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Daily Credit Snapshot

Market Commentary

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- Wall Street ended lower overnight as risk appetite softened, weighed partly by further signs of labour-market cooling. Initial jobless claims rose to 231k, above expectations (212k) and up from 209k, while the four-week average also edged higher (212k from 206k). Continuing claims increased slightly to 1.84 million. The JOLTS survey showed job openings falling sharply to 6.5mn in December, well below consensus and meaningfully below the 7.5mn unemployed, signalling continued normalisation in labour demand. In addition, Challenger data reinforced the softer tone, with announced layoffs surging 205% in January to 108k, alongside weak hiring intentions for January 2026. In Europe, the European Central Bank (ECB) left all key policy rates unchanged, maintaining the deposit rate at 2.00%, the main refinancing rate at 2.15%, and the marginal lending facility at 2.40%. The Governing Council reiterated that inflation is expected to stabilise at 2% over the medium term and highlighted continued resilience in the euro area economy and noted that “it will follow a data-dependent and meeting-by-meeting approach to determining the appropriate monetary policy stance.” Elsewhere, Moody’s Ratings changed its outlook on Indonesia’s sovereign credit ratings to ‘negative’ from ‘stable’. The credit rating is maintained at Baa2. S&P Global and Fitch Ratings have Indonesia’s sovereign at an equivalent rating of BBB, with a stable outlook. The main rationale for the outlook change by Moody’s is “reduced predictability and coherence in the policy making process, alongside less effective policy communication”. This has “raised risks to Indonesia’s policy credibility among investors, as reflected in increased equity and foreign-exchange market volatility”.

- The SGD SORA OIS curve traded lower yesterday with shorter tenors trading 1bps lower while belly tenors traded flat to 1-2bps lower and 10Y traded 1bps lower.

- Flows in SGD corporates were heavy, with flows in UOLSP 2.78% '32s, STANLN 4.3%-PERP, SIASP 2.7% '36s, UOBSP 3%-PERP, STTGDC 5.7%-PERP.

- Global Investment Grade spreads widened by 1bps to 74bps and Global High Yield spreads widened by 11bps to 277bps respectively.

- Bloomberg Global Contingent Capital Index widened by 8bps to 223bps.

- Bloomberg Asia USD Investment Grade spreads widened by 2bps to 58bps and Asia USD High Yield spreads widened by 10bps to 349bps respectively. (Bloomberg, OCBC)

Credit Summary:

Company	Ticker	Description
BNP Paribas	BNP	• BNP delivered a record 4Q2025 and a solid FY2025, supported by strong operating momentum, disciplined cost control, and the successful consolidation of AXA IM. Group revenues rose 8.0% y/y to EUR13.11bn in 4Q2025 and 4.9% y/y to EUR51.22bn in 2025, while pre-tax income grew 19.2% y/y to EUR3.98bn in the quarter and 5.4% y/y to EUR17.07bn for the year on positive JAWS and contained credit costs. Net income increased 28.0% y/y to EUR2.97bn in 4Q2025 and 4.6% y/y to EUR12.23bn in 2025, meeting the Group's target. • All divisions contributed: Corporate & Institutional Banking ("CIB") revenues rose on strong Global Markets and Securities Services; Commercial, Personal Banking & Services ("CPBS") saw a rebound in net interest income and improved jaws; and Investment & Protection Services ("IPS") grew sharply with AXA IM, lifting global assets under management ("AuM") to EUR2.44tn (+77.4% y/y or +14.4% y/y excluding the impact of AXA AM. • Operating expenses increased 3.9% in 2025 but only 1.6% excluding AXA IM, generating positive jaws across all divisions. • Credit quality remained strong with a 34bps quarterly cost of risk (38bps in 4Q2024) and remaining below the 40bps target over the 2024-2026 operating period. The NPL ratio as of 31 December 2025 was 1.6%, stable y/y. The CET1 ratio rose to 12.6% as of 31 December 2025, supported by organic capital generation, and was above the 2025 objective of 12.3% and the SREP requirement of 10.52%. • BNPP reaffirmed its 2024–2026 targets and raised 2028 objectives due to stronger revenue growth and improved operating leverage, including return on tangible equity >13% and cost/income ratio below 56%, supported by a structural efficiency programme and scaled AI deployment. (Company, OCBC) Latest report: Credit Update – 4 September 2025
CapitaLand Ascendas REIT	AREIT	• AREIT reported 2H2025 results, which looks decent. • **Small growth driven by net acquisitions:** 2H2025 revenue rose by 3.9% h/h and 4.1% y/y to SGD783.8mn with net property income ("NPI") rising 4.0% h/h and 4.3% y/y to SGD544.1mn. H/h growth was mainly due to acquisition of a data centre and a business space property (5 Science Park Drive and 9 Tai Seng Drive) in Singapore in August 2025, partly offset by divestments of nine properties. For y/y growth, in addition to the factors mentioned above for h/h growth, it was also due to acquisition of a US logistics property (DHL Indianapolis Logistics Center) in January 2025, offset by divestment of one Singapore logistics property in November 2024 and a US business space property in June 2025. • **Overall decent portfolio metrics:** Rental reversion of +12.0% in 2025 significantly exceeded guidance of mid-single digit growth. Strong reversions were achieved for Singapore (+11.8%), United States (+12.3%) and Australia (+41.0%) except for United Kingdom/Europe (-0.9%). AREIT is guiding again for mid-single-digit growth in rental reversion in 2026, with 19.6% of gross rental income due for renewal in 2026. Occupancy however fell 0.4 ppts q/q to 90.9%. Part of this is because of properties that are redeveloped (e.g. 5 Toh Guan Road East, 3Q2025) or slated for redevelopment (Hawleys Lane, 2H2026). Excluding these properties, portfolio occupancy would be 91.9%. • **Valuations still holding up:** Valuations on a same-store basis rose 2.0% y/y to SGD16.6bn, led by Industrial and Data Centres (+4.0% y/y to SGD4.9bn), followed

		by Business Space and Life Sciences (+1.2% y/y to SGD7.8bn) and Logistics (+1.1% y/y to SGD3.9bn) • **A largely sustainable REIT:** An additional 72 properties were green-certified, bringing the total to 156, covering 75% of the portfolio by gross floor area. Green lease coverage by net leasable area increased to 60% (up from 54% in 2024). Six more properties were equipped with solar panels, totalling 30 properties generating 28 GWh annually. • **Manageable credit metrics:** Aggregate leverage rose 1.6 ppts q/q to 39.0%, likely due to net acquisitions made. Reported interest coverage of 3.6x looks healthy still, though inched down 0.1x h/h. (Company, OCBC) Latest report: Credit Update – 22 September 2025

CapitaLand Integrated Commercial Trust	CAPITA	• **CICT reported 2H2025 results, which looks decent.** 2H2025 revenue rose 4.7% y/y to SGD831.5mn, with net property income ("NPI") growing 6.8% y/y to SGD609.9mn. On a like for like basis, NPI grew 3.3% y/y, excluding 21 Collyer Quay and CapitaSpring, due to stronger asset performance across the portfolio.
		• **Strong portfolio statistics was recorded,** with positive rental reversion, still decent occupancy and tenant sales growth:
		  o **Both office and retail recorded +6.6% reversion.** Suburban (+7.2%) retail outperformed downtown (+6.2%). We think it is likely for rental reversions to continue around mid-single-digits going forward.
		  o **Portfolio occupancy inched down 0.3 ppts q/q to 96.9%,** mainly due to decline in office occupancy (-0.5 ppts q/q to 96.2%) due to transitional vacancy while occupancy was stable at retail (flat q/q at 98.7%) and increasing at integrated development (+0.4 ppts q/q to 97.7%).
		  o **Tenant sales grew 1.2% y/y** excluding ION Orchard (which was acquired). Leasing interest appears to remain strong, with CAPITA introducing new brands to the Singapore market and new to the portfolio.
		  o **Retention rate remained healthy,** at 83.7% for retail and 72.7% for office. Top leasing interest for retail were from Food & Beverage, Beauty & Health and Accessories while for office, the top leasing interest were from banking, insurance & financial services, IT & Telecommunications and Business Consultancy.
		• **Redeploying proceeds from sale, likely towards development/acquisition:** In mid-January 2026, CAPITA announced the sale of Bukit Panjang Plaza for SGD428.0mn while participating in development of the commercial component at Hougang Central GLS site with development value of SGD1.1bn. We believe the divestment proceeds will be used to fund the development. CAPITA also announced that it is focused on retail, office and integrated development. We think CAPITA may remain entrenched in Singapore, with its portfolio anchored in Singapore (94% by property value).
		• **Continuously improving the portfolio:** CAPITA is embarking on a new SGD25mn asset enhancement ("AEI") at Capital Tower. This follows the AEI at Tampines Mall (SGD24mn cost, ~7% ROI, completing in 3Q2026) and Lot One Shoppers Mall (SGD37mn cost, >7% ROI, completing 1Q2027).
		• **Results in 2026 likely to remain supported,** due to positive rental reversion and handover of Phase 1 of Galileo to European Central Bank in December 2025, with target handover of Phase 2 in 1Q2026. Finance costs have also fallen, with 2H2025 finance costs falling 9.1% y/y to SGD159.7mn.
		• **Valuations remain supported.** On a like-for-like basis, valuations rose for retail (+1.1% y/y to SGD9.49bn), office (+2.1% y/y to SGD9.22bn) and integrated development (+1.5% y/y to SGD6.79bn).

		• **Credit metrics looks manageable,** with aggregate leverage at 38.6% (falling 0.6 ppts q/q), while cost of debt was 3.2% (falling 0.1 ppts q/q). Reported interest coverage has been improving continuously as a result of falling cost of debt, reaching 3.7x as of 31 December 2025 (30 September 2025: 3.5x, 31 December 2024: 3.1x). With the divestment of Bukit Panjang Plaza of SGD428.0mn, aggregate leverage may fall to 37.6%, however we do not expect aggregate leverage to remain at lower levels for long given Hougang Central site (total development cost ~SGD1.1bn) and potential acquisitions. (Company, OCBC) Latest report: Credit Update – 29 October 2025
Industry Outlook – Singapore Property; City Developments Ltd	CITSP	• **SGD1,455 psf ppr bid for Tanjong Rhu site:** CITSP and Woh Hup (90:10 JV) put in a top bid of SGD709.25mn for the government land sale site. According to CITSP group CEO Sherman Kwek, the site is in a 'strategic position within the Kallang Alive precinct, combined with excellent waterfront views and good connectivity' while the CITSP-Woh Hup JV will explore a residential development comprising 520 units. • **Interest remains keen in property development:** In total, five developers had put in bids, including a partnership between Sunway MCL and Sinarmas Land, Sim Lian, GuocoLand/Hong Leong Holdings/TID Residential and Kingsford Huray. (Company, OCBC) Latest report: Credit Update – 21 March 2025
Vodafone Group PLC	VOD	• VOD provided 3QFY2026 trading update. Revenue grew 5.4% y/y; however Europe service revenue grew only 0.4% while Adjusted EBITDA after Leases ("EBITDAaL") grew only 2.3% y/y. • **Flattish organic growth:** Germany (32% of Group service revenue) service revenue grew 0.7% y/y to EUR2.73bn despite 1&1 migration. UK (23% of Group service revenue) service revenue rose 31.1% y/y to EUR1.98bn due to consolidation of Three UK's financial results as a result of the merger on 31 May 2025. However, organic service revenue declined 0.5% y/y. Other Europe (15% of Group service revenue) organic service revenue grew 1.2% while Türkiye (8% of group service revenue) service revenue fell 13.5% y/y to EUR671mn due to depreciation of the local currency. Excluding the impact of hyperinflationary accounting adjustment, service revenue grew 3.7% in euro terms. Africa (20% of Group service revenue) saw 6.2% growth in service revenue to EUR1.74bn due to growth across all Vodacom markets. • **FY2026 guidance expected to deliver at the upper end:** Adjusted EBITDAaL is expected to end the year at the upper end of the guidance of EUR11.3bn to EUR11.6bn and Adjusted free cashflow of EUR2.4-2.6bn. (Company, OCBC) Latest report: Credit Update – 4 June 2025

New Issues:

The total issuance volumes for APAC and DM IG market yesterday were USD4.59bn and USD8.05bn respectively.

Date	Issuer	Description	Currency	Size (mn)	Tenor (Yr)	Final Pricing (%)
05 Feb	CICC Hong Kong Finance 2016 MTN Ltd (guarantor: China International Capital Corp International Ltd)	FRN	USD	550	2	SOFR+ 48bps
05 Feb	CICC Hong Kong Finance 2016 MTN Ltd (guarantor: China International Capital Corp International Ltd)	FRN	USD	850	3	SOFR+ 53bps
05 Feb	Mizuho Financial Group Inc	FRN	USD	500	6.25NC5.25	SOFR+ 93bps
05 Feb	Mizuho Financial Group Inc	Fixed	USD	600	6.25NC5.25	T + 70bps
05 Feb	Mizuho Financial Group Inc	Fixed	USD	700	11.25NC10.25	T + 85bps
05 Feb	GLP Pte Ltd	Fixed	USD	500	Retap of GLP 9.75% '28s	8.95%
05 Feb	Citigroup Inc	Fixed, Perpetual, Jr Subordinated	USD	1,000	PerpNC5	6.5%
05 Feb	MPLX LP	Fixed	USD	500	30	T + 135bps
05 Feb	MPLX LP	Fixed	USD	1,000	10	T + 113bps
05 Feb	UBS Group AG	Variable	USD	2,000	Long 4NC3	T + 67bps
05 Feb	UBS Group AG	FRN	USD	500	Long 4NC3	SOFR+ 84bps
05 Feb	UBS Group AG	Variable	USD	1,250	6.5NC5.5	T + 85bps

05 Feb	UBS Group AG	Variable	USD	1,500	11.5NC10.5	T + 100bps

Mandates:

- There were no notable mandates yesterday.

Key Market Movements

	6-Feb	1W chg (bps)	1M chg (bps)
iTraxx Asiax IG	66	-1	3
iTraxx Japan	58	-0	3
iTraxx Australia	65	-1	2
CDX NA IG	52	2	3
CDX NA HY	108	-1	0
iTraxx Eur Main	52	1	2
iTraxx Eur XO	248	0	6
iTraxx Eur Snr Fin	54	0	1
iTraxx Eur Sub Fin	91	0	0
USD Swap Spread 10Y	-41	-2	-3
USD Swap Spread 30Y	-71	-4	-3
China 5Y CDS	43	-1	5
Malaysia 5Y CDS	38	-1	0
Indonesia 5Y CDS	80	4	12
Thailand 5Y CDS	37	-1	0
Australia 5Y CDS	13	0	1

	6-Feb	1W chg	1M chg
Brent Crude Spot ($/bbl)	67.9	-3.9%	11.9%
Gold Spot ($/oz)	4,843	-1.0%	7.7%
CRB Commodity Index	309	-4.4%	2.4%
S&P Commodity Index - GSCI	585	-2.2%	5.3%
VIX	21.8	29.0%	47.6%
US10Y Yield	4.19%	-5bp	2bp
AUD/USD	0.695	-0.2%	3.1%
EUR/USD	1.180	-0.5%	0.9%
USD/SGD	1.273	-0.2%	0.6%
AUD/SGD	0.885	-0.0%	-2.5%
ASX200	8,709	-1.8%	0.3%
DJIA	48,909	-0.3%	-1.1%
SPX	6,798	-2.4%	-2.1%
MSCI Asiax	974	-1.4%	1.7%
HSI	26,547	-3.1%	-0.6%
STI	4,931	0.5%	4.0%
KLCI	1,728	-0.2%	3.3%
JCI	7,874	-5.5%	-11.9%
EU Stoxx 50	5,926	0.6%	-0.1%

Source: Bloomberg