

CMBI Credit Commentary

Fixed Income Daily Market Update 固定收益部市场日报

The Asset G3 Bond Benchmark Review 2026

We hope you found our commentaries and ideas helpful. We seek to elevate our efforts and value-add further in the coming year. We highly appreciate your support to us in Sell-Side Analysts of the polls of "The Asset G3 Bond Benchmark Review 2026". Thank you for your support!

- *The new NANFUN 5.75 05/21/36 hovered around RO at 99.154. See our comments on the FV [yesterday](#). The new CNH ZZSOAO 6.18 05/19/29 was around unchanged from RO at par. 10yr JP and Yankee AT1s and insurance subs as well as MTRC Perps traded 0.3-0.5pt lower amid better selling. LGENSO widened 1-2bps.*
- **Gross USD bonds issuance:** *Asia Pacific gross USD bonds issuance decreased 6.2% yoy in 4M26. See below.*
- **ADGREG:** *Gautam Adani would pay USD6mn and Sagar would pay USD12mn under the proposed agreement filed in federal court to end SEC's allegations they made false and misleading representations about Adani Green Energy, pending a judge's approval. ADANEM/ADGREG/ADSEZ/ADTIN/ARENRJ were 0.1-1.1pts higher this morning.*

❖ Trading desk comments 交易台市场观点

Yesterday, the NWDEV/VDNWDL complex led the space and rose up to 0.9pt. NWD clarified that no investment deal has been reached with Hong Kong Airport Authority regarding the 11 Skies project, though discussions are ongoing. NANFUN 27 was 2bps wider while NANFUN 28 tightened 4bps. Nan Fung priced its new 10yr USD bond at T+142 and launched concurrent tender offers for NANFUN 27 and NANFUN 28. See our comments [yesterday](#). BNKEA 32 remained firm and traded 3bps tighter. Taiwan lifers closed 1-2bps tighter amid light flows. The Macau gaming complex were unchanged to 0.2pt higher. See our comments on WYNMAC 1Q26 results on [13 May'25](#). In Chinese IG space, MEITUA tightened 1-3bps and the FRESHK curve was squeezed to 5bps tighter amid better buying. ZHOSHK 28 was up 0.2pt on RM buying. HCELEC 4.65 12/29/26 lowered by 0.8pt. Media report that Huachen Energy has commenced bondholder identification for a planned second-round restructuring of its cUSD627mn HCELEC 26. In Chinese properties, VNKRL 27' and 29' edged another 0.5-0.6pt higher. In KR space, PBs continued to buy the belly of HYNMTR/HYUCAP and SKONKR 29, driving the bids to 1-2bps tighter. In SE Asian space, VEDLN were unchanged to 0.3pt higher. S&P upgraded Vedanta Resources by two notches to BB from B+ on improving cost structure from backward integration with a stable outlook. See our comments on Vedanta Ltd's FY26 results on [11 May'26](#). IHFLIN 27-30 were 0.1-0.3pt lower. Yankee and Japanese AT1s and insurance subs bounced back by 0.1pt amid moderate two-way flows.

PLEASE READ THE AUTHOR CERTIFICATION AND IMPORTANT DISCLOSURES ON LAST PAGE

Glenn Ko, CFA 高志和
(852) 3657 6235
glennko@cmbi.com.hk

Cyrena Ng, CPA 吳蓓瑩
(852) 3900 0801
cyrenang@cmbi.com.hk

Yujing Zhang 张钰婧
(852) 3900 0830
zhangyujing@cmbi.com.hk

In LGFV space, we continued to see better buying across higher-yielding papers in both CNH and USD issues from RM.

❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
NWDEVL 10.131 PERP	87.1	0.9	GARUDA 6 1/2 12/28/31	81.9	-2.0
NWDEVL 4 1/8 PERP	75.8	0.8	HCELEC 4.65 12/29/26	65.7	-0.8
NWDEVL 5 1/4 PERP	81.1	0.8	BABA 5 1/4 05/26/35	102.2	-0.6
VNKRLE 3.975 11/09/27	46.8	0.6	WESCHI 10 1/2 11/11/29	90.9	-0.6
PMBROV 11 1/2 02/18/30	84.5	0.6	ACPM 3.9 PERP	61.0	-0.5

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (+0.77%), Dow (+0.75%) and Nasdaq (+0.88%) were higher on Thursday. The US latest initial jobless claims were +211k, higher than the market expectation of +205k. US Apr'26 retail sales was +0.5% mom and core retail sales was +0.7% mom, respectively, same as the market expectation. 2/5/10 year UST yield was higher on Thursday. 2/5/10/30 year yield was at 4.00%/4.13%/4.47%/5.02%.

❖ Desk Analyst Comments 分析员市场观点

➤ Gross USD bonds issuance: Asia Pacific gross USD bonds issuance decreased 6.2% yoy in 4M26

Gross USD issuance of Asia Pacific increased 82.6% yoy in Apr'26

In Apr'26, the gross issuance of USD bonds of Asia Pacific increased 82.6% yoy to USD41.8bn, representing a strong recovery from a 63.8% yoy decrease in Mar'26. Japan (USD19.3bn), Australia (USD6.6bn), and South Korea (USD4.7bn) were among the largest issuers. 77.9% of the gross issuance amount were IGs. By sector, financials (66.2%), metals & mining (6.5%) and consumer discretionary (5.6%) were among the largest issuers.

Cumulatively, the gross issuance of USD bonds of Asia Pacific decreased 6.2% yoy to USD139.3bn in 4M26. Japan (USD45.2bn), South Korea (USD23.4bn) and Australia (USD23.2bn) were among the largest issuers. 85.1% of the gross issuance amount were IGs. Financials (65.9%), sovereigns (7.0%) and metals & mining (5.2%) were among the largest issuing sectors.

Gross USD issuance of Asia ex-JP, AU & NZ increased 20.8% in Apr'26

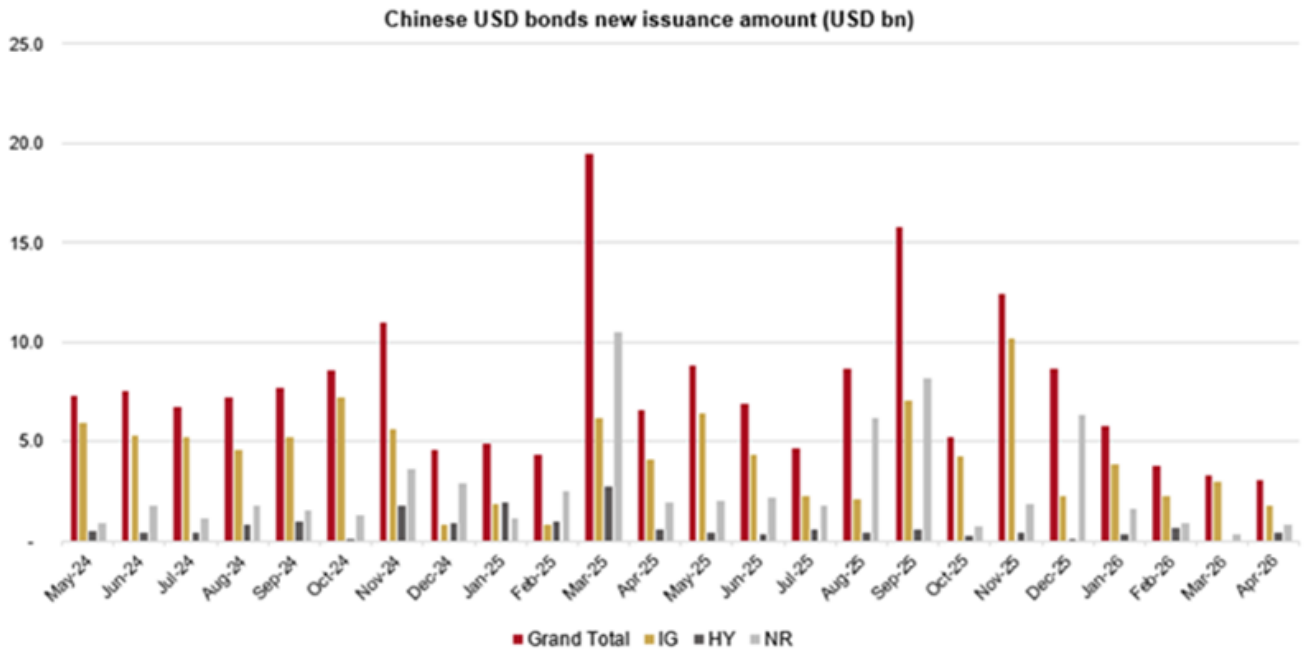
In Apr'26, the gross issuance of USD bonds of Asia ex-JP, AU & NZ increased 20.8% yoy to USD15.9bn. South Korea (USD4.7bn), China (USD3.0bn) and Kazakhstan (USD2.8bn) were among the largest issuers. 65.1% of the gross issuance amount were IGs. By sector, financials (53.0%), consumer discretionary (14.8%) and industrials (10.1%) were among the largest issuers.

Cumulatively, the gross issuance of USD bonds of Asia ex-JP, AU & NZ decreased by 24.2% yoy to USD68.0bn in 4M26. South Korea (USD23.4bn), China (USD15.9bn) and Indonesia (USD5.7bn) were among the largest issuers. 76.4% of the gross issuance amount were IGs. Financials (51.1%), sovereigns (14.3%) and consumer discretionary (5.9%) were among the largest issuing sectors.

Gross USD issuance of China fell 53.8% yoy in Apr'26

In Apr'26, the gross issuance of USD bonds of China totaled USD3.0bn, dropped 53.8% yoy. IGs, HYs, and unrated contributed 59.4%, 13.2% and 27.5% of the gross issuance amount, respectively. By sector, financials (42.9%), metals & mining (26.4%) and LGFVs (20.8%) were among the largest issuers.

Cumulatively, gross issuance of USD bonds of China totaled USD15.9bn in 4M26, representing a 54.9% yoy decrease. IGs, HYs, and unrated contributed 68.5%, 8.5% and 23.0% of the gross issuance amount, respectively. Financials (55.1%), LGFVs (14.3%) and communications (9.4%) were among the largest issuing sectors.



Source: Bloomberg.

Gross USD issuance of Middle East decreased 2.2% yoy in Apr'26

In Apr'26, the gross issuance of USD bonds of the Middle East decreased by 2.2% yoy to USD14.5bn. Turkey (USD4.3bn), Qatar (USD4.3bn) and the UAE (USD3.1bn) were among the largest issuers. IGs, HYs, and unrated contributed 50.1%, 18.3% and 31.6% of the gross issuance amount, respectively. All issuance were from sovereigns (73.2%) and financial (26.8%).

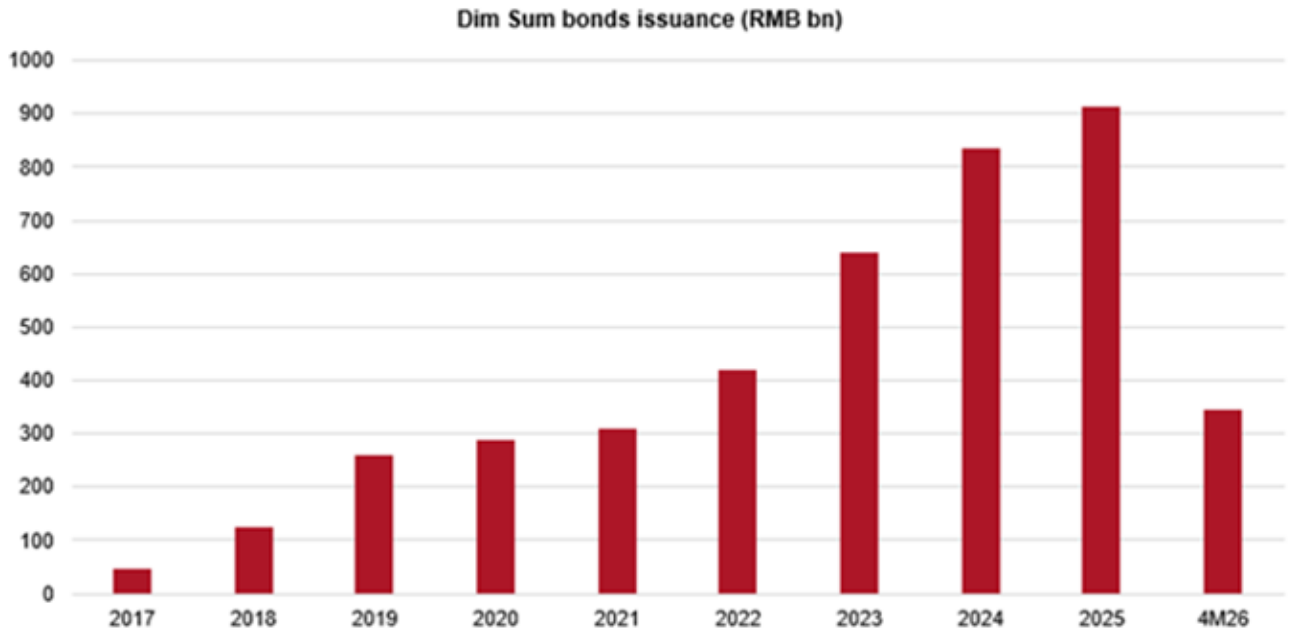
Cumulatively, the gross issuance of USD bonds of the Middle East increased by 20.0% yoy to USD84.8bn in 4M26. Saudi Arabia (USD27.8bn), Turkey (USD15.9bn) and the UAE (USD15.3bn) were among the largest issuers. IGs, HYs, and unrated contributed 63.0%, 16.2% and 20.8% of the gross issuance amount, respectively. By sector, sovereigns (47.2%), financials (33.6%) and energy (6.7%) were among the largest issuing sectors.

Dim Sum bonds issuance increased 15.2% yoy in Apr'26

The gross issuance of Dim Sum bonds totaled RMB55.3bn, increased 15.2% yoy in Apr'26. China (RMB22.3bn), US (RMB10.3bn) and Cayman Islands (RMB4.9bn) were among the largest issuers. 46.3% of the gross issuance amount were IGs. By sector, financials (85.3%), LGFVs (7.8%) and sovereigns (5.4%) were among the largest issuers.

Cumulatively, the gross issuance of Dim Sum bonds totaled RMB344.2bn in 4M26, increased 7.9% yoy. China (RMB220.3bn), US (RMB49.9bn) and UK (RMB16.6bn) were among the largest issuers. 30.7% of the gross issuance amount were IGs. By sector, financials (44.2%), sovereigns (43.8%) and LGFVs (4.8%) were among the largest issuers.

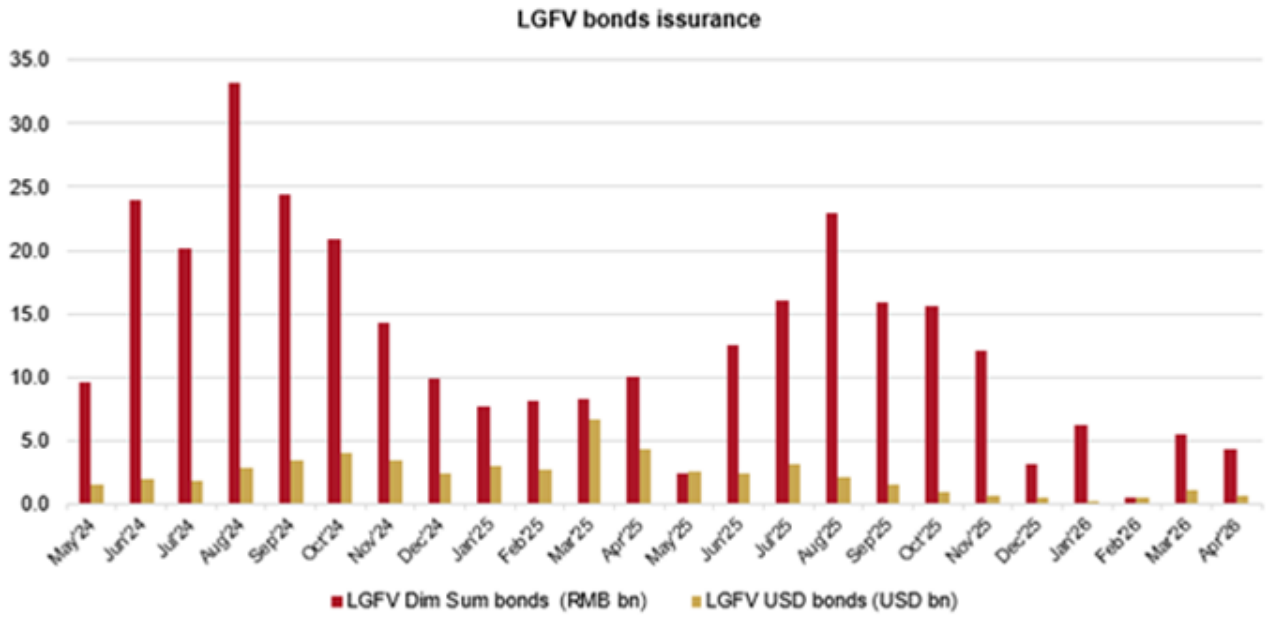
The gross issuance of Asia ex-JP, AU & NZ Dim Sum bonds totaled RMB55.3bn in Apr'26, representing a 55.0% yoy increase. In 4M26, the gross issuance was RMB342.8bn, a 24.4% yoy decrease.



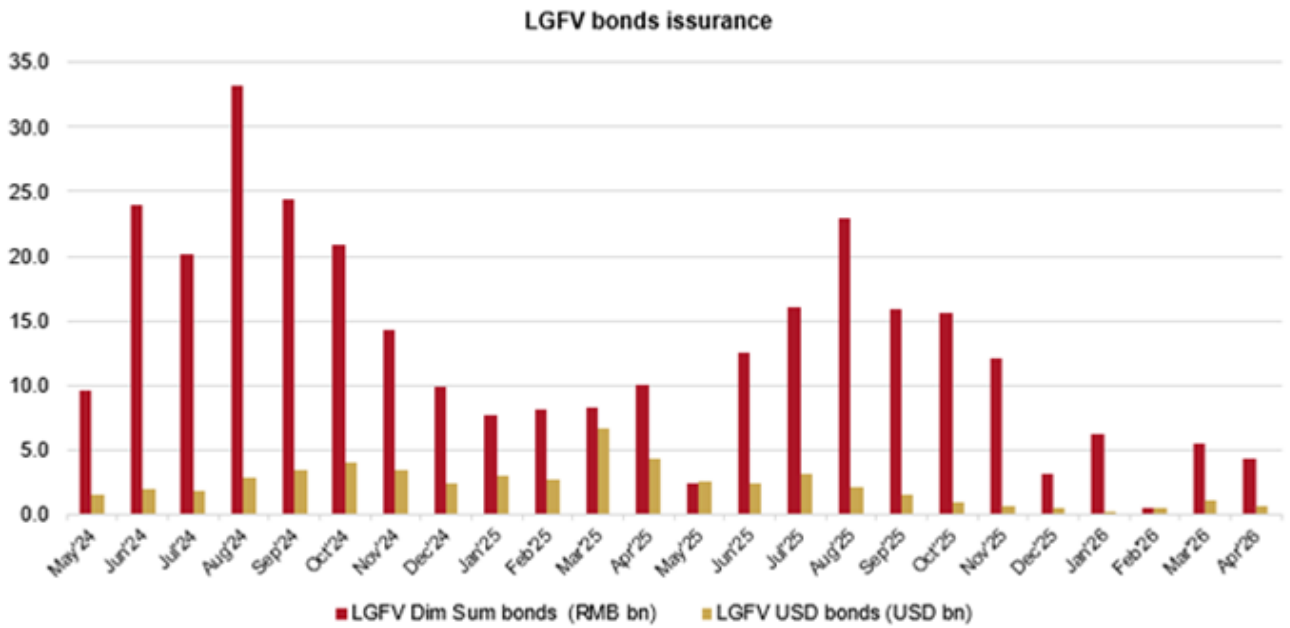
Source: Bloomberg.

Sharply lower issuance of USD and Dim Sim bonds from LGFVs

In Apr'26, the gross USD bonds issuance of LGFVs decreased 85.4% yoy to USD0.6bn, and Dim Sum LGFV bonds issuance decreased by 56.6% yoy to RMB4.3bn. Cumulatively, the gross USD bonds issuance of LGFVs dropped by 86.4% yoy to USD2.3bn in 4M26, and Dim Sum LGFV bonds issuance decreased by 51.4% yoy to RMB16.6bn in 4M26. The declining issuance was partly attributed rising offshore funding costs and tightening NDRC scrutiny for new issues. Additionally, the tightened regulatory environment starting from 4Q24 to limit onshore investors' allocations to LGFV Dim Sum bonds through Southbound Bond Connect is among one of the drivers for lower Dim Sum LGFV issuance.



Source: Bloomberg.



Source: Bloomberg.

➤ Offshore Asia New Issues (Priced)

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
Hanwha Q Cells Americas Holdings Corp	350	3yr	4.375%	T+43	Aa2/AA/AA-
Nan Fung International	500	10yr	5.75%	T+142	Baa3/BBB-/-
Tianfeng Securities	300	2yr	5.1%	5.1%	-/-/BBB-

➤ **Offshore Asia New Issues (Pipeline)**

Issuer/Guarantor	Currency	Size (USD mn)	Tenor	Pricing	Issue Rating (M/S/F)
No Offshore Asia New Issues Pipeline Today					

➤ **News and market color**

- Regarding onshore primary issuances, there were 57 credit bonds issued yesterday with an amount of RMB51bn. As for month-to-date, 387 credit bonds were issued with a total amount of RMB475bn raised, representing a 3.8% yoy increase
- **[ADGREG]** Gautam Adani and his nephew Sagar agreed to pay a total of USD18mn to settle Securities and Exchange Commission allegations they made false and misleading representations about Adani Green Energy
- **[BABA/JD/LENOVO]** Media reported US cleared Alibaba, JD.com, and Lenovo to buy Nvidia H200 chips
- **[FOSUNI]** Fosun International's healthcare arm will pay up to USD240m for the global rights to commercialize an Alzheimer's treatment being developed by a South Korean biopharmaceutical company
- **[GLMTMO]** Golomt Bank received USD280.985mn GLMTMO 11 05/20/27 validly tendered as of the expiration deadline, accepted the maximum acceptance amount of USD200mn for purchase
- **[HYUNHI]** HD Hyundai Heavy signed a deal to build two LNGCs worth USD498.6mn
- **[PCORPM]** Petron will obtain a short-term revolving credit facility of PHP15bn (cUSD244mn) for fuel procurement and expanding its crude oil inventory
- **[RAKUTN]** Rakuten Group 1Q26 EBITDA rose 36.2% yoy to JPY108.8bn (cUSD689.4mn)
- **[SMCGL]** San Miguel Global Power 1Q26 revenue rose 26.2% yoy to PHP53.6bn (cUSD872mn)
- **[SMCPM]** San Miguel Group plans to raise up to PHP30bn (cUSD488mn) via Series 2 preferred share issuance
- **[VEDLN]** S&P upgraded Vedanta Resources by two notches to BB from B+ on improving cost structure from backward integration; outlook stable

Fixed Income Department

Tel: 852 3657 6235/ 852 3900 0801

fis@cmbi.com.hk

Author Certification

CMBIGM or its affiliate(s) have investment banking relationship with the issuers covered in this report in preceding 12 months

The author who is primary responsible for the content of this research report, in whole or in part, certifies that with respect to the securities or issuer that the author covered in this report: (1) all of the views expressed accurately reflect his or her personal views

about the subject securities or issuer; and (2) no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific views expressed by that author in this report.

Besides, the author confirms that neither the author nor his/her associates (as defined in the code of conduct issued by The Hong Kong Securities and Futures Commission) (1) have dealt in or traded in the stock(s) covered in this research report within 30 calendar days prior to the date of issue of this report; (2) will deal in or trade in the stock(s) covered in this research report 3 business days after the date of issue of this report; (3) serve as an officer of any of the Hong Kong listed companies covered in this report; and (4) have any financial interests in the Hong Kong listed companies covered in this report.

Important Disclosures

There are risks involved in transacting in any securities. The information contained in this report may not be suitable for the purposes of all investors. CMBIGM does not provide individually tailored investment advice. This report has been prepared without regard to the individual investment objectives, financial position or special requirements. Past performance has no indication of future performance, and actual events may differ materially from that which is contained in the report. The value of, and returns from, any investments are uncertain and are not guaranteed and may fluctuate as a result of their dependence on the performance of underlying assets or other variable market factors. CMBIGM recommends that investors should independently evaluate particular investments and strategies, and encourages investors to consult with a professional financial advisor in order to make their own investment decisions.

This report or any information contained herein, have been prepared by the CMBIGM, solely for the purpose of supplying information to the clients of CMBIGM and/or its affiliate(s) to whom it is distributed. This report is not and should not be construed as an offer or solicitation to buy or sell any security or any interest in securities or enter into any transaction. Neither CMBIGM nor any of its affiliates, shareholders, agents, consultants, directors, officers or employees shall be liable for any loss, damage or expense whatsoever, whether direct or consequential, incurred in relying on the information contained in this report. Anyone making use of the information contained in this report does so entirely at their own risk.

The information and contents contained in this report are based on the analyses and interpretations of information believed to be publicly available and reliable. CMBIGM has exerted every effort in its capacity to ensure, but not to guarantee, their accuracy, completeness, timeliness or correctness. CMBIGM provides the information, advices and forecasts on an "AS IS" basis. The information and contents are subject to change without notice. CMBIGM may issue other publications having information and/ or conclusions different from this report. These publications reflect different assumption, point-of-view and analytical methods when compiling. CMBIGM may make investment decisions or take proprietary positions that are inconsistent with the recommendations or views in this report.

CMBIGM may have a position, make markets or act as principal or engage in transactions in securities of companies referred to in this report for itself and/or on behalf of its clients from time to time. Investors should assume that CMBIGM does or seeks to have investment banking or other business relationships with the companies in this report. As a result, recipients should be aware that CMBIGM may have a conflict of interest that could affect the objectivity of this report and CMBIGM will not assume any responsibility in respect thereof. This report is for the use of intended recipients only and this publication, may not be reproduced, reprinted, sold, redistributed or published in whole or in part for any purpose without prior written consent of CMBIGM. Additional information on recommended securities is available upon request.

Disclaimer:

For recipients of this document in the United Kingdom

This report has been provided only to persons (I) falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended from time to time) ("The Order") or (II) are persons falling within Article 49(2) (a) to (d) ("High Net Worth Companies, Unincorporated Associations, etc.") of the Order, and may not be provided to any other person without the prior written consent of CMBIGM.

For recipients of this document in the United States

CMBIGM is not a registered broker-dealer in the United States. As a result, CMBIGM is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. The research analyst who is primary responsible for the content of this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA"). The analyst is not subject to applicable restrictions under FINRA Rules intended to ensure that the analyst is not affected by potential conflicts of interest that could bear upon the reliability of the research report. This report is intended for distribution in the United States solely to "major US institutional investors", as defined in Rule 15a-6 under the US, Securities Exchange Act of 1934, as amended, and may not be furnished to any other person in the United States. Each major US institutional investor that receives a copy of this report by its acceptance hereof represents and agrees that it shall not distribute or provide this report to any other person. Any U.S. recipient of this report wishing to effect any transaction to buy or sell securities based on the information provided in this report should do so only through a U.S.-registered broker-dealer.

For recipients of this document in Singapore

This report is distributed in Singapore by CMBI (Singapore) Pte. Limited (CMBISG) (Company Regn. No. 201731928D), an Exempt Financial Adviser as defined in the Financial Advisers Act (Cap. 110) of Singapore and regulated by the Monetary Authority of Singapore. CMBISG may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is

distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, as defined in the Securities and Futures Act (Cap. 289) of Singapore, CMBISG accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact CMBISG at +65 6350 4400 for matters arising from, or in connection with the report.