

CMBI Credit Commentary

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

- *The new EIBKOR 31s tightened 3bps from RO at T+27. The new SHNHAN 31s tightened 2bps from RO at T+43, and SHNHAN Float 29s were unchanged from RO at SOFR+58. The rest of Asian IG space was unchanged to 2bps wider. Front-end AT1s and perps were down 0.3pt, and their long-end counterparts lost 0.3-0.4pt.*
- **GRNCH:** *Funding resilience offset FY25 earnings weakness. Maintain buy on GRNCH 8.45 02/24/28. See below.*
- **FAEACO:** *Far East Consortium has elected to defer the distribution on FAEACO 12.814 Perp due on 18 Apr'26 to the next payment date; agreed to sell 49.9% stakes in Ritz Carlton Hotel in Melbourne Australia for AUD58.2mn (cUSD40.1mn) to a company co-owned by Wendy Chiu and David Chiu. FAEACO 12.814 Perp down 13.5pts this morning.*

❖ Trading desk comments 交易平台市场观点

Yesterday, the market performed stronger because renewed Middle East ceasefire hopes boosted the overall risk sentiment. The new KOMRMR 31 tightened 12bps from RO at T+100. The new HYNMTR 29-31s closed largely unchanged from ROs. In secondary KR space, we saw block buyers lifted front-end DAESEC and across the LGENSO curve, which traded 4-5bps tighter. In SE Asian space, IHFLIN 28-30 led the space and rose 1.6-2.3pts. The shares of Sammaan Capital rallied 4% on BSE after the company announced that Abu Dhabi-based IHC would acquire 41.5% stake in the company through preferential allotment of equity shares and warrants. BBLTB sub curve traded 2-5bps tighter on back of PB/RM buying and OCBCSPs were 1-3bps tighter. GLPSP 4.6 Perp leaked 0.8pt. Taiwanese lifers tightened 5bps, driven by better buying on NSINTW and balanced flows on FUBON. In Chinese IG space, KUAISH/MEITUA tightened 3-5bps amid better buying, while we saw better selling on XIAOMI. RMs were buying ZHOSHK 28, which edged 0.5pt higher. WESCHI 28-29 gained 1.9-2.1pts. FOSUNI 27-29 were 0.2-0.8pt higher. See our comments on [31 Mar'26](#). In Chinese properties, GRNCH 28 edged 0.4pt higher. See comments below. VNKRL 27' and 29' gained 0.3-0.9pt. FUTLAN 28/FTLNHD 26-27 were unchanged to 0.3pt higher, while FTLNHD 29 lost 0.2pt. We consider Seazen an outperformer in a challenging operating environment. See our comments [yesterday](#) on Seazen's FY25 results. In JP space, 5-10yr bank duration papers tightened 1-5bps, while FRNs and front-end issues remained under selling pressure. Japanese and Yankee AT1s and insurance subs closed 0.3-1.0pt higher. We saw RMs reloading 1-4yr callable issues, whilst HFs and prop desks covered shorts and reloaded 7-10yr callable issues. In the Middle East, we saw two-way flows on ARAMCOs and long-end KSAs, which traded 0.1-0.4pt higher. LGFVs nonetheless had a relatively quiet session, and the sector stayed stable across the credit curves.

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❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
IHFLIN 7 1/2 10/16/30	99.3	2.3	GLPSP 4.6 PERP	47.2	-0.8
WESCHI 9.9 12/04/28	92.4	2.1	GRNLGR 6 3/4 03/03/30	15.8	-0.4
WESCHI 10 1/2 11/11/29	91.5	1.9	TZXHIG 6.9 01/03/28	98.0	-0.3
LIFUNG 5 1/4 PERP	55.7	1.9	BABA 5 1/4 05/26/35	103.0	-0.3
IHFLIN 8.95 08/28/28	102.8	1.6	SZCONS 5 07/15/28	101.0	-0.3

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (+0.72%), Dow (+0.48%) and Nasdaq (+1.16%) were higher on Wednesday. US Mar'26 ADP nonfarm employment change was +62k, higher than the market expectation of +41k. S&P Global Manufacturing PMI Mar'26 was 52.3, lower than the market expectation of 52.4. ISM Manufacturing PMI/Prices Mar'26 was 52.7/78.3, higher than the market expectation of 52.3/74.0, respectively. UST yield was higher on Wednesday. 2/5/10/30 year yield was at 3.81%/3.97%/4.33%/4.91%.

❖ Desk Analyst Comments 分析员市场观点

➤ GRNCH: Funding resilience offset FY25 earnings weakness

Table 1: Bond profile of GRNCH

Security name	Amt o/s (USD mn)	Coupon	Maturity	Ask px	YTM
GRNCH 8.45 02/24/28	500.0	8.45%	2/24/2028	101.6	7.5%

Source: Bloomberg.

Despite the weaker FY25 profit, we take comfort from Greentown's improved debt structure, manageable debt maturity profile, and smooth funding access, thanks partly to its state-ownership. Hence, we maintain buy on GRNCH 8.45 02/24/28 and consider the bond a low-beta and good carry play. At 101.6, GRNCH 8.45 02/24/28 is trading at YTM of 7.5%.

Despite a challenging macro backdrop, Greentown's operating performance remains better than more of its peers. Greentown's FY25 revenue fell 2.3% yoy to RMB155.0bn, with non-property sales revenue down 32.6% yoy to RMB7.8bn, while property sales revenue was broadly flat. The recognized GFA was lower, yet the recognized ASP was higher attributable to the projects in Shanghai and Hangzhou accounted for higher percentage of sales. Gross profit down 8.7% yoy to RMB18.7bn, with GPM narrowed to 11.9% from 12.8% in FY24. PBT declined 31% yoy to RMB4.9bn, due to lower GP, lower share of results from JVs and associate companies as management accelerated long-term inventory destocking, and assets impairment losses, partially offset by lower SG&A under cost efficiency measures. Profit attributable to the owners was down by 96% to RMB71mn, in line with the profit warning issued in mid-Mar'26, reflecting greater minority attribution from projects where Greentown held lower equity interests.

In FY25, Greentown's contract sales from self-invested projects declined 11% yoy to RMB153.4bn, translating into a sell-through rate of c77%. As of Dec'25, self-invested saleable resources totaling RMB163.1bn (5.23mn sqm), of which 85% (by value) are located in Tier 1 and 2 cities. On an attributable basis, unbooked sales totaling RMB107.1bn (attributable ratio: 67%), c70% of which are expected to be recognized in FY26. Looking

ahead, Greentown targets sales of its self-invested projects of cRMB130bn and land acquisition of cRMB100bn in FY26, subject to market conditions.

Net debts rose to RMB70.6bn as of Dec'25 from RMB64.7bn as of Dec'24. That said, we consider Greentown's debt maturity profile to be manageable, supported by a consistently cash-to-ST debt ratio of over 2x and the ST debt to total debt ratio improved to 19% as of Dec'25 from 23% a year earlier. Greentown has actively managed its debt maturity profile since 2024. In Feb'25, it redeemed two USD bonds totaling RMB452mn in principal amount through tender offers, funded by concurrent issuance of USD500mn GRNCH 8.45 02/24/28, the first USD bond issuance by Chinese property developer since Feb'23.

Greentown's access to onshore funding channels remains robust. Greentown issued 8 onshore bonds totaling RMB8.5bn in FY25, and remains one of the few developers capable of issuing onshore bonds on an unsecured basis and without CBICL guarantees. Furthermore, funding costs have steadily trended downward. The weighted-average funding cost dropped to 3.3% in FY25 from 3.9% in FY24.

Table 2: Operating performance at a glance

RMB mn	FY24	FY25	% change
Revenue	158,546.2	154,966.2	-2.3%
-Property sales	147,016.6	147,189.6	0.1%
-Non property sales	11,529.5	7,776.6	-32.6%
Gross profit	20,225.3	18,471.2	-8.7%
Gross margin	12.8%	11.9%	-0.8%
Recognized GFA (mn sqm)	6.4	5.7	-9.7%
Recognized ASP/sqm (RMB)	23,144.5	25,648.0	10.8%

Source: Company filing, CMBI FICC Research.

Table 3: Summary of financial position

RMB mn	Dec'22	Dec'23	Dec'24	Dec'25
Cash	70,394.2	73,444.6	72,987.7	63,237.6
Cash in escrow	21,865.0	23,879.0	24,031.0	22,403.0
ST debts	25,235.0	32,641.6	31,717.0	24,782.4
LT debts	112,649.5	114,082.8	105,978.6	109,066.4
Net debts	67,490.3	73,279.9	64,707.9	70,611.3
Net gearing	60.6%	64.3%	57.0%	66.8%
Cash/ST debts	2.8x	2.3x	2.3x	2.6x
Adj. liab/assets	71.2%	69.7%	68.5%	69.0%

Source: Company filing, CMBI FICC Research.

➤ Offshore Asia New Issues (Priced)

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
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Shinhan Bank	300/ 300	3yr/ 5yr	SOFR+58/ 4.375%	SOFR+58/ T+43	Aa3/A+/A
The Export-Import Bank of Korea	500	5yr	4.0%	T+27	Aa2/-/AA-

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

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

➤ **News and market color**

- Regarding onshore primary issuances, there were 84 credit bonds issued yesterday with an amount of RMB71bn. As for Month-to-date, 84 credit bonds were issued with a total amount of RMB71bn raised, representing a 22.7% yoy increase
- Macau gaming revenue for Mar'26 rose 15% yoy to MOP22.6bn
- **[AVICCP]** AVIC Industry Finance suspended the trading on onshore interbank and bond markets, stating the company is planning significant debt instruments/bonds related matters
- **[CONSON]** S&P upgraded Qingdao Conson by one notch to BBB+ from BBB on solid government support while transformation continues; outlook stable
- **[EMPINT]** Emperor International sold two luxury houses of No.15 Shouson for HKD520mn
- **[HPDLF]** Hopson Development delayed FY25 results; share trading to be suspended
- **[INDYIJ]** Indika Energy adjusted EBITDA fell 19% yoy to USD210.3mn in FY25
- **[IHFLIN]** Sammaan Capital to hold board meeting on 7 Apr'26 to consider, approve buyback of USD-denominated bonds
- **[JD]** JD.com priced RMB7.5bn 5yr and RMB2.5bn 10yr dim sum bonds (A3/A-/-) at 2.05% and 2.75%, respectively, tightened from IPT at 2.6% and 3.2%
- **[LASUDE]** Lai Sun Development noteholder group letter to company details reasons for opposing LME
- **[LENOVO]** Lenovo Group plans to boost yearly revenue to more than USD100bn over the next two years, led by its AI business
- **[LGCHM]** LG Chem's shareholders rejected proposals brought by a UK activist fund to change the company's governance, and kept the structure of the existing management
- **[VEDLN]** Vedanta companies extended timeline for fulfilment of conditions precedent for demerger to 30 Jun'26 from 31 Mar'26

- **[VNKRL]** China Vanke units extended RMB1.5bn loan from China Minsheng Bank by 18 months

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