



# Credit Week in Brief

OCBC Group Research

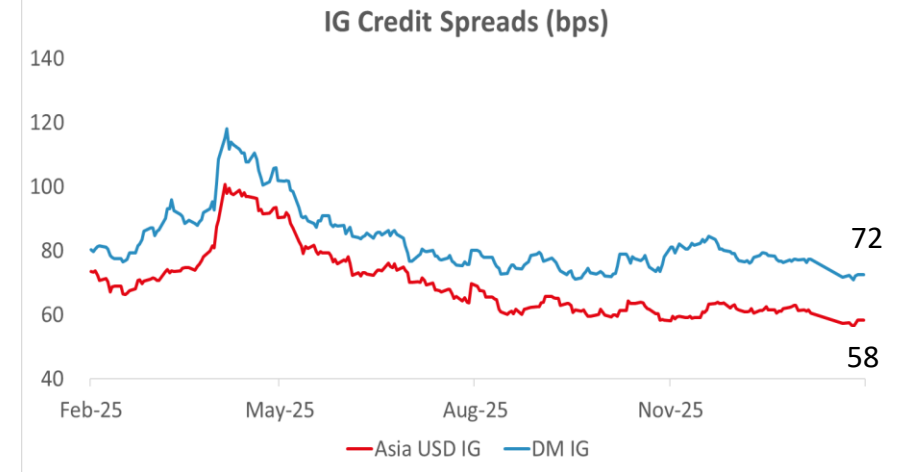
03 Feb 2026

# Credit: Weekly Overview

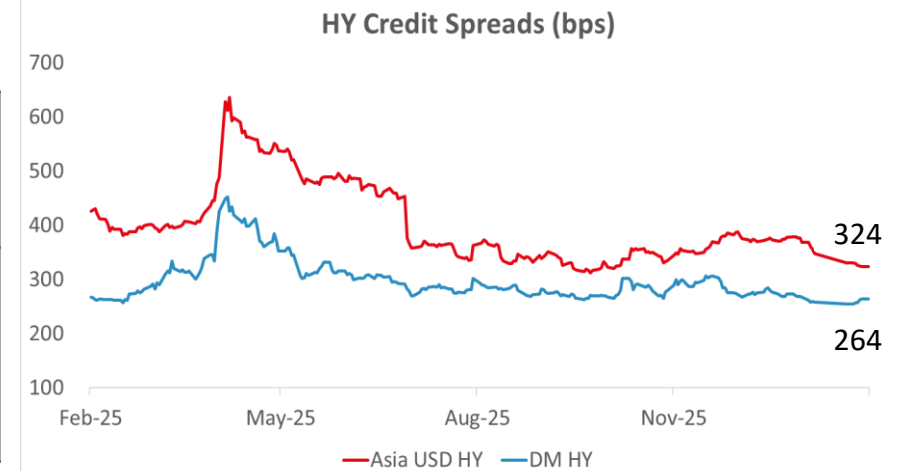
- **DM credits:** DM HY fared relatively better in terms of total return despite spreads widening in HY while flat spreads were seen in DM IG. Steeper rate curve has largely contributed to the dispersion in returns.
- **SGD Credit:** The SGD Credit market was up last week (up 0.24%, 0.02% prior) with a return to broad based improvement, particularly in mid and longer tenors. Structurally high yield instruments also did well with AT1s up 0.29% and Tier 2s and other subordinated instruments up 0.26%.
- **Indonesian USD Credit:** Spreads are steady; Indonesian IG widened 1bps over the week (vs +1bp in Asia) and +4bps in HY (-6bps in Asia). We see minimal impact from the equity market selloff (stemming from MSCI downgrade warning).

| Indices                     | 1 Week Change (bps) | OAS Spread (bps) | Yield | Total Returns (w/w) |
|-----------------------------|---------------------|------------------|-------|---------------------|
| Asia USD Inv Grade          | +1                  | 58               | 4.50% | 0.08%               |
| Asia USD High Yield         | -6                  | 324              | 7.11% | 0.47%               |
| Developed Market Inv Grade  | 0                   | 72               | 4.84% | -0.23%              |
| Developed Market High Yield | +10                 | 264              | 6.58% | -0.20%              |

## IG: DM vs Asia(bps)



## HY: DM vs Asia (bps)



Source: Bloomberg, OCBC Group Research

# SGD Weekly Overview

The SGD Credit market returned positive total returns w/w amidst stable rates

|  | 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                                   | 117.5              | 3.0     | \$12,274m  | 0.29%         | 0.1% | 6.4% | 17.5%          |
| NON-FIN PERP                           | 125.3              | 11.5    | \$14,308m  | 0.18%         | 0.1% | 6.9% | 25.3%          |
| TIER 2S & Other Sub                    | 120.4              | 3.9     | \$19,107m  | 0.26%         | 0.0% | 7.0% | 20.4%          |
| LONGER TENORS (>9YRS)                  | 104.1              | 21.8    | \$15,789m  | 0.52%         | 0.1% | 7.9% | 4.1%           |
| MID TENORS (>3Y-9YRS)                  | 114.3              | 5.1     | \$42,826m  | 0.28%         | 0.3% | 7.1% | 14.3%          |
| SHORT TENORS (1-3YRS)                  | 116.2              | 2.0     | \$29,292m  | 0.12%         | 0.3% | 5.0% | 16.2%          |
| MONEY MARKET (<12M)                    | 117.6              | 0.5     | \$12,823m  | 0.07%         | 0.2% | 3.2% | 17.6%          |
| <b><u>By Issuer Profile Rating</u></b> |                    |         |            |               |      |      |                |
| POS (2)                                | 116.9              | 8.7Y    | \$8,323m   | 0.20%         | 0.1% | 6.6% | 16.9%          |
| N(3)                                   | 119.2              | 3.4Y    | \$26,866m  | 0.24%         | 0.1% | 6.6% | 19.2%          |
| N(4)                                   | 119.5              | 8.4Y    | \$19,208m  | 0.16%         | 0.1% | 6.1% | 19.5%          |
| N(5)                                   | 118.4              | 3.3Y    | \$6,743m   | 0.22%         | 0.0% | 6.4% | 18.4%          |
| <b>OCBC MODEL PORTFOLIO</b>            | 129.0              | 13.8Y   | \$6m       | 0.23%         | 0.3% | 9.0% | 29.0%          |
| <b>SGD Credit Universe</b>             | 114.8              | 6.2Y    | \$146,419m | 0.24%         | 0.2% | 6.3% | 14.8%          |



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

# SGD Credits: Top Happenings Within Our Coverage

## Earnings

- **Mapletree Industrial Trust (“MINTSP”)**: 3QFY2025 Net Property Income (“NPI”) declined by 7.8% y/y to SGD122.8mn amidst absence of a one-off divestment gain, non-renewal leases and forex impacts. By asset under management (“AUM”), data centres make up 58.3% of MINTSP’s portfolio as 31 December 2025. Reported aggregate leverage fell marginally q/q to 37.2% while L12M interest coverage ratio was stable at 3.9x. MINT has guided that it will undertake strategic divestments in North America (targeting SGD500mn to SGD600mn of divestments in North America) and Singapore to enhance MINT’s financial flexibility and redeploy capital into assets that provide sustainable growth.
- **Frasers Centrepoint Trust (“FCT”)**: 1QFY2026 portfolio statistics and credit metrics look stable. Committed occupancy rose to 99.9% post 1QFY2026 as cinema spaces at Causeway Point and Century Square were successfully backfilled. Tenant sales rose 2.7% y/y, faster than 1.3% y/y growth in shopper traffic. Credit metrics remained stable and manageable.
- **OUE Real Estate Investment Trust (“OUECT”)**: Overall 2H2025 underlying results (excluding divestment of Lippo Plaza Shanghai) improved modestly y/y, contributed by both Commercial and Hospitality segments. Credit metrics improved due to debt repayment and lower cost of debt. The outlook is stable, underpinned by continued CBD office market tailwinds and steady MICE events and concert pipelines in 2026.
- **Mapletree Logistics Trust (“MLT”)**: Reported aggregate leverage improved 40bps q/q to 40.7% in December 2025, while interest coverage ratio was stable at 2.9x. All markets show positive rental reversion, with the exception of China which recorded a -2.2% in rental reversion in 3QFY2026.

# SGD Credits: Top Happenings Within Our Coverage

## Others

- **Keppel Ltd (“KEPSP”):** Joint development of a commercial-scale Ethanol-to-Jet Sustainable Aviation Fuel (“SAF”) facilities. KEPSP through its Infrastructure Division and Aster have entered into an agreement to jointly assess the development of one of Asia’s first commercial scale Ethanol-to-Jet Sustainable Aviation Fuel (“SAF”) facilities on Jurong Island, Singapore. KEP and Aster will carry out Front-End Engineering Design (FEED) studies for the proposed facility, which will convert low-carbon ethanol into SAF. The FEED will evaluate the technical configuration, project capex and potential financing and offtake structures needed to reach final investment decision. A prior feasibility study has been completed.



# DM Credits: Top Happenings Within Our Coverage (USD)

## FY2025 Results Snapshot – European Financials

### Lloyds Banking Group PLC (“LLOYDS”):

- Net income higher than consensus, characterised by good net interest income, growth in loan book and lower provisions.
- Asset quality stable; with low and stable arrears in retail portfolio and commercial banking. CET1 ratio stood at 13.2%, with plans to run it down to approximately 13% in 2026.

### ING Groep NV (“INTNED”):

- ROE of 13.2% beats earlier guidance of ~12.5%. Overall strong print driven by increases in net interest income on loan growth. Guidance for Y27 points to ROE > 15%.
- Asset quality is benign, benefitting from strong underwriting standards and macro backdrop. CET1 ratio was 13.1% and has a buffer of ~200bps above requirements.

### Deutsche Bank AG (“DB”):

- The CET1 ratio as of 31 December 2025 was at 14.2%, up from 13.8% as of 31 December 2024 and a EUR10bn buffer over requirements. FY2025 CLP was EUR1.71bn (36bps), down 7% y/y, reflecting Stage 1&2 net releases on improved macro forecasts, partly offset by overlays. Management expects provisions to trend moderately down in 2026.
- With regards to the recent raid by the Frankfurt Public Prosecutors and the Federal Criminal Police Offices in connection with an anti-money laundering probe, management have indicated that it is not expected to impact DB’s financials or strategic plans.



# DM Credits: Top Happenings Within Our Coverage (USD)

## FY2026 Results Snapshot – US Tech Sector

**Microsoft Corp (“MSFT”)** reported 2QFY2026 earnings (for the three months ended 31 December 2025):

- In constant currency, revenue rose 15% y/y to USD81.3bn, while operating income rose 19% y/y to USD38.3bn, supported by growth in Productivity and Business Processes (+14% y/y to USD34.1bn) and Intelligent Cloud (+28% y/y to USD32.9bn) while More Personal Computing was softer (-3% y/y to USD14.3bn).
- Significant rise in commercial bookings, providing visibility, which grew 228% y/y (constant currency) to USD625bn, of which 45% is from OpenAI.

**Apple Inc (“AAPL”)** reported 1QFY2026 results (for three months ended 27 December 2025):

- Revenue of USD143.8bn rose 16% y/y, exceeding company expectations. iPhone sales rose 23.3% y/y to USD85.3bn, with “all-time records across every geographic segment”.
- Outperformance of iPhone offset weakness in sales of Mac (-6.7% y/y to USD8.4bn) and Wearables, Home and Accessories (-2.2% y/y to USD11.5bn). Meanwhile, iPad sales grew (+6.3% y/y to USD8.6bn) and services achieved all-time revenue record (+13.9% y/y to USD30.0bn).
- AAPL expects March quarter revenue to grow by 13-16% y/y, given constrained iPhone supply while AAPL is in a ‘supply chase mode’ to meet demand.

# SGD Credits: New Issues

Limited issuance in SGD credit primary market

| Date   | Issuer          | Type  | Currency | Size (mn) | Tenor | Final Pricing |
|--------|-----------------|-------|----------|-----------|-------|---------------|
| 29 Jan | Riyad Sukuk Ltd | Fixed | SGD      | 315       | 5     | 2.86%         |



Source: Bloomberg, OCBC Group Research



# APAC (Asia) Credits: Notable New Issues

Active APAC primary market activity totalling USD4.9bn last week

| Date   | Issuer  | Type            | Currency | Size (mn) | Tenor | Final Pricing |
|--------|---|-----------------|----------|-----------|-------|---------------|
| 26 Jan | Link Finance Cayman 2009 Ltd/The<br>(guarantor: The Link Holdings Ltd, Link<br>Properties Ltd, HSBC Institutional Trust<br>services (Asia) Ltd) | Fixed           | USD      | 600       | 10    | 4.905%        |
| 27 Jan | Hongkong Electric Finance Ltd<br>(guarantor: Hongkong Electric Co<br>Ltd/The)   | Fixed           | USD      | 500       | 10    | 4.824%        |
| 27 Jan | Perusahaan Perseroan Persero PT<br>Perusahaan Listrik Negara  | Fixed           | USD      | 500       | 5     | 4.75%         |
| 27 Jan | Perusahaan Perseroan Persero PT<br>Perusahaan Listrik Negara  | Fixed           | USD      | 1,000     | 10    | 5.45%         |
| 29 Jan | Muthoot Finance Ltd   | Fixed, 1st lien | USD      | 600       | 4.50  | 5.75%         |



Source: Bloomberg, OCBC Group Research

# Credit: APAC (Japan and AU/NZ) Notable New Issues

Macquarie Bank Ltd was an active issuer of USD bonds last week

| Date   | Issuer             | Type  | Currency | Size (mn) | Tenor | Final Pricing |
|--------|--------------------|-------|----------|-----------|-------|---------------|
| 27 Jan | Macquarie Bank Ltd | FRN   | USD      | 850       | 2     | SOFR+48bps    |
| 27 Jan | Macquarie Bank Ltd | Fixed | USD      | 850       | 2     | T+35bps       |

# DM Credits: Notable New Issues

Deluge of new supply totalling USD33.05bn last week

| Date   | Issuer   | Type                   | Currency | Size (mn) | Tenor  | Final Pricing |
|--------|--|------------------------|----------|-----------|--------|---------------|
| 26 Jan | Goldman Sachs Group Inc/The  | Fixed,<br>Subordinated | USD      | 2,500     | 15NC10 | T+118bps      |
| 26 Jan | Fifth Third Bancorp  | Fixed-to-FRN           | USD      | 1,000     | 6NC5   | T+75bps       |
| 26 Jan | Fifth Third Bancorp  | Fixed-to-FRN           | USD      | 1,000     | 11NC10 | T+93bps       |
| 26 Jan | New York Life Global Funding<br>(guarantor: New York Life Insurance Co)  | Fixed,<br>Secured      | USD      | 700       | 3      | T+40bps       |
| 26 Jan | New York Life Global Funding<br>(guarantor: New York Life Insurance Co)  | FRN,<br>Secured        | USD      | 300       | 3      | SOFR+57bps    |
| 26 Jan | Goldman Sachs Finance Corp<br>International Ltd (guarantor: Goldman<br>Sachs Group Inc/The)                      | Fixed                  | USD      | 100       | 2      | 3.15%         |
| 27 Jan | Fedex Freight Holding Co Inc<br>(guarantor: FedEx Corporation, FedEx<br>Freight Inc., FedEx Custom Critical Inc) | Fixed                  | USD      | 1,000     | 3      | T+70bps       |
| 27 Jan | Fedex Freight Holding Co Inc<br>(guarantor: FedEx Corporation, FedEx<br>Freight Inc., FedEx Custom Critical Inc) | Fixed                  | USD      | 1,000     | 5      | T+85bps       |
| 27 Jan | Fedex Freight Holding Co Inc<br>(guarantor: FedEx Corporation, FedEx<br>Freight Inc., FedEx Custom Critical Inc) | Fixed                  | USD      | 700       | 7      | T+97bps       |



Source: Bloomberg, OCBC Group Research

# DM Credits: Notable New Issues

Deluge of new supply totalling USD33.05bn last week (cont'd)

| Date   | Issuer  | Type  | Currency | Size (mn) | Tenor  | Final Pricing |
|--------|---|---|----------|-----------|--------|---------------|
| 27 Jan | Fedex Freight Holding Co Inc<br>(guarantor: FedEx Corporation, FedEx Freight Inc., FedEx Custom Critical Inc) | Fixed   | USD      | 1,000     | 10     | T+107bps      |
| 27 Jan | Royal Bank of Canada  | Fixed, Junior Subordinated, Additional Tier 1 | USD      | 1,000     | 60NC7  | 6.5%          |
| 29 Jan | Morgan Stanley  | Fixed-to-Fixed                                | USD      | 4,000     | 11NC10 | T+85bps       |
| 29 Jan | Morgan Stanley Private Bank NA  | Fixed-to-FRN                                  | USD      | 2,500     | 4NC3   | T+60bps       |
| 29 Jan | Morgan Stanley Private Bank NA  | FRN   | USD      | 500       | 4NC3   | SOFR+77bps    |
| 29 Jan | International Business Machines Corp  | Fixed   | USD      | 500       | 3      | T+40bps       |
| 29 Jan | International Business Machines Corp  | Fixed   | USD      | 500       | 5      | T+53bps       |
| 29 Jan | International Business Machines Corp  | Fixed   | USD      | 500       | 7      | T+62.5bps     |
| 29 Jan | International Business Machines Corp  | Fixed   | USD      | 1,000     | 10     | T+75bps       |
| 29 Jan | International Business Machines Corp  | Fixed   | USD      | 750       | 30     | T+95bps       |



Source: Bloomberg, OCBC Group Research

# DM Credits: Notable New Issues

Deluge of new supply totalling USD33.05bn last week (cont'd)

| Date   | Issuer                     | Type                          | Currency | Size (mn) | Tenor  | Final Pricing |
|--------|----------------------------|-------------------------------|----------|-----------|--------|---------------|
| 29-Jan | AT&T Inc                   | Fixed                         | USD      | 1,500     | 5      | T+60bps       |
| 29-Jan | AT&T Inc                   | Fixed                         | USD      | 1,250     | 7      | T+75bps       |
| 29-Jan | AT&T Inc                   | Fixed                         | USD      | 1,250     | 10     | T+90bps       |
| 29-Jan | AT&T Inc                   | Fixed                         | USD      | 850       | 20     | T+105bps      |
| 29-Jan | AT&T Inc                   | Fixed                         | USD      | 1,650     | 30     | T+115bps      |
| 29 Jan | JPMorgan Chase & Co        | Fixed-to-FRN,<br>Subordinated | USD      | 3,000     | 11NC10 | T+97bps       |
| 29 Jan | Capital One Financial Corp | Fixed-to-FRN                  | USD      | 1,500     | 6NC5   | T+92bps       |
| 29 Jan | Capital One Financial Corp | Fixed-to-FRN                  | USD      | 1,500     | 11NC10 | T+117bps      |

#### Disclaimer for research report

This report is solely for information purposes and general circulation only and may not be published, circulated, reproduced or distributed in whole or in part to any other person without our prior written consent. This report should not be construed as an offer or solicitation for the subscription, purchase or sale of the securities/instruments mentioned herein or to participate in any particular trading or investment strategy. Any forecast on the economy, stock market, bond market and economic trends of the markets provided is not necessarily indicative of the future or likely performance of the securities/instruments. Whilst the information contained herein has been compiled from sources believed to be reliable and we have taken all reasonable care to ensure that the information contained in this report is not untrue or misleading at the time of publication, we cannot guarantee and we make no representation as to its accuracy or completeness, and you should not act on it without first independently verifying its contents. The securities/instruments mentioned in this report may not be suitable for investment by all investors. Any opinion or estimate contained in this report is subject to change without notice. We have not given any consideration to and we have not made any investigation of the investment objectives, financial situation or particular needs of the recipient or any class of persons, and accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of the recipient or any class of persons acting on such information or opinion or estimate. This report may cover a wide range of topics and is not intended to be a comprehensive study or to provide any recommendation or advice on personal investing or financial planning. Accordingly, it should not be relied on or treated as a substitute for specific advice concerning individual situations. Please seek advice from a financial adviser regarding the suitability of any investment product taking into account your specific investment objectives, financial situation or particular needs before you make a commitment to purchase the investment product. In the event that you choose not to seek advice from a financial adviser, you should consider whether the investment product mentioned herein is suitable for you. Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), Bank of Singapore Limited ("BOS"), OCBC Investment Research Private Limited ("OIR"), OCBC Securities Private Limited ("OSPL") and their respective related companies, their respective directors and/or employees (collectively "Related Persons") may or might have in the future, interests in the investment products or the issuers mentioned herein. Such interests include effecting transactions in such investment products, and providing broking, investment banking and other financial or securities related services to such issuers as well as other parties generally. OCBC Bank and its Related Persons may also be related to, and receive fees from, providers of such investment products. There may be conflicts of interest between OCBC Bank, BOS, OIR, OSPL or other members of the OCBC Group and any of the persons or entities mentioned in this report of which OCBC Bank and its analyst(s) are not aware due to OCBC Bank's Chinese Wall arrangement. This report is intended for your sole use and information. By accepting this report, you agree that you shall not share, communicate, distribute, deliver a copy of or otherwise disclose in any way all or any part of this report or any information contained herein (such report, part thereof and information, "Relevant Materials") to any person or entity (including, without limitation, any overseas office, affiliate, parent entity, subsidiary entity or related entity) (any such person or entity, a "Relevant Entity") in breach of any law, rule, regulation, guidance or similar. In particular, you agree not to share, communicate, distribute, deliver or otherwise disclose any Relevant Materials to any Relevant Entity that is subject to the Markets in Financial Instruments Directive (2014/65/EU) ("MiFID") and the EU's Markets in Financial Instruments Regulation (600/2014) ("MiFIR") (together referred to as "MiFID II"), or any part thereof, as implemented in any jurisdiction. No member of the OCBC Group shall be liable or responsible for the compliance by you or any Relevant Entity with any law, rule, regulation, guidance or similar (including, without limitation, MiFID II, as implemented in any jurisdiction).

The information provided herein may contain projections or other forward looking statements regarding future events or future performance of countries, assets, markets or companies. Actual events or results may differ materially. Past performance figures are not necessarily indicative of future or likely performance.

Privileged / confidential information may be contained in this report. If you are not the addressee indicated in the message enclosing the report (or responsible for delivery of the message to such person), you may not copy or deliver the message and/or report to anyone. Opinions, conclusions and other information in this document that do not relate to the official business of OCBC Bank, BOS, OIR, OSPL and their respective connected and associated corporations shall be understood as neither given nor endorsed.

Co.Reg.no.: 193200032W

#### Disclaimers

This material is being made available to you through an arrangement between Bank of Singapore Limited (Co Reg. No.: 197700866R) (the "Bank") and Oversea-Chinese Banking Corporation Limited ("OCBC Bank") (Co Reg. No.: 193200032W). The Bank and OCBC Bank shall not be responsible or liable for any loss (whether direct, indirect or consequential) that may arise from, or in connection with, any use of or reliance on any information contained in or derived from this material, or any omission from this material, other than where such loss is caused solely by the Bank's or OCBC Bank's wilful default or gross negligence.

Please refer to [https://www.bankofsingapore.com/Disclaimers\\_and\\_Disclosures.html](https://www.bankofsingapore.com/Disclaimers_and_Disclosures.html) for cross-border marketing disclaimers and disclosures.

