

CMBI Credit Commentary**Fixed Income Daily Market Update 固定收益部市场日报**

- *Markets were two-way and cautious this morning. Asian IG space overall tightened 1-3bps, new issue CBA narrowed 3bps. AT1 was firmed with short coverings and HSBC 8 kept ascending since issued. LGFV was also two-way balanced.*
- **SJMHOL:** *SJM Holdings expects HKD7.8bn loss in FY22 including impairment charge of cHKD1.21bn (cUSD153.5) for FY22 due to rationalisation program of casino properties; SJMHOLs were unchanged by mid-day.*
- **CENCHI:** *Central China cancelled investor trip scheduled on Friday. CENCHIs down 0.25-0.5pt this morning after 1-1.5pts drop yesterday.*

❖ Trading desk comments 交易台市场观点

Yesterday, Asia IG space was quiet but firm to start the week as spreads were unchanged to 2bps tighter. Flows had more two way interests in 24s-28s papers, as RMs were still more cautious on the volatile CT10 ahead of NFP this week. We saw two-ways flows on Korea T2s, skewed to a touch firmer. WOORIB 24s remained better buying at T+100. On 5y papers, we had active two-way flows on KBANK/SUMI/OCBCSP 28s with better buying. In China financials, T2s tightened 2-3bps and BCHINA 5 24s were traded 3bps tighter to CT2+80/+77. China TMT/SOE 10y benchmark papers were unchanged to 2bps tighter. There was small buying on BBB tech names MEITUA/WB/LENOVO. China HY space were unchanged to a touch stronger. COGARDs/FUTLANs were up 0.5pt. SINOCEs were unchanged. CHINSC/LVGEM 23s were traded 0.5-1.5pts higher. YLLGSP 26s were indicated 2pts higher. However, RONXINs fell 2.5-3pts to sub-10 level. CENCHIs dropped 1-1.5pts. Elsewhere, CARINC/CHNAAR 24s were traded 1.5-2pts higher, but EHICAR 26s were indicated ~2pts lower. Macau gaming sector had another upbeat session. WYNMACs/STCITYs/MPELs were indicated at 1-2pts higher. In India space, Adani complex bonds were up another 0.5-1pt. VEDLNs gained 1-1.5pts and renewables were unchanged to 0.5pt higher. In Indonesian space, LPKRIJ 25s/26s were marked unchanged at 86/76 level respectively. Lippo Karawaci announced the tender offers for the two USD bonds, with the offer prices at 87 and 77, respectively.

The Asia AT1/Perp/LGFV spaces had a strong day especially on perp papers, as investors covered the short/underweight positions in duration ahead of a data-heavy fortnight before the Mar FOMC, with Powell to speak before the Senate Banking Panel on Tuesday night. AT1s and SOE Perps edged up 0.125-0.25pt, led by recent new issues. CTIH 6.4 Perp was up 0.5pt, mainly pushed by dealers. New HSBC 29NC28 Perp were firm on PB demand at 101.125/101.375. ICBCAS 3.2/BOCOM 3.8/BCHINA 3.6 were 0.125pt higher,

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as rates retraced around 10bps from Friday EOD. Meanwhile HK FFL Perps bounced 1.5-2.5pts in light of short covering led by HYSAN 4.85 Perp, whilst some holders also seized the window to offload papers here. CKINF/NANFUND Perps were up 0.5-1.5pts. LGFVs flows still focused on high-beta names. The activities on Yunnan names picked up a bit with some more two-way flows and interests. Other high yielding names TLINVT/ZHHFGR were also skewed to better buying as sentiment continued to improve towards the near term outlook. Remaining flows were skewed to better selling in front end 23/c23 papers at mid-5% as investors braced up for potentially further higher funding costs

❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
YLLGSP 5 1/8 05/20/26	87.3	2.1	EHICAR 7 09/21/26	73.6	-1.8
CARINC 9 3/4 03/31/24	95.2	1.8	ROADKG 7 3/4 PERP	69.1	-1.6
CHNAAR 5 1/2 03/08/24	91.6	1.7	CENCHI 7.65 08/27/23	45.5	-1.4
HYSAN 4.85 PERP	79.0	1.6	ZENENT 12 1/2 04/23/24	50.6	-1.3
AIA 2.7 PERP	87.4	1.6	YUEXIU 3.8 01/20/31	79.8	-1.1

❖ Marco News Recap 宏观新闻回顾

Macro – U.S. stock markets were divergent yesterday, S&P (+0.07%), Dow (+0.12%) and Nasdaq (-0.11%) fluctuated as investors are cautious before Fed chairman's speech and NFP data which will be released in this week. The U.S. treasury yields slightly rose yesterday, the 2/5/10/30 yields reached 4.89%/4.27%/3.98%/3.92%, respectively.

➤ Offshore Asia New Issues (Priced)

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Yield	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)
Bank of East Asia	USD	-	4NC3	-	Baa2/BBB/-

➤ News and market color

- Regarding onshore primary issuances, there were 73 credit bonds issued yesterday with an amount of RMB54bn. As for Month-to-date, 342 credit bonds were issued with a total amount of RMB284bn raised, representing a 4.5% yoy decrease
- [AGILE]** Guangdong Join-Share Financing Guarantee Investment to provide guarantees for up to RMB 200mn (cUSD28.6mn) corporate bonds

- **[CARINC]** Moody's affirmed CAR Inc. B3 ratings and revised outlook to negative
- **[CENCHI]** Media reported that CCRE cancelled China Citic Bank-organized Friday investor trip
- **[FUTLAN]** Seazen cancelled 4.91mn restricted shares
- **[GEELY]** Geely Feb'23 sales rise 39% yoy to 108.7k units in demand of EVs
- **[LVGEM]** LVGEM (China) Real Estate Investment repurchased and cancelled USD27.5mn of LVGEM 12 03/10/23
- **[MEITUA]** Meituan plans to reorganize and cut staff at ride-hailing business
- **[NAGACL]** S&P downgraded NagaCorp to B from B+ on refinancing risk and placed negative outlook
- **[RISSUN]** RiseSun Real Estate application for up to RMB3bn private placement of new shares accepted by Shenzhen bourse
- **[SJMHL]** SJM Holdings expects HKD7.8bn loss in FY22 including impairment charge of cHKD1.21bn (cUSD153.5) for FY22 due to rationalisation program of casino properties
- **[SUNAC]** Media reported that Sunac China's restructure plan gained support from major offshore debt holders
- **[ZHPHKL]** Zhenro Properties expects to miss payment on Securities, March 2022 notes, March 2022 RMB notes; preliminary proposal of offshore holistic liability management solutions available by end of March

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