

Monthly Credit View

Monthly Themes & House View

- **Starting to see some resistance:** As at time of writing, credit spreads showed some dispersion through June with Global and Asia IG spreads wider while Global Contingent Capital and Asia HY were tighter. Global HY spread movements stood out as they were noticeably wider, influenced by new Fed Chair Kevin Warsh's perceived hawkish shift in the anticipated Fed rate trajectory at the June 17–18 FOMC meeting.
- **June developments stretching the rubber band:** Dispersion elsewhere was a consequence of a mix between risk-on influences from geopolitical de-escalation that were positive for risk assets, historically tight spread levels for IG that had little room to move, strong primary supply, and other idiosyncratic developments in key markets. Overall, sentiments remain tentative with order books for new issues lacking conviction.
- **Sounding a warning?** In its annual outlook, Pacific Investment Management Co. ("PIMCO") declared that the credit loss cycle has begun, with heavy spending on AI widening economic outcomes and hitting lower-quality borrowers. PIMCO also noted a higher frequency of maturity extensions and payment-in-kind structures that indicates "a more genuine default cycle is now unfolding." Further, given the heavy investment in AI, "investors should not expect past patterns of rapid recovery to repeat with the same reliability." Amidst inherently fragile positioning with spreads or risk premia compressed, we continue to believe that it would take only a relatively small catalyst to alter sentiment and prompt a shift in investor preferences.
- **With this environment persisting, we continue to see the risk-reward balance asymmetric to the downside and continue to advocate a defensive bias with the following considerations:**
 - Focus on the short end and intermediates to preserve capital amid elevated rate and duration volatility.
 - Favour sector and issuer selectivity over broad index exposure, prioritising sectors with strong balance sheet, refinancing access and structural support (e.g. IG financials, infrastructure), while avoiding stressed or refinancing-dependent segments.
 - Prioritise quality carry over beta, with a focus on higher-quality credits with resilient cash flows, strong liquidity and clear refinancing visibility.
 - Prefer Developed Market investment grade over Developed Market high yield, given better downside protection amid asymmetric risk-return profile.
 - We prefer SGD crossover credits and high yield over high grade with default risks remaining low, selectively overweight non-financial corporate perpetuals and bank capital instruments.

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SGD Credit – Overview

SGD Tracker

- **Staying steady:** SGD credit market returns remained steady and calm in June against a bear flattening of the SGD SORA OIS curve that fell 5-20bps through the month as at time of writing. Given the faster fall in the long end, the longer tenor bucket (>9 years) continued to deliver the strongest outperformance and returns than both the front-end (1-3 years) and belly (3-9 years). The monthly gain of 0.60% in June compared favourably to the ~0.4% monthly gain in May.
- Subordinated credit overall had a solid month with monthly gains of ~0.5% and above with non-financial corporate perpetuals leading the performance amidst an ongoing lack of supply while all issuer profile rating buckets also remained in positive territory.

	Key Statistics						
	(1 Jan 2021 = 100)	Eff Mty	Market Cap (SGD'mn)	m/m	y/y	YTD	Since Jan 2021
By Tenor & Structure							
AT1S	119.0	3.0Y	13,812	0.47%	5.15%	1.41%	19.01%
NON-FIN PERP	127.2	11.8Y	13,949	0.56%	6.00%	1.49%	27.20%
TIER 2S & Other Sub	122.4	3.9Y	20,189	0.50%	4.91%	1.53%	22.37%
LONGER TENORS (>9YRS)	109.1	20.9Y	18,384	2.03%	5.61%	4.87%	9.05%
MID TENORS (>3Y-9YRS)	115.7	5.1Y	45,694	0.47%	3.85%	1.58%	15.73%
SHORT TENORS (1-3YRS)	117.3	1.9Y	25,673	0.27%	3.26%	1.25%	17.34%
MONEY MARKET (<12M)	118.4	0.5Y	15,375	0.16%	2.29%	0.91%	18.43%
By Issuer Profile Rating							
POS (2)	118.2	7.8Y	10,773	0.43%	4.75%	1.18%	18.22%
N(3)	121.0	3.5Y	27,470	0.44%	4.43%	1.50%	21.02%
N(4)	121.3	8.1Y	20,395	0.50%	4.85%	1.53%	21.30%
N(5)	119.7	3.1Y	7,682	0.32%	4.49%	1.13%	19.75%
OCBC MODEL PORTFOLIO	131.0	13.5Y	6	0.47%	7.70%	1.65%	30.95%
SGD Credit Universe	116.6	6.3Y	153,075	0.60%	4.23%	1.80%	16.59%

Source: Bloomberg, OCBC Group Research as of 29 June 2026

- Steady returns were also likely supported by a **relative slowdown in the SGD primary market's overall issuance amount that fell to SGD1.65bn in June across 10 issuers**, down from SGD4.27bn in May across 12 issuers. May's issuance amount, however, included large deals from Housing & Development Board, Westpac Banking Corp and Manulife Financial Corp with June's primary market activity more in line with April's SGD1.76bn across nine issuers.

Key SGD issues in June 2026

<u>Issuer</u>	<u>Description</u>	<u>Size (SGD'mn)</u>	<u>Tenor (Y)</u>	<u>Pricing</u>
Cagamas Global PLC (guarantor: Cagamas Bhd)	Fixed	100	1	1.75%
Keppel Ltd	Fixed, Perpetual, Subordinated	325	PerpNC3	3.3%
MPACT Treasury Co Pte Ltd	Fixed	200	7	2.53%
City Developments Ltd	Fixed	300	5	2.5%
MapletreeLog Treasury Co Pte Ltd (guarantor: Mapletree Logistics Trust)	Fixed	75	7	2.5%
GLL IHT Pte Ltd (guarantor: GuocoLand Ltd)	Fixed	110	4.25	2.5%
Cagamas Global PLC (guarantor: Cagamas Bhd)	Fixed	94	1	1.84%
Ho Bee Land Ltd	Green, Fixed	150	5	3.3%
Optus Finance Pty Ltd (guarantor: SingTel Optus Pty Ltd)	Fixed	200	10	2.84%
Heeton Holdings Ltd	Fixed	90	3.5	5.5%

Source: Bloomberg, OCBC Group Research

Upcoming SGD Credit Maturities, Next Reset and Next Call Dates – July 2026

<u>Issuer</u>	<u>Ticker</u>	<u>Amt. Outstanding (SGD'mn)</u>	<u>Coupon (%)</u>	<u>Maturity Date</u>	<u>First Call Date</u>	<u>Next Reset Date</u>
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	-	-

Source: Bloomberg, OCBC Group Research

[^] call has been announced

*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

Model Portfolio (As of 30 June 2026)

- **Rose 0.30% again since previous update (5 June 2026):** The model portfolio rose by 0.30%, slightly lagging the broader SGD Credit Universe (+0.37%) since the last update as the model portfolio has a smaller exposure to longer tenors, which continued to rise significantly (+1.00%).

Issue Name	OCBC Issuer Profile Rating	Yield to Worst	Maturity / First Call Date / Reset Date	Cost of investment (incl. acc. interest)	Current Value (incl. acc. interest)	Total coupons received	Total Gain/Loss
Property Developers							
GUOLSP 4.05 06/04/27	5	1.60%	04/06/2027	\$250,896.47	\$256,084.21	\$20,250.00	\$25,437.74
FPLSP 3 10/09/28	5	2.11%	09/10/2028	\$227,003.94	\$256,036.03	\$22,561.64	\$51,593.73
HOBEE 4.35 07/11/29	5	2.73%	11/07/2029	\$266,802.16	\$266,040.91	\$16,267.81	\$15,506.56
OUESP 4 10/08/29	5	2.78%	08/10/2029	\$249,876.92	\$261,182.52	\$10,000.00	\$21,305.60
LLCAU 3.9 PERP	4	4.19%	30/09/2030	\$251,523.36	\$248,887.21	\$4,915.07	\$2,278.92
WINGTA 3.83 06/10/32	4	2.88%	10/06/2032	\$265,590.48	\$262,984.62	\$9,575.00	\$6,969.14
CKPH 3.38 PERP	2	3.88%	FFL Perpetual	\$190,704.42	\$219,641.16	\$8,519.45	\$37,456.20
CKPH 3.38 PERP	2	3.88%	FFL Perpetual	\$190,704.42	\$219,641.16	\$8,519.45	\$37,456.20
REITs							
FCTSP 3.98 PERP	3	3.16%	02/07/2030	\$252,009.35	\$256,885.00	\$9,950.00	\$14,825.65
EREIT 2.6 08/04/26	4	0.59%	04/08/2026	\$244,264.73	\$252,989.37	\$12,893.15	\$21,617.79
OUECT 3.9 09/26/31	4	2.86%	26/09/2031	\$265,132.81	\$264,617.81	\$14,665.07	\$14,150.07
CERTSP 5 PERP	Unrated	5.23%	24/11/2026	\$248,180.96	\$249,909.37	\$56,352.74	\$58,081.15
EREIT 5 3/4 PERP	Unrated	4.42%	20/03/2030	\$264,617.57	\$264,694.64	\$0.00	\$77.07
Financial Institutions							
CS 5 5/8 PERP	Unrated			\$264,341.44		\$28,125.00	-\$236,216.44
UBS 5 3/4 PERP	3	3.95%	21/08/2029	\$254,708.53	\$267,783.00	\$28,690.92	\$41,765.39
BACR 8.3 PERP	4	3.74%	15/09/2027	\$262,992.23	\$264,078.94	\$78,068.32	\$79,155.03
BACR 7.3 PERP	4	4.24%	15/06/2028	\$224,568.75	\$264,866.25	\$54,975.00	\$95,272.50
HSBC 5 1/4 PERP	3	4.07%	14/06/2029	\$262,446.51	\$258,393.51	\$6,580.48	\$2,527.48
BPCEGP 5 03/08/34	Unrated	2.71%	08/03/2034	\$251,854.14	\$268,082.11	\$31,215.75	\$47,443.72
CMZB 6 1/2 04/24/34	4	2.79%	24/04/2034	\$252,056.27	\$275,353.17	\$40,647.26	\$63,944.16
Others							
HKLSP 3.45 12/03/39	2	3.06%	03/12/2039	\$229,663.22	\$259,999.02	\$25,804.11	\$56,139.91
SLHSP 3 1/2 01/29/30	4	2.83%	29/01/2030	\$243,420.03	\$258,674.28	\$21,695.21	\$36,949.45
EQIX 3 1/2 03/15/30	Unrated	2.89%	15/03/2030	\$251,157.98	\$257,221.76	\$8,750.00	\$14,813.78
SRENVX 3 3/4 03/26/31	Unrated	2.33%	26/03/2031	\$251,504.11	\$263,873.37	\$9,413.53	\$21,782.79
OLGPSP 5 3/8 PERP	5	0.35%	18/01/2027	\$254,577.12	\$256,305.74	\$6,663.53	\$8,392.14
SITB 07/28/26		1.31%	28/07/2026	\$245,561.57	\$245,561.57	\$0.00	\$0.00
Total Gain/Loss since portfolio inception							\$1,419,845
<hr/>							
Statistics	Simple Avg, Issuer Profile	Simple Avg, Yield*	Simple Avg, Tenor	Total, Invested Amount	Cash Balance	Unrealised Portfolio Profit	Portfolio Value
	3.8	3.05%	3.1Y* (6.0Y**)	\$6,416,159.47	\$57.96	\$3,627	\$6,419,845

*Assume first call date as maturity, or reset date as maturity (if not called at first call)

**Assuming maturity of perpetuals = 10Y, and issuers do not exercise the call for non-perps with call dates. Excludes SITB

Asiadollar Credit – Overview

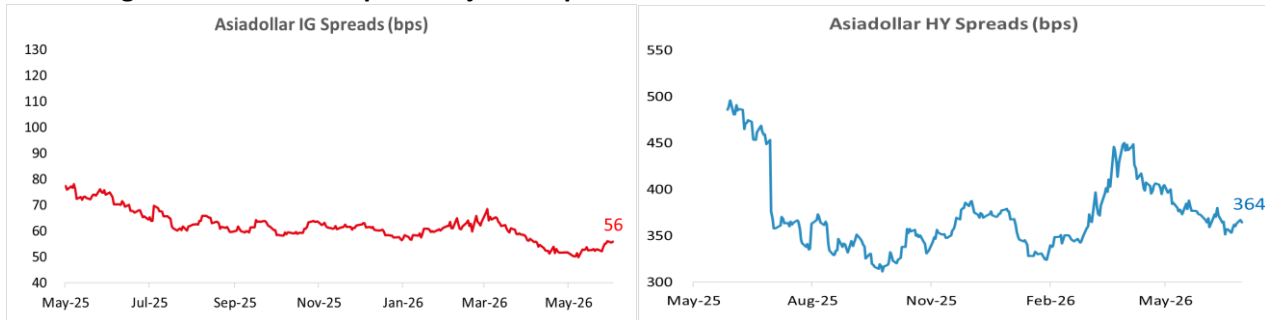
- **Asiadollar risk sentiment diverged in June with investment grade spreads widening marginally while high yield tightened as at time of writing** (IG: +3bps to 55bps, HY: -13bps to 360bps compared to 29 May) in June. Movements in Asia reflected both fundamentals and technicals with news of a US-Iran peace deal and Strait of Hormuz reopening leading to a fall in oil prices and rally in equity and credit markets in mid-June as part of risk-on sentiments. This benefitted high yield credits although movements remained somewhat volatile through June as the deal remained fragile (peace talks were delayed on 19 June on renewed clashes in Lebanon with an escalation in tensions towards the end of June), holding back a full recovery in risk sentiment. On the Investment grade front, sentiments were affected by the historically tight IG spreads that left little room for improvement as well as the seemingly hawkish Fed pivot and repricing of the Fed's interest rate trajectory that impacted investment grade credit and other rate sensitive instruments more. Another influence on investment grade credit was a sell-off in the Kospi following reports that SK Hynix was slowing AI memory chip expansion, an indicator of heightened investor sentiment sensitivity to worries over an AI bubble. In addition, sentiments remained somewhat volatile towards Indonesian credits due to the potential MSCI downgrade as well as ongoing policy fluctuations, specifically related to commodity exports, which had a larger impact on Indonesian IG credit. Government efforts to stabilise the IDR had a larger impact on local currency credit.
- Despite lingering concerns around Indonesia, June saw the debut issuance from Indonesia's sovereign wealth fund PT. Danantara Investment Management ("Danantara") that issued USD1.5bn equally across 5yr and 10yr tranches, larger than initial reports of raising USD1bn with both tenors tightening ~35bps from initial price guidance. That said, order books were considered generally modest to reflect the prevailing sentiments towards both the country and this relatively newly established issuer as well as tight market valuations. Danantara's issue was part of a bumper month of issuance in Asiadollar (ex-Australia and Japan issuers) with ~USD19bn issued per Bloomberg League tables as at time of writing, materially above the seasonally low issuance month of May, with key supports including improved geopolitical risks and ratings affirmations and upgrades for Vedanta Resources Ltd and its USD1.75bn three tranche deal for refinancing as part of a larger USD5.2bn debt management exercise. This amount would be even larger if Australia and Japan based issuers were included – m/m growth from these issuers was notable as these investment grade issuers took advantage of an improved macro-economic backdrop while Japanese issuers looked offshore on heightened JGB volatility. Notable Japanese issuer transactions included NTT Finance issuing USD10.4bn across USD, EUR and GBP and Sony Group Corp issuing in the USD IG market for the first time in 30 years.
- Looking ahead, issuance volumes will be influenced by stabilization in expectations of the rates trajectory and sustainability of the US-Iran peace deal. The market also continues to watch developments in the AI space with issuer announcements or guidance continuing to influence sentiments and primary market activity. As had already been seen in June, heavy issuance could drive higher new issue concessions hence putting pressure on credit spreads.

Key Asiadollar (excluding Japan and Australia) issues in June 2026

Issuer	Description	Size (USD'mn)	Tenor	Pricing
Tencent Holdings Ltd	Fixed	1,750	10	T + 50bps
Tencent Holdings Ltd	Fixed	700	20	T + 60bps
DBS Bank Ltd (guarantor: Bayfront Covered Bonds Pte Ltd)	Fixed, Secured	2,000	3	SOFRMS + 42bps
Vedanta Resources Finance II PLC (guarantor: multiple)	Fixed, 1 st lien	700	8	7.375%
Vedanta Resources Finance II PLC (guarantor: multiple)	Fixed, 1 st lien	500	6	7%
Vedanta Resources Finance II PLC (guarantor: multiple)	Fixed, 1 st lien	550	11	7.75%
Danantara Investment Management PT	Fixed	750	5	5.35%
Danantara Investment Management PT	Fixed	750	10	5.95%
China Construction Bank Corp/Hong Kong	Green, FRN	500	3	SOFR+ 35bps
China Construction Bank Corp/Hong Kong	Green, FRN	500	5	SOFR+ 38bps

Source: Bloomberg, OCBC Group Research

Bloomberg Asia Bond Index Option Adjusted Spreads

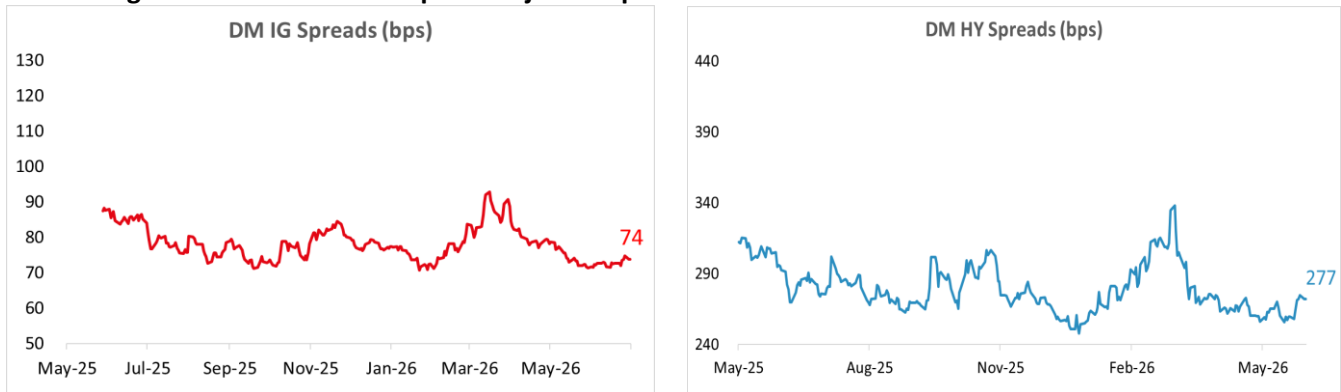


Source: Bloomberg, OCBC Group Research; as of 30 June 2026

Developed Markets (“DM”) – Overview

- While there was credit compression in Asiadollar, the reverse was seen in DM with wider credit dispersion amongst an overall softer DM market in June. Per Bloomberg, DM investment grade spreads were wider by 3bps compared to 29 May 2026 to 75bps as at time of writing while DM high yield spreads were wider by 25bps to 282bps.
- While spreads remained vulnerable to developments in the Middle East, the main influence was the Fed repricing and tech related concerns towards the end of the month. On the IG front, expectations of higher rates for longer, together with the US-Iran peace deal, drove a record month for primary supply with June issuance of around USD175bn based on Bloomberg LEAG and OCBC estimates, well above initial market forecasts of USD130bn. Given the strong issuance volumes so far, market analysts are raising their estimates for full year issuance volumes in the US IG space due to more issuers funding AI capex as well as a healthy M&A pipeline.
- On the HY front, the higher rates drove a divergence in demand with spreads on CCC credits almost hitting 14-month highs per Bloomberg on refinancing concerns while investors favoured preferred BB and single B names. US BB spreads in particular saw tightening in June as investors looked for yield against rates headwinds with US high yield excess returns still positive through June. HY issuance is also expected to be tech driven reflecting data center financing although there may be some concern on the impact of AI disruption on software related issuers or borrowers.

Bloomberg DM USD Bond Index Option Adjusted Spreads



Source: Bloomberg, OCBC Group Research; as of 30 June 2026

- With the aforementioned influence of AI capex driving record June issuance volumes in DM, it is not surprising that the two largest issuers by far were tech related. Financial Services were also a large contributor to issuance through June:
 - The landmark transaction was Space Exploration Technologies Corp’s (“SpaceX”) USD25bn 5 tranche debut issuance following its initial public offering, the largest on record. The deal was reportedly priced wider than similarly rated peers and there appeared some concerns over valuations and the assigned credit ratings given its unique business risks and sustained negative free cash flow in the AI business until 2030 with heavy capex over 2027 and 2028. At its peak, the deal attracted orders of USD90bn per Bloomberg although the final order book, at less than three times the amount of debt offered, was lower than the average book size of ~4x for IG deals. The deal widened noticeably in secondary markets.
 - NVIDIA Corp (“Nvidia”) priced USD25bn across 7 tranches ranging from 2Y to 30Y tenors with proceeds to be used for general corporate purposes, including the repayment and refinancing of outstanding notes. The notes were priced just before the US and Iran signed its 14-point interim peace framework and was reportedly upsized from the initial issuance target of USD20bn, due to strong investor interest with order books peaking at ~USD85bn for this high grade issuance, the first for Nvidia in five years.

Key Developed Markets Issuers in June 2026

Issuer	Total issuance in June (USD'mn)	Issuer	Total issuance in June (USD'mn)
NVIDIA Corp	25000	Space Exploration Technologies Corp	25000
Citibank NA	6250	Mastercard Inc	5000
Barclays PLC	4500	Chpe LLC	4000
NextEra Energy Capital Holdings Inc	3750	Intesa Sanpaolo SpA	3500
Vodafone Group PLC	3500	Rio Grande LNG LLC	3500
Hyundai Capital America	3000	Dell International LLC/EMC Corp	3000
Santander Holdings USA Inc	2500	Duke Energy Carolinas LLC	2400
Pacific Gas and Electric Co	2200	Arch Capital Group Ltd	2000
Canadian Imperial Bank of Commerce	2000	Hubbell Inc	1900
Svenska Handelsbanken AB	1750	Teachers Insurance & Annuity Association of America	1750
Cooperative Rabobank UA/NY	1750	National Securities Clearing Corp	1750
Intuit Inc	1750	Rocket Cos Inc	1500
Dominion Energy Inc	1500	BNP Paribas SA	1500
UBS Group AG	1500	Consolidated Edison Co of New York Inc	1300
NatWest Group PLC	1250	Credit Agricole SA	1250

Source: Bloomberg, OCBC Group Research

Issuer Profile Updates / Changes

- Lendlease Group (“LLCAU”): We maintain our issuer profile on LLCAU at Neutral (4) and expect this to be stable in the next 12 months.** While there is volatility from FY2026 being a planned transition year, stabilisation is expected from FY2027 and onwards with earnings expected to improve meaningfully in FY2027 and beyond, supported by (1) completions and transactional earnings from One Circular Quay (FY2027), Victoria Harbour (FY2027), One Darling Point (FY2028), Comcentre (FY2028), (2) stable earnings from Investment segment and (3) positive Construction momentum. We are **Underweight LLCAU 3.9% ‘27s (SGD)** given the tight spread and short duration. Meanwhile, we are **Overweight LLCAU 3.9%-PERP (SGD)** given the attractive yield and wide reset spread of 4.461% if it is not called on 30 September 2030. For LLCAU’s AUD credit, we are **Overweight LLCAU 5.425% ‘28s (AUD) and LLCAU 3.7% ‘31s (AUD)** as the spreads are ~60-70bps wider than the peers in Australia although they are rated three notches above LLCAU. Meanwhile, we are **Underweight LLCAU 5.2%-PERP (AUD)** as the implied SGD yield is meaningfully lower than LLCAU 3.9%-PERP (SGD).
- The Coca-Cola Co (“KO”): The Positive (2) Issuer Profile with Neutral credit direction** is supported by KO’s strong brand equity and solid cashflow, although partly offset by rigid dividends and potential for adverse IRS outcome. KO has a global beverage franchise with strong pricing power and growth remains resilient for now. However, a material adverse IRS outcome, with potential remaining tax and interest liability of ~USD14bn, could require debt funding and push leverage towards the upper end of management’s target range. While KO is highly defensive, **its curve looks fair** with spreads and yields tighter than PepsiCo Inc.
- Hysan Development Co Ltd (“HYSAN”): HYSAN’s Issuer Profile is at Neutral (4) with a Neutral credit direction.** We foresee a stable outlook for HYSAN for the next 12 months, underpinned by (1) improving office, retail and residential markets in HKSAR, (2) quality investment property portfolio, (3) HKD8bn capital recycling programme and (4) completion of LG8 in 3Q2026 which will meaningfully improve HYSAN’s earnings and capex. **We are broadly Neutral HYSAN’s curve** given there are limited spread premiums against the peers except (1) HYSAN 3.55% ‘35s and (2) HYSAN 7.2%-PERP where we are **Overweight HYSAN 3.55% ‘35s**, which has a spread premium of ~55bps against HKLSP 5.25% ‘33s. The spread premium is adequate to compensate for HKLSP 5.25% ‘33s’ three notches higher rating and two-year shorter durations. **We are Overweight HYSAN 7.2%-PERP**, which has an attractive yield at ~5.8% along with a spread of ~185bps. This perpetual has a reset spread of 3.277% if it is not called on 11 September 2030.
- Canadian Banks:** We assigned the following Issuer Profiles of the top three largest Canadian banks within our coverage:
 - Bank of Nova Scotia (“BNS”): Issuer Profile at Neutral (3) with a Neutral Credit Direction;** on strong loss-absorbing capacity to weather near-term macro challenges from trade policy uncertainties.
 - Royal Bank of Canada (“RY”): Issuer Profile at Positive (2) with a Neutral Credit Direction;** reflecting strong and well-diversified earnings mix, prime-quality consumer credit books and substantial capital cushions.
 - Toronto-Dominion (“TD”): Issuer Profile at Positive (2) with a Neutral Credit Direction;** reflecting strong earnings power, healthy asset quality and robust loss-absorbing capacity against a moderate macro outlook.
 With Canadian banks’ fundamentals still solid, we expect AT1s to weather bouts of volatility through the year. The key risk to monitor remains US rates volatility. While credit spreads are tight, elevated all-in yield should keep returns largely carry-driven. Valuations are not cheap but remain reasonable. **We are OW on BNS 37/c32 (T2), BNS 7.35% 85/c35 (AT1), RY 6.75% 85/c30 (AT1) and TD 7.25% 84/c29 (AT1).**
- CDL Hospitality Real Estate Investment Trust (“CDREIT”): We assigned a Neutral (4) issuer profile on CDREIT, with a Neutral credit direction.** CDREIT’s credit is underpinned by its Singapore-anchored hospitality portfolio, with income expected to strengthen following completion of multi-year asset enhancement initiatives. Singapore remains a resilient hospitality market. While the Moxy transaction introduces funding uncertainty, we expect credit metrics to remain in line with stronger Neutral (4) REIT peers, even under a fully debt-funded scenario. Whilst we consider CDREIT’s standalone credit fundamentals, our primary focus is on CDL Hospitality Trusts (“CDLHT”)’s credit profile. CDLHT is a stapled security comprising one unit of CDREIT and one unit of CDL Hospitality Business Trust (“HBT”). We take reference to S-REIT perpetuals and comparable bullets, applying a senior-sub spread of 120bps in forming our view for CDREIT perpetuals. We see a reasonable chance for the CDREIT perpetuals to be called at the first call, assuming forward rates hold and **we are Overweight both the perpetuals.**

- **Olam Group Limited (“OLGPSP”):** OLGPSP has one outstanding SGD-perpetual, the OLGPSP 5.375%-PERP with a first call date on 18 July 2026. In our view, despite the economics highly favouring a call in July 2026, the issuer has likely missed the call notification deadline. The company has issued a holding statement to say that it intends to redeem, repurchase and cancel all remaining outstanding perpetuals as soon as practicably possible, and will share further details on the process for and timing of such redemption and/or repurchase in due course. **We maintain our issuer profile of OLGPSP’s credit profile at Neutral (5) despite this development.** Execution risk of key asset disposals has been reduced. As a recap, the first tranche of the 44.58%-stake sale in Olam Agri to the Saudi Agriculture & Livestock Investment Company (“SALIC”) completed in April 2026 and additionally, the sale of its 100%-stake in Mindsprint Pte. Ltd. (“Mindsprint”) for a cash consideration of USD375mn (~SGD482mn), subject to closing adjustments to Wipro Limited has also completed in May 2026. There is also high certainty that the remaining 19.99%-stake in Olam Agri will be sold to SALIC in the medium term. We expect OLGPSP to call the perpetual at the next call date in January 2027, amidst expectations that the reset distribution rate will go to ~9% per annum.
- Please note that due to OCBC’s engagement in other business activities, we have **suspended our coverage** on the following names until these activities are completed: **City Developments Limited, First Real Estate Investment Trust, Frasers Property Ltd, Ho Bee Land Limited, Mapletree Pan Asia Commercial Trust, OUE Limited.**
- Please note that due to the completion of OCBC’s engagement in other business activities, we have **resumed coverage** on the following: **Deutsche Bank AG, Keppel Ltd.**

Current / Recent Reports from OCBC Group Research

- CDL Hospitality Real Estate Investment Trust (“CDREIT”): Credit Initiation (23 June 2026)
- Canadian Banks - Resilience Supports Carry: Credit Update (16 June 2026)
- Hysan Development Co Ltd (“HYSAN”): Credit Update (15 June 2026)
- The Coca-Cola Co (“KO”): Credit Update (10 June 2026)
- Lendlease Group (“LLCAU”): Credit Update (8 June 2026)
- Lenovo Group Ltd (“LENOVO”): Credit Update (29 May 2026)
- Pfizer Inc (“PFE”): Credit Update (29 May 2026)
- Exxon Mobil Corporation (“XOM”): Credit Update (29 May 2026)
- Fosun International Ltd (“FOSUNI”): Credit Update (29 May 2026)
- AIMS APAC REIT (“AAREIT”): Credit Update (25 May 2026)
- Barclays PLC (“BACR”): Credit Update (22 May 2026)
- Singapore Airlines Ltd (“SIASP”): Credit Update (20 May 2026)
- Mapletree Pan Asia Commercial Trust (“MCTSP”): Credit Update (19 May 2026)
- Special Interest Commentary: ASEAN-6 & India: Geopolitics is starting to extract a toll (15 May 2026)
- Johnson & Johnson (“J&J”): Credit Update (11 May 2026)
- Qantas Airways Limited (“QANAU”): Recent Issue Commentary (7 May 2026)
- Keppel Ltd (“KEPSP”): Credit Update (30 April 2026)
- QBE Insurance Group Ltd (“QBEAU”): Credit Update (30 April 2026)
- PT Indofood CBP Sukses Makmur Tbk (“ICBPIJ”): Credit Update (29 April 2026)
- UBS Group AG (“UBS”): Credit Update (24 April 2026)
- Genting Overseas Holdings Limited: Recent Issue Commentary (23 April 2026)
- Genting Overseas Holdings Limited: New Issue Commentary (22 April 2026)
- Swiss Re AG (“SRENVX”): Credit Update (20 April 2026)
- CapitaLand Ascott Trust (“ARTSP”): Credit Update (17 April 2026)
- City Developments Ltd (“CITSP”): Credit Update (16 April 2026)
- Prudential PLC (“PRUFIN”): Credit Update (15 April 2026)
- CK Asset Holdings Ltd (“CKPH”), Hongkong Land Holdings Ltd (“HKLSP”), Hongkong Land Company Ltd (“HKCL”), Wing Tai Properties Ltd (“WINGTP”): Credit Update (10 April 2026)
- Special Interest Commentary: Singapore retail - Taking the bull by its horns (8 April 2026)
- BP p.l.c (“BPLN”): Credit Update (7 April 2026)
- Special Interest Commentary: Private Credits Public Concerns (1 April 2026)
- Special Interest Commentary: Sustainable Finance (26 March 2026)
- PT Cikarang Listrindo Tbk (“CIKLIS”): Credit Update (19 March 2026)
- Special Interest Commentary: DM Financials - Shades of Grey Insurance Private Credits (19 March 2026)
- Keppel Real Estate Investment Trust (“KREIT”) : Credit Update (16 March 26)
- Lippo Malls Indonesia Retail Trust (“LMRTSP”): Credit Update (13 March 26)
- DBS Group Holdings Ltd (“DBSSP”) & United Overseas Bank Ltd (“UOBSP”): Credit Update (12 March 2026)
- Mapletree Logistics Trust (“MLTSP”): Credit Update (10 March 2026)
- OUE REIT (“OUECT”): Credit update (10 March 2026)
- Special Interest Commentary: Impact of rising global oil prices - A look at Asia’s economy and various asset classes (9 March 2026)
- Singapore Post Limited (“SPOST”): Credit Update (5 March 2026)
- Special Interest Commentary: Iran at War (4 March 2026)
- Special Interest Commentary: DM Banks - On high alerts for “Credit Cockroaches” (2 March 2026)
- Lloyds Banking Group Plc (“Lloyds”): Credit Update (13 February 2026)
- Singapore Airlines Ltd (“SIASP”): Credit Update (10 February 2026)
- Special Interest Commentary: Indonesia (6 February 2026)
- Qantas Airways Limited (“QANAU”): Credit Update (3 February 2026)
- Special Interest Commentary: SGD Credit vs Asiadollar Credit (29 January 2026)
- Goldman Sachs Group Inc/The (“GS”): Credit Update (27 January 2026)

- Suntec Real Estate Investment Trust (“SUNSP”): Credit Update (26 January 2026)
- US Banks - JPMorgan Chase & Co (“JPM”), Bank of America Corp (“BAC”), Citigroup Inc (“C”), Wells Fargo & Co (“WFC”), Goldman Sachs Group Inc/The (“GS”), Morgan Stanley (“MS”): Credit Update (23 January 2026)
- Special Interest Commentary: Developed Market (DM) IG: Credit Outlook (14 January 2026)
- Hotel Properties Ltd (“HPLSP”): Credit Update (9 January 2026)
- Sembcorp Industries (“SCISP”): Credit Update (9 January 2026)
- Special Interest Commentary: Sustainable Finance– Climate Impacts on Solvency for Insurers (19 December 2025)
- Special Interest Commentary: Sustainable Finance – Asia-Pacific Finding its Footing (17 December 2025)
- Special Interest Comment: Private Credit (12 December 2025)
- OUE Limited: Credit Update (2 December 2025)
- SGD Credit Outlook 1H2026 (1 December 2025)

Explanation of Issuer Profile Recommendation / Issuer Profile Score

Positive (“Pos”) – The issuer’s credit profile is strong on an absolute basis.

Neutral (“N”) – The issuer’s credit profile is fair on an absolute basis.

Negative (“Neg”) – The issuer’s credit profile is either weaker or highly geared on an absolute basis.

To better differentiate relative credit quality of the issuers under our coverage, we have further sub-divided our Issuer Profile Recommendations into a 7-point Issuer Profile Score scale.

IPR	Positive		Neutral			Negative	
IPS	1	2	3	4	5	6	7

Explanation of Credit Direction

Positive (“Pos”) – The Issuer Profile Score has a higher chance of an upgrade over the next six to twelve months.

Neutral (“N”) – The Issuer Profile Score is expected to remain stable over the next six to twelve months.

Negative (“Neg”) – The Issuer Profile Score has a higher chance of a downgrade over the next six to twelve months.

Explanation of Issue Level Recommendation

Overweight (“OW”) – The issue is expected to outperform other issues in a given peer group over the next six months.

Neutral (“N”) – The issue is expected to perform in line with other issues in a given peer group over the next six months.

Underweight (“UW”) – The issue is expected to underperform other issues in a given peer group over the next six months.

Other

Suspension – We may suspend our Issuer Profile Recommendation and Issue Level Recommendation on specific issuers from time to time when OCBC is engaged in other business activities with the issuer. Examples of such activities include acting as a joint lead manager or book runner in a new issue or as an agent in a consent solicitation exercise. We will resume our coverage once these activities are completed. We may also suspend our Issuer Profile Recommendation and Issue Level Recommendation in the ordinary course of business if (1) we believe the current issuer profile is incorrect and we have incomplete information to complete a review; or (2) where evolving circumstances and increasingly divergent outcomes for different investors results in less conviction on providing an Issue Level Recommendation.

Withdrawal (“WD”) – We may withdraw our Issuer Profile Recommendation and Issue Level Recommendation on specific issuers from time to time when corporate actions are announced but the outcome of these actions are highly uncertain. We will resume our coverage once there is sufficient clarity in our view on the impact of the proposed action.

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