10 Jul 2026

CMBI Credit Commentary

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

- *Asia IG space was unchanged to 1bp wider this morning. We saw better buying in KR credits like DAESEC and JP FRNs, and two-way flows in Chinese TMTs. ZHOSHK 28/LASUDE 26 edged 0.5pt higher. FAEACO 12.814 Perp lost 0.5pt. AT1s and insurance subs were marked 0.1pt higher.*

- ***HYUELE:** Record-breaking US listing solidifies liquidity profile to support AI capex. Maintain buy on HYUELE 2.375 01/19/31. HYUELEs tightened 1-2bps this morning. See below.*

- ***VEDLN:** Vedanta Resources to fully redeem USD300mn VEDLN 10 ¼ 06/03/28 at 102.563 plus interest and USD1.2bn VEDLN 10 ⅞ 09/17/29 at par plus interest and applicable premium on 17 Jul'26. VEDLNs were unchanged this morning.*

❖ Trading desk comments 交易台市场观点

Yesterday, MEITUA 28-29s tightened 1-4bps amid two-way flows. ZHOSHK 28 edged 0.5pt higher. In TW lifers, FUBON/NSINTW/SHIKON tightened 2-4bps amid RM buying, while CATLIF closed unchanged. In KR space, we saw better buying across belly of POINTL/PKX/DAESEC and HYNMTR 30-31 FRNs, and their spreads traded 3-6bps tighter. Financial SHNHAN/ WOORIB/HANFGI/NHSECS were squeezed to 2-4bps tighter. Recent quasi-sovereign new issues KOREAT/KOEWPW were 1-2bps tighter, while HYUELE held flat ahead of its ADR offering. SK Hynix's USD26.5bn US listing marks the largest-ever debut by a foreign company in the US capital markets. See comments below. In JP space, we saw mixed two-way flows in FRNs and better buying from institutions in 2-5yr financial papers, and the space closed unchanged to 4bps tighter.

In higher-yielding space, ROADKGs were up to 0.7pt higher. FAEACO 12.814 Perp gained 0.2pt. LNGFOR 32 was down 0.9pt, whereas LNGFOR 27-29 closed 0.1pt higher. SOFTBKs were unchanged to 0.7pt higher. In SE Asian space, GLPSPs rose 0.1-0.4pt. GENTMK Perps edged 0.1-0.2pt higher. Genting Malaysia's US subsidiary obtained an USD2bn senior secured bank facility to repay group debt and fund construction costs. ACENPM 4 Perp/ACPM Perps were down 0.4-0.5pt. INDYIJ 29/MEDCIJ 28-30 leaked 0.1pt. In AT1 space, HSBC Perps were 0.1-0.2pt firmer.

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❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
PMBROV 11 1/2 02/18/30	**88.3**	**0.8**	LNGFOR 3.85 01/13/32	**74.2**	**-0.9**
ARAMCO 6 3/8 06/02/55	**100.6**	**0.8**	ACENPM 4 PERP	**59.4**	**-0.5**
ROADKG 6.7 03/30/28	**17.4**	**0.7**	ACPM 3.9 PERP	**59.0**	**-0.5**
ROADKG 6 03/04/29	**17.3**	**0.7**	ACPM 4.85 PERP	**75.5**	**-0.4**
SOFTBK 8 1/2 04/22/36	**103.6**	**0.7**	SSW 5 1/2 08/01/29	**97.6**	**-0.3**

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (+0.81%), Dow (+0.27%) and Nasdaq (+1.30%) were higher on Thursday. The US latest Initial Jobless Claims were +215k, lower than the market expectation of +218k. The US Jun'26 Existing Home Sales were 4.09mn, lower than the market expectation of 4.19mn. UST yield were lower on Thursday. 2/5/10/30 year yield was at 4.16%/4.27%/4.54%/5.05%.

❖ Desk Analyst Comments 分析员市场观点

➢ HYUELE: Record-breaking US listing solidifies liquidity profile to support AI capex

Table 1: SK Hynix's o/s USD bonds

Security Name	ISIN	Amt o/s (USDmn)	Ask px	Z-Spread (bps)	YTM	Mod Dur
HYUELE 5.5 01/16/27	USY8085FBT67	500	100.6	40	4.3%	0.5
HYUELE 6.375 01/17/28	USY8085FBK58	1,000	102.6	49	4.6%	1.4
HYUELE 4.25 09/11/28	USY8085FBY52	600	99.3	56	4.6%	2.0
HYUELE 5.5 01/16/29	USY8085FBU31	1,000	102.1	59	4.6%	2.3
HYUELE 4.375 09/11/30	USY8085FBZ28	600	98.6	75	4.8%	3.7
HYUELE 2.375 01/19/31	USY8085FBD16	1,000	90.4	76	4.8%	4.1
HYUELE 6.5 01/17/33	USY8085FBL32	750	108.0	100	5.0%	5.2

Source: Bloomberg.

We maintain buy on HYUELEs in view of SK Hynix (Baa1/BBB+/BBB+)'s strong market position globally and solid operating cash flow, as well as HYUELEs' more balance risk-return profiles compared with those of peers such as MUs (Baa2/BBB/BBB+) and KIOXIAs (-/BBB-/BBB-). Within the HYUELE complex, we prefer HYUELE 2.375 01/19/31 most for lower cash prices. At 90.4, HYUELE 2.375 01/19/31 is trading at YTM of 4.8%/Z+76bps.

SK Hynix has raised USD26.5bn in its Nasdaq listing via an ADR offering, marking the largest-ever US listing by a foreign company and surpassing Alibaba's cUSD25bn debut in 2014. We view this transaction as a major credit-positive event that broadens SK Hynix's access to global capital markets. SK Hynix turned into a net cash position since Sep'25, and it held net cash of KRW35tn as of Mar'26. The equity influx of USD26.5bn (cKRW40tn) will double SK Hynix's net cash cushion to cKRW75tn, solidifying its liquidity profile to fund the expansion of leading-edge chip manufacturing capacity rather than relying on debt financing. In our view, the robust cash buffer and broadened capital market access are catalysts for positive rating action. That said, a rating upgrade will remain contingent on broader financial metrics, including sustained leverage compression and resilient profitability throughout the memory product cycle. SK Hynix is currently rated Baa1/Stable by Moody's, BBB+/Positive by S&P, and BBB+/Stable by Fitch.

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

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
No Offshore New Issues Priced Today					

- **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**

- Regarding onshore primary issuances, there were 111 credit bonds issued yesterday with an amount of RMB147bn. As for month-to-date, 581 credit bonds were issued with a total amount of RMB613bn raised, representing a 0.9% yoy decrease

- Media reported China is discouraging municipal borrowers from issuing short-term bonds in the domestic market

- Indonesia's government is mulling increasing the coal output quota under its 2026 Work and Budget Plan (RKAB) by 25% to 750mn tons from 600mn tons

- **[BABA]** Media reported China plans to permit top AI firms, including Alibaba, to purchase a limited number of H200 chips from Nvidia

- **[BTSDF]** H&H expects 2027 offshore bond refinance to come in at lower coupon

- **[DAESEC]** Media reported Mirae Asset Group received regulatory approval to acquire the South Korean cryptocurrency exchange Korbit for KRW133.5bn (cUSD89mn), which is likely to be merged into Mirae Asset Securities' mobile trading system

- **[FAEACO]** Far East Consortium expects to monetize HKD1bn Malaysian assets via REIT listing

- **[SJMHOL]** Fitch downgraded SJM Holdings' subsidiary Champion Path's senior unsecured rating to B from BB- to correct omission in 22 May'26 ratings announcement

- **[SOFTBK]** SoftBank Group repurchased EUR40.4mn of SOFTBK 2 ⅞ 01/06/27

- **[TENCNT]** Media reported Tencent in talks to become the largest shareholder of Manus

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