招銀国际 CMB INTERNATIONAL

Fixed Income
Credit Commentary

26 Jun 2026

CMBI Credit Commentary

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

- *This morning, the new DAESEC 29-31 widened 3-5bps from RO at T+100 and T+110, respectively. The recent new NTT 28-36s widened 1-2bps. BABA/TENCNT/MEITUA/KUAISH traded 2-5bps wider amid better selling. NDPAPE 14 Perp lost 0.9pt. SOFTBKs were 0.5pt lower to 0.3pt higher. LASUDE 26/WESCHI 29 gained 0.4-0.5pt.*

- ***PTTGC:** Baa3 rating intact amid petrochemical headwinds. Maintain buy on PTTGC 6.5 Perp and PTTGC 7.125 Perp, which were unchanged this morning. See below.*

- ***VEDLN:** Vedanta Resources priced the new '32, '34 and '37 USD bonds at 7.0%, 7.375%, and 7.75%, respectively, modestly tighter than our FV estimates. The new VEDLN 32-37s down 0.2-0.5pt from RO at par this morning, while the existing VEDLNs were unchanged. See comments in our daily yesterday.*

Cyrena Ng, CPA 吴蒨莹
(852) 3900 0801
cyrenang@cmbi.com.hk

Jerry Wang 王世超
(852) 3761 8919
jerrywang@cmbi.com.hk

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

❖ Trading desk comments 交易台市场观点

Asian IG spreads were 2-6bps wider yesterday. US Treasury rates rallied 5-10bps overnight and triggered active selling flow on longer-duration papers. The new NTT 28-36s traded around ROs amid active two-way flows especially in the two FRNs as supported by strong demand from bank. The rest of JP 10yr financial and corporate IG papers widened 2-5bps. Japanese and European AT1s were marked up to 0.3pt higher amid two-way flows. In KR space, 5yr financial papers of NHSECS/HANFGI/DAESEC traded 3-6bps wider, while corporate papers POINTL/PKX/LGENSO/HYUELE widened 2-4bps. In Greater China IG space, TENCNT 36s/46s and HKTGHD 36s widened 2-6bps amid better selling. ZHOSHK 28 leaked 0.3pt. In Chinese/HK properties, NWDEVL Perps rose 0.3-1.1pts, and the rest of the NWDEVL/VDNWDL were largely unchanged to 0.1pt higher. FAEACO 12.814 Perp was 0.1pt weaker. Far East Consortium FY26 revenue decreased by 31% yoy to HKD6.6bn (cUSD842.5mn). VNKRLE 27-29/LNGFOR 28-32 lost 0.1-0.3pt. ROADKGs were down up to 1.1pts. In LGFV space, we continued to see better selling in <5%-yielding IG USD papers from PBs and AMs, and selective higher-yielding clips across USD and CNH issues that remained well digested by tactical buyers. In rest of the CNH space away from LGFVs, we saw AMs selling 10yr TMT and financial papers.

In SE Asia, TOPTB/PTTGC Perps edged 0.2-0.3pt higher. Moody's affirmed PTT Global Chemical's rating at Baa3 and maintained negative outlook. See comments below. GENTMKs gained 0.1-0.3pt. VEDLN 28-33s closed 0.1pt lower to 0.2pt higher. Vedanta Resources priced the new '32, '34 and '37 USD bonds at 7.0%, 7.375%, and 7.75%, respectively, tightened from IPT at 7.25%, 7.625%, and 8.0%. See our comments yesterday. MEDCIJ 28-30/INDYIJ 29 were unchanged to 0.1pt higher.

CMBI Fixed Income
fis@cmbi.com.hk

❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
NWDEVL 12.179 PERP	**87.6**	**1.1**	ROADKG 5 1/8 01/26/30	**15.9**	**-1.1**
NWDEVL 4 1/8 PERP	**77.3**	**1.0**	ROADKG 6.7 03/30/28	**16.1**	**-0.9**
NWDEVL 10.131 PERP	**92.4**	**0.9**	GARUDA 6 1/2 12/28/31	**86.6**	**-0.9**
PLNIJ 6 1/4 01/25/49	**98.1**	**0.9**	ROADKG 5.2 07/12/29	**16.0**	**-0.8**
PLNIJ 5 1/4 05/15/47	**86.9**	**0.8**	BABA 4.4 12/06/57	**82.7**	**-0.8**

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (-0.01%), Dow (+0.14%) and Nasdaq (-0.46%) were mixed on Thursday. US 1Q26 GDP was +2.1% qoq, higher than the market expectation of +1.6%. The latest Initial Jobless Claims were +215k, lower than the market expectation of +225k. US May'26 PCE Price Index +3.4% yoy/+0.3% mom, same as the market expectation. UST yield were lower on Thursday. 2/5/10/30 year yield was at 4.09%/4.15%/4.40%/4.86%.

❖ Desk Analyst Comments 分析员市场观点

➢ PTTGC: Baa3 rating intact amid petrochemical headwinds

Table 1: Bond profile of PTTGCs

Security name	ISIN	Amt o/s (USDmn)	Ask px	YTC	First call date	Coupon reset date	Coupon reset	Step-up (bps)	Issue rating
PTTGC 6.5 Perp	USY3004DAD67	600	99.5	6.6%	10 Sep'30	10 Dec'30	5yrUST+2.815%	-	Ba2/-/BB
PTTGC 7.125 Perp	USY3004DAE41	500	99.8	7.2%	10 Mar'35	10 Sep'35	5yrUST+3.162%	25	Ba2/-/BB

Source: Bloomberg.

We maintain buy on PTTGC 6.5 Perp and PTTGC 7.125 Perp for decent carry in PTTGC curve. At 99.5, PTTGC 6.5 Perp is trading at 6.6% YTC, offering a yield pick-up of c140bps vs its senior PTTGC 2.98 03/18/31 with 3 months shorter in "tenor", as well as c20bps over TOPTB 6.1 Perp (first coupon reset in Apr'31). At 99.8, PTTGC 7.125 Perp is trading at 7.2% YTC, and is the highest yielding paper within the PTTGC curve. Despite the perps' coupon will only be reset with minimal step-ups, we believe that PTT Global Chemical (PTTGC) remains incentivized to call and replace the perps to preserve the hybrid market access and equity credit recognition.

Yesterday, Moody's affirmed PTTGC's Baa3 rating and maintained negative outlook. The rating affirmation reflected the agency view on PTTGC's improved refining and petrochemical margins in 2026, boosted by temporary supply disruptions related to the Middle East conflict, together with its ongoing deleveraging measures will support its credit profile in the near term. However, the negative outlook reflected the challenging market environment PTTGC will face once conditions normalize, which could weigh on its credit metrics.

We view the rating affirmation signals the recent earnings recovery and deleveraging efforts are able to keep the rating at Baa3 and ease the near-term downgrade overhang, yet the negative outlook indicates that the rating headroom remains limited. The operating environment for PTTGC is still challenging, in view of persistent oversupply and weak demand across petrochemical markets. In our view, achieving sustained margin normalization and a clear deleveraging path are essential for credit profile improvement and a potential return to a stable outlook. That said, we take comfort from PTTGC's positive cash flow generation, which has broadly covered capex in past few years and should continue to support debt reduction alongside planned asset monetization. We are also watchful for any deterioration in Thailand's sovereign rating (Baa1/BBB+/BBB+), currently on negative outlook by Moody's and Fitch, given that PTTGC's rating incorporates government support factor through its parent PTT. Please also read our daily on 12 May'26 for comments on PTTGC's 1Q26 results.

- **Offshore Asia New Issues (Priced)**

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
Development Bank of Mongolia	500	5yr	6.9%	7.2%	B1/BB-/-
Japan Bank for International	1500	10yr	4.625%	SOFR MS+65	A1/A+/-
Mirae Asset Securities	300/ 300	3yr/ 5yr	5.125%/ 5.25%	T+110/ T+110	Baa2/-/BBB
Republic of Turkiye	2750	6yr	6.7%	6.75%	Ba3/-/BB-
Vedanta Resources	500/ 700/ 550	6yr/ 8yr/ 11yr	7.0%/ 7.375%/ 7.75%	7.25%/ 7.625%/ 8.0%	Ba3/BB-/BB

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

Issuer/Guarantor	Currency	Size (USD mn)	Tenor	Pricing	Issue Rating (M/S/F)
Chongqing Wansheng Industrial Parl Development And Construction	USD	-	3yr	4.6%	Unrated

- **News and market color**

- Regarding onshore primary issuances, there were 140 credit bonds issued yesterday with an amount of RMB190bn. As for month-to-date, 2,180 credit bonds were issued with a total amount of RMB2,202bn raised, representing a 21.6% yoy increase

- Indonesia approved up to 40-year tenor for subsidized mortgage to boost housing

- **[ADSEZ]** S&P upgraded Adani Ports by one notch to BBB from BBB- on strong operating cash flow and financials provide it with greater cushion to accommodate large growth plans; outlook stable

- **[BABA]** US AI startup Anthropic alleged Alibaba conducted an extensive operation to gain "illicit" access to its Claude AI model

- **[FAEACO/LASUDE]** Lai Sun-, Chiu family-, Hony Capital-linked golf course developers obtained maturity extension for HKD668mn (cUSD85.2mn) loan by one year. Far East Consortium FY26 revenue down 31% yoy to HKD6.6bn (cUSD842.5mn)

- **[NSANY]** Nissan Motor is in discussions to sell a storied vehicle assembly plant in Oppama, Japan, to US defense firm Anduril Industries

- **[SKM]** SK Telecom said it will invest KRW738.4bn (cUSD479mn) in the US-based SK Hynix NAND Product Solutions

- **[SMCGL]** San Miguel Global Power upsized loan to USD500mn with 18 lenders joining syndicate
- **[TOPTB]** Moody's revised the outlook of Thai Oil to stable from negative; Baa3 rating affirmed
- **[VEDLN]** Vedanta Resources received USD224.923mn VEDLN 9.475 07/24/30, USD207.087mn VEDLN 11.25 12/03/31, USD183.769mn VEDLN 9.125 10/15/32 and USD327.481mn VEDLN 9.85 04/24/33 validly tendered as of early tender deadline. Voting deadline for consent solicitation expired on 23 Jun'26 and meetings scheduled on 2 Jul'26. Tender offer to expire on 14 Jul'26

Fixed Income Department
Tel: 852 3657 6235/ 852 3900 0801
fis@cmbi.com.hk

Author Certification

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: