

## Daily Credit Snapshot

### Market Commentary

- Risk-on overnight was supported by hopes that the US and Iran will reach a deal to bring the current conflict in the Middle East to some sort of resolution. The US reportedly provided a one-page memorandum for Iran's consideration. Iranian authorities are in turn reported to be considering the proposal. US equities rallied, as S&P500 and NASDAQ hit record highs, closing 1.5% and 2.1% higher, respectively. Brent prices dropped almost 8% to hover just above USD101/barrel. The DXY index closed higher from the intra-day low similar to UST yields across the curve. The focus overnight was on the ADP employment change and the US Treasury Quarterly Refunding Announcement. The ADP release for April at 109k was slightly below expectations of 120k but higher compared to 62k in March. The education and health services sector saw a jump of 61k jobs followed by trade, transportation and utilities at 25k. The construction sector also added 10k jobs. By establishment size, small and large enterprises continued to hire while there was some softness in the mid-sized segment. The ADP chief economist noted that "Large companies have resources to deploy, and small ones are the nimblest, both important advantages in a complex labour environment." Fed fund futures continue to effectively price out any rate moves from the Fed this year.
- The SGD SORA OIS curve traded lower yesterday with shorter tenors trading 1-4bps lower while belly tenors traded 4-5bps lower and 10Y tenors traded 6bps lower.
- Flows in SGD corporates were light, with flows in PREHSP 5% '30s.
- US Investment Grade spreads traded flat at 77bps and US High Yield spreads tightened by 3bps to 262bps respectively.
- Bloomberg Global Contingent Capital Index tightened by 1bps to 221bps.
- Bloomberg Asia USD Investment Grade spreads tightened by 1bps to 55bps and Asia USD High Yield spreads widened by 1bps to 400bps respectively. (Bloomberg, OCBC)

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## Credit Summary:

Company	Ticker	Description
Keppel Infrastructure Trust	KITSP	<ul style="list-style-type: none"> <li>KITSP entered into a sale and purchase agreement with KCIF Investments Pte. Ltd. (“KCIF”) to buy an additional 39%-stake in Keppel Merlimau Cogen Pte Ltd (“KMC”) by buying the entire issued share capital of Kindle Energy Pte Ltd from KCIF.</li> <li>KITSP holds a 51%-direct interest in KMC and post-transaction, KITSP will hold an aggregate interest of ~90% in KMC.</li> <li>The purchase consideration for the Proposed Transaction is up to approximately SGD128.1mn.</li> <li>The funding is expected to be from a combination of internal sources of funds and/or external borrowings of KITSP. Reported net gearing as at 31 December 2025 was 38.7% and adjusted for the proposed transaction, net gearing is expected to rise to 40.6%. (Company)</li> </ul> <p>Latest report: Credit Update – 12 November 2025</p>
StarHub Ltd	STHSP	<ul style="list-style-type: none"> <li>STHSP provided 1Q2026 business performance update. <b>Results are generally weaker. Service revenue fell 3.9% y/y to SGD445.7mn while reported EBITDA fell 22.5% y/y to SGD77.7mn</b>, in-line with guidance for 2026 reported EBITDA to fall y/y by 20-25%.</li> <li><b>All segments posted declines in revenue, except for Cybersecurity:</b> <ul style="list-style-type: none"> <li><b>Mobile (revenue fell 10.9% y/y to SGD228.6mn):</b> Revenue fell due to softer roaming, VAS and SMS usage revenues, mainly due to decline in ARPU to SGD21/mth (4Q2025: SGD22/mth, 2Q2025: SGD23/mth). This partly offset by subscriber growth to 2,222k (+17k q/q, +85k since 30 June 2025), though the growth is mainly in the value segment which is likely a lower margin segment. We do not compare against 31 March figures due to consolidation of inactive Prepaid subscribers in-line with migration to new IT stack. Average monthly churn rate was 1.2% in 1Q2026.</li> <li><b>Broadband (revenue fell 8.7% y/y to SGD58.8mn):</b> Revenue fell mainly because APRU fell to SGD33/mth (4Q2025: SGD34/mth, 1Q2025: SGD36/mth) due to a shift in subscriber mix, while the number of subscribers fell 6k y/y to 568k (though this is up 3k q/q).</li> <li><b>Entertainment revenue fell 9.1% y/y to SGD45.8mn.</b></li> <li><b>Regional Enterprise down 4.8% y/y to SGD139.4mn due to timing of project recognition.</b> Managed services fell 10.8% y/y to SGD69.8mn. This is likely due to timing of project recognition as orderbook continued to record y/y growth with multi-year large-scale digital infrastructure deals, with STHSP signalling that it is capturing demand in digital infrastructure &amp; AI. Meanwhile, revenues are up for Enterprise Connectivity (1.7% y/y to SGD38.1mn) and Carrier &amp; Voice (+2.6% y/y to SGD31.5mn).</li> <li><b>Cybersecurity services revenue rose 22.4% y/y to SGD77.7mn</b> mainly due to timing of project recognition</li> </ul> </li> <li><b>Reported service EBITDA fell 21.9% y/y to SGD73.6mn</b>, mainly due to revenue decline. In addition, STHSP flagged higher opex from staff cost, R&amp;M, marketing and promotion, partially offset by lower outsourcing costs and operating leases.</li> <li><b>Credit metrics is still manageable:</b> Reported net debt to TTM EBITDA at 2.09x (31 December 2025: 2.0x) though reported free cash flow fell to SGD26.6mn (1Q2025: SGD32.0mn). (Company, OCBC)</li> </ul> <p>Latest report: Credit Update – 22 May 2025</p>

<p>United Overseas Bank Ltd</p>	<p>UOBSP</p>	<ul style="list-style-type: none"> <li>• UOBSP reported 1Q2026 results. <b>Results were largely stable</b>, with PBT rising 2% q/q to SGD1.71bn (though down 6% y/y).             <ul style="list-style-type: none"> <li>○ <b>Income rose q/q but lower y/y:</b> Net interest income fell 1% q/q to SGD2.32bn (-4% y/y), net fee income rose 2% q/q to SGD637mn (-8% y/y) while other non-interest income rose 45% q/q to SGD462mn (-17% y/y).</li> <li>○ <b>Expenses were controlled</b>, little changed q/q at SGD1.52bn (-2% y/y).</li> </ul> </li> <li>• <b>Net interest income (-0.9% q/q) dragged by lower NIM (-2 ppts q/q), with fall in loan NII partly offset by growth in interbank &amp; securities NII.</b> NII from loans fell to SGD1.85bn (-2.0% q/q, -5.8% y/y), as loan margin fell to 2.16% (-0.01 ppts q/q, -0.24 ppts y/y), in-line with prevailing rate environment. The decline is partly mitigated by the increase in NII from interbank &amp; securities to SGD479mn (+3.2% q/q, +6.4% y/y) even though NIM for interbank &amp; securities margin is unchanged q/q at 1.14% (-0.02 ppts y/y). We think that UOBSP has deployed more assets into interbank &amp; securities, with average interest bearing assets growing to SGD517bn (+2.2% q/q, +5.9% y/y).</li> <li>• <b>Net fee income was largely stable (+2% q/q), with growth in wealth while other segments were mixed.</b> Gross fee grew to SGD857mn (+1.2% q/q, -4.4% y/y). Wealth was a growth driver, with gross fees up to SGD219mn (+7.9% q/q, +2.8% y/y). Credit card fell 11.5% q/q to SGD284mn (+1.1% y/y) as UOBSP noted that this is a normalization from 4Q2025's seasonal high while loan/trade related gross fee was SGD256mn (+14.8% q/q, -17.9% y/y).</li> <li>• <b>By business segment, Group Retail and Group Wholesale posted declines in operating profit, mitigated by Global Markets.</b> <ul style="list-style-type: none"> <li>○ <b>Group Retail operating profit fell 8% y/y to SGD622mn</b>, mainly due to decline in lending and deposits (-11% y/y to SGD721mn), with declining rates and market competition. This was mitigated by wealth (+6% y/y to SGD342mn) while AUM grew 5% y/y to SGD198bn (with net new money of SGD1bn for the quarter) and growth in credit cards (+12% y/y to SGD225mn), with card billings growing 7% y/y to SGD15bn.</li> <li>○ <b>Group wholesale operating profit fell 15% y/y to SGD1.07bn, with declines from most segments except customer treasury</b> mainly due to lower rates. Income from transaction banking fell 18% y/y to SGD684mn and loans fell 9% y/y to SGD511mn, though gross loans grew 4% y/y to SGD253bn with trade loans growth of 19% y/y. Investment banking income fell 23% y/y to SGD110mn, retreating from record performance a year ago. Customer treasury was the only positive within the segment (+11% y/y to SGD165mn).</li> <li>○ <b>Global Markets total income reached a record high, with total income rising 39% q/q and +19% y/y to SGD658mn.</b> This was driven by broad-based treasury demand and liquidity/trading opportunities, with treasury non-customer at SGD364mn (4Q2025: SGD214mn, 1Q2025: SGD284mn) and treasury customer at SGD294mn (4Q2025: SGD260mn, 1Q2025: SGD272mn). Total assets of SGD162bn is 14.1% higher y/y (though SGD2bn lower q/q).</li> </ul> </li> <li>• <b>Overall loan to deposit ratio at 81.9% (+0.2 ppts q/q, -2.1 ppts y/y), CASA/deposit ratio at 57.0% (-1.4 ppts q/q, +1.9 ppts y/y).</b> The fall in y/y LDR ratio is due to wholesale deposit growth of 9% y/y to SGD219bn exceeding wholesale loan growth of 4% y/y to SGD253bn. Meanwhile, retail deposit and loans both grew 4% y/y to SGD207bn and SGD118bn respectively. CASA/deposit ratio fell q/q as CASA fell SGD6bn q/q to SGD243bn while FD&amp;Others rose 6bn q/q to SGD183bn.</li> <li>• <b>Overall asset quality was stable with NPL at 1.5%, NPA coverage at 100% (272% after collateral), credit cost at 26bps. Seemingly little impact from Iran war.</b></li> </ul>
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<p>Swiss Re AG</p>	<p>SRENVX</p>	<ul style="list-style-type: none"> <li>● SRENVX delivered USD1.5bn in net profit (+19% y/y) and above consensus expectations of USD1.2bn. The beat was driven by benign natural catastrophe, tight underwriting across all operating units and a stronger investment performance. ROE came in at 23.6%. Key segment highlights: <ul style="list-style-type: none"> <li>○ Property &amp; Casualty Reinsurance net income registered at USD754mn (+43% y/y), with a Combined Ratio improving to 79.5% (-6.5 ppt y/y).</li> <li>○ Life &amp; Health Reinsurance net income increased 12% y/y to USD491mn</li> <li>○ Corporate Solutions net income increased 26% y/y to USD262mn with a Combined Ratio of 85.1%.</li> </ul> </li> <li>● Return on Investment rose to 4.6% (+0.2% y/y), aided by recurring investment income and gains from real estate sales.</li> <li>● Management has taken a prudent approach to geopolitical volatility by setting aside additional reserves for potential inflationary effects linked to the Middle East conflict.</li> <li>● SST ratio of 252% as of 1 April 2026 keeps Swiss Re in a comfortable position to manage financial market volatility and extreme insurance events.</li> <li>● Management reaffirmed all full year 2026 targets of P&amp;C Re combined ratio of &lt;85%, Corporate Solutions combined ratio of &lt;91% and L&amp;H Re net income of USD1.7bn. (Company, Bloomberg)</li> </ul> <p>Latest report: Credit Update – 20 April 2026</p>
<p>JPMorgan Chase &amp; Co</p>	<p>JPM</p>	<ul style="list-style-type: none"> <li>● Bloomberg reported that JPM and a consortium of banks are preparing to use their balance sheet to fund USD5.3bn of debt for Qualtrics International Inc (“Qualtrics”)’ acquisition of Press Ganey Forsta.</li> </ul>

		<ul style="list-style-type: none"><li>• Qualtrics is a software company and in October 2025, announced a USD6.75bn acquisition of healthcare-experience platform Press Ganey Forsta, a private equity-backed data analytics company that specializes in healthcare.</li><li>• The consortium of banks signed firm financing commitments to Qualtrics in October 2025 at a much friendlier credit market and since then, software credit spreads have widened materially. (Bloomberg, OCBC)</li></ul> <p>Latest report: Credit Update – 23 January 2026</p>
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## New Issues:

The total issuance volumes for APAC and DM IG markets yesterday were USD5.55bn and USD10.6bn respectively.

Date	Issuer	Description	Currency	Size (mn)	Tenor (Yr)	Final Pricing (%)
06 May	Housing & Development Board	Green, Fixed	SGD	1,115	5	2.018%
06 May	Bank of East Asia Ltd/The	Fixed, Subordinated	USD	800	6NC5	T + 140bps
06 May	MGM China Holdings Ltd	Fixed	USD	750	7NC3	6.25%
06 May	Westpac Banking Corp	FRN	USD	500	2	SOFR+ 44bps
06 May	Westpac Banking Corp	FRN	USD	1,250	5	SOFR+ 71bps
06 May	Westpac Banking Corp/NY	Fixed	USD	1,250	2	T + 32bps
06 May	Westpac Banking Corp/NY	Fixed	USD	1,000	5	T + 47bps
06 May	Merrill Lynch BV (guarantor: Bank of America Corp)	FRN, Zero coupon	USD	100	2	-
06 May	Clorox Co/The	Fixed	USD	550	5	T + 70bps
06 May	Clorox Co/The	Fixed	USD	400	7	T + 80bps
06 May	Clorox Co/The	Fixed	USD	550	10	T + 90bps
06 May	Eli Lilly & Co	FRN	USD	750	2	SOFR+ 35bps
06 May	Eli Lilly & Co	Fixed	USD	750	3	T + 28bps

06 May	Eli Lilly & Co	FRN	USD	500	3	SOFR+ 46bps
06 May	Eli Lilly & Co	Fixed	USD	1,500	5	T + 40bps
06 May	Eli Lilly & Co	Fixed	USD	1,250	7	T + 48bps
06 May	Eli Lilly & Co	Fixed	USD	1,500	10	T + 55bps
06 May	Eli Lilly & Co	Fixed	USD	1,750	30	T + 68bps
06 May	Eli Lilly & Co	Fixed	USD	1,000	40	T + 80bps

## Mandates:

- Golomt Bank JSC may issue USD-denominated senior notes.
- The Government of the Hong Kong Special Administrative Region of the People’s Republic of China may issue USD-denominated senior unsecured fixed rate infrastructure notes offering.
- PT Sarana Multi Infrastruktur may issue 5Y USD-denominated senior unsecured notes.
- Korea Credit Guarantee Fund may issue USD-denominated senior unsecured bond offering (the “Notes”) with an expected tenor of 3Y FXD or FRN.

## Key Market Movements

	7-May	1W chg (bps)	1M chg (bps)		7-May	1W chg	1M chg
iTraxx Asiax IG	73	-5	-14	Brent Crude Spot (\$/bbl)	99.4	-12.8%	-9.0%
				Gold Spot (\$/oz)	4,735	2.5%	0.6%
iTraxx Japan	63	-2	-6	CRB Commodity Index	388	-1.6%	1.7%
iTraxx Australia	73	-4	-13	S&P Commodity Index - GSCI	735	-4.3%	-5.4%
CDX NA IG	53	-2	-7	VIX	17.6	4.0%	-31.9%
CDX NA HY	107	1	2	US10Y Yield	4.33%	-4bp	4bp
iTraxx Eur Main	56	-3	-11				
iTraxx Eur XO	275	-18	-59	AUD/USD	0.726	0.8%	4.1%
iTraxx Eur Snr Fin	59	-4	-13	EUR/USD	1.177	0.3%	1.5%
iTraxx Eur Sub Fin	96	-8	-27	USD/SGD	1.266	0.6%	1.3%
				AUD/SGD	0.919	-0.2%	-2.7%
USD Swap Spread 10Y	-41	4	4	ASX200	8,878	2.5%	1.7%
USD Swap Spread 30Y	-73	5	4	DJIA	49,911	2.1%	7.1%
				SPX	7,365	3.2%	11.3%
China 5Y CDS	42	-2	-8	MSCI Asiax	1,116	6.7%	18.0%
Malaysia 5Y CDS	37	-2	-8	HSI	26,626	2.0%	6.0%
Indonesia 5Y CDS	86	-6	-10	STI	4,945	1.7%	-0.3%
Thailand 5Y CDS	52	-3	-7	KLCI	1,762	2.4%	5.1%
Australia 5Y CDS	13	0	-1	JCI	7,160	0.8%	2.7%
				EU Stoxx 50	6,051	2.9%	7.4%

Source: Bloomberg

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