



Credit Week in Brief

OCBC Group Research

07 July 2026

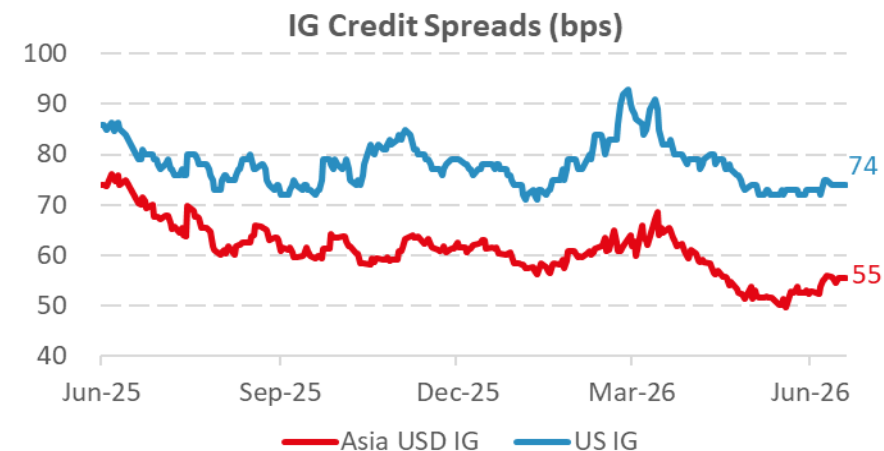
Credit: Weekly Overview

Tighter spreads amidst slower US hiring and inflows into the bond market

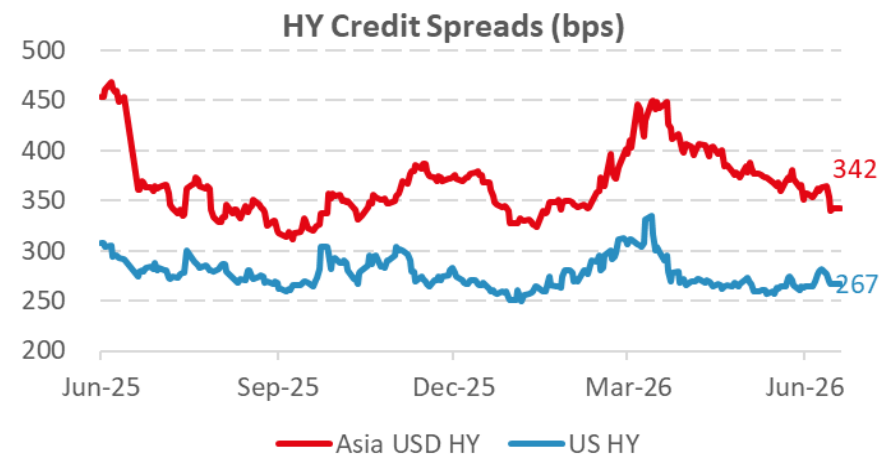
- Despite multi-year tight spreads, credit markets continue to tighten last week **particularly in both Asia and US high yield**, with both segments generating positive total returns.
- **June 2026** bustled with activity, though last week **US primary issuances slowed in a shortened work week** with the US celebrating Independence Day. Japanese financial institution issuers were active in the USD primary markets.
- **SGD Credit Universe was flat w/w despite the increase in SGD SORA yields.** While bank capital instruments and corporate perpetuals saw gains, mid and longer tenors underperformed.

Indices	OAS Spread w/w Change (bps)	OAS Spread (bps)	Yield	Total Returns (w/w)
Asia USD IG	-1	55	4.91 %	-0.37%
Asia USD HY	-21	342	7.79 %	0.09 %
US IG	-1	74	5.22 %	-0.60%
US HY	-15	267	7.13 %	0.16 %

IG: US vs Asia(bps)



HY: US vs Asia (bps)



SGD Weekly Overview

SGD Credit Universe was flat w/w, with longer and mid tenors underperforming. SORA curve increased 5bps to 12bps w/w

	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	119.1	2.9	\$13,818m	0.11%	0.5%	5.0%	19.1%
NON-FIN PERP	127.3	11.8	\$13,947m	0.09%	0.6%	5.7%	27.3%
TIER 2S & Other Sub	122.5	3.9	\$20,204m	0.07%	0.5%	4.6%	22.5%
LONGER TENORS (>9YRS)	108.9	20.9	\$18,346m	-0.16%	1.0%	3.5%	8.9%
MID TENORS (>3Y-9YRS)	115.7	5.0	\$45,657m	-0.06%	0.3%	3.4%	15.7%
SHORT TENORS (1-3YRS)	117.4	1.9	\$25,678m	0.03%	0.2%	3.1%	17.4%
MONEY MARKET (<12M)	118.5	0.5	\$15,378m	0.04%	0.2%	2.2%	18.5%
<u>By Issuer Profile Rating</u>							
POS (2)	118.3	7.8Y	\$10,775m	0.09%	0.4%	4.4%	18.3%
N(3)	121.1	3.4Y	\$27,486m	0.07%	0.4%	4.2%	21.1%
N(4)	121.4	8.1Y	\$20,404m	0.10%	0.5%	4.7%	21.4%
N(5)	119.8	3.1Y	\$7,685m	0.07%	0.3%	4.3%	19.8%
OCBC MODEL PORTFOLIO	131.1	13.5Y	\$6m	0.09%	0.4%	7.3%	31.1%
SGD Credit Universe	116.6	6.2Y	\$153,029m	0.00%	0.4%	3.8%	16.6%



Credit: Top Happenings within our Coverage (SGD)

Industry Updates

Singapore Residential Property

- **Residential price growth is slowing:** URA flash estimates showed private residential prices rising 0.5% q/q in 2Q2026, moderating from +0.9% q/q in 1Q2026.
- **Price momentum is concentrated at the top end:** Non-landed private residential prices declined 0.1% q/q in 2Q2026, reversing from +1.3% q/q in 1Q2026, dragged by softer prices in the OCR (-0.2% q/q; 1Q2026: +2.2% q/q) and RCR (-1.4% q/q; 1Q2026: +0.8% q/q). HDB resale prices also declined for a second consecutive quarter, falling 0.3% q/q in 2Q2026 after a 0.1% q/q decline in 1Q2026. By contrast, higher-end segments remained resilient, with CCR prices rising 2.0% q/q and landed property prices increasing 2.6% q/q in 2Q2026.
- **Elevated land supply should remain a moderating factor.** The government continues to sustain a high and steady supply of private housing through the GLS Programme. The 4,745 private residential units to be launched in 2H2026 are more than 50% above the past 10-year annual average, which likely contributed to slower overall price growth and should remain a moderating factor. (MND, URA, HDB, OCBC)

Credit: Top Happenings within our Coverage (SGD/USD/AUD)

Others

Lendlease Group (“LLCAU”)

- LLCAU announced the commencement of its joint venture (“JV”) with The Crown Estate to accelerate the master planning and land entitlement of a scaled portfolio of high-quality UK development assets.
- This transaction releases ~AUD115mn of project capital, in addition to a ~AUD50mn deposit received previously. The profit on JV formation, recognised in FY2027, reflects a modest gain on sale relative to project book values of the transferred assets. Additional capital recycling and profits within Development are expected to be realised following an anticipated second phase of project transfers and from development management rights that are targeted for 1HFY2027 subject to satisfaction of conditions precedent.

Lenovo Group Ltd (“LENOVO”)

- Lenovo disclosed that it has signed long-term supply agreements for storage products with the "Big Three" manufacturers: Micron, Samsung, and SK Hynix. Management believes the company is well-positioned amid the increasing tightness of global memory supply, having successfully secured adequate components.
- This supply chain advantage has also helped Lenovo secure more cloud server solution contracts. Specifically, two major customers recently signed contracts totalling RMB 200 billion for next year, already double of the segment's original revenue target.



Credit: Upcoming SGD Maturities

July 2026

Issuer	Ticker	Amt. Outstanding (SGDmn)	Coupon	Maturity Date	Call Date	Reset Date
United Overseas Bank Ltd	UOBSP	750	3.58	-	07/17/2026	07/17/2026
Olam Group Ltd*	OLGPSP	604.5	5.375	-	07/18/2026	07/18/2026
Eastern Air Overseas Hong Kong Co Ltd	CHIEAS	500	2	07/15/2026	-	-
Housing & Development Board	HDBSP	965	3.244	07/23/2026	-	-

**Olam Group Ltd has missed the 30-day call date but it plans to redeem all remaining outstanding perpetual. More details will be provided at a later date per the company's announcement.*



Credit: New Issues in SGD

Steady issuance activity in the SGD credit primary market

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
30 Jun	Nanyang Technological University	Fixed	SGD	350	15	2.42%
30 Jun	Valuemax Group Ltd	Fixed	SGD	80	3	4%

Credit: APAC (Asia) Notable New Issues

APAC primary market activity totaling USD11.85bn last week

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
29 Jun	Shenwan Hongyuan International Finance Limited	Floating	USD	500	3	SOFRIX + 47bps

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

Issuers in Japan/AU/NZ last week

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
29 Jun	Mizuho Financial Group Inc	Fixed	USD	1,650	4NC3	T + 68bps
29 Jun	Mizuho Financial Group Inc	FRN	USD	700	4NC3	SOFR+ 85bps
29 Jun	Mizuho Financial Group Inc	Fixed	USD	1,250	6NC5	T + 83bps
29 Jun	Mizuho Financial Group Inc	FRN	USD	1,000	6NC5	SOFR+ 108bps
29 Jun	Mizuho Financial Group Inc	Fixed	USD	1,000	11NC10	T + 97bps
29 Jun	Mizuho Financial Group Inc	Fixed	USD	1,000	21NC20	T + 97bps



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

Issuers in Japan/AU/NZ last week

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
29 Jun	Sumitomo Mitsui Financial Group Inc	FRN	USD	500	6NC5	SOFR+ 105bps
29 Jun	Sumitomo Mitsui Financial Group Inc	Fixed	USD	1,000	6NC5	T + 80bps
29 Jun	Sumitomo Mitsui Financial Group Inc	Fixed	USD	500	8NC7	T + 90bps
29 Jun	Sumitomo Mitsui Financial Group Inc	Fixed	USD	750	11NC10	T + 93bps
29 Jun	Sumitomo Mitsui Financial Group Inc	Fixed	USD	500	21NC20	T + 90bps
30 Jun	Panasonic Holdings Corp	Fixed	USD	500	10	T + 95bps



Credit: DM Notable New Issues

New supply totaling USD7.9bn last week

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
29 Jun	Imperial Brands Finance PLC (guarantor: Imperial Brands PLC)	Fixed	USD	750	Long 5	T + 80bps
29 Jun	Imperial Brands Finance PLC (guarantor: Imperial Brands PLC)	Fixed	USD	750	10	T + 115bps
29 Jun	ING Bank NV	Fixed	USD	1,000	3	T + 45bps
29 Jun	ING Bank NV	Green, Fixed	USD	1,000	5	T + 57bps
29 Jun	Societe Generale SA	Fixed, Sr Non Preferred	USD	1,250	3NC2	T + 75bps
29 Jun	Societe Generale SA	Fixed, Sr Non Preferred	USD	1,000	8NC7	T + 120bps



Source: Bloomberg, OCBC Group Research.

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