

## CMBI Credit Commentary

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

- *Flows were lighter overall this morning with China out for Golden Week. LASUDE 26 rose 2.0pts and NWDEVL 30 was 0.4pt higher. IHFLIN 27-28 were 0.3-0.8pt higher post IHC's cUSD1bn investment. GLPSP Perps increased 0.3pt.*
- **Asia ex-JP USD bonds issuance:** Gross issuance increased 22.1% yoy in 9M25. See below.
- **ZHOSHK:** Moody's has withdrawn Zhongsheng's Baa2 rating at the company's request. The outlook was negative prior to the withdrawal. We believe that the withdrawal of Moody's ratings is part of the cost control measures of Zhongsheng and should have limited impact on the performance of its only outstanding USD bond, ZHOSHK 28. Please see our comments on Zhongsheng on 29 Aug'25 for more discussions. ZHOSHK 28 was unchanged this morning.

#### ❖ Trading desk comments 交易平台市场观点

Yesterday, Asia IG opened in a firm tone post weaker-than-expected ADP data which drove rates rally overnight. We saw some profit taking on recent new issues CKHH 30s/HANMIL 30s. China IG ZHOSHK 28 traded two-way despite Moody's withdrawal of its Baa2 rating at the request of Zhongsheng. As discussed above, we consider this part of the cost saving measures of Zhongsheng and should have limited impact on the performance of ZHOSHK 28. Korea IG HYUELEs were 5bps tighter, there was better selling on the 26-27s and switches to longer duration 28-33s. SK Hynix and Samsung Electronics will supply memory chips for a USD500bn Stargate project. We also saw some profit taking on BOCAVI/HYNMTR. In financials, TW lifer space active again. FUBON/NSINTW/SHIKON were 4-5bps tighter. There were better buying on Chinese/Japanese FRNs. Japanese insurance hybrids and AT1s were sought after by AMs. In properties, NWDEVL 27-31 were 1.1-1.5pts higher while NWDEVL Perps were 2.1-3.0pts higher. LASUDE 26 rose 1.1pts on the signing of loans of HKD3.5bn at an all-in cost of HIBOR+140bps. VNKRLE 27-29 were 0.3-0.5pt higher. LIHHK 26 was 0.2pt higher. Lifestyle International obtains unanimous consent from lenders to waive covenant breach on HKD6.98bn loan. In India, IHFLIN 27-28 were 2.4-4.8pts higher. International Holding Co (IHC) agreed to invest INR88.5bn (cUSD998mn) in Sammaan Capital, subject to regulatory approvals. VEDLN 29-33s were 0.2-0.6pt higher. In the Philippines, VLLPM 27-29 were 2.9-3.8pts lower. Vista Land director Camille Villar under investigation over PHP18bn (cUSD310mn) flood projects. In Thailand, PTTGC Perps were 0.6-0.7pt higher. LGFV space was firmer on duration following the post-ADP rally in rates. Flows were light in high-beta credit such as HYSAN/MTRC Perps in light of onshore long holiday. HYSAN Perps were 0.2-0.4pt higher while MTRC Perps were 0.1-0.2pt higher.

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## ❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
IHFLIN 8.95 08/28/28	105.0	4.8	VLLPM 9 3/8 07/29/29	51.5	-3.8
NWDEVL 6 1/4 PERP	38.4	3.0	VLLPM 7 1/4 07/20/27	65.4	-2.9
NWDEVL 4.8 PERP	35.9	2.7	CIFIHG 11.581 PERP	10.2	-0.8
NWDEVL 5 1/4 PERP	46.8	2.7	CKPH 3 1/2 PERP	61.8	-0.7
NWDEVL 4 1/8 PERP	39.8	2.5	CFAMCI 4 7/8 11/22/26	100.3	-0.4

## ❖ Marco News Recap 宏观新闻回顾

**Macro** – S&P (+0.06%), Dow (+0.17%) and Nasdaq (+0.39%) were higher on Thursday. The release of US economic data, latest initial jobless claims and Aug'25 factory orders, have been delayed by the federal government shutdown that began 1 Oct'25. UST yield was lower on Thursday. 2/5/10/30 yield was at 3.55%/3.67%/4.10%/4.69%.

## ❖ Desk Analyst Comments 分析员市场观点

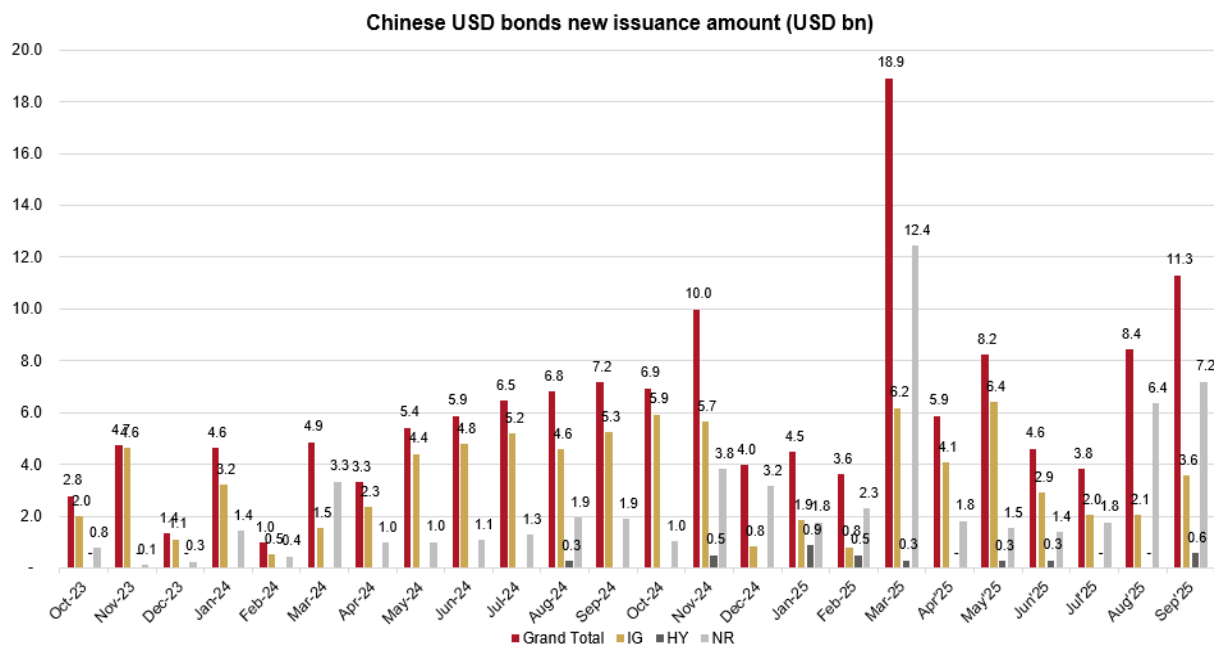
## ➤ Asia ex-JP USD bonds issuance: Gross issuance increased 22.1% yoy in 9M25

In Sep'25, the gross issuance of Asia ex-JP USD bonds (excl. supranational banks) increased by 29.8% yoy to USD24.9bn from USD19.2bn in Sep'24. China (USD11.3bn), South Korea (USD6.8bn) and Hong Kong (USD2.8bn) were among the largest issuers. IGs contributed 58.5% of the gross issuance amount. Issuance from financials and real estate totaled USD11.2bn and USD7.2bn (but cUSD6.7bn out of these are related to new Kaisa bonds after the company's debt restructuring), accounting for 45.0% and 29.0% of total gross issuance of the month, respectively. In 9M25, gross issuance of Asia ex-JP USD bonds increased 22.1% yoy to USD155.3bn. China (USD69.3bn), South Korea (USD31.1bn), Hong Kong (USD14.5bn) were the major issuers. IGs contributed 66.1% of the gross issuance amount. Financial institutions issued USD bonds totaled USD62.9bn, accounting for 40.5% of the gross issuance amount.

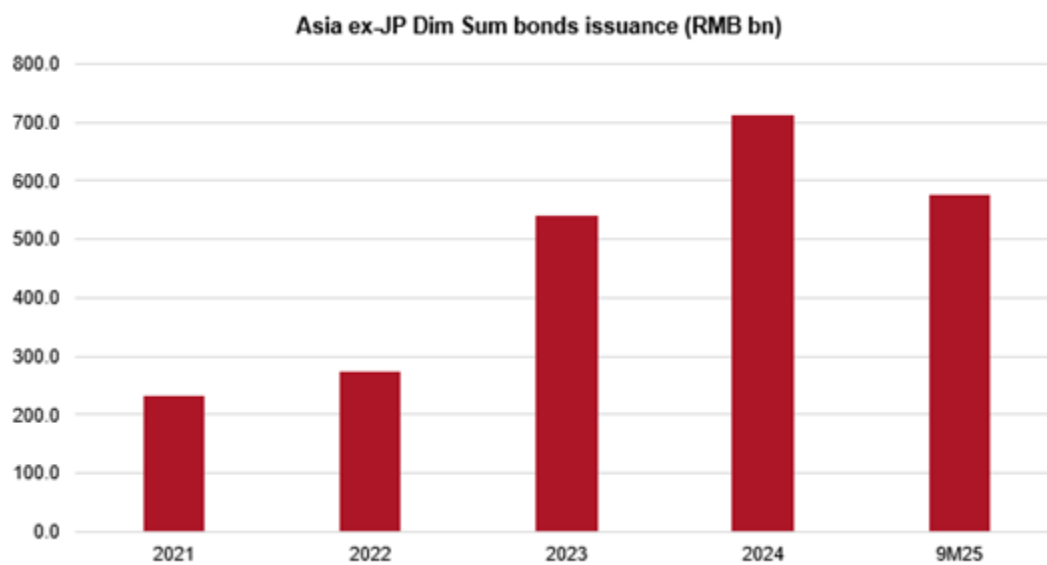
For Chinese USD bonds, the gross issuance totaled USD11.3bn in Sep'25. IGs, HYs and unrated contributed 31.3%, 5.0%, 63.7% of the gross issuance amount, respectively. Issuances from real estate and financials totaled USD6.9bn (cUSD6.7bn are related to new issues under Kaisa's debt restructuring) and USD2.6bn, accounting for 60.6% and 23.0% of the gross issuance amount in Sep'25, respectively. In 9M25, the gross issuance of Chinese USD bonds totaled USD69.3bn. IGs, HYs, and unrated contributed 43.1%, 4.1% and 52.8% of the gross issuance amount in 9M25, respectively. Issuance from LGFVs and financials totaled USD24.9bn and USD21.1bn, accounting for 35.9% and 30.5% of gross issuance amount in 9M25, respectively.

The offshore LGFV USD bonds issuance (including only issues with an issue size of at least USD100mn) was USD1.5bn in Sep'25, decreased by 38.7% yoy from USD2.4bn in Sep'24. In 9M25, the gross issuance was USD24.9bn, increased by 97.8% from USD12.6bn in 9M24.

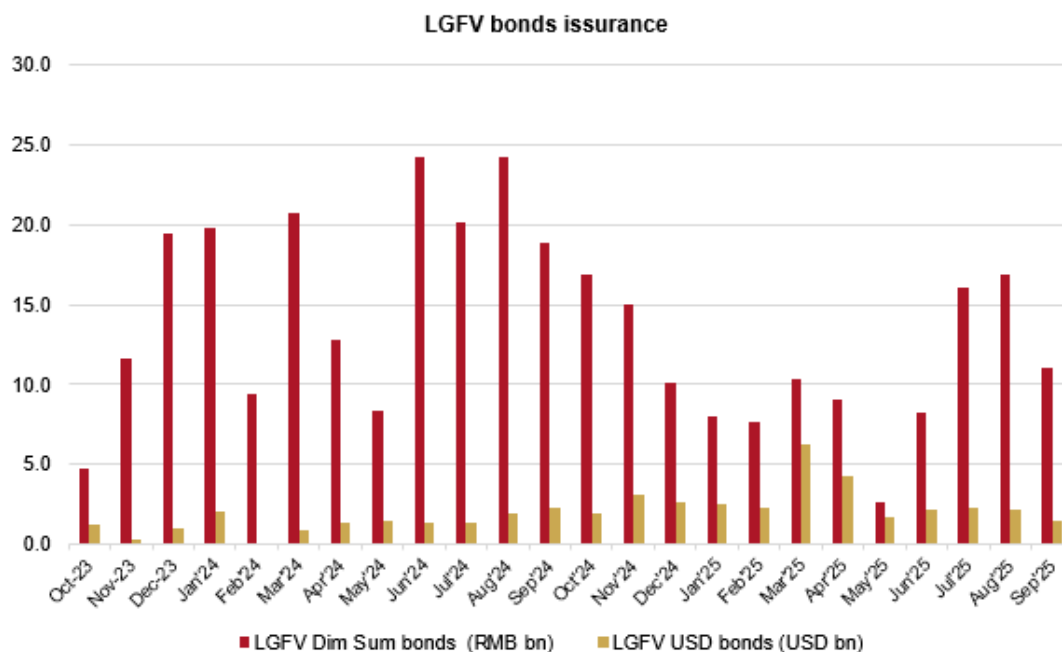
On the other hand, the Asia ex-JP Dim Sum bonds issuance in Sep'25 increased 77.6% yoy to RMB105.4bn from RMB59.3bn in Sep'24. In 9M25, the gross issuance was RMB577.5bn, increased 5.4% yoy from RMB547.9bn in 9M24. On LGFV Dim Sum issuance, the gross issuance in Sep'25 decreased by 41.5% yoy to RMB11.1bn from RMB18.9bn in Sep'24. In 9M25, the gross issuance was RMB89.9bn, down 43.2% yoy from RMB158.4bn from 9M24. While we view the lower LGFV Dim Sum issuance was partly due to the tightened regulatory environment for onshore investors starting from 4Q24 by limiting Southbound Bond Connect allocations to LGFV Dim Sum bonds, the broader Dim Sum market is on track for another record year led by non-LGFV issuers and expansion of investor base.



Source: Bloomberg.



Source: Bloomberg.



Source: Bloomberg.

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

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
Joint-Stock Commercial Mortgage Bank	300	5yr	6.45%	6.45%	-/-/BB

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

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

➤ **News and market color**

- Onshore primary issuances suspend during the National Day Holiday
- India's central bank allows domestic banks to finance M&A deals
- Danantara will invest around USD10bn in its first three months of operation, starting in October, allocating 80% domestically and the remainder overseas
- Macau logged an aggregate of more than 303k visitor arrivals during the first two days of the Golden Week
- Taiwan is pledging support for technology companies to invest in the US as it seeks to advance talks on a potential trade deal with the US

- **[ADGREG]** Adani Green Energy's solar deal in India's Andhra Pradesh state, central to US bribery charges, is in trouble as the administration demanded a transmission fee waiver
- **[BABA]** Alibaba app attracts record users, scaling up location services battle with Meituan
- **[BHP]** BHP obtained regulatory approval from the Chilean government for its USD2.3bn copper project in the country; Australian urged China to resume imports of Australian iron ore after the Asian country's steelmakers and traders were asked to temporarily halt purchases of cargoes from BHP Group
- **[IHFLIN]** International Holding Co (IHC) agreed to invest INR88.5bn (cUSD998mn) in Sammaan Capital, subject to regulatory approvals
- **[LGELEC]** LG Electronics India is targeting to double its manufacturing capacity in five years, catering for domestic and export markets
- **[LIHHK]** Lifestyle International 1H25 adjusted EBITDA falls 17% yoy to HKD480.6mn (cUSD61.8mn)
- **[PERTIJ]** Danantara has urged Pertamina to acquire overseas blocks to offset declining domestic oil output, with the Indonesian sovereign fund committed to provide funding
- **[VLLPM]** Vista Land director Camille Villar under investigation over PHP18bn (cUSD310mn) flood projects

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