

A wide-angle landscape photograph of a valley with numerous green, conical karst mountains in the background. In the foreground, there are green fields, a small blue river, and a cluster of white buildings with red roofs. The sky is blue with some clouds.

# Credit Week in Brief

Global Markets Research

15 Dec 2025

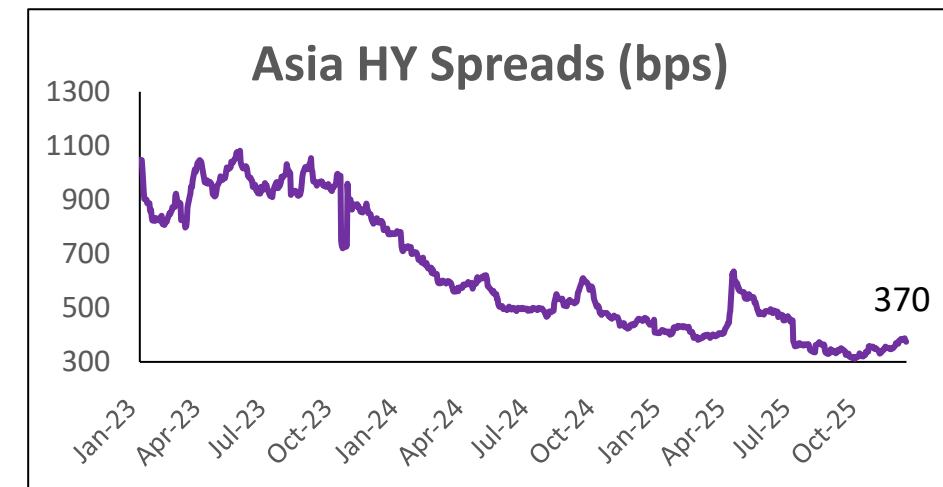
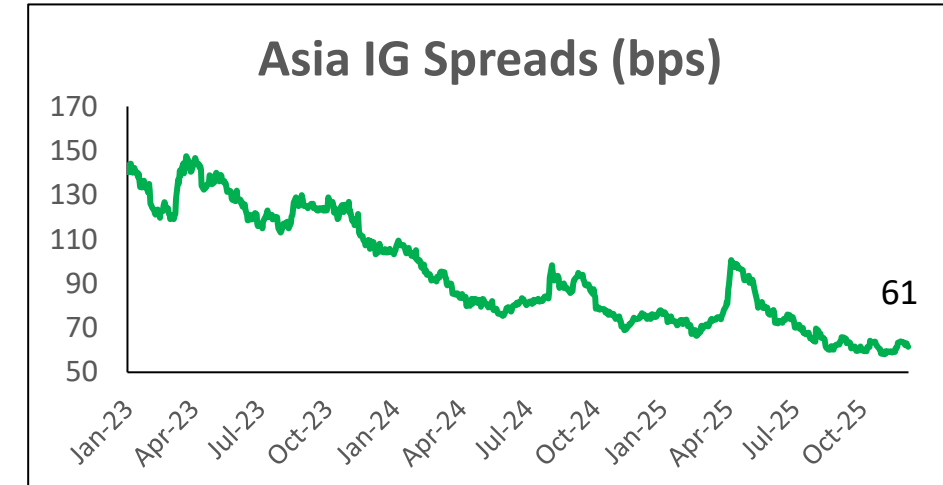
# Credit: Asiadollar Weekly Overview

## Credit spreads tightened amidst limited supply

Indices	1 Week Change (bps)	OAS Spread
Asia IG (BAIGOAS Index)	-1	61bps
Asia HY (BAHYOAS Index)	-5	370bps

- **Asiadollar credit spreads tightened w/w** amidst limited supply as we go into year end.
- As per Bloomberg, **China Vanke Co Ltd (“Vanke”)** failed to obtain sufficient support for its plan **to delay paying the RMB2bn bond**, which matures 15 December, with all three proposals on the ballot falling short of the required supports. **Vanke must now find money to pay the bond by 15 December or within a grace period of five business days, or come to some separate agreement to push back the deadlines.** If the grace period passes with no payment and no other agreement, creditors could call **default**.
- As per Bloomberg, Dalian Wanda Group Co., Ltd.’s commercial real estate unit is seeking a two year extension on its USD400mn bond.

## IG & HY spreads tightened w/w



# Credit: Asiadollar New Issues

Limited new supply in Asiadollar (ex-Japan and Australia) in December

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
08 Dec	Minmetals Capitals & Securities Inc (guarantor: China Minmetals Corp)	Subordinated, Fixed, Perpetual	USD	600	PerpNC4.75	4.35%
08 Dec	Minmetals Capitals & Securities Inc (guarantor: China Minmetals Corp)	Subordinated, Fixed, Perpetual	USD	600	PerpNC3.5	4.25%
09 Dec	Chengdu Xingcheng Investment Group Co., Ltd.	Fixed	USD	445	3Y	3.9%

# Credit: New issues in SGD

No major issuance for the week

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
-	-	-	-	-	-	-

# Credit Research Views: SGD Weekly Overview

The SGD Credit market fell amidst rising SORA rates (~8-22bps), Longer Tenors and Mid Tenors underperformed

	Key Statistics			Total Returns			
	(1 Jan 2021 = 100)	Eff Mty	Market Cap	w/w	m/m	y/y	Since Jan 2021
<b><u>By Tenor &amp; Structure</u></b>							
AT1S	117.0	3.1	\$12,524m	0.06%	0.2%	6.5%	17.0%
NON-FIN PERP	124.9	11.2	\$14,706m	-0.02%	0.0%	7.1%	24.9%
TIER 2S & Other Sub	120.1	4.0	\$18,455m	-0.08%	-0.4%	6.8%	20.1%
LONGER TENORS (>9YRS)	105.2	22.3	\$15,744m	-1.77%	-3.7%	9.0%	5.2%
MID TENORS (>3Y-9YRS)	113.7	5.0	\$45,349m	-0.42%	-0.9%	6.6%	13.7%
SHORT TENORS (1-3YRS)	115.7	1.8	\$28,225m	-0.07%	-0.1%	4.9%	15.7%
MONEY MARKET (<12M)	117.3	0.4	\$10,357m	0.04%	0.1%	3.4%	17.3%
<b><u>By Issuer Profile Rating</u></b>							
POS (2)	116.7	8.7Y	\$8,511m	-0.07%	-0.1%	6.6%	16.7%
N(3)	118.9	3.5Y	\$26,738m	-0.03%	-0.2%	6.6%	18.9%
N(4)	119.3	7.9Y	\$21,731m	-0.03%	-0.1%	6.3%	19.3%
N(5)	118.1	3.3Y	\$5,448m	-0.16%	-0.4%	6.5%	18.1%
<b>OCBC MODEL PORTFOLIO</b>	128.1	14.0Y	\$6m	-0.05%	-0.2%	8.9%	28.1%
<b>SGD Credit Universe</b>	114.5	6.3Y	\$145,361m	-0.34%	-0.8%	6.2%	14.5%



Source: Bloomberg, OCBC full description in SGD Credit Outlook 2023, pg lxi

# Credit: Top Happenings in SGD Credit Market

## Mergers & Acquisitions

- **Mapletree Pan Asia Commercial Trust (“MPACT”)** announced that it will be **divesting the office component of Festival Walk**, its sole asset in HKSAR **for ~SGD328mn in cash consideration**. MPACT will continue to retain the retail portion of MPACT. The divestment proceeds are expected to be directed towards debt reduction. On a proforma basis, MPACT’s aggregate leverage is expected to fall to ~36.5% (30 September 2025: 37.6%).
- **ESR REIT (“EREIT”)** has entered into agreements **to sell eight industrial properties in Singapore for an aggregate sale consideration of SGD338.1mn** to purchasers who are managed by affiliates of Brookfield Asset Management (“Brookfield”). Assuming that all the net proceeds are used to repay existing debt, EREIT’s pro forma aggregate leverage as at 31 December 2024 will decrease to 39.2% from 42.8%. As at 30 September 2025, EREIT’s reported aggregate leverage was 43.3%.
- **BNP Paribas SA (“BNPP”)** has reportedly agreed **to sell its 25% stake in Belgium insurer AG Insurance to its parent Ageas**. The transaction is expected to result in a net capital gain after tax of EUR820mn in 2026 for BNPP and lift its CET1 ratio by 5 basis points. While marginally credit positive from a business and financial perspective, there is no impact on our fundamental views of BNPP.
- **Hang Seng Bank Ltd’s (“HSB”)** independent board committee has **concluded that HSBC Holdings PLC’s (“HSBC”) offer is “fair and reasonable” and have recommended that shareholders vote in favor of the resolutions**. HSBC currently owns ~63% of HSB and has confirmed that it will maintain its ownership interest in HSB even if the proposal does not proceed.



# Credit: Top Happenings in SGD Credit Market

## Mergers & Acquisitions

- **Sembcorp Industries Ltd (“SCI”)** is proposing to buy Alinta Energy and its group of companies (including a coal-fired power plant) from Chow Tai Fook Enterprises and Pioneer Sail Singapore **for an estimated purchase price of AUD5.6bn (~SGD4.8bn)**. Post-transaction, SCI’s revenue and income are expected to rise, however leverage is also expected to increase. SCI’s proposed acquisition signals a greater willingness to employ debt for acquisitions, **warranting a more watchful stance versus earlier expectations of credit stability over the next 12 months. Potential credit issuance to refinance the bridge loan could create supply overhang and weigh on SCISP curve technical.**

# Credit: Top Happenings in SGD Credit Market

## Others

- **Hongkong Land Holdings Ltd (“HKL”)** will launch its first private real estate fund – the **Singapore Central Private Real Estate Fund (“SCPREF”)**. HKL will inject a total attributable property value of SGD3.9bn (USD3.0bn) as of 30 June 2025 into SCPREF. These injected assets are **(1) 33.3% stake of One Raffles Quay (“ORQ”), (2) 33.3% stake of Marina Bay Financial Centre (“MBFC”) Towers 1 and 2 and (3) 100% stake of One Raffles Link** into SCPREF, Meanwhile, **HKL’s whole 33.3% stake MBFC Tower 3 will be disposed** to an existing joint venture partner of MBFC Tower 3 at an agreed property value of SGD1.45bn (based on a 33.3% stake) or a total acquisition cost of SGD937.5mn.
- **UBS Group AG (“UBS”) / UBS AG (“UBSAG”)**: As reported in Neue Zuercher Zeitung, senior legislators including Liberal party member Thierry Burkart and Swiss People’s Party member Thomas Matter have reportedly raised a proposal for around 50% of any additional capital requirement imposed on UBS related to UBS’s overseas subsidiaries to be met with Additional Tier 1 bonds. This would be more cost effective than having to use common equity. Other compromises flagged include the lowering of the additional capital impact related to counting certain intangible capital items including software and deferred tax assets as part of equity capital and a higher contribution of its investment bank to total risk-weighted assets than previously proposed. Separately, Swiss National Bank Vice President Antoine Martin voiced continued support for the government’s proposed measures that could increase capital requirements for UBS by around USD26bn that are seen as appropriately addressing vulnerabilities that surfaced during the Credit Suisse Group AG collapse.



# Credit: Top Happenings in SGD Credit Market

## Others

- **Singapore Post Ltd (“SingPost”)** is increasing regular domestic mail rates by **SGD0.10 with effect from 01 January 2026**. SingPost view the increase as necessary to balance structural costs of domestic mail operations amid the ongoing structural decline in mail volume and rising operational costs while also allowing SingPost to continue investing in its modernisation efforts to improve operational efficiency. As a recap, SingPost reported its 1HFY2026 results for the period ending 30 September 2025 on 10 November 2025. 1HFY2026 domestic letter mail and printed papers volume saw a decline of -8.11% y/y to 162.8mn items while revenue fell -5.5% y/y to SGD102.2mn. This segment contributes to ~54% of the group’s revenue.

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