

## Daily Credit Snapshot

### Market Commentary

- US equities traded higher on Thursday, supported by optimism surrounding the US-Iran interim agreement. The S&P500, Dow and Nasdaq advanced between 0.1% and 1.9% (S&P500: +1.1%; Dow: +0.1%; NASDAQ: +1.9%). Turning to the Middle East, the US and Iran have signed a 14-point memorandum of understanding, paving the way for further negotiations aimed at “achieving the final deal, in maximum 60 days extendable with mutual consent.” The peace deal and the reopening of the Strait of Hormuz are expected to gradually restore Gulf oil flows. However, OPEC Secretary General Haitham al-Ghais cautioned against the IEA's latest projections of a supply overhang in 2027. On the central bank front, the Bank of England (BoE) held its policy rate unchanged at 3.75% for a fourth consecutive meeting, in a 7-2 vote. The two dissenters were Megan Greene and Huw Pill who preferred a 25bp hike. The BoE noted that “global energy prices have fallen since the previous meeting in response to events in the Middle East. But they remain higher than pre-conflict and have continued to be volatile. The impact of the energy shock on the UK economy remains uncertain.” Although CPI inflation has fallen to 2.8% in May, the BoE now expects inflation to be a little under 3% in 3Q2026 and pick up to a little over 3.25% in 4Q2026. Nonetheless, BoE noted that “this was below the path expected in the April Report, reflecting both lower energy and non-energy prices.” BoE Governor Andrew Bailey pledged that he “would respond promptly to any signals that an extended period of elevated energy prices could be leading to stronger possible second-round effects.” On the data front, the Philadelphia Fed Manufacturing index rebounded to 10.3 in June from -0.4 in May, with the index for current new orders surging 29 points to 27.3 and the employment index returning to positive territory at 7.9. However, price pressures remained elevated, with prices paid at 53.2, up from 47.9 the previous month. Separately, initial jobless claims declined by 1.7% to 226k for the week ending 13 June. In contrast, continuing claims rose by 1.3% to 1.81mn for the week ending 6 June.
- The SGD SORA OIS curve traded higher yesterday with shorter tenors trading 6-7bps higher while belly tenors traded 3-6bps higher and 10Y tenors traded 2bps higher.
- Flows in SGD corporates were heavy, with flows in HSBC 5.25%-PERP, STANLN 4.3%-PERP, EQIX 2.9% '32s.
- US Investment Grade spreads traded flat at 73bps and US High Yield spreads widened by 2bps to 265bps yesterday respectively. Bloomberg Global Contingent Capital Index widened by 3bps to 218bps.
- Bloomberg Asia USD Investment Grade widened by 1bps to 53bps yesterday while Asia USD High Yield spreads widened by 5bps to 357bps. (Bloomberg, OCBC)

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## Credit Summary:

Company	Ticker	Description
Industry Outlook – Singapore Residential Property	NIL	<ul style="list-style-type: none"> <li>• <b>Top land bid at records; a sign that property prices will head higher?:</b> The River Valley Green (Parcel C) site (which can yield 470 units) drew a top bid of SGD750.6mn, or SGD1,730 psf ppr, setting a new land-price benchmark for River Valley. This bid is significantly higher than the other land plots in River Valley, including GuocoLand Ltd’s bid for Parcel B at SGD627.8mn / SGD1,420 psf ppr in February 2025 and Wing Tai Holdings Ltd’s bid for Parcel A at SGD464mn / SGD1,325 psf ppr in June 2024.</li> <li>• <b>Foreign-linked developers are active in the SG land sales market.</b> The top bid came from Sunway MCL and CSC Land Group, backed by Malaysian and Chinese sponsors respectively. Other competitive bids also came from China-linked developers, including China Overseas Land &amp; Investment Ltd at SGD720.7mn / SGD1,661 psf ppr and Kingsford Group at SGD705.4mn / SGD1,626 psf ppr. A local JV comprising Hong Leong Holdings Ltd, GuocoLand Ltd and TID Residential also bid SGD715.9mn / SGD1,650 psf ppr. (Business Times, OCBC)</li> </ul>
Industry Outlook – US Banks	NIL	<ul style="list-style-type: none"> <li>• The US Department of Justice (“DOJ”) is investigating how Iran’s Supreme Leader Mojtaba Khamenei built a global investment network, including potential links to major US banks like JPMorgan and Citi.</li> <li>• The probe focuses on possible money laundering, corruption, and the role of US and international financial institutions in enabling large cross-border transactions tied to Khamenei’s network.</li> <li>• Authorities are examining transactions, property-related payments, and due-diligence gaps, though the investigation does not yet imply any charges will be filed. (Bloomberg)</li> </ul>
BHP Group Limited	BHP	<ul style="list-style-type: none"> <li>• BHP announced that it has completed a review of cost and schedule estimates for Stage 2 of the Jansen potash project (Jansen Stage 2) and confirms that the total investment estimate for Jansen Stage 2 will increase from USD4.9bn to USD6.9bn (including contingencies) with first production estimated in late FY2031.</li> <li>• We note that cost escalation has been an issue for this potash project, with potash being a new growth area for BHP. Per the company once Jansen Stage 2 ramps up, the combined Jansen mine, a long-term asset, is expected to be the lowest unit cost Canadian potash mine.</li> <li>• BHP is also undertaking its assessment of the carrying value of Jansen as at 30 June 2026, and has guided that the company expects to recognise an impairment charge of ~USD2.3bn (before and after tax) in relation to its investment to date in the Jansen project. (Company)</li> </ul> <p>Latest report: Credit Update – 11 April 2025</p>

### New Issues:

- The total issuance volumes for APAC and DM IG markets yesterday were USD184mn and USD5.25bn respectively (prior day: USD155mn and USD500mn respectively).

Date	Issuer	Description	Currency	Size (mn)	Tenor (Yr)	Final Pricing (%)
18 Jun	Barclays PLC	Fixed	USD	1,250	4NC3	T + 75bps
18 Jun	Barclays PLC	Fixed	USD	1,500	6NC5	T + 90bps
18 Jun	Barclays PLC	Fixed	USD	1,750	11NC10	T + 115bps
18 Jun	Goldman Sachs Finance Corp International Ltd (guarantor: Goldman Sachs Group Inc/The)	Fixed	USD	100	2	4%
18 Jun	Wells Fargo Bank NA	FRN	USD	100	5	SOFR+75bps

### Mandates:

- Development Bank of Mongolia LLC may issue USD-denominated 5Y fixed rate bonds.



## Key Market Movements

	19-Jun	1W chg (bps)	1M chg (bps)		19-Jun	1W chg	1M chg
iTraxx Asia IG	68	-3	-8	Brent Crude Spot (\$/bbl)	80.5	-7.8%	-27.7%
				Gold Spot (\$/oz)	4,142	-1.8%	-7.6%
iTraxx Japan	59	-0	-5	CRB Commodity Index	362	-2.1%	-7.8%
iTraxx Australia	68	-2	-8	S&P Commodity Index - GSCI	642	-5.1%	-12.2%
CDX NA IG	50	-0	-4	VIX	16.4	-15.6%	-1.8%
CDX NA HY	108	-0	1	US10Y Yield	4.45%	-3bp	-21bp
iTraxx Eur Main	51	-1	-7				
iTraxx Eur XO	249	-5	-37	AUD/USD	0.701	-0.5%	-1.4%
iTraxx Eur Snr Fin	54	-1	-7	EUR/USD	1.144	-1.1%	-1.4%
iTraxx Eur Sub Fin	88	-1	-12	USD/SGD	1.292	-0.6%	-0.8%
				AUD/SGD	0.906	-0.2%	0.6%
USD Swap Spread 10Y	-40	-0	3	ASX200	8,829	0.3%	2.6%
USD Swap Spread 30Y	-71	-0	4	DJIA	51,565	1.4%	1.9%
				SPX	7,501	1.4%	0.4%
China 5Y CDS	38	-1	-4	MSCI Asiax	1,188	4.8%	9.7%
Malaysia 5Y CDS	38	4	3	HSI	23,925	-1.3%	-6.6%
Indonesia 5Y CDS	86	-7	-4	STI	5,166	2.8%	1.9%
Thailand 5Y CDS	41	-5	-12	KLCI	1,702	1.3%	-1.5%
Australia 5Y CDS	13	-1	-2	JCI	6,127	4.1%	-3.8%
				EU Stoxx 50	6,323	4.4%	8.1%

Source: Bloomberg

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