

Daily Credit Snapshot

Market Commentary

- Wall Street ended mixed overnight as markets assessed weekly labour data, easing mortgage rates and renewed geopolitical risks. US–Iran talks on a potential nuclear agreement concluded without a deal despite hours of “very intense and serious” discussions. The lack of progress sustains uncertainty around regional stability and potential implications for energy supply, though both sides reportedly agreed to reconvene as early as next week. On the data front, initial jobless claims rose modestly to 212k for the week ending 21 February from 208k in the previous week and overall remaining within the narrow range of recent months. Continuing claims declined to 1.83mn, undershooting expectations and indicating that beneficiary numbers did not accumulate further. In housing, the average 30-year mortgage rate fell below 6% to 5.98% for the first time since September 2022. A sustained decline into the 5% range could help underpin activity heading into the spring homebuying season. On policy remarks, Fed Governor Stephen Miran reiterated his preference for four rate cuts this year, totalling 100bps, and urged earlier action, according to Bloomberg. Chicago Fed President Austan Goolsbee signalled that ‘several’ cuts remain possible if inflation continues to move toward target but cautioned against front loading before clearer progress emerges.
- The SGD SORA OIS curve traded lower yesterday with shorter tenors trading 1-3bps lower and belly tenors trading 3-4bps lower while 10Y traded 4bps lower.
- Flows in SGD corporates were heavy, with flows in UOBSP 3%-PERP, STANLN 4.3%-PERP, SINTEC 4.1%-PERP.
- Global Investment Grade spreads widened by 3bps to 81bps and Global High Yield spreads widened by 5bps to 284bps respectively.
- Bloomberg Global Contingent Capital Index widened by 2bps to 224bps.
- Bloomberg Asia USD Investment Grade spreads widened by 1bps to 61bps and Asia USD High Yield spreads widened by 2bps to 344bps respectively. (Bloomberg, OCBC)

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Credit Summary:

Company	Ticker	Description
<p>City Developments Ltd</p>	<p>CITSP</p>	<ul style="list-style-type: none"> • CITSP reported 2025 results. 2H2025 results were strong, with revenue rising 11.1% y/y to SGD1.90bn and reported PBT rising 188.9% y/y to SGD631.6mn. As a result, 2025 revenue rose 9.7% y/y to SGD3.59bn while 2025 reported PBT rose 106.3% y/y to SGD771.5mn. CITSP attributed stronger results primarily to robust residential sales in Singapore and sale of 50.1% stake in the South Beach mixed-used development in 2H2025. While net gearing levels have increased somewhat, credit metrics is manageable with improved profitability and we think it is likely for management to accelerate disposals to reduce gearing levels. • Property development led revenue growth at CITSP, with segment revenue rising 24.1% y/y to SGD1.17bn. This is contributed by Singapore projects (+42.4% y/y to SGD776.6mn) such as The Myst, Norwood Grand and Union Square Residences, and higher UK revenue (+213.7% y/y to SGD164.5mn) with the sale of Ransome’s Wharf site in London and office component of Suzhou Hong Leong City Center in China. Property development reported EBITDA also rose (+81.3% y/y to SGD261mn), helped by share of profits from fully sold EC project (Copen Grand) in addition to revenue growth, although SGD80.5mn of foreseeable losses were provided. Reported PBT for the segment rose by a larger magnitude (from SGD19mn to SGD182mn), helped further by the decline in finance costs (-36.7% y/y to SGD115.8mn). • Hotel operations revenue grew 1.7% y/y to SGD1.65bn, largely due to 1.3% in RevPAR to SGD173.6. While Singapore RevPAR was down (-5.5% y/y to SGD163.5), this was more than mitigated by growth in Australasia (+13.1% y/y to SGD130.5), Europe (+3.6% y/y to SGD218.7) and US (+3.4% y/y to SGD212.0). Reported EBITDA grew 34.9% y/y to SGD514mn mainly due to higher capital recycling gains. This should include the divestment of Bespoke Hotel Osaka Shinsaibashi in Japan for JPY14bn (~SGD117mn) and 1250 Lakeside Sunnyvale for USD143.5mn (~SGD186.8mn). Reported PBT grew 32.6% y/y to SGD256mn with strong growth in reported EBITDA. • Investment properties revenue grew 2.6% y/y to SGD524.1mn, driven by AEIs at City Square Mall and Jungceylon Shopping Center. Reported EBITDA grew 43.2% y/y to SGD670mn. This is likely helped by the disposal of 50.1% stake in South Beach (valued at SGD2.75bn on 100% basis), which likely resulted in a disposal gain of SGD465mn, though this is partly offset by SGD74.3mn impairment losses. Reported PBT grew 144.9% y/y to SGD357.8mn as a result. • Singapore residential sales remain strong, with SGD4.35bn sales value due to 1,657 units sold in 2025. This is mainly attributable to 777-unit The Orié (95% sold) and 706-unit Zyon Grand (87% sold). In 2026, 246-unit Newport Residences has sold 66% of the units. Property development contributes ~33% of revenue and ~39% of segment assets. • Active replenishment in landbank pushes gearing higher, but CITSP intends to deleverage over the medium term: Reported net gearing (including fair value) rose 2 ppts q/q to 71%, which is also higher than reported net gearing of 69% as of end-2024. This is largely due to acquisition of sites including Lakeside Drive (SGD608mn), Woodlands Drive 17 EC (SGD360.9mn) and Senja Close EC (SGD252.9mn). We think that CITSP should gradually deleverage with ongoing property sales, as well as through disposals. (Company, OCBC) <p>Latest report: Credit Update – 21 March 2025</p>

<p>DBS Group Holdings Ltd, United Overseas Bank Ltd</p>	<p>DBSSP, UOBSP</p>	<ul style="list-style-type: none"> • DBSSP, UOBSP reportedly amongst banks bidding for HSBC's Indonesia retail assets, which may be valued at more than USD200mn: DBSSP, UOBSP and CIMB Group Holdings Bhd, Sumitomo Mitsui Financial Group Inc are reportedly working on bids for HSBC's retail assets in Indonesia. (Bloomberg, OCBC) <p>Latest DBSSP report: Credit Update – 09 February 2026 Latest UOBSP report: Credit Update – 24 February 2026</p>
<p>Olam Group Ltd</p>	<p>OG</p>	<ul style="list-style-type: none"> • OLGSP reported its 2H2025 financial results. OLGSP shareholders have approved the sale of OLGSP's remaining 64.57% interest in Olam Agri in two tranches in July 2025 to a wholly-owned subsidiary of the Saudi Agricultural & Livestock Investment Company ("SALIC"). On the proposed sale of the first tranche of 44.58%-stake approvals from all jurisdictions (bar one) has been obtained per company statements. • Given the 100% sale of Olam Agri to SALIC, Olam Agri (excluding entities to be retained by OLGSP) is classified as a disposal group. Full results of ofi and the Remaining Olam Group is reported as continuing operations while Olam Agri is reported as discontinuing operations. • Reported EBITDA (excluding exceptional items) in 2H2025 was SGD851.8mn, higher by 3.5% y/y while reported EBIT (excluding exceptional items) was SGD558.5mn, higher by 4.0% y/y. The increase was driven by the Remaining Olam Group which reported an EBIT of SGD24.8mn in 2H2025 as opposed to a loss before interest and tax of SGD58.1mn in the same period last year. Both sub-segments within ofi fell y/y, with EBIT for ofi - Global Sourcing falling 24.8% y/y while ofi – Ingredients & Solutions fell 2.6% y/y. Per company, 2025 was a volatile year for commodity markets with an uncertain global trade environment though ofi expects stabilisation in market conditions for some of its key materials like cocoa and coffee. • Reported profit attributable to owners of the company, including profit from discontinuing operations was SGD120.3mn in 2H2025 (2H2024: SGD38.4mn). • With a higher y/y reported EBITDA and a 9.8% y/y lower finance cost, reported EBITDA/Interest coverage was 1.5x for 2H2025 against 1.3x for 2H2024. • Based on our calculation which includes lease liabilities as debt, unadjusted net gearing was 1.85x as at 31 December 2025 versus 2.05x as at 30 June 2025 (end-2024: 2.70x). • Our base case assumes that the SGD604.5mn OLGSP 5.375%-PERP will be called at first call in July 2026 in view of the significant amount of expected cash proceeds from the sale of Olam Agri, intention for Remaining Olam Group to be debt free, longer term monetisation plans at OLGSP and importantly the structure of the perpetual (wide reset spread and step-up margin) which economically incentivises a call. Proceeds from the sale of Olam Agri and other sources will be used to de-lever the Remaining Olam Group. OLGSP's asset base, income stream and capital structure is likely to change overtime on the back of the sale of Olam Agri and value unlocking at ofi and the Remaining Olam Group. We will cease coverage on OLGSP should the OLGSP 5.375%-PERP get redeemed. (Company, OCBC) <p>Latest report: Credit Update – 25 August 2025</p>
<p>Industry Outlook – Singapore Property</p>	<p>NIL</p>	<ul style="list-style-type: none"> • PropNex Ltd ("PropNex") shared its market outlook, expecting: <ul style="list-style-type: none"> ○ Property prices to increase by 3%-4% in 2026: PropNex expects private residential home prices to grow by 3%-4% while HDB resale prices to rise also by 3%-4% in 2026. This follows +3.3% price gains in 2025 and +3.9% in 2024.

		<ul style="list-style-type: none"> ○ Developers to launch 12.9% fewer units: PropNex expects developers to launch about 11,116 units across 27 projects in 2026, compared to 12,769 units across 27 projects in 2025. ● New sales volume to decline 16.8%: PropNex expects developer sales (excluding EC) of 9,000 units, down from 10,815 units in 2025. Private resale transactions are expected to come in at 14,500-15,000 units, broadly in-line with 2025 (14,622 units) and 2024 (14,053 units). For the HDB market, PropNex forecasts 26,000-27,000 resale transactions in 2026, similar to 2025 (26,169 units), but below 28,986 units transacted in 2024. This softer outlook comes despite a higher number of flats reaching MOP in 2026 (13,500 units vs 8,000 units in 2025). (PropNex, OCBC)
<p>Genting Malaysia Berhad</p>	<p>GENMMK</p>	<ul style="list-style-type: none"> ● GENMMK reported 2025 financial results ended 31 December 2025. Overall 4Q2025 results were weaker due primarily to softer earnings from businesses in Malaysia. Meanwhile, credit metrics also weakened due primarily to higher net debt. We maintain the negative credit direction amidst potentially high capex ahead for the USD5.5bn expansion plan for casino in New York. ● 4Q2025 revenue rose 10% y/y to MYR3.01bn. Reported underlying EBITDA from core segments (Leisure & Hospitality) fell 7% to MYR581mn due primarily to weaker contribution from Malaysia (-21% y/y to MYR387mn), while offset by better results from the UK & Egypt (+99% y/y to MYR110mn) and the USA and Bahamas (+10% y/y to MYR84mn). ● Malaysia businesses were affected by lower overall business volumes in the gaming segment at Resorts World Genting (“RWG”) and certain one-off expenses relating to payroll and contractual obligations. ● The UK & Egypt businesses contributed from the newly acquired Genting Casino Stratford (formerly Aspers Stratford), as well as higher business volumes and improved cost efficiencies. ● The USA and Bahamas contributed from consolidation of Empire Resorts, Inc and lower operating expenses. ● GENMMK’s net debt / reported underlying EBITDA from core segments ratio worsened to 3.86x (2024: 3.35x) amidst MYR1.5bn higher net debt at MYR11.3bn. Meanwhile, interest coverage ratio weakened y/y to 3.5x.(2024: 4.2x) amidst higher debts. ● We maintain the negative credit direction amidst the planned USD5.5bn (~MYR21.4bn) expansion plan for RWNYP, implying a capex of ~MYR4-5bn per annum until 2030 in comparison to ~MYR900mn in 2025. That said, the actual capex funding gap could be meaningfully narrower since RWNYP will likely be start operating in 2Q2026 with 250 live dealer table games and eventually 800 by 2029. Hence the profit from the new business opening could be used to mitigate the capex needs. Meanwhile, the other two casino operators will only start operating in 2030. (Company, OCBC) <p>Latest report: Credit Update – 15 October 2025</p>
<p>Allianz SE</p>	<p>ALVGR</p>	<ul style="list-style-type: none"> ● ALVGR recorded operating profit of EUR17.4bn in 2025 (+8% y/y) and management guided for similar result in FY2026. ● All three business segments recorded higher operating results. Property and Casualty (P&C) recorded EUR87bn in total business volume and achieved a combined ratio of 92% for the year. Value of new business on Life/Health rose 3% y/y to EUR4.83bn. Asset Management saw revenue increasing 2% y/y to EUR8.5bn; with total net flows of ~EUR140bn and growth rate of 7% with operating profit of EUR3.3bn. ● ALVGR reported a debt leverage ratio of 21.7% (FY2024: 23.4%).

		<ul style="list-style-type: none"> Solvency II ratio reached 218%, comfortably above its 180% target level, and mainly supported by sound internal capital generation. ALVGR announced a share buyback program of EUR2.5bn this year. <p>Latest report: Credit Update – 27 August 2025</p>
Royal Bank of Canada	RY	<ul style="list-style-type: none"> RY reported 1QFY2026/27 net income of CAD5.8bn (+13% y/y). ROE recorded at 17.8%, which is above its 17% target. Personal Banking reported net income of CAD2bn (+18% y/y), with revenue growth of +9% y/y on higher net interest income and mutual fund revenue. Wealth Management net income increased 32% y/y to CAD1.3bn, driven by higher fee-based income. Capital Markets recorded net income of CAD1.5bn (+3% y/y), benefitting from higher equity trading. Commercial Banking net income rose to CAD863mn (+11% y/y) on higher net interest income and lower provisions for credit losses. Asset quality looks to be normalizing after trending down in recent quarters. Gross impaired loans totalled CAD9.2bn as of January 2026, an increase of CAD485mn q/q, driven by formations in Canadian residential mortgages, Wealth Management and Commercial Banking. Gross impaired loan ratio edged up 3bps q/q to 86bps, which looks benign. CET1 ratio remained robust at 13.7%, supporting volume growth and return of CAD3.3bn in capital to shareholders through buybacks and dividends. (Company, OCBC) <p>Latest report: Credit Update – 24 October 2025</p>
Swiss Re AG	SRENVX	<ul style="list-style-type: none"> SRENVX delivered net income of USD4.8bn in 2025 (+47% y/y) with ROE of 19.6% against consensus of 20%. Property and Casualty (P&C) Reinsurance reported net income of USD2.8bn (2024: USD1.2bn), driven by lower large natural catastrophe burdens. Corporate Solutions delivered net income of USD988mn (2024: USD829mn) with a combined ratio of 86.5%. The P&C Reinsurance combined ratio for 4QFY2025 was 84.8%. Return on investment recorded at 4% for 2025, supported by recurring income and contributions from equity holdings, partially offset by realized losses from fixed income securities. The investment portfolio consists of ~84% government and corporate bonds, with over 50% invested in the US and the remainder in alternative assets including infrastructure lending, private equity, mortgages loans and investment property. Capital position remained robust with Swiss Solvency Test ratio of 250%. <p>Latest report: Initiation Report - 17 January 2025</p>
Toronto-Dominion Bank	TD	<ul style="list-style-type: none"> Reported earnings of 1QFY2026/27 were CAD4bn (+45% y/y) with an ROE of 14%, placing it in good position to achieve its 13% FY2026/27 target. Canadian Personal and Commercial banking reported net income of CAD2.04bn (+12% y/y) while US banking net income was CAD1.04bn, with net interest margin expanding 52bps to 3.38%. Provision for credit losses in US Banking decreased by USD106mn y/y to USD212mn. Gross impaired loans increased to 58bps, with formations at 27bps, primarily due to increases in Wholesale banking and US commercial lending portfolio. TD guided its provision ratio expectations of 40-50bps for the remaining of the year, indicating that credit outlook is resilient and ratios remain relatively stable. CET1 ratio declined 20bps to 14.5%. (Company, OCBC)

		Latest report: Credit Update – 24 October 2025
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New Issues:

The total issuance volumes for APAC and DM IG market yesterday were USD3.56bn and USD5.35bn respectively.

Date	Issuer	Description	Currency	Size (mn)	Tenor (Yr)	Final Pricing (%)
26 Feb	AIMS APAC REIT	Fixed, Perpetual, Subordinated	SGD	100	PerpNC5.5	4.25%
26 Feb	Sumitomo Mitsui Trust Bank Ltd	FRN	USD	750	3	SOFR + 71bps
26 Feb	Sumitomo Mitsui Trust Bank Ltd	Fixed	USD	500	3	T + 53bps
26 Feb	Sumitomo Mitsui Trust Bank Ltd	Fixed	USD	500	5	T + 65bps
26 Feb	Sumitomo Mitsui Trust Bank Ltd	FRN	USD	750	5	SOFR + 89bps
26 Feb	Sumitomo Mitsui Trust Bank Ltd	Fixed	USD	500	10	T + 80bps
26 Feb	NatWest Group PLC	Fixed to Fixed, Subordinated, Tier 2	USD	750	21NC20	T + 130bps
26 Feb	Standard Chartered PLC	Variable	USD	1,000	6.25NC5.25	T + 95bps
26 Feb	Standard Chartered PLC	Variable	USD	750	21NC20	T + 110bps

Mandates:

- There were no notable mandates yesterday.

Key Market Movements

	27-Feb	1W chg (bps)	1M chg (bps)		27-Feb	1W chg	1M chg
iTraxx Asiax IG	67	1	2	Brent Crude Spot (\$/bbl)	71.0	-1.1%	5.1%
				Gold Spot (\$/oz)	5,195	1.7%	0.3%
iTraxx Japan	58	0	1	CRB Commodity Index	310	0.3%	-2.4%
iTraxx Australia	67	0	3	S&P Commodity Index - GSCI	603	0.2%	1.8%
CDX NA IG	54	2	5	VIX	18.6	-7.9%	13.9%
CDX NA HY	107	-1	-1	US10Y Yield	4.00%	-8bp	-24bp
iTraxx Eur Main	54	2	4				
iTraxx Eur XO	255	8	13	AUD/USD	0.713	0.6%	1.7%
iTraxx Eur Snr Fin	56	2	3	EUR/USD	1.181	0.2%	-1.9%
iTraxx Eur Sub Fin	95	3	5	USD/SGD	1.264	0.3%	-0.2%
				AUD/SGD	0.901	-0.3%	-1.9%
USD Swap Spread 10Y	-41	1	-4	ASX200	9,199	1.3%	2.9%
USD Swap Spread 30Y	-71	1	-5	DJIA	49,499	0.2%	1.0%
				SPX	6,909	0.7%	-1.0%
China 5Y CDS	44	1	2	MSCI Asiax	1,050	3.7%	6.6%
Malaysia 5Y CDS	39	2	0	HSI	26,619	0.8%	-1.9%
Indonesia 5Y CDS	81	1	8	STI	4,980	-0.7%	1.2%
Thailand 5Y CDS	40	2	2	KLCI	1,719	-1.9%	-2.9%
Australia 5Y CDS	13	-0	-0	JCI	8,209	-0.8%	-8.6%
				EU Stoxx 50	6,162	1.7%	2.8%

Source: Bloomberg

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