

## Daily Credit Snapshot

### Market Commentary

- US equities closed higher on Thursday, despite renewed hostilities between the US and Iran. A prolonged conflict in the Middle East raises concerns about inflationary pressures. The S&P500, Dow and Nasdaq rose between 0.3% and 1.3% (S&P500: +0.8%; Dow: +0.3%; Nasdaq: +1.3%). Regarding the Middle East, President Trump said he still does not know whether the US and Iran are sliding back into full-scale war, though he insisted Tehran "badly" wants a deal to halt the escalation. Tanker traffic through the Strait of Hormuz has since collapsed to just 13 crossings on Wednesday, compared to a 33-per-day average the prior week, according to Kpler. Meanwhile, the US Department of Treasury reimposed sanctions that had been part of last month's ceasefire deal. Sales of Iranian oil, which had been authorized through 21 August, are now only allowed until 17 July. The IMF sharply cut its 2026 Middle East and Central Asia region growth forecast by 1.2 percentage points to 0.7%, citing the prolonged closure of the Strait of Hormuz. On the data front, it was a light calendar. US initial jobless claims declined by 0.9% to 215k (consensus: 220k) for the week ending 4 July. Meanwhile, continuing claims rose by 0.4% to 1814k (consensus: 1814k) for the week ending 27 June, the highest since late March.
- The SGD SORA OIS curve traded lower yesterday with shorter tenors trading 2-3bps lower, belly tenors trading 2bps lower, and the 10Y tenor trading 3bps lower.
- Flows in SGD corporates were heavy, with flows in FWDGHD 3.18% '32s, OLGSP 5.375%-PERP, PSASP 2.23% '35s, BACR 4.65%-PERP.
- US Investment Grade spreads widened by 1 bps to 74bps, and US High Yield spreads traded flat at 264bps. Bloomberg Global Contingent Capital Index widened by 2bps to at 209bps.
- Bloomberg Asia USD Investment Grade widened by 1bps to 55bps, and the Asia USD High Yield spreads widened by 7bps to 346bps. (Bloomberg, OCBC)

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## Credit Summary:

Company	Ticker	Description
PT Pertamina Persero	PERTIJ	<ul style="list-style-type: none"><li>• Pertamina will explore opportunities with Boeing to develop Indonesia's sustainable aviation fuel ecosystem as the country seeks to cut emissions and expand cleaner fuel production, the state-owned energy company says in a statement late Wednesday.</li><li>• MoU signed by Pertamina President Director Simon Aloysius Mantiri and Boeing Indonesia Managing Director Indra Duivenvoorde on Wednesday in Jakarta. (Bloomberg)</li></ul> <p>Latest report: Credit Update – 1 July 2025</p>

### New Issues:

- The total issuances in the APAC and DM IG markets respectively were USD300mn and USD2.05bn (prior day: USD150mn and USD5.1bn respectively). (Bloomberg, OCBC)

Date	Issuer	Description	Currency	Size (mn)	Tenor (Yr)	Final Pricing (%)
09 Jul	International Bank for Reconstruction & Development	Sustainability, Fixed	SGD	200	5	1.97%

### Mandates:

- There are no notable mandates today.

## Key Market Movements

	10-Jul	1W chg (bps)	1M chg (bps)		10-Jul	1W chg	1M chg
iTraxx Asiax IG	69	1	-5	Brent Crude Spot (\$/bbl)	76.2	5.7%	-18.2%
				Gold Spot (\$/oz)	4,113	-1.5%	1.0%
iTraxx Japan	60	0	-2	CRB Commodity Index	369	4.1%	-1.3%
iTraxx Australia	69	1	-4	S&P Commodity Index - GSCI	640	3.7%	-6.7%
CDX NA IG	51	0	-2	VIX	15.8	-4.5%	-28.7%
CDX NA HY	108	-0	0	US10Y Yield	4.53%	5bp	-2bp
iTraxx Eur Main	51	1	-3				
iTraxx Eur XO	244	3	-22	AUD/USD	0.695	0.1%	-0.7%
iTraxx Eur Snr Fin	54	1	-3	EUR/USD	1.144	0.0%	-0.8%
iTraxx Eur Sub Fin	88	1	-6	USD/SGD	1.291	0.1%	-0.3%
				AUD/SGD	0.897	-0.0%	0.5%
USD Swap Spread 10Y	-42	-0	-1	ASX200	8,806	-0.4%	1.8%
USD Swap Spread 30Y	-75	0	-2	DJIA	52,487	0.3%	5.1%
				SPX	7,544	0.8%	3.8%
China 5Y CDS	37	-0	-3	MSCI Asiax	1,110	-2.7%	0.6%
Malaysia 5Y CDS	37	-0	2	HSI	24,261	3.9%	-0.6%
Indonesia 5Y CDS	92	3	-4	STI	5,467	4.2%	10.2%
Thailand 5Y CDS	42	2	-7	KLCI	1,694	0.9%	0.9%
Australia 5Y CDS	13	-0	-0	JCI	5,912	0.6%	0.2%
				EU Stoxx 50	6,284	-2.0%	4.6%

Source: Bloomberg

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