

Daily Credit Snapshot

Market Commentary

- AI-related disruption risks continued to ripple through markets on Tuesday, with wealth management stocks coming under pressure after a tech startup launched an AI tool aimed at automating tax-strategy formulation. Investors reacted much as they have in previous episodes—by aggressively de-risking exposure to traditional advisory models. Raymond James Financial fell 8.8%, its worst session since March 2020, while Charles Schwab slid 7.4% and LPL Financial dropped 8.3%, both marking their weakest performances since April. Growing concerns that AI-powered applications could materially erode fee-based business models are increasingly spilling beyond software and into broader segments of the financial services sector. On the macro front, U.S. retail sales data disappointed. The Census Bureau reported that headline retail sales were flat MoM in December, well below the 0.4% consensus expectation. October sales were revised down to a 0.2% MoM contraction from a previously reported 0.1% decline. By category, receipts at auto dealerships fell 0.2%, furniture and home furnishing stores declined 0.9%, and electronics and appliance store sales slipped 0.4%. Spending at food services and drinking places—the only services component in the report and a key proxy for discretionary demand—also edged down 0.1%. Core retail sales (excluding autos, gasoline, building materials and food services) declined 0.1% MoM in December, following a downwardly revised 0.2% increase in November. Taken together, the December contraction and November revision point to a loss of momentum in consumer spending toward year-end. Reflecting this softer data flow, the Atlanta Fed lowered its 4Q GDP growth estimate to 3.7% QoQ (annualized) from 4.2%. The government is scheduled to release its delayed advance estimate of 4Q GDP next week.
- The SGD SORA OIS curve traded lower yesterday with shorter tenors trading flat to 1bps lower while belly tenors traded 1-3bps lower and 10Y traded 3bps lower.
- Flows in SGD corporates were moderate, with flows in STANLN 4.3%-PERP, HSBC 5%-PERP, SIASP 2.7% '36s.
- Global Investment Grade spreads widened by 2bps to 76bps and Global High Yield spreads traded flat at 267bps respectively.
- Bloomberg Global Contingent Capital Index widened by 2bps to 224bps.
- Bloomberg Asia USD Investment Grade spreads widened by 1bps to 59bps and Asia USD High Yield spreads widened by 2bps to 351bps respectively. (Bloomberg, OCBC)

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Credit Summary:

Company	Ticker	Description
Barclays PLC	BARC	<ul style="list-style-type: none"> • BARC reported FY2025 profit attributable to shareholders of GBP6.18bn (+16.2 y/y), driven by stronger revenue across all business segments. Revenue in the Investment Bank unit grew by 10.6% to GBP13.06bn, representing the largest segment by revenue and a key driver of overall growth. UK Corporate Bank delivered the strongest growth at +16% y/y, with revenue rising to GBP2.06bn. • BARC set aside GBP2.38bn in loan loss provision for FY2025 (+15.4% y/y), with US consumer bank as the largest contributor at GBP1.5bn (+17.6% y/y), reflecting continued credit normalisation in the US consumer portfolio. Management maintained its full-year loan loss rate guidance for 2026 to be in the 0.5% to 0.6% range. • Asset quality remained resilient despite weak UK economic growth, with the US card book remaining stable. Overall, NPL ratio remained stable at 1.2%, while NPL Coverage improved to 32.6% in FY25. • CET1 increased to 14.3% in FY25 (FY24: 13.6%), at the top end of the bank's 13-14% target range. CET1 buffer increased to 2.1% in FY2025 (FY2024: 1.6%). BARC aims to return more than GBP15bn to shareholders over 2026-2028. (Company, OCBC) <p>Latest report: Credit Update – 4 September 2025</p>
BP p.l.c	BPLN	<ul style="list-style-type: none"> • BPLN announced its 4Q2025 results. BP reported underlying replacement cost ("RC") profit for 4Q2025 at USD1.54bn (3Q2025: USD2.21bn and 4Q2024: USD1.17bn). The q/q decline was driven by lower upstream realisations, adverse impact of upstream production mix, lower refinery throughputs due to higher turnaround activity and the temporary impact of reduced capacity following an outage at one of the refineries and seasonally lower customer volumes, partly offset by lower exploration write offs. • BPLN reported a loss of the quarter of USD3.42bn in 4Q2025, compared to a profit of USD1.16bn for 3Q2025 (3Q2024: loss of USD1.96bn). This factors in inventory holding loss and a net adverse impact of adjusting items which include impairments mainly related to its transition business within its Gas & Low Carbon Energy Segment • Reported net debt reduced to USD22.18bn as at 31 December 2025 (30 September 2025: USD26.05bn and 31 December 2024: USD23.0bn) within the range as previously guided by the company, driven by the impact of proceeds from divestments of ~USD3.6bn, partly offset by the USD0.6bn deferred payment for the bp Bunge Bioenergia acquisition. • BPLN has announced that it will be suspending its share buyback to allocate excess cash to strengthen its balance sheet. BPLN continues to target to improve its credit metrics within a A-grade credit range (by external global rating agencies) and is also targeting for reported net debt to be between USD14bn to USD18bn by end-2027. • We view the announcement as a clear step toward strengthening the issuer's credit profile and maintain our constructive outlook on BPLN's credit profile. (Company, OCBC) <p>Latest report: Credit Update – 15 March 2024</p>

<p>CapitaLand Investment Ltd</p>	<p>CLIVSG</p>	<ul style="list-style-type: none"> • Core earnings are mostly stable, however 2025 results are dragged by revaluation losses and impairment, CLIVSG reported 2025 results. Excluding CapitaLand Ascott Trust (“ARTSP”) which was deconsolidated, revenue was stable y/y at SGD2.13bn. Reported EBITDA fell 29% y/y to SGD735mn, mainly due to SGD425mn revaluation losses and impairment under the Real Estate Investment Business (“REIB”). • Excluding ARTSP, reported EBITDA still inched down due to one-off factors, including divested properties in Singapore, USA and China while stakes were reduced in CapitaLand Integrated Commercial Trust (“CAPITA”) and CapitaLand Ascendas REIT (“AREIT”) while there were higher mark-to-market derivatives and foreign exchange losses from the REITs due to the stronger SGD. <ul style="list-style-type: none"> ○ Excluding ARTSP, REIB reported operating EBITDA fell by 2.1% y/y to SGD742mn. This was mainly due to lower contribution from listed funds (-6.5% y/y to SGD414mn) due to higher mark to market derivatives and foreign exchange losses and decline in share of profits as REIT stakes fell. Meanwhile, private funds grew (+SGD3mn y/y to SGD121mn) due to fee contributions from new funds (e.g. credit). Despite divestments of properties such as Dalian IT Park in 2025, US multifamily, ION and Suzhou iHub in 2024, balance sheet investments rose SGD10mn y/y to SGD207mn due to higher contribution from ARTSP master leases. ○ Fee related Income Business (“FRB”) reported operating EBITDA inched down to SGD432mn (2024: SGD436mn). While listed funds contributed more, CLIVSG incurred higher growth expenses incurred by private funds and lodging management – which we think is likely linked to the growth in FUM, new funds and increase in lodging assets in the pipeline. • Funds under Management (“FUM”) grew y/y to SGD125bn (end-2024: SGD117bn). Listed funds grew SGD5bn y/y due to the listing of CapitaLand Commercial C-REIT, growth from existing portfolios, SGD3.7bn acquisitions (including Wingate, SC Capital Partners) with SGD1.6bn equity raised. Meanwhile, private funds grew SGD3bn with larger follow-on funds and contributions from platform acquisitions. • Losses from China impacted revaluation: CLIVSG took valuation losses of SGD545mn from China, due to revaluation losses on its investment properties which was impacted by lower rental rates and occupancies. This outweighed the positive valuation gains from other geographies, resulting in SGD436mn aggregate fair value loss in the entire portfolio. • Credit metrics remain manageable, with reported net debt to equity of 0.43x (2024: 0.35x). Reported interest coverage ratio improved to 4.2x (2024: 3.7x) with interest cost declining to 3.9% in 2025 (2024: 4.4%). We think reported interest coverage may continue to improve as cost of debt may fall due to lower interest rates. Even though CLIVSG highlighted that it has SGD6.4bn of debt headroom, and will evaluate and pursue opportunities to expand and grow organically, CLIVSG also highlighted that capital recycling will accelerate. Even while CLIVSG is looking to grow its FUM to SGD200bn still, we think CLIVSG may continue to par down assets from its REIB segment. (Company, OCBC) <p>Latest report: Credit Update – 29 September 2025</p>
<p>Commerzbank AG</p>	<p>CMZB</p>	<ul style="list-style-type: none"> • CMZB provided a preview of its 2025 performance announcing a net result of EUR2.63bn, slightly lower than 2024 (EUR2.68bn) due to ongoing restructuring expenses but still above its original 2025 growth target. The net result before restructuring rose 13% y/y to a record EUR3bn. • The bank announced a further share buyback of up to EUR540mn commencing 12 February 2026, bringing total 2025 capital returns to EUR2.7bn.

		<ul style="list-style-type: none"> CMZB is due to announce its preliminary results later today. (Company) <p>Latest report: Credit Update – 4 September 2025</p>
<p>Commonwealth Bank of Australia</p>	<p>CBA</p>	<ul style="list-style-type: none"> CBA reported 1HFY2026 results (six months to 31 Dec 2025) with statutory and cash net profit after tax (“NPAT”) of AUD5.37bn and AUD5.45bn, up 5% and 6% y/y and up 8% and 6% h/h, respectively. Pre provision cash profit rose 5% y/y to AUD8.13bn. Net interest income (“NIM”) remained the main cash earnings driver at AUD12.70bn (+6% y/y; +5% h/h). Group NIM was 2.04% (4bps y/y and h/h). Underlying NIM edged lower on home loan competition and softer Treasury & Markets, partly offset by higher replicating portfolio earnings and favourable deposit mix from at call growth. Average interest earning assets increased 8% y/y (+5% h/h) to AUD1.23tn. Underlying operating expenses (“opex”) were AUD6.72bn (+5% y/y; +3% h/h), reflecting wage inflation and continued franchise investment; headline opex was AUD6.89bn (+8% y/y; +4% h/h) including notable items (legal, remediation). Investment spend rose 10% y/y to AUD1.21bn, focused on technology modernisation and GenAI capabilities; cost to income was 44.7% on an underlying basis (45.9% headline). Credit quality was solid: loan impairment expense of AUD319mn (flat y/y; 21% h/h) translated to a loan loss rate of 6bps. Home loan 90+ day arrears fell 7bps h/h; 87% of home loan customers are ahead of schedule. Provision coverage remained strong at 1.55% of credit RWA, with an estimated ~AUD2.8bn buffer above the central scenario. Capital and liquidity remained robust. The APRA CET1 ratio was 12.3% (flat h/h; +10bps y/y), and 18.3% on an internationally comparable basis. Funding also remains well positioned with the Liquidity Coverage Ratio at 132% and Net Stable Funding Ratio at 117%. CBA remains cautiously optimistic. Management notes resilient domestic demand, rising AI and energy infrastructure investment, and a strong labour market; however, persistent inflation could keep rates elevated for longer. The Bank will continue supporting customer resilience while investing in technology, fraud and cyber protection. CBA’s capital, funding, asset quality and business franchise remain sound in our view. (Company, OCBC) <p>Latest report: Credit Update – 10 June 2025</p>
<p>Fraser and Neave Ltd</p>	<p>FNNSP</p>	<ul style="list-style-type: none"> FNNSP reported 1QFY2026 results for the quarter ended 31 December 2025. Core results were decent, with reported PBIT up 7.6% y/y to SGD98.8mn though revenue fell 4.1% y/y to SGD592.9mn. Profit was driven by Beverages, supported by improved Beer margins: While Beverages revenue fell 5% y/y to ~SGD208mn, impacted by timing of Chinese New Year and lower beer volume, Beverages reported profit grew 98% y/y to ~SGD31mn as beer earnings more than doubled on TAPPER-led margin improvement, which cushioned weaker Soft Drinks performance. Dairies results were softer, with reported profit falling 13% y/y ~SGD64mn. This is due to lower Dairies revenue which fell 5% y/y to ~SGD314mn due to softer demand in Indochina markets, partially offset by Malaysia School Milk Programme and favourable forex translation. Reported profit fell more than revenue due to higher A&P, and unfavourable mix, partially offset by a higher share of profit from Vinamilk, which was underpinned by stronger operating performance and revenue growth, despite forex headwinds.

		<ul style="list-style-type: none"> • P&P losses narrowed to a marginal figure (<1% of SGD98.8mn reported PBIT), supported by stronger Education performance and a higher-margin sales mix, and a leaner cost structure in Print. • Progress on expansion and acquisition: <ul style="list-style-type: none"> ○ F&N Agrivalley is producing more milk, and still scaling up: FNNSP has more than 7,000 cattle at the facility after receiving another shipment of 2,500 dairy cattle in November 2025. When fully operational, the farm will support 20,000 milking cows producing up to 200mn liters of fresh milk p.a. ○ New dairy facility construction in progress in Cambodia, with operations expected to begin in 1Q2026. ○ 4.6% of Vinamilk purchased for SGD296mn, lifting FNNSP's stake to 24.99%, which is below 25% tender offer threshold. FNNSP does not intend to increase its stake beyond 25%. • Credit metrics look manageable still: Reported gearing levels rose to 27.5% (end-FY2025: 21.8%), mainly due to Vinamilk acquisition. We expect FNNSP to look to refinance as cash of SGD363.5mn is less than SGD513.8mn debt maturing in a year. (Company, OCBC) <p>Latest report: Credit Update – 6 June 2025</p>
<p>Wing Tai Holdings Ltd</p>	<p>WINGTA</p>	<ul style="list-style-type: none"> • WINGTA reported 1HFY2026 results ended 31 December 2025. • Better earnings from property sales: Revenue grew 140% y/y to SGD112.7mn due to higher contribution from progressive sales recognised from River Green and The LakeGarden Residences in Singapore. Hence, operating profit (excluding share of profits of associates and JVs) rose 564% y/y to SGD24.8mn. Meanwhile, share of profits of associates and JVs rose 16% y/y to SGD38.5mn due primarily to better performance of Uniqlo in Singapore and Malaysia. EBITDA including dividends from JVs and associates and excluding other gains and share of JV results ("Adjusted EBITDA") rose 80% y/y to SGD41.0mn. • Improved credit metrics: As of 31 December 2025, WINGTA's net debt fell to SGD425.3mn (June 2025: SGD831.5mn) due largely to (1) the repayment of bank loans for development properties and (2) disposal of equity financial assets (~SGD108mn). Net debt/equity ratio improved meaningfully to 14.0% (June 2025: 28.6%). Net debt/Adjusted EBITDA improved to 5.2x (FY2025:11.7x) amidst better earnings and lower net debt. Adjusted EBITDA/interest expense improved to 3.6x (FY2025: 1.6x). • Stable outlook of WINGTA is supported by exceptional sales of River Green and stabilisation of HK housing markets (for its 34.1%-owned associate - Wing Tai Properties Limited). We expect WINGTA's results to be supported by (1) conservative financial policy and gearing (2) meaningful dividend contributions from JVs and associates (primarily Uniqlo), (3) sales from LakeGarden Residences (91% of 306 units sold) and River Green (92% of 524 units sold) and (4) Investment Properties (57% of total assets). (Company, OCBC) <p>Latest report: Credit Update – 19 September 2025</p>

New Issues:

The total issuance volumes for APAC and DM IG market yesterday were USD700mn and USD11.3bn respectively.

Date	Issuer	Description	Currency	Size (mn)	Tenor (Yr)	Final Pricing (%)
10 Feb	CDL Hospitality Real Estate Investment Trust	Variable, Perpetual	SGD	100	PerpNC5.5	4%
10 Feb	Central Nippon Expressway Co Ltd	Green, Fixed	USD	500	5	MS + 62bps
10 Feb	Cencora Inc	Fixed	USD	500	3	T + 48bps
10 Feb	Cencora Inc	Fixed	USD	500	5	T + 60bps
10 Feb	Cencora Inc	Fixed	USD	500	7	T + 70bps
10 Feb	Cencora Inc	Fixed	USD	1,000	10	T + 80bps
10 Feb	Cencora Inc	Fixed	USD	500	30	T + 90bps
10 Feb	Walt Disney Co/The (guarantor: TWDC Enterprises 18 Corp)	Fixed	USD	1,000	3	T + 28bps
10 Feb	Walt Disney Co/The (guarantor: TWDC Enterprises 18 Corp)	FRN	USD	500	3	SOFR+ 47bps
10 Feb	Walt Disney Co/The (guarantor: TWDC Enterprises 18 Corp)	Fixed	USD	1,500	5	T + 40bps
10 Feb	Walt Disney Co/The (guarantor: TWDC Enterprises 18 Corp)	Fixed	USD	1,000	10	T + 58bps
10 Feb	Sysco Corp	Fixed	USD	600	5	T + 70bps
10 Feb	Sysco Corp	Fixed	USD	650	10	T + 85bps

Mandates:

- There were no notable mandates yesterday.

Key Market Movements

	11-Feb	1W chg (bps)	1M chg (bps)		11-Feb	1W chg	1M chg
iTraxx Asiax IG	65	-2	-1	Brent Crude Spot (\$/bbl)	69.3	-0.2%	9.5%
				Gold Spot (\$/oz)	5,048	1.7%	9.8%
iTraxx Japan	57	-0	2	CRB Commodity Index	308	-0.6%	2.3%
iTraxx Australia	65	0	-1	S&P Commodity Index - GSCI	588	-1.0%	5.0%
CDX NA IG	51	1	2	VIX	17.8	-1.2%	22.8%
CDX NA HY	108	-0	0	US10Y Yield	4.14%	-12bp	-2bp
iTraxx Eur Main	51	-0	1				
iTraxx Eur XO	241	-6	1	AUD/USD	0.712	1.7%	6.0%
iTraxx Eur Snr Fin	53	-0	0	EUR/USD	1.191	0.8%	2.0%
iTraxx Eur Sub Fin	90	-0	-0	USD/SGD	1.264	0.7%	1.8%
				AUD/SGD	0.899	-0.9%	-4.0%
USD Swap Spread 10Y	-40	-1	-5	ASX200	8,997	0.8%	3.2%
USD Swap Spread 30Y	-69	-2	-5	DJIA	50,188	1.9%	1.4%
				SPX	6,942	0.3%	-0.4%
China 5Y CDS	42	-2	-0	MSCI Asiax	1,000	1.1%	5.8%
Malaysia 5Y CDS	37	-1	-2	HSI	27,309	1.7%	4.1%
Indonesia 5Y CDS	77	0	5	STI	4,979	0.3%	4.9%
Thailand 5Y CDS	37	0	-1	KLCI	1,751	0.4%	3.8%
Australia 5Y CDS	13	0	1	JCI	8,196	0.6%	-8.3%
				EU Stoxx 50	6,047	0.9%	0.8%

Source: Bloomberg

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