

## Daily Credit Snapshot

### Market Commentary

- US-Iran talks for a permanent ceasefire began in Switzerland, notwithstanding that Iran had earlier closed the Strait of Hormuz (SoH) due to what it called Israel's violation of a ceasefire. There were also reports of three fully laden India-linked supertankers re-emerging in the Gulf of Oman. The USD cash markets were closed for Juneteenth holiday last Friday, but the S&P500 ended the week with a 1.08% gain while the 10-year UST bond yield ended little changed at 4.45%, after being earlier whipsawed by the perceived hawkish shift in the anticipated Fed rate trajectory, following Fed Chair Kevin Warsh's first FOMC meeting and the subsequent rise in Brent above US\$80 per barrel handle. Meanwhile, foreign holdings of UST bonds rose by US\$3.9 by in April, led by Japan and UK whereas China's holdings dipped US\$1.2 by to US\$651.1 by (lowest since 2008), after declining in March. Elsewhere, UK PM Starmer is said to be under pressure to announce his departure soon and investors are assessing if a Burnham premiership may imply a looser fiscal policy. This prompted the 10-year gilt yield to surge 9bps to 4.84%.
- The SGD SORA OIS curve traded higher last Friday with shorter tenors trading 2-3bps higher while belly tenors traded 3-4bps higher and belly tenors traded 4bps higher.
- There were mostly light Flows in SGD corporates last Friday.
- US Investment Grade spreads traded flat at 73bps, and US High Yield spreads also traded flat at 265bps. Bloomberg Global Contingent Capital Index tightened by 2bps to 216bps.
- Bloomberg Asia USD Investment Grade and Asia USD High Yield spreads both traded flat at 53bps and 357bps respectively. (Bloomberg, OCBC)

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## Credit Summary:

Company	Ticker	Description
Olam Group Limited	OLGPSP	<ul style="list-style-type: none"> <li>• OLGSP issued a holding statement to say that it intends to redeem, repurchase and cancel all remaining outstanding perpetuals as soon as practicably possible, and will share further details on the process for and timing of such redemption and/or repurchase in due course. OLGSP has one outstanding SGD-perpetual, the OLGSP 5.375%-PERP with a first call date in July 2026.</li> <li>• In our view, despite the economics highly favouring a call in July 2026, it appears that the issuer has likely missed the call notification deadline. We await for more details though there is no change to our assessment of OLGSP's credit profile. Execution risk of key asset disposals has reduced. As a recap, the first tranche of the 44.58%-stake sale in Olam Agri to the Saudi Agriculture &amp; Livestock Investment Company ("SALIC") completed in April 2026 and additionally, the sale of its 100%-stake in Mindsprint Pte. Ltd. ("Mindsprint") for a cash consideration of USD375mn (~SGD482mn), subject to closing adjustments, to Wipro Limited has also completed in May 2026. There is also high certainty that the remaining 19.99%-stake in Olam Agri will be sold to SALIC in the medium term.</li> <li>• The second call date is January 2027, and there is a 200bps step up margin with a wide reset spread of 480.7bps on the OLGSP 5.375%-PERP. The perpetual is linked to 5Y SOR though comes with fallback language. The first reset date coincides with the first call date. Assuming forward rates hold, the perpetual distribution rate may reset to ~9% per annum on 18 July 2026 if not called at first call. (Company, OCBC)</li> </ul> <p>Latest report: Credit Update – 25 August 2025</p>
Commerzbank AG, UniCredit S.p.A	CMZB, UniCredit	<ul style="list-style-type: none"> <li>• UniCredit announced that its stake in CMZB has increased to ~42% following the first offer period that ended 16 June with investors representing 12.51% of shares accepting the offer. This adds to the existing 26.77% ownership with a further ~3.2% in derivatives positions. Per UniCredit's statement, the ownership should increase above 44% once Commerzbank redeems its Treasury shares as previously committed.</li> <li>• UniCredit reopened the offer period on 20 June for a further two weeks to 3 July.</li> <li>• Per Bloomberg: <ul style="list-style-type: none"> <li>○ UniCredit won't have ownership of the additional shares until the offer is over and it has received the relevant regulatory clearances with completion expected in 2027.</li> <li>○ Meanwhile, the European Central Bank is assessing whether UniCredit should be required to consolidate CMZB before completion given its growing control over the German bank.</li> <li>○ UniCredit has said that a consolidation of CMZB would lower its CET1 ratio by 280 basis points.</li> </ul> </li> <li>• Commerzbank is continuing to contest UniCredit's statements arguing that the acceptance rate among institutional and retail investors stood at just slightly above 1% per their information. (Bloomberg, Company)</li> </ul> <p>Latest report: CMZB Credit Update – 4 September 2025</p>

<p>Temasek Holdings (Private) Limited, Mapletree Investments Pte Ltd</p>	<p>TEMASE, MAPLSP</p>	<ul style="list-style-type: none"> <li>• TEMASE announced the appointment of Ms Wendy Koh as Chief Financial Officer (“CFO”)-designate with effect from 1 August 2026. Ms Koh, who is currently the CFO of MAPLSP, will assume the role of CFO at TEMASE on 1 October 2026. MAPLSP is indirectly 100%-owned by TEMASE.</li> <li>• Ms Png Chin Yee, President, Temasek Singapore, will relinquish her concurrent role as CFO to focus on her leadership at Temasek Singapore where she oversees TEMASE’s Singapore-based portfolio companies.</li> <li>• Mr Wong Mun Hoong, who is currently the Regional CEO of Australia &amp; North Asia at MAPLSP will become the CFO of MAPLSP, in addition to his current responsibilities. From 2006 to July 2019, Mr Wong was the CFO of MAPLSP. (Company, Bloomberg)</li> </ul> <p>Latest report: MAPLSP Credit Update – 01 October 2025 Latest report: TEMASE Credit Update – 21 November 2025</p>
<p>Canadian Banks</p>	<p>NA</p>	<ul style="list-style-type: none"> <li>• The Office of the Superintendent of Financial Institutions (“OSFI”) has lowered the Domestic Stability Buffer (“DSB”) by 50bps to 3% while narrowing the buffer’s range to 0-3%. This effectively cuts the CET1 capital hurdle for Canada’s six largest banks to 11% from 11.5%. The DSB applies to Canada’s six D-SIBS: RY, TD, BMO, BNS, CIBC and National Bank</li> <li>• For context, Canada’s D-SIB capital stack comprises a base CET1 requirement of 7%, D-SIB surcharge of 1% and the DSB of 3%, totalling 11%. OSFI quantified the freed-up cushion at roughly CAD74bn, equivalent to ~CAD673bn of additional RWA.</li> <li>• Canadian banks are among the best-capitalized banks globally and the move to lower the excess capital is seen as a growth tool with capital return optionality. We do not expect material spread impact on Canadian bank paper. (Source: OSFI, OCBC).</li> </ul>



### New Issues:

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

Date	Issuer	Description	Currency	Size (mn)	Tenor (Yr)	Final Pricing (%)
19 Jun	MapletreeLog Treasury Co Pte Ltd (guarantor: Mapletree Logistics Trust)	Fixed	SGD	75	7	2.5%

### Mandates:

- Bank of Baroda may issue a USD-denominated 3Y and 5Y bond.
- Axis Bank may issue a USD-denominated Perp-NC5.5 AT1/5Y bond.
- Denso may issue a USD500mn 5Y bond.

## Key Market Movements

	22-Jun	1W chg (bps)	1M chg (bps)		22-Jun	1W chg	1M chg
iTraxx Asiax IG	68	-3	-8	Brent Crude Spot (\$/bbl)	79.2	-4.7%	-23.5%
				Gold Spot (\$/oz)	4,204	-2.5%	-6.8%
iTraxx Japan	59	-0	-5	CRB Commodity Index	362	-2.1%	-7.8%
iTraxx Australia	68	-2	-8	S&P Commodity Index - GSCI	642	-3.7%	-12.2%
CDX NA IG	50	-0	-4	VIX	17.4	-1.4%	4.4%
CDX NA HY	108	-0	1	US10Y Yield	4.48%	1bp	-8bp
iTraxx Eur Main	51	-1	-7				
iTraxx Eur XO	249	-5	-37	AUD/USD	0.700	-1.0%	-1.8%
iTraxx Eur Snr Fin	54	-1	-7	EUR/USD	1.146	-1.1%	-1.3%
iTraxx Eur Sub Fin	88	-1	-12	USD/SGD	1.293	-0.8%	-1.0%
				AUD/SGD	0.905	0.3%	0.8%
USD Swap Spread 10Y	-40	-0	1	ASX200	8,816	-1.1%	1.8%
USD Swap Spread 30Y	-71	-0	2	DJIA	51,565	1.4%	1.9%
				SPX	7,501	1.4%	0.4%
China 5Y CDS	38	-1	-4	MSCI Asiax	1,187	1.6%	6.4%
Malaysia 5Y CDS	38	4	3	HSI	23,769	-3.8%	-7.2%
Indonesia 5Y CDS	86	-7	-4	STI	5,188	2.2%	2.4%
Thailand 5Y CDS	41	-5	-12	KLCI	1,701	1.0%	-0.7%
Australia 5Y CDS	13	-1	-2	JCI	6,117	1.8%	-0.7%
				EU Stoxx 50	6,296	1.1%	4.6%

Source: Bloomberg

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