Daily Credit Snapshot

Market Commentary

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- US equities rebounded on Thursday, snapping a three-day losing streak, with all three major indices advancing between 0.6% and 1.7% (S&P500: +1.1%; Dow: +0.6%; NASDAQ: +1.7%). Meanwhile, Brent crude settled ~1% lower at USD104.8/bbl. Lower global oil prices supported sentiment following the Fed's policy decision on Wednesday, although Middle East supply risks remain elevated. Central bank decisions remained in focus. The Bank of England (BoE) kept its policy Rate unchanged at 3.75%, with the vote split remaining at 6–3. The three dissenters were again Greene, Mann and Pill who preferred a 25bp increase to 4.00%. The MPC noted that "protracted conflict in the Middle East has contributed to further increases in crude and refined energy prices since the previous meeting." Importantly, the Bank revised its near-term inflation outlook higher, with CPI inflation now expected to rise to around 3.75% in 4Q26, compared with the 3.2% projected in its July report. The updated projections also suggest that inflation will "reach slightly above 4%" in early 2027. Additionally, the MPC judged that "the risks to the inflation outlook are tilted to the upside, and more so than at the time of the July Monetary Policy Report." Governor Andrew Bailey nevertheless noted that the pass-through from energy prices into broader inflation has so far been "quite subdued", but warned that the longer high energy prices persist, the more challenging the policy trade-off becomes. Our baseline view remains that the BoE will keep its policy rate unchanged at 3.75% through year-end. In the Middle East, markets remained sensitive to the risk of further escalation following the widening of conflict into Yemen and Saudi Arabia. Reuters reported that China has privately asked Iran to help rein in the Houthis after Saudi Arabia sought Beijing's assistance. With existing constraints in the Strait of Hormuz, concerns are growing that the widening conflict could disrupt the region's two main oil export routes simultaneously.

- The SGD SORA OIS curve traded mixed yesterday with the shorter tenors trading 2-3bps higher, belly tenors trading -1bps to +3bps, and 10Y tenor trading 1bps lower.

- Flows in SGD corporates were moderate, with flows in TEMASE 2.65% '36s, OCBCSP 3.2%-PERP, FWDGHD 3.18% '32s.

- US Investment Grade tightened by 1bps to 76bps, and US High Yield spreads tightened by 1bps to 269bps respectively. Bloomberg Global Contingent Capital spreads tightened by 1bps to 202bps.

- Bloomberg Asia USD Investment Grade spread traded flat at 56bps, and the Asia USD High Yield spreads widened by 10bps to 332bps. (Bloomberg, OCBC)

Credit Summary:

Company	Ticker	Description
Qantas Airways Ltd	QANAU	• 600 of QANAU's ground staff are planning to go on a strike next week amidst school holidays, seeking better wages and higher job security. The staff mainly work within the airline's freight business and QantasLink, the company's regional air service. QANAU is expected to meet with the Transport Workers Union today, with discussions with workers ongoing. • The union is seeking for an enterprise agreement to cover ground staff and freight handlers, in contrast to multiple agreements currently in place. Previously QANAU was found to have illegally sacked around 1800 ground staff, with a fine imposed and compensation paid out to affected workers. (Sydney Morning Herald, The Age) Latest report: Credit Update – 03 February 2026

New Issues:

- APAC and DM IG issuance were USD500mn and USD19.5bn respectively yesterday (prior day: zero and USD100mn).

Date	Issuer	Description	Currency	Size (mn)	Tenor (Yr)	Final Pricing (%)
17 Sep	Bank of Maharashtra/Gift City	Fixed	USD	500	5	T + 130bps
17 Sep	Citigroup Inc	Fixed	USD	3,500	6NC5	T + 80bps
17 Sep	Citigroup Inc	Fixed	USD	4,500	11NC10	T + 93bps
17 Sep	Citigroup Inc	FRN	USD	500	3NC2	SOFR+67.700bps
17 Sep	Citigroup Inc	Fixed	USD	3,500	3NC2	T + 60bps
17 Sep	RWE Finance US LLC (guarantor: RWE AG)	Green, Fixed	USD	750	10	T + 110bps
17 Sep	RWE Finance US LLC (guarantor: RWE AG)	Green, Fixed	USD	750	5	T + 85bps
17 Sep	Wells Fargo & Co	Fixed	USD	3,500	11NC10	T + 90bps

Mandates:

- There were no notable mandates today.

Key Market Movements

	Last Price	1W chg (bps)	1M chg (bps)		Last Price	1W chg	1M chg
US IG Credit Spread	76	-2	-4	Brent Crude Spot ($/bbl)	103.7	-0.9%	13.9%
US HY Credit Spread	269	-3	1	Gold Spot ($/oz)	4,366	0.4%	0.7%
Global Contingent Capital Credit Spread	202	3	-1	CRB Commodity Index	425	-0.9%	7.2%
Asia IG Credit Spread	56	2	1	S&P Commodity Index - GSCI	752	0.0%	7.6%
Asia HY Credit Spread	332	24	7	VIX	15.4	-13.5%	-2.5%
				US10Y Yield	4.94%	-3bp	23bp
iTraxx Asiax IG	65	-1	-3				
iTraxx Japan	56	2	-1	AUD/USD	0.712	-0.6%	0.5%
iTraxx Australia	67	-0	-1	EUR/USD	1.148	-1.0%	-0.8%
CDX NA IG	51	-1	-1	USD/SGD	1.276	-0.7%	0.2%
CDX NA HY	108	0	-0	AUD/SGD	0.909	-0.0%	-0.3%
iTraxx Eur Main	53	-0	0				
iTraxx Eur XO	254	-4	1	ASX200	8,726	-0.2%	-3.8%
iTraxx Eur Snr Fin	55	-0	0	DJIA	51,778	-0.5%	-2.9%
iTraxx Eur Sub Fin	89	-0	0	SPX	7,638	0.6%	-0.7%
				MSCI Asiax	1,113	-1.9%	-1.1%
USD Swap Spread 10Y	-39	0	3	HSI	24,813	0.0%	-2.6%
USD Swap Spread 30Y	-68	1	5	STI	5,654	-0.7%	-0.8%
				KLCI	1,673	-1.9%	-3.5%
China 5Y CDS	33	-1	-3	JCI	6,440	-1.6%	-0.2%
Malaysia 5Y CDS	33	-0	-1	EU Stoxx 50	6,323	0.9%	-2.2%
Indonesia 5Y CDS	82	-0	-2				
Thailand 5Y CDS	41	-1	0				
Australia 5Y CDS	14	1	-1				

Prices shown above are based on the latest available price or the previous market close

Source: Bloomberg

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