CMBI Credit Commentary

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

The Asset G3 Bond Benchmark Review 2026

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 G3 Bond Benchmark Review 2026". Thank you for your support!

- *This morning, the new GRNCH 29 was unchanged from RO at 98.548. The new SDEXPR 29 down 0.2-0.3pt from RO at par. Asia IG space was 1-3bps tighter. We saw some selling in the front-end T2/KR banks and MEITUAs. Nan Fung Investment launched tender offer for NANFUN 3.875 10/03/27 and NANFUN 5 09/05/28 at 99.4 and 100.9, respectively, and concurrent 10yr USD bond issue. NANFUNs were unchanged.*
- ***WYNMAC:** GGR market share increased to 12.5% in 1Q26. See below.*
- ***VNKRLE:** China Vanke entered into the loan framework agreement with Shenzhen Metro. Shenzhen Metro agreed to provide a loan to Vanke in an aggregate principal amount of up to RMB2.5bn to repay debts and Vanke has used RMB2.36bn. VNKRLE 27-29 were 1.3-1.5pts higher this morning.*

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❖ Trading desk comments 交易台市场观点

Yesterday, the new HSBC 6.75 Perp was 0.2pt higher from top-up demand from PB digesting the selling from institutions, and closed at par amid a broadly weaker macro backdrop, The sell-off of UST continued ahead of the CPI print and was further dragged down by weakness in Gilts. Asia IG flows were mixed as a strong all-in-yield bid for quality names offset selling pressure in beta names like Taiwan lifers which tightened 2-5bps. We saw divergent two-way interests in China IG, with RM driving TMT names like MEITUA/LENOVO 2-5bps tighter. KUAISH 31-36 were 1-4bps wider. Media reported Kuaishou plans to spin off its King AI at USD20bn valuation. ZHOSHK 28 was 3bps tighter. Onshore accounts were better sellers of SOE names like HAOHUA which closed 1-2bps wider. In Korea, while the front-end and belly remained resiliently well-bid, the long-end (35s/36s) of LGENSO/PKX widened 1-3bps, as rate volatility prompted cash-raising and rebalancing from local accounts. We saw better selling across Japanese AT1s and insurance subs and European AT1s. BACR 7.625 Perp/HSBC 6.95 Perp/HSBC Perp/LLOYDS 6.75 Perp were 0.7-0.8pt lower. The Middle East space traded in line with the move in rates. ARAMCOs closed unchanged to 1.0pt lower.

In Asia HY/higher beta space, GLPSP Perps rose 0.5-0.7pt, while GLPSP 28 down 0.3pt. NWDEVL 6.25 Perp down 3.3pts, and the rest of NWDEVLs were unchanged to 0.6pt lower. NWD Chairman Henry Cheng's sister Amy Cheng sold USD6mn principal of perps and bought USD6mn principal of

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bonds issued by NWD over 6-7 May'26. We saw better selling in MTRC Perps/HYSAN Perps, which were 0.1-0.2pt lower at close. Chinese properties GRNCH 28 up 0.1pt. Greentown priced USD300mn 3NC2 at 7.55%, tightened from IPG at 8.05%. See our FV estimate in our daily yesterday. VNKRLE 27-29 were 0.6-0.9pt higher. Last night, Vanke announced the signing of loan framework agreement with Shenzhen Metro for up to RMB2.5bn, and Vanke has used RMB2.36bn. In SEA, PTTGC Perps were 0.1-0.3pt lower. See our comments on PTTGC's 1Q26 results yesterday. ACPM 3.9 Perp down 0.8pt, despite ACEN 1Q26 EBITDA rose 20% yoy to PHP6.7bn (cUSD109.7mn). LGFVs remained largely stable amid moderate two-way flows across the credit curve among HF and RM, as investor focused on fine-tuning positions.

❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
PMBROV 11 1/2 02/18/30	**84.1**	**0.9**	NWDEVL 6 1/4 PERP	**57.0**	**-3.3**
VNKRLE 3.975 11/09/27	**44.8**	**0.9**	ARAMCO 6 02/02/56	**96.5**	**-1.0**
GLPSP 4.6 PERP	**49.3**	**0.7**	HAOHUA 5 1/2 03/14/48	**98.7**	**-1.0**
VNKRLE 3 1/2 11/12/29	**41.8**	**0.6**	TOPTB 5 3/8 11/20/48	**91.2**	**-0.9**
LUSOIB 7.2 06/30/33	**101.5**	**0.6**	BEIENT 6 3/8 05/12/41	**108.7**	**-0.9**

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (-0.16%), Dow (+0.11%) and Nasdaq (-0.71%) were mixed on Tuesday. US Apr'26 CPI was +3.8% yoy, higher than the market expectation of +3.7%. UST yield was higher on Tuesday. 2/5/10/30 year yield was at 4.00%/4.12%/4.46%/5.03%.

❖ Desk Analyst Comments 分析员市场观点

➢ WYNMAC: GGR market share increased to 12.5% in 1Q26

Table 1: Our Macau gaming USD bond picks

Security name	ISIN	Amt o/s (USD mn)	Ask Px	YTM	Mod dur
MPEL 5 3/8 12/04/29	USG5975LAE68	98.0	6.0%	3.1	98.0
MPEL 7 5/8 04/17/32	USG5975LAK29	103.3	6.9%	4.7	103.3
MPEL 6 1/2 09/24/33	USG5975LAL02	99.2	6.6%	5.7	99.2
SJMHOL 6 ½ 01/15/31	XS3267117995	97.6	7.1%	3.9	97.6
STCITY 6 1/2 01/15/28	USG85381AF13	100.1	6.5%	1.5	100.1
STCITY 5 01/15/29	USG85381AG95	96.0	6.7%	2.4	96.0
WYNMAC 5 1/2 10/01/27	USG98149AD29	100.0	5.5%	1.3	100.0
WYNMAC 5 1/8 12/15/29	USG98149AE02	97.9	5.8%	3.2	97.9

Source: Bloomberg.

At current valuations, we consider the risk-return profiles of WYNMACs not as attractive as those of MPELs/STCITYs/SJMHOL 31. We view WYNMAC '27 and '29 as yield pick-up plays, trading at premium of c30-40bps over bonds of its US parent. Wynn Macau (WYNMAC) recorded 14.2% yoy increase in 1Q26 operating revenue to USD989.2mn, and 10.9% yoy increase in adj. property EBITDAR to USD279.4mn. The improved performance at Wynn Palace offset the lower casino and hotel revenues at Wynn Macau. We estimated WYNMAC's GGR market share was 12.5% in 1Q26, increased from 12.1% in 4Q25.

By property, Wynn Palace's 1Q26 revenue rose 23.0% yoy to USD659.3mn, while adj. property EBITDAR grew by 25.9% yoy to USD203.8mn. The growth was driven by higher VIP win rate of 3.11% (1Q25: 2.61%, vs expected range of 3.1-3.4%) and mass table games win rate of 26.6% (1Q25: 24.8%). Hotel revenue also increased by 2.8% on higher occupancy rate of 99.1% (1Q25: 98.3%) and higher REVPAR of USD228 (1Q25: USD218). The improved results at Wynn Palace was offset by the softened performance at Wynn Macau. In 1Q26, Wynn Macau's revenue was flat at USD329.9mn while adj. property EBITDAR down 16.2% yoy to USD75.6mn. These were mainly due to lower VIP win rate of 0.39% (1Q25: 1.09%) and mass table games win rate of 15.1% (1Q25: 18.7%). The hotel revenue was also decreased by 8.5% yoy on lower REVPAR of USD222 (1Q25: USD232), despite higher occupancy rate at 99.7% (1Q25: 99.1%).

In 1Q26, WYNMAC spent USD91.0mn in capex, represented 38.7% yoy increase, mainly on the recently opened Chairmans Club expansion at Wynn Palace and the hotel refurbishment at Wynn Macau. Meanwhile, WYNMAC is in the process of getting the final government approvals for the construction of The Enclave, a 432 all-suite hotel with no gaming facility and connected to Wynn Palace. The Enclave will increase Wynn Palace's suite count by 50%. The estimated project budget for The Enclave is USD900-950mn and the construction is expected to begin in 2H26 and will take 2.5 years to complete. WYNMAC guided the total capex for 2026 to be USD400-450mn and USD700-750mn in 2027 for the Enclave and other enhancement, while maintenance capex to be USD70-80mn in 2026.

The upcoming capex should require external financing. That said, we are comfortable with WYNMAC's financial flexibility, in view of its access to diverse funding channel. As of Mar'26, WYNMAC had cash and ST investment totaled USD1.5bn, down 3.9% from the level as of Dec'25. WYNMAC also had revolver borrowing capacity of USD1.3bn as of Mar'26. The net leverage was unchanged at 4.7x. WYNMAC also issued USD1bn WYNMAC 6.75 02/15/34 in Aug'25, which was the first USD bond in Macau gaming sector with maturity beyond the new concession period expiring on 31 Dec'32.

Table 2: 1Q26 GGR market shares

GGR market shares	4Q25	1Q26	Change
MGM China	16.4%	15.5%	-0.9 pct pt
Sands China	24.6%	25.8%	1.2 pct pt
SJM	10.4%	9.6%	-0.8 pct pt
Melco Resorts (incl. Studio City)	14.3%	15.4%	1.1 pct pt
Wynn Macau	12.1%	12.5%	0.4 pct pt
Galaxy Entertainment	21.8%	19.9%	-1.9 pct pt

Source: Company filing, CMBI FICC Research.

Table 3: WYNMAC's 1Q26 financial highlights

USD mn	1Q25	1Q26	Change
Revenue	865.9	989.2	14.2%
Wynn Palace	535.9	659.3	23.0%
Wynn Macau	330.0	329.9	0.0%
Adj. property EBITDAR	252.1	279.4	10.9%
Wynn Palace	161.9	203.8	25.9%
Wynn Macau	90.2	75.6	-16.2%
Capex	65.6	91.0	38.7%

USD mn	Dec'25	Mar'26	Change
Cash and bank balances and ST investment	1,517.90	1,458.52	-3.9%
Revolver borrowing capacity	1,355.12	1,347.23	-0.6%
Net leverage	4.7x	4.7x	-

Source: Company filing, CMBI FICC Research.

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

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
Greentown China	300	3NC2	7.0%	7.55%	B1/BB-/-
Shandong Hi-Speed Group	300	3yr	4.25%	4.25%	-/-/A

- **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 45 credit bonds issued yesterday with an amount of RMB43bn. As for month-to-date, 274 credit bonds were issued with a total amount of RMB314bn raised, representing a 10.7% yoy decrease

  - Indonesia is looking to issue its debut panda bond in Jun'26; will suspend its plan to revise mineral royalty rates amid unfavorable market sentiment and feedback

  - **[ACENPM]** ACEN 1Q26 EBITDA rose 20% yoy to PHP6.7bn (cUSD109.7mn)

  - **[GLOPM]** Globe Telecom 1Q26 EBITDA rose 7% yoy to PHP22.2bn (cUSD363.4mn)

  - **[JD]** JD.com 1Q26 total revenue rose 4.9% yoy to RMB315.7bn (cUSD46.4bn)

  - **[JFCPM]** Jollibee Foods 1Q26 EBITDA fell 4.9% yoy to PHP9.3bn (cUSD152.4mn)

  - **[MTCTB]** Muangthai Capital 1Q26 revenue rose 9.6% yoy to THB7.9bn (cUSD245mn)

  - **[NWDEVL]** NWD Chairman Henry Cheng's sister Amy Cheng sold USD6mn principal of perps and bought USD6mn principal of bonds issued by NWD over 6-7 May'26

  - **[PTTGC]** PTT Global Chemical's JV PTT MCC Biochem approved a business withdrawal plan

  - **[TAISEM]** TSMC 1Q26 revenue up 35% yoy to TWD1.1tn (cUSD36.1bn); approved USD31.3bn capital budget amid surging AI demand

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