Credit Week in Brief

OCBC Group Research

14 July 2026

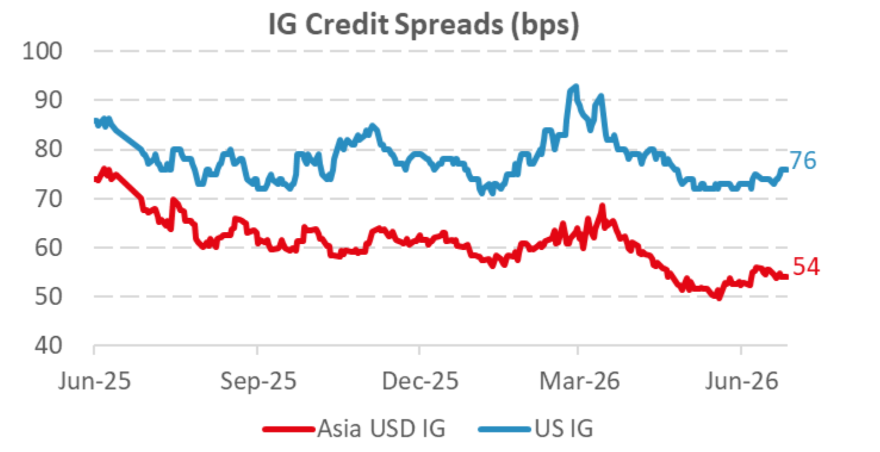
Credit: Weekly Overview

Higher US Treasury yields drove negative total return, despite continued spreads compression in most segments.

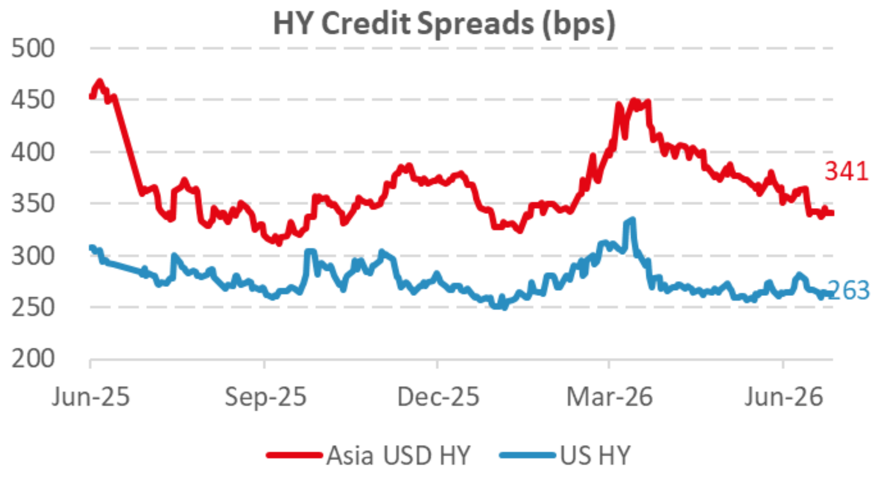
- **UST was sold off**, with yields moving up 7-12bps across 1y and longer tenors.
- Asia dollar IG & HY, along with HY spreads, continued to tighten.
- **US IG spreads widened** due to AI-related equity selloff that spilled credit markets. Technically, a surge in AI-related debt and long-duration supply is also pushing spreads wider. Amazon issued USD25bn bond last week, pushing its total YTD issuance to USD93bn, v.s. USD15bn in 2025.
- **SGD Credit Universe was flat** w/w despite rising SGD SORA yields; underperformance in longer tenors offset gains in AT1s and other segments.

Indices	OAS Spread w/w Change (bps)	OAS Spread (bps)	Yield	Total Returns (w/w)
Asia USD IG	-1	54	4.98 %	-0.36%
Asia USD HY	-1	341	7.85 %	-0.20%
US IG	2	76	5.32 %	-0.76%
US HY	-4	263	7.16 %	-0.14%

IG: US vs Asia(bps)



HY: US vs Asia (bps)



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Source: Bloomberg, OCBC Group Research.

SGD Weekly Overview

SGD Credit Universe was flat w/w, with AT1s outperforming and longer tenors underperforming. SORA curve increased 3bps to 6bps w/w.

	Key Statistics			Total Returns			
	(1 Jan 2021 = 100)	Eff Mty	Market Cap	w/w	m/m	y/y	Since Jan 2021
By Tenor & Structure							
AT1S	119.2	2.9	$13,829m	0.08%	0.5%	4.7%	19.2%
NON-FIN PERP	127.3	11.8	$13,935m	0.01%	0.4%	5.5%	27.3%
TIER 2S & Other Sub	122.5	3.8	$20,210m	0.03%	0.5%	4.0%	22.5%
LONGER TENORS (>9YRS)	108.7	20.8	$18,324m	-0.12%	0.5%	1.9%	8.7%
MID TENORS (>3Y-9YRS)	115.7	5.0	$45,635m	0.00%	0.3%	3.2%	15.7%
SHORT TENORS (1-3YRS)	117.4	1.9	$25,674m	0.02%	0.2%	3.0%	17.4%
MONEY MARKET (<12M)	118.5	0.5	$15,381m	0.02%	0.1%	2.2%	18.5%
By Issuer Profile Rating							
POS (2)	118.4	7.8Y	$10,777m	0.02%	0.5%	4.2%	18.4%
N(3)	121.2	3.4Y	$27,487m	0.04%	0.4%	3.9%	21.2%
N(4)	121.5	8.1Y	$20,416m	0.06%	0.5%	4.5%	21.5%
N(5)	120.0	3.1Y	$7,684m	0.10%	0.4%	4.1%	20.0%
OCBC MODEL PORTFOLIO	131.2	13.4Y	$6m	0.09%	0.4%	7.1%	31.2%
SGD Credit Universe	116.6	6.2Y	$152,988m	0.00%	0.4%	3.4%	16.6%

Source: Bloomberg, OCBC Group Research (full description in SGD Credit Outlook 2023, pg lxi)

Credit: Top Happenings within our Coverage (SGD)

Others

ESR-REIT ("EREIT")

- ESR-REIT Management (S) Limited, the REIT manager of EREIT, announced the proposed acquisition of five freehold logistics properties located in Melbourne, Australia for a net purchase consideration of AUD276.8mn (~SGD247.9mn). The net purchase consideration represents a 1.9% discount to the market valuation of the properties.
- The total acquisition outlay is expected to be AUD303mn (~SGD271.3mn) with proceeds from the divestment of properties and debt financing (expected to be in SGD). Perpetuals may be used as well.
- On a proforma basis, reported aggregate leverage is expected to be ~41.9% (31 March 2026: 44.3%) and lower to 38.5% if up to SGD175mn of perpetuals is raised as funding.

PT Pertamina Persero ("PERTIJ")

- Pertamina will explore opportunities with Boeing to develop Indonesia's sustainable aviation fuel ecosystem as the country seeks to cut emissions and expand cleaner fuel production, the state-owned energy company says in a statement late Wednesday.
- MoU signed by Pertamina President Director Simon Aloysius Mantiri and Boeing Indonesia Managing Director Indra Duivenvoorde on Wednesday in Jakarta.

Source: Company, OCBC Group Research.

Credit: Top Happenings within our Coverage (SGD)

Others

Commerzbank AG, UniCredit SpA ("CMZB", "UniCredit")

- UniCredit moved closer to control of CMZB after investors tendered enough shares to raise its potential stake in CMZB to 47.6%. This was a consequence of 17.6% of CMZB's shares being tendered before the July 3 acceptance deadline. This effectively puts UniCredit on course to steer key decisions at CMZB, with a full takeover marking Europe's biggest bank deal in the last two decades.
- UniCredit's stake represents 49.65% of CMZB's voting rights and its stake will formally rise to that level upon CMZB cancelling its treasury shares that don't carry voting rights – as it has already committed to do.
- Any moves by Orcel to assert control is likely stalled until UniCredit secures necessary regulatory approvals to take ownership of the tendered shares; including a green light from the ECB to increase its physical stake above 30% - a process that may take three to six months.

Source: Company, OCBC Group Research.

Credit: Top Happenings within our Coverage (SGD)

Others

Crédit Agricole Group, Crédit Agricole S.A. (“CAG”, “CASA”)

- CASA has reportedly increased its stake in Banco BPM SpA to 29.3%, up from ~23% as of 31 March 2026. This is part of CASA’s ACT 2028 medium-term strategic plan announced in November 2025 with plans to generate ~60% of revenues internationally.
- Italy is CAG’s second most important market after France. The impact of the acquisition is around 35bps which is manageable considering CASA’s solid capital position. As of 31 March 2026, CASA’s CET1 ratio was 11.4%, still providing a ~260bp buffer above requirements.

Source: Company, OCBC Group Research.

Credit: Top Happenings within our Coverage (SGD)

Industry Update

UK Banking Sector

- The BoE and PRA announced a package of reforms to modernise the UK bank capital framework, aimed at improving the usability of capital buffers, easing leverage constraints and enhancing the competitiveness of UK banks.
- The proposals are mainly towards easing leverage requirements and allowing buffer usability, including lower the minimum Tier 1 leverage ratio from 3.25% to 3%, removing the countercyclical leverage buffer, recalibrating the Additional Leverage Ratio buffer and introducing a new 25bps releasable general leverage buffer.
- The proposals do not change the treatment of AT1 instruments but are expected to make capital requirements more flexible and efficient, broadly supporting UK banks' balance-sheet management while remaining aligned with international standards.

Source: Company, OCBC Group Research.

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.*

Source: Bloomberg, OCBC Group Research.

Credit: New Issues in SGD

Robust issuance activity in the SGD credit primary market

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
07 Jul	Housing & Development Board	Fixed	SGD	1,000	7	2.21%
07 Jul	FWD Group Holdings Ltd	Fixed, Subordinated	SGD	270	5.75	3.18%
09 Jul	International Bank for Reconstruction & Development	Sustainability, Fixed	SGD	200	5	1.97%

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Source: Bloomberg, OCBC Group Research.

Credit: APAC (Asia) Notable New Issues

APAC primary market activity totaling USD2.175bn last week

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
06 Jul	Korea East-West Power Co Ltd	Green & Transition, Fixed	USD	500	5.50	T + 58bps
06 Jul	KT Corp	Fixed	USD	500	3	T + 55bps

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Source: Bloomberg, OCBC Group Research.

Credit: DM Notable New Issues

New supply totaling USD49.15bn last week

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
06 Jul	Banque Federative du Credit Mutuel SA	FRN, Sr Preferred	USD	400	3	SOFR+ 82bps
06 Jul	Banque Federative du Credit Mutuel SA	Fixed, Sr Preferred	USD	1,350	3	T + 65bps
06 Jul	Banque Federative du Credit Mutuel SA	Fixed, Sr Non Preferred	USD	1,500	6NC5	T + 95bps
06 Jul	ENEL Finance International NV (guarantor: Enel SpA)	Fixed	USD	1,000	3	T + 60bps
06 Jul	ENEL Finance International NV (guarantor: Enel SpA)	Fixed	USD	750	5	T + 78bps
06 Jul	ENEL Finance International NV (guarantor: Enel SpA)	Fixed	USD	750	10	T + 105bps
06 Jul	Energy Transfer LP	Fixed, Jr Subordinated	USD	750	30NC5	6.55%
06 Jul	Energy Transfer LP	Fixed, Jr Subordinated	USD	1,100	30NC10	6.7%
06 Jul	American Honda Finance Corp	Fixed	USD	700	3	T + 70bps
06 Jul	American Honda Finance Corp	Fixed	USD	700	5	T + 85bps
06 Jul	American Honda Finance Corp	Fixed	USD	400	7	T + 95bps

Source: Bloomberg, OCBC Group Research.

Credit: DM Notable New Issues

New supply totaling USD49.15bn last week

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
06 Jul	Nationwide Building Society	Fixed, Sr Non Preferred	USD	1,000	6NC5	T + 85bps
06 Jul	Nationwide Building Society	Fixed, Sr Non Preferred	USD	750	11NC10	T + 105bps
06 Jul	Toyota Motor Credit Corp	FRN	USD	400	3	SOFR+ 58bps
06 Jul	Toyota Motor Credit Corp	Fixed	USD	750	3	T + 40bps
06 Jul	Toyota Motor Credit Corp	Fixed	USD	500	7	T + 68bps
07 Jul	United States Steel Corp (guarantor: Nippon Steel Corp)	Fixed	USD	700	5	T + 97bps
07 Jul	United States Steel Corp (guarantor: Nippon Steel Corp)	Fixed	USD	500	10	T + 122bps
07 Jul	Sunbelt Rentals Holdings Inc (guarantor: Subsidiaries)	Fixed	USD	450	4	T + 80bps
07 Jul	Sunbelt Rentals Holdings Inc (guarantor: Subsidiaries)	Fixed	USD	750	10	T + 125bps
07 Jul	Prosus NV	Fixed	USD	650	7	T+115
07 Jul	Prosus NV	Fixed	USD	1000	10	T+135

Source: Bloomberg, OCBC Group Research.

Credit: DM Notable New Issues

New supply totaling USD49.15bn last week

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
07 Jul	Amazon.com Inc	Fixed	USD	4,000	30	T + 110bps
07 Jul	Amazon.com Inc	Fixed	USD	4,250	5	T + 55bps
07 Jul	Amazon.com Inc	Fixed	USD	2,250	40	T + 125bps
07 Jul	Amazon.com Inc	FRN	USD	750	3	SOFR+ 58bps
07 Jul	Amazon.com Inc	Fixed	USD	4,500	10	T + 80bps
07 Jul	Amazon.com Inc	Fixed	USD	3,000	7	T + 70bps
07 Jul	Amazon.com Inc	Fixed	USD	3,500	3	T + 40bps
07 Jul	Amazon.com Inc	Fixed	USD	2,750	20	T + 100bps

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Source: Bloomberg, OCBC Group Research.

Credit: DM Notable New Issues

New supply totaling USD49.15bn last week

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
07 Jul	Royal Bank of Canada	Fixed	USD	1,000	3NC2	T + 50bps
07 Jul	Royal Bank of Canada	FRN	USD	300	3NC2	SOFR+ 61bps
07 Jul	Royal Bank of Canada	Fixed	USD	1000	6NC5	T + 70bps
08 Jul	Accenture Capital Inc (guarantor: Accenture PLC)	Fixed	USD	1,500	5	T + 70bps
08 Jul	Accenture Capital Inc (guarantor: Accenture PLC)	Fixed	USD	1,100	10	T + 105bps
08 Jul	Accenture Capital Inc (guarantor: Accenture PLC)	FRN	USD	300	3	SOFR+ 70bps
08 Jul	Accenture Capital Inc (guarantor: Accenture PLC)	Fixed	USD	1,000	3	T + 52bps
08 Jul	Accenture Capital Inc (guarantor: Accenture PLC)	Fixed	USD	1,100	7	T + 90bps

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Source: Bloomberg, OCBC Group Research.

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