

CMBI Credit Commentary**Fixed Income Daily Market Update 固定收益部市场日报****The Asset Asian G3 Bond Benchmark Review 2025**

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 Asian G3 Bond Benchmark Review 2025](#)". Thank you for your support!

- *MTRC Perps were up 0.2pt this morning. ADSEZ 31-41s and ADGREG 42s rose 0.6-2pts. S&P revised the outlooks of Adani Ports to positive from negative, while Adani Green to stable from negative. PLNII 49s and PERTIJ 42-60s increased 0.3-0.4pt. CKINF 4/4.2 Perps decreased 1pt.*
- **AVICCP/AVIILC:** *Tender offer and consent solicitation for AVICCP 2.375 02/09/26 at par. AVIILC 27-28s were down 0.1-0.2pt this morning. See below.*
- **HAOHUA:** *Fitch upgraded ChemChina's rating by one notch to A with stable outlook. The rating upgrade is driven by Fitch's internal reassessment of the credit profile of ChemChina's parent Sinochem Holdings. HAOHUA 25-50s were 1-4bps wider this morning.*

❖ Trading desk comments 交易台市场观点

Yesterday, the IG space opened 5-10bps wider with a more cautious tone. TH bank BBLTB sub curve and TW lifers gradually recovered and closed 1-3bps wider. Lower-beta papers with 4.5% yield or below and front-end papers were traded heavily amid profit-taking on China SOE/TMT/T2/Leasing, and Korea corp names like POHANG/HYUELE. FRESHK 26-28s was 7bps tighter to 3bps wider. In Macau gaming, MPELs were unchanged to 0.6pt higher, SJMHOLs/MGMCHIs/WYNMACs were -1pt to +1pt, and SANLTDs/STCITYs/STDCTY were -0.1 to +0.2pts. See our comments on FRESHK and Macau gaming [yesterday](#). Among greater China higher-beta credits, Perps moved higher, led by the MTRC 5 5/8 and 4 7/8 Perps that climbed 0.3-0.5pts amid AM buying and street short-covering. We saw block selling on FRNs of China leasing/securities houses, and two-way flows on EU/Japan banks FRNs, which widened up to 2bps. Yankee AT1s started off softly, but gradually recovered into the London session as investors resumed buying belly-to-long-end issues like the new UBS 6.6 and 7 Perps. In Chinese properties, GRNLGR 28-31s dropped 1.0-2.9pts. Greenland Holdings announced a tender offer and consent solicitation on 1 Aug'25 for bonds due in 2028-31. LNGFOR 27-32s were down 0.3-0.9pts, and VNKRL 27-29s decreased 0.2-0.5pts. LIFUNGs were up 0.1-0.2pts after announcing the results of tender offer. In the SEA, MEDCIJ 28-29s were unchanged to 0.1pt lower. Medco Energi's announced its 1H25 revenue fell 2.3% yoy. VEDLN 28-33s were unchanged to 0.2pts higher, following Vedanta Ltd

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announced 1QFY26 consolidated EBITDA rose 5% yoy. LGFV flows were slightly slower following a profitable July. Cash deployment focused on picking high-yield papers in the front end.

❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
GWFOOD 3.258 10/29/30	86.3	2.4	GRNLGR 6.9 02/12/29	20.1	-2.9
WESCHI 4.95 07/08/26	92.8	1.3	GRNLGR 8 1/4 01/22/31	20.1	-2.9
HYSAN 4.85 PERP	66.6	1.1	GRNLGR 7 3/4 03/03/30	21.4	-1.6
CKINF 4 PERP	67.7	1.1	GRNLGR 5.6 11/13/28	21.5	-1.5
CKINF 4.2 PERP	70.8	0.8	GRNLGR 7 1/4 12/16/28	21.1	-1.4

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (+1.47%), Dow (+1.34%) and Nasdaq (+1.95%) were higher on Monday. UST yield was lower on Monday, 2/5/10/30 yield at 3.69%/3.75%/4.22%/4.80%.

❖ Desk Analyst Comments 分析员市场观点

➤ AVICCP/AVIILC: Tender offer and consent solicitation for AVICCP 2.375 02/09/26 at par

AVIC Industry-Finance (AVIC) launched a tender offer and consent solicitation for its USD300mn AVICCP 2.375 02/09/26 at par. AVIC will accept all validly tendered bonds. The offer will expire on 15 Aug'25. A consent solicitation is conducted concurrently as AVIC has failed to furnish the Trustee with its audited FY24 financial statements, and AVIC expects to be unable to provide the unaudited 1H25 financial statements within the prescribed timeframe.

Therefore, AVIC is soliciting consent from the bondholders to approve modifications on the T&C including: (i) to remove the requirement for the AVIC to provide these financial statements for the remaining life of the bonds (modification I); and (II) add an early redemption option, allowing the issuer at its sole discretion to redeem all, but not in part, of the bonds at the principal amount by giving no less than five payment business days' notice (modification II). These two modifications will be considered in separate extraordinary resolutions at two separate bondholder meetings (Meeting I and Meeting II), both to be held on 26 Aug'25.

All bondholders can participate in the meetings regardless of whether they tender their bonds in the concurrent tender offer, while tendering bonds automatically instructs the holder to vote in favor of the two resolutions. No consent fee will be paid. The resolutions are binding to all bondholders if passed and the eligibility condition is met. See below for the summary.

While there may be concerns regarding AVIC's financial performance in the absence of the published financial statements, we view the government support for AVIC remains intact in view of SASAC's ownership. That said, we view the tender offer as an opportunity for investors to switch into other Chinese IG names offering higher yields such as ZHOSHKs. At 98.8, AVICCP 2.375 02/09/26 is trading at YTM of 4.9% with c6-month to maturity.

Table 1: Summary of the tender offer and consent solicitation

Security name	AVICCP 2.375 02/09/26
ISIN	XS2284243586
Tender px	100
Amt o/s (USDmn)	300
Max. acceptance amt	Any and all
Expiration deadline	15 Aug'25
Meeting I	26 Aug'25 11am
Meeting II	26 Aug'25 11:15am
Settlement of the tender offer	29 Aug'25
Consent solicitation:	
Quorum	
-Meeting I	Two or more persons holding or representing more than 50% in o/s amount of the bonds
-Meeting II	Two or more persons holding or representing not less than 75% in o/s amount of the bonds
Passing thresholds	a majority of at least 75% of the votes cast in respect of each extraordinary resolutions. If one or both of the extraordinary resolutions is/are passed and implemented as a result of the eligibility condition being satisfied and the bonds validly tendered in the offer by bondholders being accepted, such extraordinary Resolution(s) shall be binding on all bondholders, whether or not present at the relevant meeting(s) at which it is (or they are) passed and whether or not voting.

Source: Company filing.

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

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

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

Issuer/Guarantor	Currency	Size (USD mn)	Tenor	Pricing	Issue Rating (M/S/F)
Licheng International Development	USD	-	3yr	5.5%	Unrated
Macquarie Bank	USD	-	11NC10	T+170	A3/BBB+/BBB+

➤ **News and market color**

- Regarding onshore primary issuances, there were 85 credit bonds issued yesterday with an amount of RMB66bn. As for Month-to-date, 130 credit bonds were issued with a total amount of RMB149bn raised, representing a 4.4% yoy increase
- [ADANEM]** S&P revised the outlook of Adani Electricity Mumbai to stable from negative, affirmed BBB-rating

- **[ADGREG]** S&P revised the outlook of Adani Green Energy RG2 to stable from negative, affirmed BB+ rating
- **[ADSEZ]** S&P revised the outlook of Adani Ports to positive from negative, affirmed BBB- rating
- **[AGILE]** Agile plans to deliver preliminary restructuring proposal to offshore creditors in 3Q25
- **[BABA]** Ant Group to exit India's payment company Paytm by selling its remaining 5.84% stake in a block deals for up to INR38bn (cUSD434mn)
- **[ROADKG]** Road King bondholder group has enough votes to block revised consent solicitation
- **[SKM]** SK Telecom to help develop South Korean challenger to ChatGPT AI model
- **[SKONKR]** SK On to focus on cutting-edge technology to gain market share

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