

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

- *Sentiment remained strong this morning. Asian IG benchmarks tightened 2-5bps and high-beta names tightened 10-15bps. HRINTH curve rose 0.25-0.75pt. VNKRLs rose 1-4pts, LNGFORs/NWDEVLs were unchanged to 1pt higher.*
- **Chinese properties:** *Three tier-1 cities further relaxed home purchase restrictions. See below for comments.*
- **DALWAN:** *Media reported that Dalian Wanda Commercial Management is in process of remitting funds for USD180mn bond amortization. DALWANs were unchanged to 0.75pt higher this morning.*

**❖ Trading desk comments 交易平台市场观点**

Asia IG space was firm last Friday. The new KOREAT '28 tightened 2bps from last close. HYUELEs were 1-2bps tighter. In Chinese IGs, SINOCHs/TENCNTs were 2-3bps tighter. WB 30s tightened 3bps, closed 20bps tighter WoW. In financials, HRINTH/CCAMCL 29-30s were 3-5bps tighter. AIA 35/54 tightened 2-3bps. NSINTW/CATLIF 34s were 1-2bps tighter. In AT1s, the recent new HSBC 6.95 Perp/HSBC 6.875 Perp/UBS 6.85 Perp were up 0.1-0.2pt. In HK, NWDEVL 27-30s/Perps were down 0.3-0.6pt, but closed 1.3-3.1pts higher WoW. See our comments on NWD on [27 Sep '24](#). LIFUNG/HYSAN Perps were 0.6-1.1pts higher. In Chinese properties, VNKRL 25-29s were up another 1.5-3.6pts, closed 10.5-17.5pts higher WoW. CHJMAO Perp increased 3.2pts. FTLNHD '24 was up 0.6pt, FUTLAN/FTLNHD 25-26s and ROADKG 28-30s/Perps were 1.3-3.0pts higher. SHUION 25-26s and LNGFOR 27-32s rose 0.8-1.9pts. On the other hand, DALWAN 25-26s were down 0.4-0.8pt. Outside properties, FOSUNI '27 was up 0.8pt. WESCHI '26 was up 0.5pt, closed 5.8pts higher WoW. EHICAR '27, however, lowered 4.3pts. In Macau gaming, SANLTDs/MPELs/WYNMACs were up 0.2-0.5pt. In Indonesia, MLDNIJ 25/27 were 0.9-1.1pts higher. In India, UPLLINs were up 0.2-0.6pt. Elsewhere, GLPSP Perps were 1.1-1.3pts higher.

In LGFVs, SXUCI/GZDZCD/GZINFU 26s were up 0.2pt. LIANYU/ ZCCITY 25s were 0.1pt higher. CPDEV 26/Perp and KMRLGP/CDCOMM 24s were down 0.1-0.2pt. In SOE perps, COFCHK 3.1 Perp/CCBINT 3.329 Perp were 0.1pt higher, CHPWCN 3.45 Perp/CHSCOI 4 Perp were 0.1pt lower. Meanwhile, CWAHK '26 was 0.3pt lower..

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## ❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
VNKRL 3.975 11/09/27	66.3	3.6	EHICAR 12 09/26/27	69.7	-4.3
CHJMAO 6 PERP	95.8	3.2	DALWAN 11 01/20/25	96.5	-0.8
FTLNHD 4 1/2 05/02/26	71.1	3.0	EXIMCH 4 11/28/47	91.0	-0.5
ROADKG 5 1/8 01/26/30	38.1	3.0	DALWAN 11 02/13/26	88.7	-0.4
FTLNHD 4 5/8 10/15/25	80.1	2.9	CHGRID 4 05/04/47	91.4	-0.4

## ❖ Marco News Recap 宏观新闻回顾

**Macro** – S&P (-0.13%), Dow (+0.33%) and Nasdaq (-0.39%) were mixed on last Friday. US Aug'24 core PCE index rose 0.1% mom, lower than the expectation of +0.2% mom. China Sep'24 official manufacturing/non-manufacturing PMI was 49.8/50.0, compared with the expectation of 49.4/50.4. UST yields retreated on Friday, 2/5/10/30 yield reached 3.55%/3.50%/3.75%/4.10%.

## ❖ Desk analyst comments 分析员市场观点

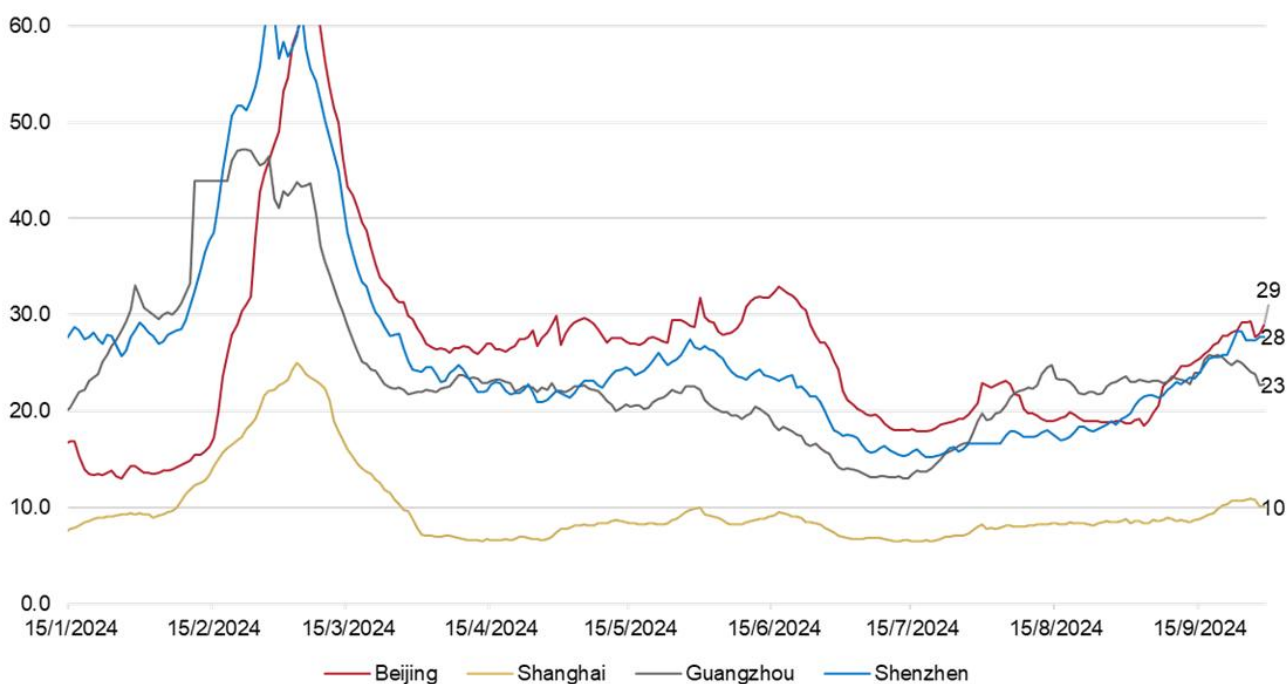
## ➤ Chinese properties: Three tier-1 cities further relaxed home purchase restrictions

On 29 Sep'24, Shanghai, Guangzhou and Shenzhen further relaxed home purchase restrictions. See below table for the summary. This is the second round of relaxations in tier-1 cities within this year. Compared to the first round of relaxation of Shanghai, Guangzhou and Shenzhen in May'24, the new relaxations are more comprehensive, e.g. Guangzhou removed all purchase restrictions for Guangzhou residents and non-Guangzhou families. We expect Beijing to launch its relaxations soon despite the pace may not be as aggressive as that of Shanghai, Guangzhou and Shenzhen. As of 29 Sep'24, the inventory months of Beijing, Shanghai, Guangzhou and Shenzhen rebounded to 29, 10, 23 and 28 months from the low levels of 18, 6, 14 and 16 months in mid-Jul'24, respectively.

In our view, the purchase relaxations in high-tier cities would bring more pressure on inventory in lower tier cities. While the developers with larger landbank in high-tier cities, e.g. CHJMAO, YLLGSP, would benefit most from the relaxations. Besides, we still prefer developers having manageable debt maturities and matured IPs, which could be collateralized for secured financing. We maintain buy on **CHJMAO, DALWAN, FUTLAN/FTLNHD, GRNCH, LNGFOR** and **YLLGSP**.

Shanghai	Purchase restriction	1. Shorten the required years of paying social security or individual income tax for non-Shanghai residents to purchase home in the outer ring area from 3 years to 1 year 2. Qualified non-Shanghai families who have paid social security or individual income tax more than 3 years can purchase home as Shanghai families 3. Qualified buyers can buy one more home in Lingang new district based on current purchase restrictions
	Mortgage loan	1. Lower the mortgage rate of existing home loans 2. Lower minimum down payment ratios for first/second home buyers to 15%/25%
	Tax policy	1. Lower the VAT exemption period for individual to sell home to 5 years to 2 years 2. Cancel standards of ordinary and non-ordinary home to lower transaction cost
Guangzhou	Purchase restriction	Cancel all purchase restrictions for Guangzhou residents and non-Guangzhou families
Shenzhen	Purchase restriction	1. Allow Shenzhen families/residents to buy two/one homes and additional one home in designated districts 2. Allow qualified non-Shenzhen families/residents to buy home in designated districts 3. Cancel transaction restrictions on commercial housing and apartment 4. Allow developers to set price for commercial housing and apartment by their own
	Mortgage loan	Lower minimum down payment ratios for first/second home buyers to 15%/20%
	Tax policy	Lower the VAT exemption period for individual to sell home to 5 years to 2 years

Chart: Inventory month of commercial residential housing of Tier-1 cities



Source: Wind.

➤ 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)
No Offshore Asia New Issues Pipeline Today					

➤ News and market color

- Regarding onshore primary issuances, there were 89 credit bonds issued yesterday with an amount of RMB39bn. As for month-to-date, 1,769 credit bonds were issued with a total amount of RMB1,528bn raised, representing a 2.9% yoy decrease
- **[DALWAN]** Media reported that Dalian Wanda Commercial Management is in process of remitting funds for USD180mn bond amortization; PAG consortium drawing down from NCM stake-acquisition loan
- **[LNGFOR]** Media reported that Longfor is unlikely to obtain funding sought from HKD3bn loan to part-refinance 2 Jan'25 facility
- **[LOGPH]** Logan Group engages White & Case to advise on offshore restructuring; CSA longstop date extended to 11 Nov'24

- **[MEDCIJ]** Media reported that Medco Energi is in exclusive talks to acquire 70% stake in Senoko Energy which is valued at cUSD1bn in total
- **[NIO]** NIO China secured RMB3.3bn investment from strategic investors
- **[SHUION]** Media reported that Shui On Land reaped cRMB12bn from sale of luxury property project in Shanghai

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