activity. FX mortgage provisions at mBank fell to EUR18m (from EUR107m), although other income turned negative because of one-offs in Others & Consolidation. • 3Q2026 costs were flat y/y at EUR1.68bn and fell EUR53m q/q, helped by active cost management, lower valuation effects for equity-based compensation and the release of deposit guarantee scheme provisions. The cost/income ratio improved to 52% from 57% a year earlier. • Asset quality stayed resilient. The 3Q2026 risk result was EUR210m and cost of risk on loans was 23bp. The 9M2026 risk result of EUR554m is lower than the unchanged 2026 expectation of ~EUR850m. The non-performing exposure ("NPE") ratio rose slightly to 1.2% from 1.1% q/q. • The CET1 ratio fell to 14.2% from 14.4% q/q, mainly due to OCI-related market moves, but still provides a 370bp buffer above MDA. • CMZB reiterated FY2026 guidance of at least EUR3.4bn net profit, ~EUR13.2bn revenues, ~12% RoTE and a CET1 ratio above 14%. It trimmed NII guidance to ~EUR8.5bn (from ~EUR8.6bn) but raised fair value/other income guidance to ~EUR0.4bn (from ~EUR0.3bn). • As for the takeover by UniCredit, the ECB approved UniCredit SpA's increased stake on 15 October 2026 with remaining approvals including the EU competition authority and the Polish regulator. These are expected in 4Q2026 or by 1Q2027 at the latest. • The results are in line with our expectations. (Company, OCBC) Latest report: CMZB Credit Update – 28 July 2026

National Australia Bank Ltd	NAB	• NAB reported its FY2026 results for the year ended 30 September 2026. NAB reported modest results, with earnings falling 13.4% y/y to AUD6.14bn despite a 6.4% increase in net interest income ("NII"). The decrease can be attributed to the presence of large notable items ("LNI") expenses which amounted to AUD1.35bn for FY2026. Cash earnings excluding LNI stood at AUD7.09bn, remaining flat y/y as credit impairment charges saw a steep 85.7% increase to AUD1.55bn for the year.
		• Revenue grew 5.8% y/y driven by volume growth and higher margin but partially offset by a weaker NZD. Net Interest Margin ("NIM") rose 6bps y/y to 1.80%. However, excluding a 3bps benefit from Markets & Treasury ("M&T") and lower liquid assets, NIM only rose 3bps reflecting higher earnings on deposits and capital replication portfolios offset by lending competition. Expenses increased 18.2% y/y including LNIs and 4.5% y/y excluding LNIs. This is largely due to higher personnel costs, investment spend due to changes in software capitalisation policy in 1HFY2026, technology-related costs and depreciation and amortisation partly offset by productivity benefits.
		• Credit impairment charges rose 85.7% from AUD833mn in FY2025 to AUD1.55bn in FY2026. Net write-offs to gross loans and acceptances ("GLA") rose 3bps to 0.10%, mainly due to more write-offs in the Business and Private Banking and Corporate and Institutional Banking lending portfolios.
		  ○ Individually assessed impairment charges rose by AUD119mn to AUD1.08bn, mainly due to new and higher provisions for a few Corporate and Institutional Banking customers, plus higher charges in Business and Private Banking and for the Personal Banking unsecured retail portfolio. A lower charge in New Zealand business lending partly offset the increase.
		  ○ Collective impairment charges swung from a AUD131mn write-back to a AUD464mn charge, mainly due to a AUD403mn net increase in forward-looking provisions given a more challenging economic outlook, weaker asset quality across Australian lending and volume growth in Business and Private Banking lending. This was partly offset by releasing provisions for customers who moved to individually assessed.
		  ○ The collective provision to credit risk-weighted assets ("CRWA") ratio rose 7bps to 1.40%, as growth in collective provisions outpaced the increase in CRWAs.
		• NAB's Level 2 CET1 ratio rose 17bps from September 2025 to 11.87%. This was supported by cash earnings, AUD1.8bn of CET1 capital raised through the FY2026 interim dividend reinvestment plan (+41bps) and the sale of the Group's remaining 20% stake in MLC Life (+11bps). These gains were partly offset by dividend payments, strong lending growth and higher Interest Rate Risk in the Banking Book RWAs from rising market rates. On a pro forma basis, the CET1 ratio is 12.07%, reflecting the 2HFY2026 dividend reinvestment plan with a 1.5% discount, which is expected to raise about AUD0.9bn. Liquidity and funding remained healthy, with a quarterly average liquidity coverage ratio ("LCR") of 135% and a net stable funding ratio ("NSFR") of 116%. Overall, the credit profile remains stable despite lower earnings and higher impairment charges, which largely reflect a weaker economic environment. (Company, OCBC)
		
		Latest report: Credit Update - 26 August 2026

New Issues:

- There were USD1.5bn and USD10.5bn of issuances in the APAC and DM IG markets yesterday respectively (prior business day: zero and USD15.85bn).

Date	Issuer	Description	Currency	Size (mn)	Tenor (Yr)	Final Pricing (%)
04 Nov	Fortescue Treasury Pty Ltd (guarantor: Fortescue Ltd)	Fixed	USD	1,500	6NCL	7%
04 Nov	CRH America Finance Inc (guarantor: CRH PLC)	Fixed	USD	1,350	Long 5	T + 78bps
04 Nov	CRH America Finance Inc (guarantor: CRH PLC)	Fixed	USD	1,000	Long 7	T + 88bps
04 Nov	CRH America Finance Inc (guarantor: CRH PLC)	Fixed	USD	1,350	Long 10	T + 98bps
04 Nov	CRH America Finance Inc (guarantor: CRH PLC)	Fixed	USD	500	Long 30	T + 98bps
04 Nov	Banco Bilbao Vizcaya Argentaria SA	Fixed, Sr Non Preferred	USD	750	3	T + 98bps
04 Nov	Banco Bilbao Vizcaya Argentaria SA	Fixed, Sr Non Preferred	USD	1,000	10	T + 133bps
04 Nov	Banco Bilbao Vizcaya Argentaria SA	FRN, Sr Non Preferred	USD	300	3	SOFR+ 114bps
04 Nov	ING Groep NV	Fixed, Perpetual, Jr Subordinated, Additional Tier 1	USD	1,250	PerpNC5	7.75%
04 Nov	Lloyds Banking Group PLC	Fixed to Fixed	USD	1,500	6NC5	T + 103bps
04 Nov	Lloyds Banking Group PLC	Fixed to Fixed	USD	1,250	4NC3	T + 88bps

Mandates:

- There were no notable mandates today.

Key Market Movements

	Last Price	1W chg (bps)	1M chg (bps)		Last Price	1W chg	1M chg
US IG Credit Spread	89	3	7	Brent Crude Spot ($/bbl)	93.8	-18.4%	-6.5%
US HY Credit Spread	324	12	18	Gold Spot ($/oz)	4,137	2.9%	-0.1%
Global Contingent Capital Credit Spread	251	1	9	CRB Commodity Index	389	-6.0%	-5.3%
Asia IG Credit Spread	73	2	13	S&P Commodity Index - GSCI	691	-7.8%	-5.1%
Asia HY Credit Spread	389	-27	43	VIX	16.6	-1.8%	7.0%
				US10Y Yield	4.84%	-10bp	-46bp
iTraxx Asiax IG	73	-1	1				
iTraxx Japan	75	1	9	AUD/USD	0.702	-0.2%	0.6%
iTraxx Australia	76	-1	1	EUR/USD	1.126	0.7%	0.3%
CDX NA IG	59	-2	-0	USD/SGD	1.277	0.3%	0.2%
CDX NA HY	106	0	-0	AUD/SGD	0.896	0.4%	-0.4%
iTraxx Eur Main	62	-2	-3				
iTraxx Eur XO	307	-6	-2	ASX200	9,044	1.7%	4.1%
iTraxx Eur Snr Fin	70	-2	-2	DJIA	53,356	1.7%	4.1%
iTraxx Eur Sub Fin	117	-2	-3	SPX	7,689	-0.7%	-1.1%
				MSCI Asiax	1,028	-2.4%	-10.6%
USD Swap Spread 10Y	-38	-1	1	HSI	24,683	7.5%	2.7%
USD Swap Spread 30Y	-64	-1	2	STI	5,292	-1.9%	-6.6%
				KLCI	1,635	1.5%	0.2%
China 5Y CDS	36	-1	-1	JCI	5,041	-1.1%	-17.6%
Malaysia 5Y CDS	35	-1	0	EU Stoxx 50	6,266	1.6%	0.4%
Indonesia 5Y CDS	101	-2	6				
Thailand 5Y CDS	39	-1	-2				
Australia 5Y CDS	17	-1	1				

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