



Credit Week in Brief

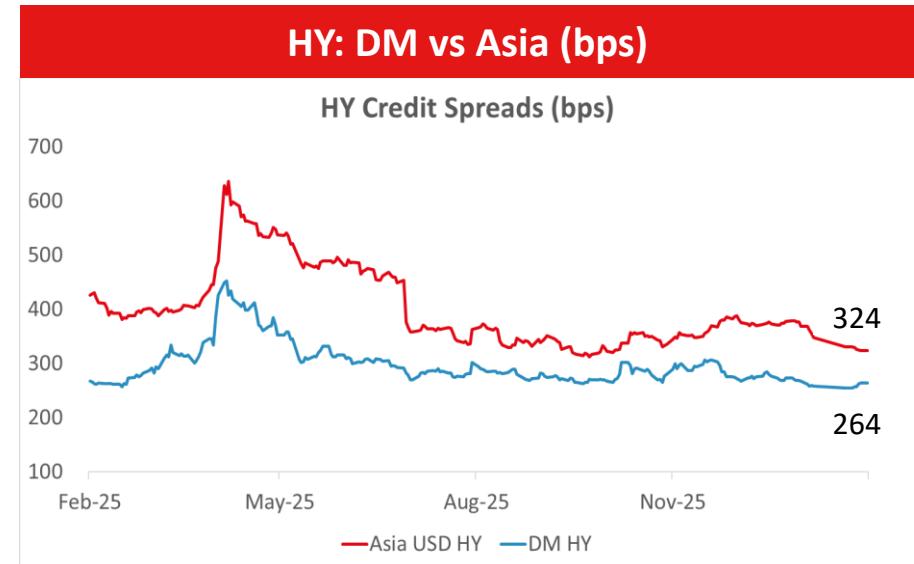
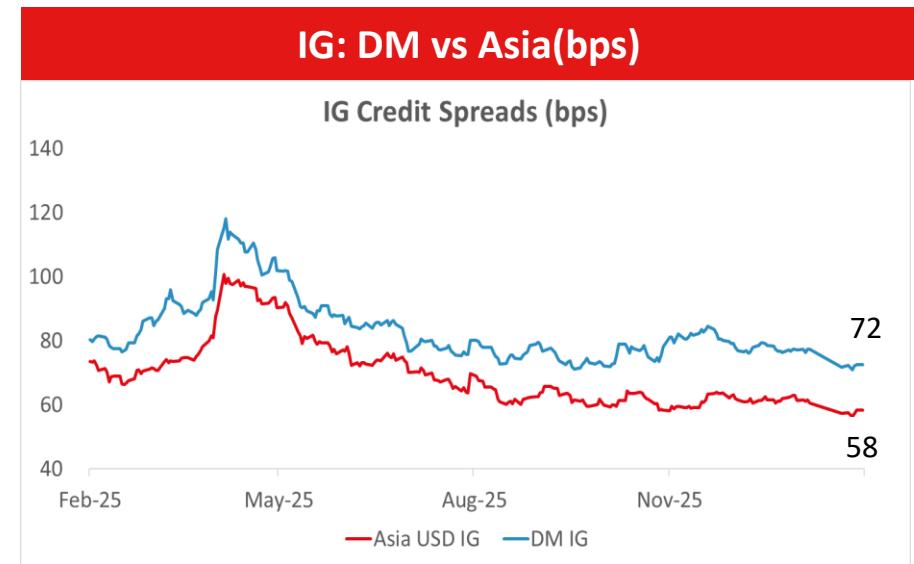
OCBC Group Research

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%



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
<u>By Tenor & Structure</u>							
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%
<u>By Issuer Profile Rating</u>							
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%
OCBC MODEL PORTFOLIO	129.0	13.8Y	\$6m	0.23%	0.3%	9.0%	29.0%
SGD Credit Universe	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 Ixi

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 (guarantor: The Link Holdings Ltd, Link Properties Ltd, HSBC Institutional Trust services (Asia) Ltd)	Fixed	USD	600	10	4.905%
27 Jan	Hongkong Electric Finance Ltd (guarantor: Hongkong Electric Co Ltd/The)	Fixed	USD	500	10	4.824%
27 Jan	Perusahaan Perseroan Persero PT Perusahaan Listrik Negara	Fixed	USD	500	5	4.75%
27 Jan	Perusahaan Perseroan Persero PT 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



Source: Bloomberg, OCBC Group Research

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, 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 (guarantor: New York Life Insurance Co)	Fixed, Secured	USD	700	3	T+40bps
26 Jan	New York Life Global Funding (guarantor: New York Life Insurance Co)	FRN, Secured	USD	300	3	SOFR+57bps
26 Jan	Goldman Sachs Finance Corp International Ltd (guarantor: Goldman Sachs Group Inc/The)	Fixed	USD	100	2	3.15%
27 Jan	Fedex Freight Holding Co Inc (guarantor: FedEx Corporation, FedEx Freight Inc., FedEx Custom Critical Inc)	Fixed	USD	1,000	3	T+70bps
27 Jan	Fedex Freight Holding Co Inc (guarantor: FedEx Corporation, FedEx Freight Inc., FedEx Custom Critical Inc)	Fixed	USD	1,000	5	T+85bps
27 Jan	Fedex Freight Holding Co Inc (guarantor: FedEx Corporation, FedEx 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 (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, 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



Source: Bloomberg, OCBC Group Research

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