By Global Markets | 14 July 2026

# Daily Credit Snapshot

## Market Commentary

- Geopolitical risks returned to centre stage as President Trump confirmed that the US would impose a blockade on the Strait of Hormuz and levy a 20% surcharge on goods transiting the waterway. Reports also suggested that the US had launched further strikes against Iran, while Iranian military officials responded by stating that they would target US assets and commercial vessels, further raising risks for ships attempting to transit the strait. Brent crude surged more than 9% on Monday, rallying from around USD77/bbl at the open to an intraday high of USD83.86/bbl. Risk assets came under selling pressure as sentiment was further weakened by Fed Governor Waller's hawkish remarks, alongside markets positioning ahead of the US core CPI release and Fed Chair Kevin Warsh's testimony. Governor Waller said that a rate hike should remain on the table if this week's inflation data come in hotter than expected, although the preferred course would be to keep rates on hold if inflation remains well behaved. Major US equity indices ended the day between 0.26% and 1.55% lower, while US Treasuries weakened as markets priced in a 43%-44% probability of a Fed rate hike this month. The US dollar was marginally firmer, although moves across the major currency pairs remained relatively modest. Elsewhere, reports that Japan has no plans to overhaul pension fund allocations to boost domestic asset holdings weighed on the yen and pushed JGB yields lower. On the data front, New Zealand's Performance of Services Index (PSI) rose 2.6 points to 50.6 in June, the highest reading since December, driven largely by an increase in new orders. Meanwhile, Singapore's 2Q26 GDP expanded 5.7% y/y, exceeding the consensus forecast of 5.5%.

- The SGD SORA OIS curve traded higher yesterday with shorter tenors trading 1bps higher, belly tenors trading 2bps higher, and the 10Y tenor trading 2bps higher.

- Flows in SGD corporates were heavy, with flows in OLGPSP 5.375%-PERP, BACR 4.65%-PERP.

- US Investment Grade spreads widened by 1 bps to 77bps, and US High Yield spreads widened by 3bps to 266bps. Bloomberg Global Contingent Capital Index tightened by 3bps to at 204bps.

- Bloomberg Asia USD Investment Grade tightened by 1bps to 53bps, and the Asia USD High Yield spreads tightened by 4bps to 337bps. (Bloomberg, OCBC)

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

**Credit Summary:**

| Company | Ticker | Description |
|---|---|---|
| Keppel Ltd | KEPSP | • KEPSP through its Connectivity Division has signed an Indefeasible Right of Use ("IRU") agreement with a global leading hyperscaler for the final remaining fibre pair on the Bifrost Cable System ("Bifrost"). All five fibre pairs in KEPSP's Bifrost portfolio has been committed at an estimated total contract value of ~USD1.3bn (~SGD1.7bn), including recurring income from cable operations and maintenance over 25 years.<br>• KEPSP is pursuing and evaluating two new cable systems (from Singapore to the Middle East with branches across South Asia) and from Singapore to Japan through the South China Sea (branches across ASEAN), together with its private funds and listed trusts. (Company)<br><br>Latest report: Credit Update – 30 April 2026 |
| Suntec Real Estate Investment Trust | SUNSP | • Suntec Trust Management Limited, the REIT Manager of SUNSP announced the appointment of Madam Chen Huaian @ Celine Tang as Chairperson, Non-Executive Director and a member of the Nominating and Remuneration Committee. With this announcement, Mr Lock Wai Han will cease to be the Interim Chairperson, though Mr Lock remains as Non-Executive Director.<br>• In March 2026, Acrophyte Asset Management Pte. Ltd ("Acrophyte", controlled by Mr Gordon Tang (Ms Celine Tang's spouse)) bought ESR Group Limited's 100% indirect interest in the SUNSP REIT Manager. The Tang family collectively own a ~36% equity stake in SUNSP and is the single largest unitholder group. The second largest unitholder is SUNSP is Hongkong Land Holdings Ltd ("HKLSP")'s, with HKLSP recently purchasing a 10.8%-stake in SUNSP. SUNSP is currently undergoing a strategic review. (Company, OCBC)<br><br>Latest report: Credit Update – 26 January 2026 |
| Santos Ltd | STOAU | • STOAU is opposing the Australian federal government's draft domestic gas reservation scheme. Under the proposal, LNG ventures will need to supply ~20% of their exports into the domestic market from mid-2027 with an intention to create an oversupply in the domestic market to reduce gas prices.<br>• Per STOAU, the draft policy is retrospective rather than prospective and would force LNG exporters with rights to export contracted gas to forfeit those rights from 1 July 2027. The company adds that rules are being changed for companies who have committed significant capex and who have added value through job creation and contribution to economic development. Gas producing companies have warned that this would deter investment in new fields, leading to shortages and higher prices in the future. Australia's main gas export customers have also opined that the proposed scheme would negatively impact their investments in Australia and endanger their long-term energy security.<br>• STOAU is supportive of the principle of a reserve policy and continues to supply the domestic market, though urging for a more flexible reserve policy that reserves gas over several years and that requires reserved gas to be |

| | | |
|---|---|---|
| | | made available to domestic buyers on commercial terms rather than on a "must sell" basis. (Australian Financial Review)<br><br>Latest report: Credit Update – 16 April 2025 |

**New Issues:**

- The total issuances in the APAC and DM IG markets respectively were USD5.6bn and USD3.3bn yesterday (prior day: zero and USD491mn respectively). (Bloomberg, OCBC)

| Date | Issuer | Description | Currency | Size (mn) | Tenor (Yr) | Final Pricing (%) |
|---|---|---|---|---|---|---|
| 13 Jul | Export-Import Bank of Korea | Green, Fixed | USD | 1,000 | 3 | T + 18bps |
| 13 Jul | Export-Import Bank of Korea | Fixed | USD | 1,000 | 5 | T + 21bps |
| 13 Jul | Korea Electric Power Corp | Green, FRN | USD | 400 | 3 | SOFR+ 62bps |
| 13 Jul | Korea Electric Power Corp | Green, Fixed | USD | 300 | 5 | T + 50bps |
| 13 Jul | Mitsubishi HC Finance America LLC (guarantor: Mitsubishi HC Capital Inc) | Fixed | USD | 500 | 5 | T + 83bps |
| 13 Jul | Mitsubishi UFJ Financial Group Inc | FRN | USD | 400 | 4NC3 | SOFR+ 84bps |
| 13 Jul | Mitsubishi UFJ Financial Group Inc | Fixed | USD | 500 | 4NC3 | T + 67bps |
| 13 Jul | Mitsubishi UFJ Financial Group Inc | FRN | USD | 500 | 6NC5 | SOFR+ 107bps |
| 13 Jul | Mitsubishi UFJ Financial Group Inc | Fixed | USD | 600 | 6NC5 | T + 82bps |
| 13 Jul | Mitsubishi UFJ Financial Group Inc | Fixed | USD | 500 | 11NC10 | T + 95bps |
| 13 Jul | Mitsubishi UFJ Financial Group Inc | Fixed | USD | 500 | 21NC20 | T + 93bps |

| | | | | | | |
|---|---|---|---|---|---|---|
| 13 Jul | SMBC Aviation Capital Finance DAC (guarantor: SMBC Aviation Capital Ltd) | Fixed | USD | 650 | 3 | T + 70bps |
| 13 Jul | SMBC Aviation Capital Finance DAC (guarantor: SMBC Aviation Capital Ltd) | Fixed | USD | 750 | 5 | T + 85bps |
| 13 Jul | SMBC Aviation Capital Finance DAC (guarantor: SMBC Aviation Capital Ltd) | Fixed | USD | 600 | 10 | T + 112bps |
| 13 Jul | HEICO Corp | Fixed | USD | 550 | 5 | T + 60bps |
| 13 Jul | HEICO Corp | Fixed | USD | 650 | 10 | T + 80bps |

**Mandates:**

- There are no notable mandates today.

## Key Market Movements

| | 14-Jul | 1W chg (bps) | 1M chg (bps) |
|---|---|---|---|
| iTraxx Asiax IG | 69 | 1 | 1 |
| | | | |
| iTraxx Japan | 60 | 0 | 2 |
| iTraxx Australia | 70 | 2 | 1 |
| CDX NA IG | 52 | 1 | 2 |
| CDX NA HY | 108 | -0 | -0 |
| iTraxx Eur Main | 53 | 2 | 1 |
| iTraxx Eur XO | 249 | 8 | 1 |
| iTraxx Eur Snr Fin | 55 | 1 | 1 |
| iTraxx Eur Sub Fin | 89 | 2 | 3 |
| | | | |
| | | | |
| USD Swap Spread 10Y | -43 | -1 | -3 |
| USD Swap Spread 30Y | -76 | -2 | -7 |
| | | | |
| China 5Y CDS | 37 | -0 | -2 |
| Malaysia 5Y CDS | 37 | 0 | 2 |
| Indonesia 5Y CDS | 90 | 0 | 3 |
| Thailand 5Y CDS | 41 | 1 | -1 |
| Australia 5Y CDS | 14 | 1 | 1 |
| | | | |

| | 14-Jul | 1W chg | 1M chg |
|---|---|---|---|
| Brent Crude Spot ($/bbl) | 87.1 | 17.5% | -0.2% |
| Gold Spot ($/oz) | 4,021 | -2.1% | -6.7% |
| CRB Commodity Index | 374 | 3.4% | 1.5% |
| S&P Commodity Index - GSCI | 657 | 4.1% | -1.5% |
| VIX | 17.4 | 7.6% | -1.8% |
| US10Y Yield | 4.62% | 7bp | 14bp |
| | | | |
| AUD/USD | 0.695 | 0.3% | -1.8% |
| EUR/USD | 1.140 | -0.1% | -1.6% |
| USD/SGD | 1.293 | 0.0% | -0.8% |
| AUD/SGD | 0.898 | -0.3% | 1.0% |
| | | | |
| ASX200 | 8,808 | 0.1% | 0.1% |
| DJIA | 52,499 | -1.1% | 2.5% |
| SPX | 7,515 | -0.3% | 1.1% |
| MSCI Asiax | 1,091 | -2.3% | -3.8% |
| HSI | 24,341 | 3.6% | -1.5% |
| STI | 5,494 | 2.8% | 9.3% |
| KLCI | 1,720 | 2.2% | 2.2% |
| JCI | 6,040 | 0.9% | 0.5% |
| EU Stoxx 50 | 6,224 | -1.5% | 0.6% |

*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.