

Daily Credit Snapshot

Market Commentary

- President Trump and President Xi concluded their White House meeting, with Trump describing the talks as a “great meeting”, although markets are still awaiting more concrete policy outcomes after the state dinner today with various business leaders. Meanwhile, risk sentiment briefly improved after reports that the US and Iran were discussing a phased agreement under which the Strait of Hormuz would be reopened in return for US lifting its economic blockade. However, significant hurdles remain, with neither side willing to give up its leverage easily. The energy shock is driving a broader shift towards tighter monetary policy as Norway raised its policy rate, while Sweden held rates but signalled a likely increase before year-end. In the UK, BoE Deputy Governors Lombardelli and Breeden moved closer to supporting a hike as persistent energy costs raise the risk of second-round effects. However, Dhingra remained more cautious, noting that price increases were less broad-based than in 2022 and the labour market was weaker. Fed officials also kept the door open to further tightening, with Anna Paulson and John Williams signalling that another rate increase may be appropriate. Data-wise, US initial jobless claims remained low at 197k, while new-home sales rose 6.4% in August. Markets remained relatively resilient despite the rates sell-off, as equity markets remained broadly flat. The US 10-year yield rose around 8bp to 5.20%, with markets pricing a 71% probability of an October Fed hike. Brent rose 3.4% while gold fell around 0.5%.
- The SGD SORA OIS curve traded higher yesterday with the shorter tenors trading 8-10bps higher, belly tenors trading 10-11bps higher, and 10Y tenor trading 10bps higher.
- There were no notable flows today.
- US Investment Grade widened by 1bps to 77bps, and US High Yield spreads widened by 8bps to 282bps respectively. Bloomberg Global Contingent Capital spreads widened by 7bps to 208bps.
- Bloomberg Asia USD Investment Grade spread widened by 2bps to 54bps, and the Asia USD High Yield spreads widened by 5bps to 316bps. (Bloomberg, OCBC)

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Credit Summary:

Company	Ticker	Description
First REIT	FIRTSP	- FIRTSP have received the proceeds from the divestment of eight hospital assets and three non-hospital assets. - The amount based on previous disclosure was IDR6.2trillion (~SGD471.6mn). - However, legal title transfer of some assets to the buyers are not yet complete and likely to complete within 18 days. (Company, OCBC) Latest report: Credit Update – 06 November 2025
FWD Group Holdings Ltd	FWDGHD	- FWDGHD was fined HKD19.5mn by HK Insurance Authority (“HKIA”) for identified deficiencies in its anti-money laundering (“AML”) and counter-terrorist financing (“CFT”) controls for the period from April 2012 to September 2024. - While there were systemic weaknesses in AML/CFT controls and governance, HKIA has acknowledged FWDGHD’s cooperation with the investigation and high commitment to remediation. - HKIA acknowledged that considerable progress has been made by FWDGHD in strengthening its AML/CFT controls and processes. (HKIA, Bloomberg, OCBC) Latest report: Credit Update – 25 September 2026
Australia & New Zealand Banking Group Ltd Commonwealth Bank of Australia	ANZ CBAAU	- ANZ and CBAAU have both announced organisational restructuring that will consist of redundancies and redeployment of employees. - ANZ is conducting a major restructuring of its technology teams that includes offshoring roles and overhauling its New Zealand operations as CEO Nuno Matos continues to reduce costs and reshape the company’s workforce. ANZ says the move reflects CEO Matos’ “ANZ 2030” strategy to simplify the organisation, with the bank now closing in on his original target of 3,500 job cuts. - More than 400 roles out of the 1500 permanent IT staff are expected to be affected by the restructure, with more than 100 workers expected to be made redundant as ANZ consolidates software testing under a single partner (reportedly Infosys or HCLTech), with changes finalized by early October according to sources that spoke to the Australian Financial Review. New Zealand’s Workers First Union expects the redundancy count to rise as more staff are shifted into different roles. This follows ANZ’s recent decision to close its 60-person Dunedin call centre; the bank employs ~8,000 people in New Zealand, where it is the largest lender. Matos has not ruled out further cost-cutting, even as ANZ expands its India and Philippines tech hubs to 11,500 staff, almost 30% of its total workforce. - CBAAU will be restructuring its Technology sector in New South Wales, affecting 232 staff members, with more than 172 roles to be made redundant. The rest of the employees are to be redeployed across Business Banking, Chief Operations Office, Institutional Banking and Markets, Retail Banking Services, Financial Services, Risk Management and Human Resources units, as per a statement released by the Finance Sector Union. (Australian Financial Review, Finance Sector Union, Bloomberg, OCBC) ANZ’s Latest report: Credit Update – 26 August 2026 CBAAU’s Latest report: Credit Update – 26 August 2026

Commerzbank AG, UniCredit SpA	CMZB, UniCredit	• In comments at a Bank of America conference, CMZB Chief Executive Officer Bettina Orlopp discussed options for UniCredit to increase its stake in CMZB. One involved the merger of CMZB with UniCredit's German subsidiary HypoVereinsbank although such a move requires 75% voting support at CMZB's annual general meeting. • Other options include a straight merger or a higher offer to remaining CMZB shareholders. This raises the importance of discussions between UniCredit Chief Executive Officer Andrea Orcel and the German government given the German government remains the second largest shareholder of CMZB. • Mr Orlopp also confirmed that CMZB continues to operate and remains an independent company and would likely remain so under the first phase of any takeover by UniCredit. As such, it will maintain its standalone strategy. This appears to have been confirmed in CMZB's annual strategy meeting held this week with the supervisory board where strategic targets announced earlier this year continue to be on track. Of note is that CMZB priced a EUR750mn senior non-preferred 4NC3 in mid-September highlighting the bank's continued management of its funding. (Reuters, Bloomberg, Company, OCBC) Latest report: CMZB Credit Update – 28 July 2026
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New Issues:

- APAC and DM IG issuance were zero and USD1.77bn respectively yesterday (prior day USD11.4bn and USD5.2bn).

Date	Issuer	Description	Currency	Size (mn)	Tenor (Yr)	Final Pricing (%)
24 Sep	Aspial Lifestyle Ltd	Fixed	SGD	75	5	5%
24 Sep	Kyndryl Holdings Inc	Fixed	USD	600	3	T + 287.5bps
24 Sep	Kyndryl Holdings Inc	Fixed	USD	400	5	T + 312.5bps

Mandates:

- There were no notable mandates today.

Key Market Movements

	Last Price	1W chg (bps)	1M chg (bps)		Last Price	1W chg	1M chg
US IG Credit Spread	77	1	-3	Brent Crude Spot (\$/bbl)	105.3	1.4%	18.9%
US HY Credit Spread	282	13	14	Gold Spot (\$/oz)	4,274	-2.4%	-8.2%
Global Contingent Capital Credit Spread	208	5	3	CRB Commodity Index	423	0.2%	5.9%
Asia IG Credit Spread	54	-2	-2	S&P Commodity Index - GSCI	749	-0.0%	7.5%
Asia HY Credit Spread	316	-16	-10	VIX	15.7	1.5%	1.4%
				US10Y Yield	5.17%	17bp	54bp
iTraxx Asiax IG	71	6	4				
iTraxx Japan	62	8	5	AUD/USD	0.702	-1.4%	-2.0%
iTraxx Australia	72	6	4	EUR/USD	1.138	-0.9%	-2.5%
CDX NA IG	58	7	8	USD/SGD	1.279	-0.2%	-0.7%
CDX NA HY	107	-0	-1	AUD/SGD	0.898	1.3%	1.3%
iTraxx Eur Main	61	6	10				
iTraxx Eur XO	294	34	48	ASX200	8,665	-0.8%	-5.5%
iTraxx Eur Snr Fin	65	8	12	DJIA	51,350	-0.8%	-4.2%
iTraxx Eur Sub Fin	108	15	22	SPX	7,704	0.9%	0.3%
				MSCI Asiax	1,150	1.6%	2.2%
USD Swap Spread 10Y	-39	-1	-2	HSI	24,396	-1.4%	-4.4%
USD Swap Spread 30Y	-69	-1	-1	STI	5,695	0.7%	-0.7%
				KLCI	1,671	0.3%	-3.8%
China 5Y CDS	34	1	-1	JCI	6,264	-2.8%	-3.7%
Malaysia 5Y CDS	35	2	1	EU Stoxx 50	6,273	-0.8%	-2.8%
Indonesia 5Y CDS	88	6	5				
Thailand 5Y CDS	40	-0	0				
Australia 5Y CDS	15	2	1				

Prices shown above are based on the latest available price or the previous market close

Source: Bloomberg

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