



Credit Week in Brief

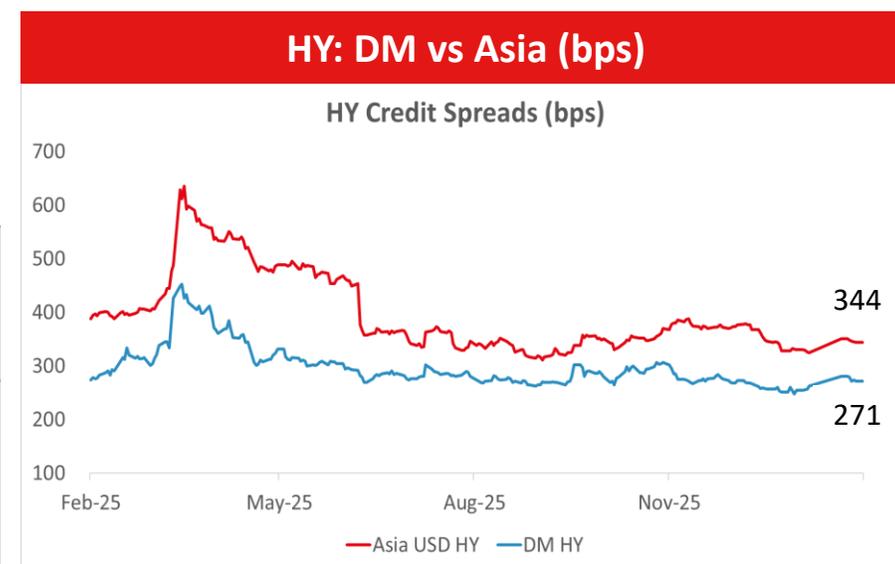
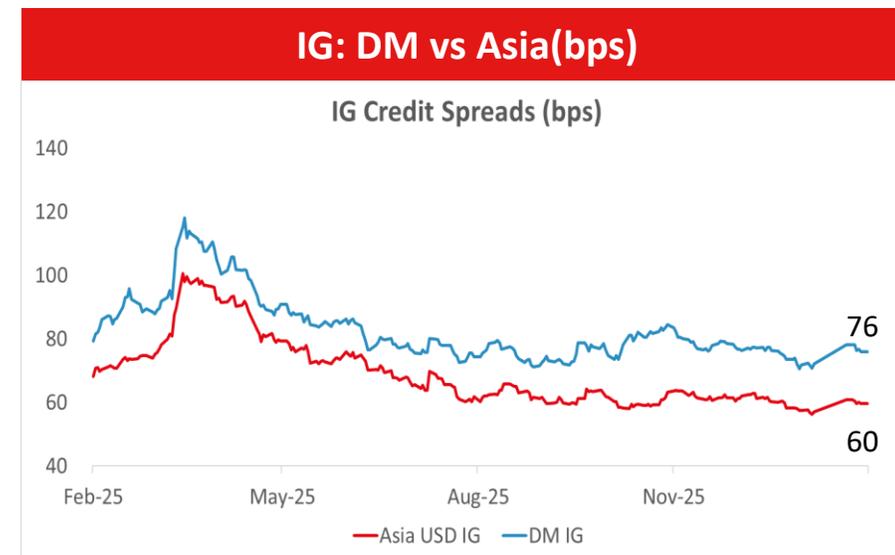
OCBC Group Research

24 Feb 2026

Credit: Weekly Overview

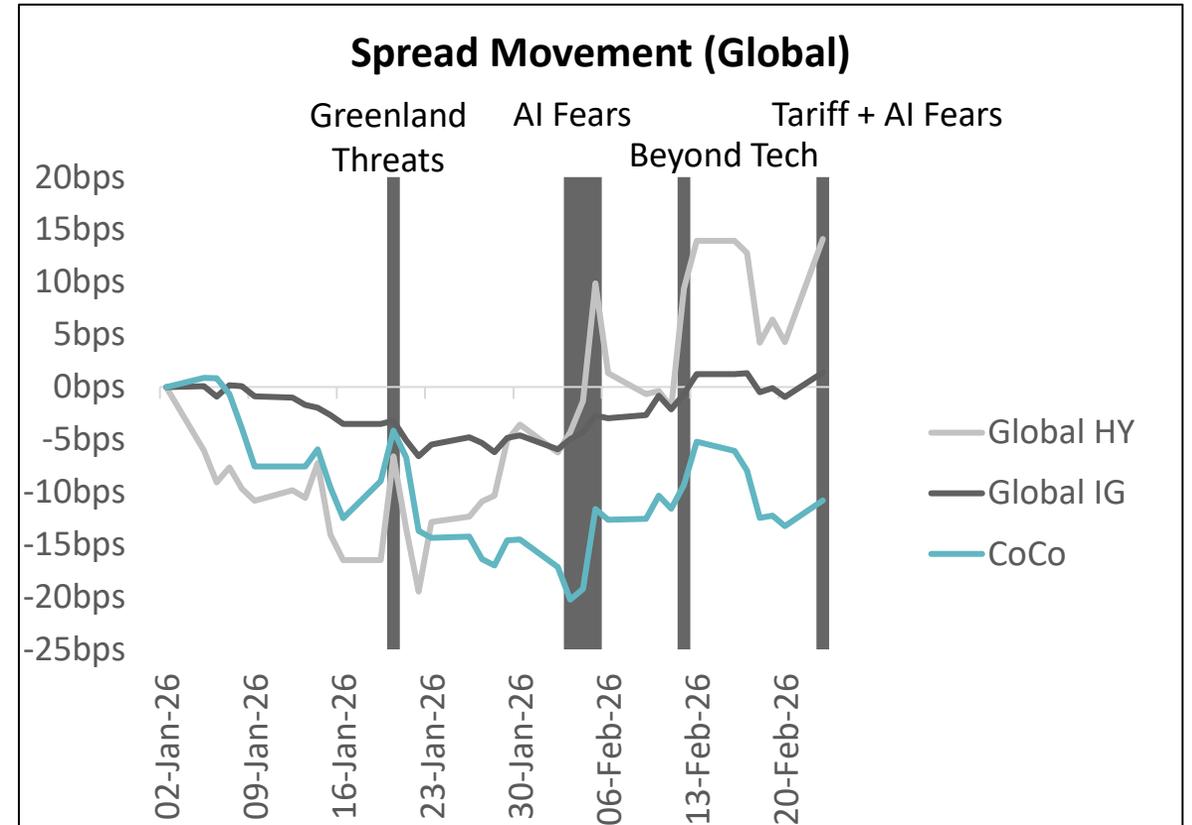
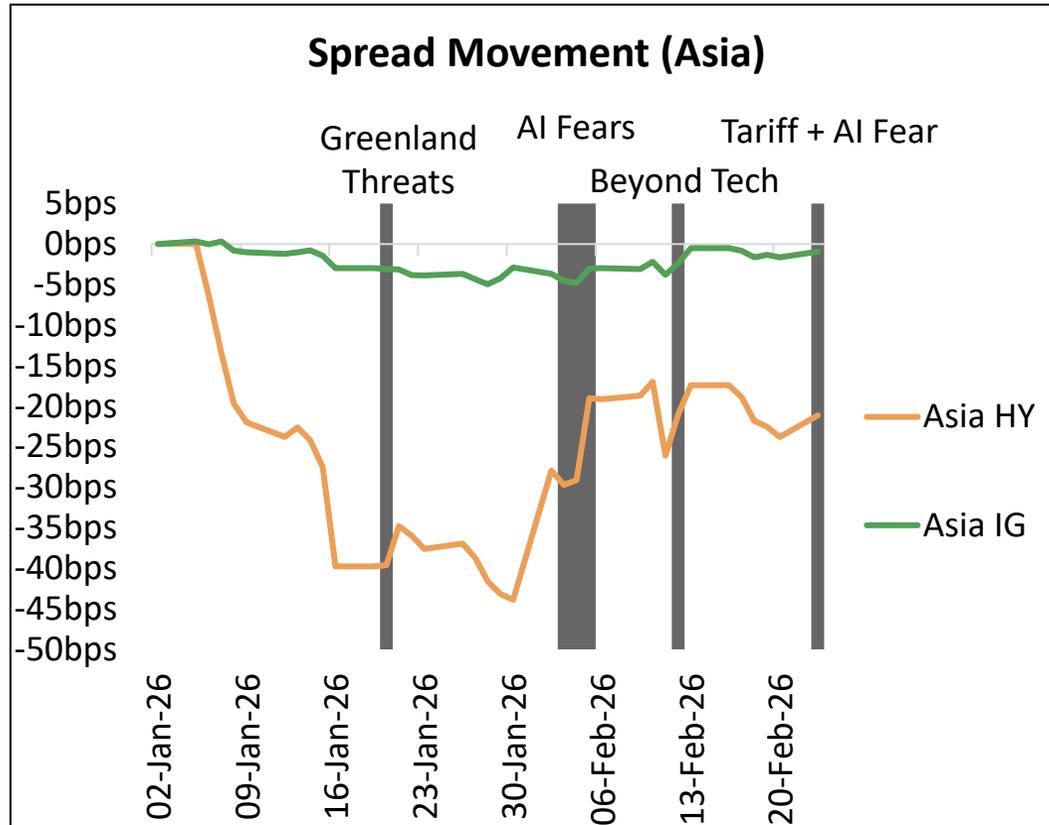
- **Asiadollar credits:** Very quiet in the primary issuance market due to Chinese New Year. That said, several Chinese issues traded up. Several LGFVs bonds (e.g. Zhongyuan Yuzi Investment Holding, Zhaoqing Guolian Investment Holdings, Taizhou Urban Construction and Investment Development Group, Jiujiang Municipal Development Group) outperformed. China Vanke bonds also performed well w/w, continuing to recover from the lows following successful bond rollovers and potential financial support.
- **DM credits:** Unlike the Asian markets which was quiet, USD28bn was priced last week. DM IG spreads tightened by 2bps w/w, with tightening across most tenors and sectors, despite earlier modest widening in spreads due to AI-related concerns.
- **SGD Credit:** The SGD Credit market was up by 0.14% last week. Positive returns were broad based, with longer tenors outperforming amidst lower SGD SORA yields (flattish to 3bps lower w/w).

Indices	OAS Spread w/w Change (bps)	OAS Spread (bps)	Yield	Total Returns (w/w)
Asia USD Inv Grade	-1	60	4.40 %	-0.02%
Asia USD High Yield	-6	344	7.21 %	0.14 %
Developed Market Inv Grade	-2	76	4.75 %	0.02 %
Developed Market High Yield	-10	271	6.56 %	0.18 %



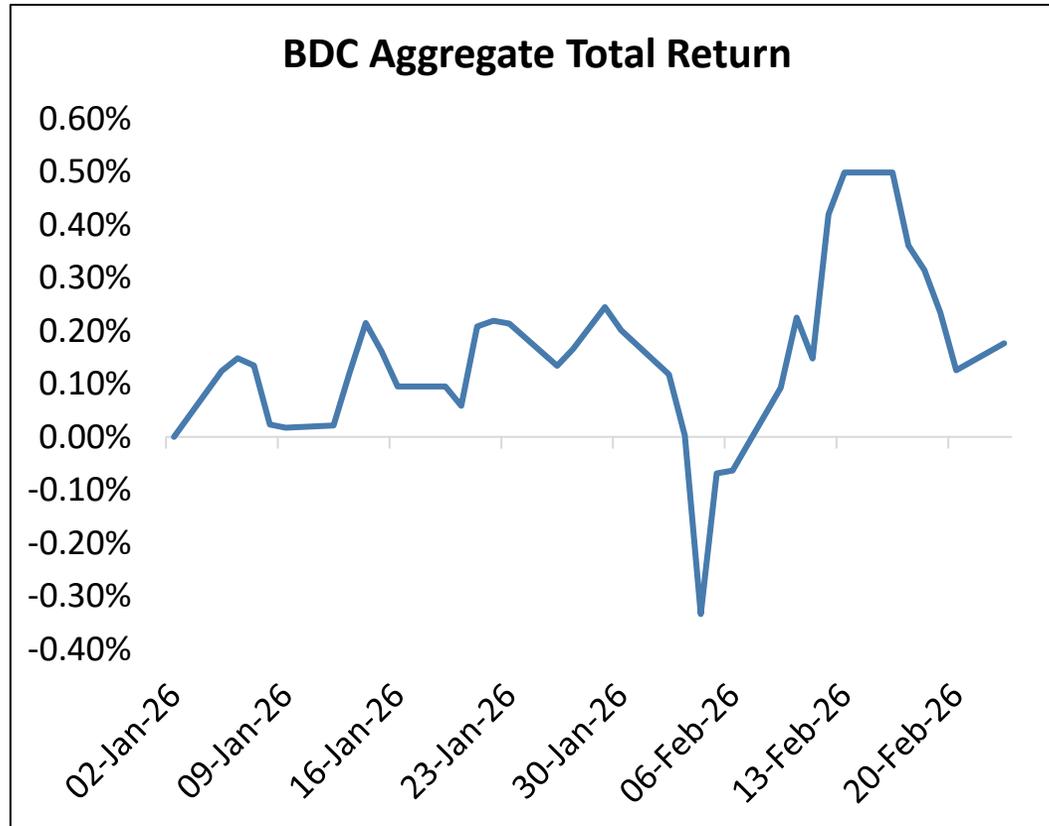
Little spillover impact from geopolitics/AI to credit market

Credit appears relatively resilient thus far



Private Credit sector concerns have little spillover for now

However, directly impacted names (e.g. Blue Owl) saw spreads widen



BDC Aggregate Top Constituents	
Issue	Name
ARCC 2 7/8 06/15/28	ARES CAPITAL CORP
APODS 6.9 04/13/29	APOLLO DEBT SOLUTIONS BD
ARCC 5 7/8 03/01/29	ARES CAPITAL CORP
APODS 6.7 07/29/31	APOLLO DEBT SOLUTIONS BD
ARESSI 5.7 03/15/28	ARES STRATEGIC INCOME FU
OBDC 5.95 03/15/29	BLUE OWL CAPITAL CORP
ARCC 5.8 03/08/32	ARES CAPITAL CORP
OCINCC 5.8 03/15/30	BLUE OWL CREDIT INCOME
BCRED 6 01/29/32	BLACKSTONE PRIVATE CRE



SGD Weekly Overview

The SGD Credit market returned +0.14% w/w, supported by decline in SGD SORA OIS yields.

	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	118.0	2.9	\$12,297m	0.11%	0.8%	6.3%	18.0%
NON-FIN PERP	125.7	11.4	\$14,321m	0.10%	0.6%	6.8%	25.7%
TIER 2S & Other Sub	121.1	3.8	\$19,211m	0.15%	0.9%	7.0%	21.1%
LONGER TENORS (>9YRS)	105.5	21.8	\$15,998m	0.29%	2.0%	8.8%	5.5%
MID TENORS (>3Y-9YRS)	115.1	5.1	\$43,089m	0.15%	1.0%	7.5%	15.1%
SHORT TENORS (1-3YRS)	116.6	1.9	\$29,383m	0.08%	0.5%	5.1%	16.6%
MONEY MARKET (<12M)	117.8	0.5	\$12,203m	0.06%	0.2%	3.1%	17.8%
<u>By Issuer Profile Rating</u>							
POS (2)	117.4	8.6Y	\$8,354m	0.07%	0.6%	6.4%	17.4%
N(3)	119.8	3.4Y	\$26,852m	0.15%	0.8%	6.5%	19.8%
N(4)	119.9	8.3Y	\$19,254m	0.11%	0.5%	6.1%	19.9%
N(5)	118.9	3.3Y	\$6,762m	0.12%	0.6%	6.5%	18.9%
OCBC MODEL PORTFOLIO	129.7	13.7Y	\$6m	0.07%	0.8%	9.1%	29.7%
SGD Credit Universe	115.4	6.2Y	\$146,501m	0.14%	0.8%	6.5%	15.4%



Credit: Top Happenings within our Coverage (SGD)

Quick thoughts on tariffs:

- **Not overly worried about SGD Credit over potential outcomes of Trump tariffs**
 - Last year during the Liberation Day period, the max drawdown of the SGD Credit Universe was only about 0.5%.
 - SGD credits remain largely resilient. Most companies have limited direct exposure to US trade, and those that hold US assets typically do so in small amounts or as part of a diversified portfolio.
 - SGD credits so far posted results that are largely stable.

Stable Results

- **Lendlease Global Commercial REIT (“LREIT”) results are stable with improved capital structure.**
 - NPI likely remained stable. Tenant sales excluding PLQ rose 1.1% y/y, occupancy rate stable at 94.9%.
 - Aggregate leverage improved q/q to 38.4% (September 2025: 42.7%) after divesting Jem office (SGD462mn) and SGD280mn unit issuance. Adjusted interest coverage ratio rose 0.2x q/q to 1.8x. Outlook remains stable.



Credit: Top Happenings within our Coverage (SGD)

Negative Guidance/Results

- **Hotel Properties Ltd (“HPLSP”) negative profit guidance, expecting to report a net loss for 2025.**
 - Despite higher revenue, finance costs remain elevated. HPLSP also incurred mark-to-market FV loss on its LT investments.
 - Issuer has been loss-making already in 1H2025 before fair value changes. Credit metrics have been weak.
- **OUE Ltd (“OUESP”) negative profit guidance, expecting to report a loss of SGD220mn to SGD240mn for 2025.**
 - Mainly due to estimated losses from Gemdale Properties and Investment Corporation Ltd (“GPI”) and an impairment loss on OUESP’s investments in GPI. In addition, a provisional negative goodwill of SGD94.9mn was reversed.
 - GPI was adversely impacted by prevailing slow-down of the Chinese property market. In total, OUESP share of results of equity accounted investee, which includes GPI, recorded SGD460mn loss in 1H2025.

Company/Industry developments

- **OUE REIT - One Raffles Place put up for sale at indicative price range of SGD2.3bn to SGD2.4bn.**
 - Based on OUECT’s 67.95% effective stake, disposal proceeds is around ~SGD1.6bn.
 - The asset accounts for ~29% of OUECT’s assets by value. UOBSP is the other significant stakeholder (~26.6% stake).



Credit: Top Happenings within our Coverage (USD)

Company/Industry developments

- Macquarie Group Ltd (“MQGAU”) – acquiring 100% Qube through Macquarie Asset Management (“MAM”).
 - MAM is acquiring as part of a consortium that includes UniSuper (which will retain its ~15% stake).
 - Qube’s enterprise valuation is AUD11.7bn. Qube is an integrated logistics and infrastructure provider.
 - This transaction does not alter our view of MQGAU’s fundamentals.

Credit: New Issues in SGD

One notable issuance in SGD credit primary market

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
20 Feb	Parkway Life MTN Pte Ltd (guarantor: Parkway Life Real Estate Investment Trust)	Green, Fixed	SGD	70	5	2.103%

Credit: APAC (Asia) Notable New Issues

No activity in APAC primary market.

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

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

No active issuers of USD bonds last week.

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

Credit: DM Notable New Issues

Modest new supply totaling USD28.1bn

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
17 Feb	Amgen Inc	Fixed	USD	1,000	5	T + 60bps
17 Feb	Amgen Inc	Fixed	USD	1,750	10	T + 82bps
17 Feb	Amgen Inc	Fixed	USD	500	20	T + 90bps
17 Feb	Amgen Inc	Fixed	USD	750	30	T + 97bps
17 Feb	Barclays PLC	Fixed-to-FRN	USD	1,000	4.25NC3.25	T + 75bps
17 Feb	Barclays PLC	FRN	USD	300	4.25NC3.25	SOFR + 93bps
17 Feb	Barclays PLC	Fixed-to-FRN	USD	1,200	6NC5	T + 90bps
17 Feb	Barclays PLC	Fixed-to-FRN	USD	1,500	11NC10	T + 115bps
17 Feb	Howmet Aerospace Inc	Fixed	USD	400	2	T + 35bps
17 Feb	Howmet Aerospace Inc	Fixed	USD	300	3	T + 43bps
17 Feb	Howmet Aerospace Inc	Fixed	USD	500	10	T + 70bps



Source: Bloomberg, OCBC Group Research.

Credit: DM Notable New Issues

Modest new supply totaling USD28.1bn

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
18 Feb	ABN AMRO Bank NV	Fixed, Sr Preferred	USD	650	5	T + 55bps
18 Feb	ABN AMRO Bank NV	Fixed, Sr Preferred	USD	600	10	T + 75bps
18 Feb	Avolon Holdings Funding Ltd (guarantor: Multiple Guarantors)	Fixed	USD	750	3	T + 83bps
18 Feb	Avolon Holdings Funding Ltd (guarantor: Multiple Guarantors)	Fixed	USD	750	7	T + 115bps
18 Feb	Caterpillar Financial Services Corp	FRN	USD	350	3	SOFR + 49bps
18 Feb	Caterpillar Financial Services Corp	Fixed	USD	950	3	T + 30bps
18 Feb	Centerpoint Energy Restoration Bond Co III LLC	Fixed, Secured	USD	298	6	3.899%
18 Feb	Centerpoint Energy Restoration Bond Co III LLC	Fixed, Secured	USD	398	10	4.48%
18 Feb	Centerpoint Energy Restoration Bond Co III LLC	Fixed, Secured	USD	497	15	4.864%
18 Feb	DTE Electric Co	Fixed, 1st lien	USD	800	10	T + 78bps
18 Feb	DTE Electric Co	Fixed, 1st lien	USD	800	30	T + 85bps



Source: Bloomberg, OCBC Group Research.

Credit: DM Notable New Issues

Modest new supply totaling USD28.1bn

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
18 Feb	Goldman Sachs Private Credit Corp	Fixed	USD	700	2	T + 185bps
18 Feb	Goldman Sachs Private Credit Corp	Fixed	USD	400	Retap of its GSCRED 5.875% '31s	T + 260bps
18 Feb	Marriott International Inc/MD	Fixed	USD	600	7	T + 80bps
18 Feb	Marriott International Inc/MD	Fixed	USD	850	12	T + 110bps
18 Feb	Pacific Gas and Electric Co	Fixed, 1st lien	USD	400	Retap of its PCG 6.1% '29s	T + 73bps
18 Feb	Pacific Gas and Electric Co	Fixed, 1st lien	USD	1,000	10	T + 115bps
18 Feb	Pacific Gas and Electric Co	Fixed, 1st lien	USD	800	30	T + 132bps
19 Feb	Equinix Asia Financing Corp Pte Ltd (guarantor: Equinix Inc)	Fixed	USD	700	5	T + 85bps
19 Feb	Equinix Europe 2 Financing Corp LLC (guarantor: Equinix Inc)	Fixed	USD	800	7	T + 95bps
19 Feb	Leidos Inc (guarantor: Leidos Holdings Inc)	Fixed	USD	600	3	T + 63bps
19 Feb	Leidos Inc (guarantor: Leidos Holdings Inc)	Fixed	USD	800	10	T + 97bps



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