

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

- *China TMT remained weak this morning. BABA/TENCNT widened 1-2bps and KUAISHs were 5bps wider. LGFV and CNH spaces stabilized. EU AT1 were generally unchanged with two-way flows.*
- **DBSSP:** *USD1.5bn new issues broadly fairly priced; proposed TLAC framework supports further supply. The new DBSSP '29s FRN tightened 2bps this morning, while the new fixed-rated DBSSP '29s/31s tightened 2-4bps from RO at T+40/50bps, respectively. See below.*
- **TENCNT:** *Media reported that Tencent is considering up to USD5bn offshore bond issuance. TENCNTs widened 2-5bps following the report yesterday and 1-2bps wider this morning.*

❖ Trading desk comments 交易台市场观点

Yesterday, Asian IG had another weak session, with UST yields rose 4-5bps during Asia hours and credit spreads generally widened 2-4bps. TENCNT's long end traded 2-5bps wider following reports that Tencent is considering an offshore bond offering of up to USD5bn, potentially across USD and CNH tranches. The prospective supply weighed on the broader TMT complex, with better selling in BABA/KUAISH. Front-end flows were more balanced, with two-way interest from Chinese RM in China AMC/MEITUA '27-29. TW lifer bonds remained under pressure, with increased selling in NSINTW /CATLIF /SHIKON. In Southeast Asia, selling was concentrated in BBLTB/KBANK T2s, while 2-5y bonds held up relatively well. Korea's low-spread names found some support, with dip buying in '29s helping ease dealer inventory pressure in SKONKR/KOROIL/HYUELE, which tightened 1-2bps. Securities names lagged, HANFGI/DAESEC widened 1-3bps.

In higher-yielding space, European AT1s fell 0.2-0.5pt, led by French names, taking prices back towards the week's lows. Short covering and selective PB buying provided some support to bids, with the latter concentrated at the front end. JP insurance subs also drifted 0.2-0.3pt lower in relatively subdued trading. In Greater China, onshore investors returned from the extended holiday to a weaker market backdrop. Selling emerged in both USD- and CNH-denominated LGFVs, alongside broader CNH credit, segments that had previously been relatively resilient to the macro sell-off, as investors sought to raise liquidity, including to meet outflows. CNH spreads widened around 5-10bps, led by 10-30yr TMT names and AIAs, against weaker equities and prospective TENCNT supply. LGFV bonds that traded were marked up to 20-25bps wider versus Sep levels, although their generally short duration limited the cash-price impact.

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❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
CITLTD 4 3/4 02/04/36	90.4	1.0	GARUDA 6 1/2 12/28/31	81.0	-2.0
RIOLN 5 7/8 03/14/65	92.8	1.0	GENTMK 8.3 PERP	89.0	-2.0
EHICAR 12 09/26/27	45.4	1.0	GENTMK 7 5/8 PERP	91.1	-1.6
BHP 5 3/4 09/05/55	93.0	0.9	GARUDA 6 1/2 12/28/31	80.6	-1.5
PETMK 5.848 04/03/55	93.3	0.9	PMBROV 11 1/2 02/18/30	91.6	-1.4

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (-0.47%), Dow (+0.10%) and Nasdaq (-1.25%) were mixed on Thursday. The latest US Initial Jobless Claims were +197k, lower than the market expectation of +200k. UST yield retreated yesterday. 2/5/10/30 year UST yield was at 4.75%/4.99%/5.22%/5.60%.

❖ Desk Analyst Comments 分析员市场观点

➤ DBSSP: USD1.5bn new issues broadly fairly priced; proposed TLAC framework supports further supply

DBS Group Holdings (Aa2/-/AA-) priced a USD1.5bn three-tranches senior unsecured offering yesterday, comprising a USD500mn 3yr fixed-rate tranche at T+40bps, a USD500mn 3yr FRN at SOFR+58bps, and a USD500mn 5yr fixed-rate tranche at T+50bps. Both fixed-rate tranches tightened 30bps from IPT of T+70bps and T+80bps, respectively. We view the final pricing as broadly fair relative to its own curve. The bonds are issued by the non-operating holdco, with proceeds earmarked for DBS Group's general business purposes and/or its finance and treasury activities, including intercompany loans or other financing to DBS Bank and its subsidiaries.

The transaction also comes after MAS's proposed TLAC framework. For local-bank D-SIBs, including DBS, the proposal sets a minimum external TLAC requirement of 14% RWA, comprising eligible regulatory capital and other qualifying liabilities, but excluding CET1 capital used to meet the capital conservation buffer. Banks would have five years from notification to meet the requirement. In our view, the framework should support further TLAC-driven issuance by Singapore local banks to address any shortfalls and potentially build buffers above the regulatory minimum, while the proposed transition period should allow funding needs to be addressed gradually. For DBS, existing holdco senior funding may reduce the need for additional external issuance through downstream arrangements with DBS Bank.

➤ Offshore Asia New Issues (Priced)

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
DBS Group	500	3yr	5.284%	T+40	Aa2/-/AA-
	500	3yr	SOFR+58	SOFR+58	
	500	5yr	5.491%	T+50	
Scentre Group	750	10yr	6.2%	T+100	A2/A/-

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

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

➤ **News and market color**

- Regarding onshore primary issuances, there were 31 credit bonds issued yesterday with an amount of RMB19bn
- Macau's hotel establishments recorded an average occupancy rate of 91.3% during Oct'26 Golden Week, up 3.1 ppts from the corresponding holiday period in 2025
- [ADSEZ]** Media reported that Adani Ports and Special Economic Zone is considering a bid for Associated British Ports (ABP), the UK's largest port operator
- [TAISEM]** TSMC 9M26 revenue up 41% yoy to cUSD122.3bn and net revenue up 51.1% yoy to cUSD46.9bn
- [GRNCH]** Greentown China ex-chair charged over alleged bribery in Hong Kong

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