

## Daily Credit Snapshot

### Market Commentary

- Sentiment remained fragile after Iran signalled on Tuesday that it had yet to decide whether to attend upcoming peace talks, following reports that U.S. forces boarded a large Iranian oil tanker just one day before the ceasefire deadline. Risk appetite deteriorated, with the USD rebounding and equities closing lower. Oil markets reflected the elevated uncertainty. U.S. crude futures rose in early Wednesday trading despite Washington's announcement of an indefinite ceasefire extension. The move appeared largely unilateral, with no immediate confirmation from either Iran or U.S. ally Israel. Iranian state media reiterated that Tehran had not requested any extension and warned of potential forceful action to break the U.S. blockade. Adding to tensions, an advisor to Iran's parliamentary speaker described the extension as "a ploy to buy time for a surprise strike." The persistent trust deficit continues to anchor geopolitical risk at elevated levels, with the Strait of Hormuz effectively remaining shut. U.S. intelligence estimates suggest Iran retains meaningful residual capacity, including ~40% of its pre-war drone inventory, ~60% of missile launcher capacity (with ~100 launchers reportedly redeployed from underground facilities during the ceasefire), and ~70% of its missile stockpile—underscoring that escalation risks remain far from negligible. On the macro front, U.S. data provided a positive offset. Retail sales rose 1.7% m/m in March, marking the strongest increase since March 2025, following an upwardly revised 0.7% m/m gain in February. The strength was partly driven by higher gasoline spending. More importantly, core retail sales increased 0.7% m/m, well above expectations, while prior two months were revised higher. Taken together, this points to resilient underlying consumer demand and suggests potential upside risk to 1Q GDP ahead of next week's release.
- The SGD SORA OIS curve traded higher yesterday with shorter tenors trading 3-4bps higher while belly tenors traded 4bps higher and 10Y tenors traded 5bps higher.
- Flows in SGD corporates were moderate, with flows in STANLN 4.3%-PERP, LREIT 4.28%-PERP.
- US Investment Grade spreads tightened by 1bps to 78bps and US High Yield spreads tightened by 1bps to 272bps respectively.
- Bloomberg Global Contingent Capital Index tightened by 5bps to 227bps.
- Bloomberg Asia USD Investment Grade spreads tightened by 1bps to 59bps and Asia USD High Yield spreads tightened by 9bps to 395bps respectively. (Bloomberg, OCBC)

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## Credit Summary:

Company	Ticker	Description
Keppel Ltd	KEPSP	<ul style="list-style-type: none"> <li>KEPSP announced that it has entered into a conditional agreement to sell its 100%-interest in i12 Katong, a mall at 112 East Coast Road to Altallo Holdings Pte Ltd for a cash consideration of ~SGD372mn, payable over three tranches.</li> <li>This transaction is in line with KEPSP's monetisation plan to sell non-core assets and the deal is expected to complete in 2Q2026. (Company, OCBC)</li> </ul> <p>Latest report: Credit Update – 16 April 2025</p>
OUE REIT	OUECT	<ul style="list-style-type: none"> <li><b>OUECT's 1Q2026 results improved meaningfully y/y, underpinned by resilient Commercial performance and strong double-digit growth in the Hospitality segment.</b> Credit metrics were mixed due to the acquisition of a 19.9% stake Salesforce Tower in Sydney though this was offset by better interest coverage ratios. OUEREIT's outlook will continue to be underpinned by a resilient premium asset portfolio in Singapore and Australia alongside a healthy Meetings, Incentives, Conferences, and Exhibitions ("MICE") and major concert pipeline through 2026.</li> <li><b>OUECT 1Q2026 net property income ("NPI") rose 8.4% y/y to SGD57.6mn</b>, while revenue increased 6.7% y/y to SGD70.5mn. The growth was underpinned by robust operational performance of the Singapore Commercial portfolio and significant y/y improvements in the Hospitality segment. Meanwhile, share of results of joint venture and associate rose 57.2% y/y to SGD4.7mn due to acquisition of a 19.9% stake of Salesforce Tower at an agreed property price of AUD357.2mn (~SGD319.8mn) on 16 March 2026 and higher contributions from OUE Bayfront.</li> <li><b>Commercial NPI increased 3.0% y/y to SGD33.3mn</b>, driven by continued organic growth and higher average passing rents across the Singapore office portfolio. <ul style="list-style-type: none"> <li>Singapore Office portfolio committed occupancy fell 0.2ppts q/q to 95.2% while rental reversion was positive at 6.0% in 1Q2026 with an average passing rent of SGD11.0 psf (+0.2% q/q).</li> <li>Mandarin Gallery committed occupancy fell 0.1ppts q/q at 95.6%, with a 3.8% positive rental reversion in 1Q2026 and average passing rent rising 2.4% q/q to SGD22.98 psf.</li> <li>Hospitality NPI rose 16.8% y/y to SGD24.3mn, supported by a stronger MICE and events calendar, including the Singapore Airshow and the maiden Disney Cruise voyage.</li> <li>Hospitality RevPAR rose 11.7% y/y to SGD277 in 1Q2026, supported by higher occupancy at Hilton Singapore Orchard and stronger transient and corporate demand at Crowne Plaza Changi Airport.</li> </ul> </li> <li><b>Mixed credit metrics:</b> As at 31 March 2026, aggregate leverage rose q/q to 41.5% (31 December 2025: 38.5%) following the acquisition of a 19.9% interest in Salesforce Tower in Sydney. The cost of debt declined 20bps q/q to 3.7%, while the interest coverage ratio improved by 0.2x q/q to 2.6x. The debt maturity profile remains well-staggered with an average term of 3.0 years. (Company, OCBC)</li> </ul> <p>Latest report: Credit Update – 10 March 2026</p>
Barclays PLC	BARC	<ul style="list-style-type: none"> <li>UK regulators are initiating an investigation into Barclay's use of Significant Risk Transfers (SRT). Briefly, SRT is used by banks to reduce their risk-weighted assets (RWA) and in that way, free up more CET1 capital to lend more or return to shareholders. Regulators are looking into specific issues in Barclay's use of SRT, such as the governance, the quality of the risk actually transferred, if any circularity of</li> </ul>

		<p>the risk transferred. At this stage, this is merely a pre-emptive, process-level review and no immediate enforcement action needed.</p> <p>Latest report: Credit Update – 4<sup>th</sup> September 2025</p>
<p>BHP Group Limited</p>	<p>BHP</p>	<ul style="list-style-type: none"> <li>• BHP announced its operational review for the nine months ended 31 March 2026 (“9MFY2026”). Per the company it has delivered a strong performance in 9MFY2026, including record material mined and concentrator throughput at Escondida and record production at Western Australia Iron Ore (“WAIO”).</li> <li>• In copper, BHP is expecting FY2026 copper production to be in the upper half of the guidance range (1,200 and 1,275 kilotonnes, unchanged guidance). The company is actively managing the impact of higher diesel and consumable costs as well as movements of foreign exchange rates on the underlying cost base of its assets.</li> <li>• In March 2026, BHP submitted the Environmental Impact Declaration permit for the Escondida New Concentrator project in Chile. Also, a joint venture between Rio Tinto and BHP completed a land exchange in Arizona, US, where the joint venture can now advance further resource data collection and initiate early underground development at this untapped major copper resource.</li> <li>• Production at Copper South Australia and Other Copper increased though production at the Pampa Norte (Spence) decreased due to challenges with managing ore complexity, variation and declining grades at both the concentrator and cathode plant.</li> <li>• Iron ore production increased with guidance for FY2026 remaining unchanged at between 258 and 269 metric tonnes.</li> <li>• Production in Steelmaking coal increased, with production guidance for FY2026 remaining unchanged at between 18 and 20 Mt (36 and 40 Mt, 100% basis), with production expected to be in the lower half of the range. Production for Energy coal also remains unchanged, expected to be at the upper half of the range.</li> <li>• The latest announcement does not change our fundamental credit view of BHP. (Company)</li> </ul> <p>Latest report: Credit Update – 11 April 2025</p>

## New Issues:

The total issuance volumes for APAC and DM IG market yesterday were USD3.95bn and USD2.6bn respectively.

Date	Issuer	Description	Currency	Size (mn)	Tenor (Yr)	Final Pricing (%)
21 Apr	Keppel Infrastructure Trust	Fixed	SGD	200	7	2.8%
21 Apr	Commonwealth Bank of Australia (guarantor: Perpetual Corporate Trust Limited in its capacity as trustee)	Fixed, Covered	USD	1,750	3	SOFR MS + 43bps
21 Apr	Goodman US Finance Seven LLC (guarantor: Multiple Guarantors)	Fixed	USD	600	10	T + 103bps
21 Apr	Goodman US Finance Eight LLC (guarantor: Multiple Guarantors)	Fixed	USD	600	20	T + 110bps
21 Apr	Terumo Corp	Fixed	USD	500	5	T + 60bps
21 Apr	Tokyo Metropolitan Government	Fixed	USD	1,000	5	SOFR MS + 60bps
21 Apr	State Street Corp	Fixed-to-FRN	USD	800	6NC5	T + 65bps
21 Apr	State Street Corp	Fixed-to-FRN	USD	700	11NC10	T + 80bps

## Mandates:

- There were no notable mandates yesterday.

## Key Market Movements

	22-Apr	1W chg (bps)	1M chg (bps)		22-Apr	1W chg	1M chg
iTraxx Asiax IG	73	-0	-16	Brent Crude Spot (\$/bbl)	97.5	2.7%	-13.1%
				Gold Spot (\$/oz)	4,766	-0.5%	8.1%
iTraxx Japan	62	1	-9	CRB Commodity Index	372	-0.1%	1.3%
iTraxx Australia	72	-2	-22	S&P Commodity Index - GSCI	705	0.7%	-4.2%
CDX NA IG	55	1	-8	VIX	19.5	6.2%	-27.2%
CDX NA HY	107	0	2	US10Y Yield	4.29%	0bp	-9bp
iTraxx Eur Main	58	1	-11				
iTraxx Eur XO	285	2	-57	AUD/USD	0.717	0.0%	2.3%
iTraxx Eur Snr Fin	62	1	-13	EUR/USD	1.175	-0.4%	1.2%
iTraxx Eur Sub Fin	102	0	-28	USD/SGD	1.273	-0.1%	0.2%
				AUD/SGD	0.913	-0.1%	-2.0%
USD Swap Spread 10Y	-44	0	6	ASX200	8,850	-1.4%	5.0%
USD Swap Spread 30Y	-76	-0	7	DJIA	49,149	1.3%	7.8%
				SPX	7,064	1.4%	8.6%
China 5Y CDS	43	-0	-5	MSCI Asiax	1,049	2.6%	9.6%
Malaysia 5Y CDS	37	-1	-14	HSI	26,123	0.7%	3.3%
Indonesia 5Y CDS	82	-2	-22	STI	4,993	-0.6%	0.9%
Thailand 5Y CDS	49	0	-15	KLCI	1,709	1.5%	-0.7%
Australia 5Y CDS	14	0	-2	JCI	7,544	-1.0%	6.2%
				EU Stoxx 50	5,930	-0.9%	7.8%

Source: Bloomberg

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