

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!

- *BABAs/TENCNTs were 1-2bps tighter this morning. SOBKCO 35 widened 5bps. TOPTBs widened 5bps. FAEACO Perp lowered 1.5pts. CKINF/CKPH Perps lowered 0.4-0.6pt. LASUDE 26 lowered 0.6pt.*
- ***RCBPM:** Redeem RCBPM 6.5 Perp on the first call date in Aug'25. RCBPM 6.5 Perp was unchanged while RCBPM 29-30s were down 0.1pt this morning. See below.*
- ***HENLND:** Henderson Land issued HKD8bn (cUSD1.0bn) 0.5% CB due in 2030. The initial conversion price is HKD36 per share, i.e. a conversion premium of 27% over the last close. HENLNDs were unchanged this morning.*

❖ Trading desk comments 交易台市场观点

Yesterday, the new SHINFN 30/LOT COR 28 widened 1-2bps from ROs. The recent new KORGAS 28-30s were unchanged to 1bp wider. Meanwhile in KR, HYNMTR/LGENSO 28-30s were 1-3bps tighter. In Chinese IGs, CNOOC 42-43s were 0.2-0.6pt higher (unchanged to 5bps tighter in spreads). ZHOSHK 28 tightened 6bps. In financials, BBLTB 34s widened 2bps amid mixed two way flows. HSBC/STANLN Float 31s closed 1-2bps tighter. In insurance, SHIKON/NSINTW 34-35s tightened another 2-5bps. MYLIFE/NIPLIF 53-55s and FUKOKU 6.8/SUMILF 5.875 Perps were down 0.1-0.3pt. In AT1s, SOCGEN 8.125/INTNED 7.5 Perps were up 0.2-0.3pt. In HK, REGH 6.5 Perp was up 0.3pt. HYSAN 4.1 Perp lowered 0.5pt. NWDEVL Perps/27-31s were unchanged to 0.3pt lower. Media reported that NWD is selling its K11 property in Shanghai's Huaihaizhong Road for RMB2.85bn (cUSD397mn). MTRC Perps were 0.1-0.3pt lower. In Chinese properties, ROADKG 28-30s were up 0.2-0.3pt. VNKRL 27-29s lowered 0.3-0.4pt. Outside properties, EHICAR 26-27s lowered 0.2-0.3pt. In SE Asia, RCBPM announced to fully redeem the USD300mn RCBPM 6.5 Perp at par on 27 Aug '25, the first call date. See comments below. VLLPM 27-29s were up 0.5pt amid media report that Vista Land & Lifescapes obtained PHP3.4bn (cUSD60.3mn) loan for refinancing.

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

Cyrena Ng, CPA 吳倩瑩
 (852) 3900 0801
 cyrenang@cmbi.com.hk

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

LGFVs remained sought after following media report of Southbound Bond Connect's potential expansion. See our comments on [8 Jul '25](#). The CNH LGFVs such as CDTFDG 7.3 27s/SDGAOC 6.9 27s/LUOYNG 7.5 26s were skewed to better buying despite some profit taking. The higher yielding USD LGFVs such as BADNHI 6.9 28s/SCJYFG 6.45 28s were also firm. In SOE perps, CHCOMU/CHSCOI Perps were up 0.1pt.

❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
CNOOC 5 05/02/42	97.9	0.6	HYSAN 4.1 PERP	98.7	-0.5
VLLPM 9 3/8 07/29/29	66.6	0.5	CCAMCL 5 02/08/48	86.9	-0.5
VLLPM 7 1/4 07/20/27	76.4	0.5	YANTZE 3.2 10/16/49	73.1	-0.4
SOCGEN 8 1/8 PERP	103.3	0.4	PLNIJ 7 7/8 06/29/37	118.4	-0.4
REGH 6 1/2 PERP	22.6	0.3	VNKRLE 3 1/2 11/12/29	72.1	-0.4

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (-0.07%), Dow (-0.37%) and Nasdaq (+0.03%) were mixed on Tuesday. Trump vows no tariff extension on his 1 Aug'25 deadline. Trump plans a 50% tariff on copper import and 200% tariff on drug import, while he said that levies on semiconductors and pharmaceuticals were coming soon. UST yield was higher on Tuesday, 2/5/10/30 yield at 3.90%/3.99%/4.42%/4.94%.

❖ Desk Analyst Comments 分析员市场观点

➤ RCBPM: Redeem RCBPM 6.5 Perp on the first call date in Aug'25

Rizal Commercial Banking Corp. (RCBPM) announced the call of its only o/s USD AT1 capital securities, RCBPM 6.5 Perp, in full at par on the first call date (27 Aug'25). In Jun'25, RCBPM has received the approval from the Bangko Sentral ng Pilipinas (BSP) for the redemption. We understand that the bank must maintain the minimum capital adequacy ratio required by BSP before and after the redemption of the capital securities. As of Mar'25, RCBPM's CET1 ratio and CAR was 13.5%/16.0%, respectively, higher than the regulatory minimum requirement of 8.5%/12.5% (incl. capital conservation buffer of 2.5%) required by BSP on RCBPM.

We have buy recommendation on RCBPM 6.5 Perp. Please see Table 1 for our AT1 and T2 picks in the Asian universe. We believe the likelihood of calling these AT1 and T2 on their respective first call dates is high, considering their track records of call on the first call dates and their sufficient capital buffers above the regulatory minimum requirements.

Table 1: Our Asian AT1 & T2 picks

Security name	ISIN	Region	Type	Amt o/s (USDmn)	Px	YTC (%)	First call date	Mod duration	Issue rating (M/S/F)
Asian DM									
CHIYBK 8 Perp	XS2543377068	HK	AT1	200	101.4	7.3	26 Oct'27	2.0	NR
CHIYBK 5.75 04/07/32	XS2460522555	HK	T2	200	99.1	6.3	7 Apr'27	1.6	NR
NOMURA 7 Perp	US65535HCC16	JP	AT1	1,000	101.5	6.6	15 Jul'30	4.2	Ba3/-/BB
SHINFN 2.875 Perp	US824596AA84	KR	AT1	500	97.6	5.8	12 May'26	0.8	Baa3
Asian EM									
BBLTB 5 Perp	US06000BAA08	TH	AT1	750	99.9	5.3	23 Sep'25	0.2	Ba1
BBLTB 3.466 09/23/36	US059895AV49	TH	T2	1,000	88.3	5.7	23 Sep'31	5.4	Baa3

BBLTB 6.056 03/25/40	USY0616GAA14	TH	T2	1,000	99.1	6.2	25 Mar'35	7.1	Baa3
KBANK 5.275 Perp	XS2242131071	TH	AT1	500	99.9	5.8	14 Oct'25	0.3	Ba2
KBANK 4 Perp	XS2371174504	TH	AT1	350	96.7	6.2	10 Feb'27	1.5	Ba2
KBANK 3.343 10/02/31	XS2056558088	TH	T2	800	97.2	5.7	2 Oct'26	1.2	Ba1/-/BB+
RCBPM 6.5 Perp	XS2219370660	PH	AT1	300	100.1	5.8	27 Aug'25	0.1	B1

Australia

ANZ 6.75 Perp	US05254HAA23	AU	AT1	1,000	101.9	4.7	15 Jun'26	0.9	Baa2/BBB/BBB
MQGAU 6.125 Perp	US556079AB79	AU	AT1	750	100.8	5.6	8 Mar'27	1.5	Baa3/BBB/-
WSTP 5 Perp	US96122UAA25	AU	AT1	1,250	99.3	5.3	21 Sep'27	2.0	Baa2/BBB/BBB

Source: Bloomberg.

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

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
Mianyang Investment Holding	300	3yr	5.0%	5.0%	Unrated
Muangthai Capital Public Company	350	5yr	7.55%	7.55%	-/BB-/BB

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

Issuer/Guarantor	Currency	Size (USD mn)	Tenor	Pricing	Issue Rating (M/S/F)
CITIC Securities International	USD	-	3yr	SOFR+115	-/BBB+/-
Lunan (Zaozhuang) Economic Development Investment	USD	-	3yr	6.9%	Unrated
Zhenjiang Transportation Industry Group	USD	-	3yr	5.29%	Unrated

➤ **News and market color**

- Regarding onshore primary issuances, there were 139 credit bonds issued yesterday with an amount of RMB193bn. As for month-to-date, 453 credit bonds were issued with a total amount of RMB509bn raised, representing a 21% yoy increase
- China Jun'25 passenger car sales rise 18% yoy boosted by government trade-in subsidies
- [COGREN]** Fitch affirmed Continuum RG2's COGREN 7.5 06/26/33 at BB+; outlook stable
- [FIRPAC]** First Pacific's MGen to exceed 1,500MW renewables target 3 years ahead of timeline
- [LENOVO]** Lenovo 2Q25 worldwide PC shipments climb 15% yoy to 17mn units
- [MOLAND]** Modern Land (China) expects to publish delayed FY23, FY24 results by Sep'25
- [NSANY]** Nissan Motor to upsize planned CB issuance to JPY200bn (cUSD1.4bn) from JPY150bn (cUSD1.0bn); Nissan scales back planned production of EV model due to China rare earth curbs

- [TPHL] Times China says scheme creditors approve USD2.9bn offshore debt restructuring

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.