

CMBI Credit Commentary

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

- *Asian IG space widened 5-7bps overall this morning. Yankee and Japanese AT1s and insurance subs were marked down by 1.0pt. GLPSP Perps dropped 2.0-2.2pts. MINAU 28 edged 0.5pt higher.*
- **FTLNHD/FUTLAN:** *Near-term refinancing pressure further mitigated by the new issue and tender offers. See below.*
- **PTTGC:** *Fitch revised the outlook of PTT Global Chemical to negative from stable on risk of PTTGC's EBITDA net leverage remaining above 4.0x over 2026-27; BBB- rating affirmed. PTTGC 31-52/Perps were 0.5-2.0pts lower last Friday, and PTTGC Perps were 1.2-1.6pts lower this morning.*

❖ Trading desk comments 交易台市场观点

Last Friday, the new HSBC Float 03/10/32 initially tightened 10bps from RO at SOFR+121, and later widened 3-4bps. LINREI/HKE and China TMTs in general marked another 1-4bps tighter. NWDEVLs gained 0.4-2.5pts, and VDNWDLs edged 0.3-0.4pt higher. On the other hand, HYSANs and MTRC Perps were unchanged to 0.3pt lower. The Macau gaming complex were 0.2pt lower to 0.1pt higher. See our comments on SJM Holding's FY25 and 4Q25 results [last Friday](#). LUSOIB 34 leaked 1.2pts. WESCHI 28-29 were 0.2-0.3pt lower. In Chinese properties, VNKRL 27' and 29' rose 4.0-4.3pts. Media reported that the Shenzhen municipal government has made progress regarding its proposed support package for Vanke and received feedback from Beijing. FUTLAN 28/FTLNHD 26-29 gained 0.1-0.3pt. Seazen accepted USD167.978mn of FTLNHD 4 1/2 05/02/26 and USD65.973mn of FTLNHD 11.88 09/30/27 in the tender offers, and USD236.022mn and USD94.027mn remains outstanding, respectively. See comments below. YLLGSP 26 closed 0.1pt higher. See our comments on [5 Mar'26](#). LNGFOR 27-32 were unchanged to 0.6pt higher. On Fri night, Longfor issued profit warning that its profit will plunge 90.4% in FY25 amid lower revenue from the property development segment. JP/KR/AU IG credits were 1-2bps wider in general. We saw small selling on 4-6yr JP/AU financial FRNs from AM accounts. RESLIF 6.875 Perp/NOMURA 7 Perp were down by 0.2-0.3pt. As for Yankee AT1s, SOCGEN 8.5 Perp/SANTAN 8 Perp lost 0.9pt. In SE Asian space, PTTGC Perps leaked 0.5-0.7pt, and PTTGC 31-52 widened c10bps. Fitch revised PTT Global Chemical's outlook to negative from stable due to the risk of PTTGC's EBITDA net leverage remaining above 4x over 2026-27, with EBITDA net leverage increasing to around 10x in 2025. TOPTB 6.1 Perp lost 0.4pt. PCORPM Perps/VEDLN 28-33s were unchanged to 0.2pt higher. VLLPM 27-29 gained 0.2-0.4pt. In contrast, SMCGL Perps were unchanged to 0.2pt lower.

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❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
VNKRL 3 1/2 11/12/29	45.4	4.3	PTTGC 4.3 03/18/51	79.1	-2.0
VNKRL 3.975 11/09/27	48.0	4.0	PTTGC 5.2 03/30/52	91.0	-2.0
NWDEVL 10.131 PERP	83.2	2.5	LUSOIB 7 1/2 05/29/34	101.0	-1.2
NWDEVL 5 1/4 PERP	79.5	2.2	SOCGEN 8 1/2 PERP	109.1	-0.9
NWDEVL 4 1/8 PERP	74.7	1.3	SANTAN 8 PERP	108.6	-0.9

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (-1.33%), Dow (-0.95%) and Nasdaq (-1.59%) were lower on last Friday. US Feb'26 nonfarm payrolls was -92k, lower than the market expectation of +58k. US Feb'26 unemployment rate was 4.4%, higher than the market expectation of 4.3%. 10/30 year UST yield was higher on Thursday. 2/5/10/30 year yield was at 3.56%/3.72%/4.15%/4.77%.

❖ Desk Analyst Comments 分析员市场观点

➤ FTLNHD/FUTLAN: Near-term refinancing pressure mitigated by the new issue and tender offers

Subsequent to the issuance of USD355mn FTLNHD 11.8 03/09/29, Seazen accepted USD167.978mn of FTLNHD 4.5 05/02/26 and USD65.973mn of FTLNHD 11.88 09/30/27 in the tender offers, totaled USD234.0mn. See Table 1. Payment expected to be on or about 10 Mar'26. The tender offer for FTLNHD 26 helps alleviate Seazen's near-term refinancing pressure. We expect Seazen to repay the FTLNHD 26 of USD236.022mn in full at maturity, partly funded by the remaining proceeds from FTLNHD 11.8 03/09/29 of cUSD120mn as well as USD60.4mn raised through a private share placement in Feb'26. Its maturity profile is more even more manageable after new issue and concurrent tender offers. We maintain buy on FUTLAN/FTLNHDs for their good carry and manageable refinancing risk.

Seazen continues to demonstrate notably better access to funding channels than most of its non-state-owned peers. In addition to the latest USD355mn and small share placement of USD60.4mn, It raised USD510mn to refinance USD bonds totaled USD600mn maturing in Jul' and Oct'25. Seazen also raised CBICL-guaranteed bonds totaled RMB3.65bn in 2025 for refinancing at a weighted average coupon of 3.46%. We also take comfort from the financial flexibility offered from its IPs and its access to various funding channels. Furthermore, Seazen holds unencumbered shopping malls valued at cRMB15bn as of Jun'25. Assuming a 40% LTV ratio, the unencumbered shopping malls could translate into secured borrowing headroom of cUSD1bn.

Last Fri, Seazen announced that it has commenced the application for public issuance of commercial REITs using its commercial real estate projects i.e. Changzhou Tianning Wuyue Plaza Project and Nantong Qidong Wuyue Plaza Project, as underlying assets. The commercial REITs will be listed on SSE and Seazen intends to hold at least 34% of the Commercial REITs. There is no detail as to the size and timetable of the public issuance. Recalled that Seazen issued RMB616mn (cUSD87mn) 25-year ABS backed by Shanghai Wuyue Square in Nov'25. Its high quality IPs have offered financial flexibility to shore up its liquidity.

Table 1: Bond profiles of FUTLAN/FTLNHD

Security name	Issuer	Guarantor	Amt o/s before tender (USD mn)	Amt accepted (USD mn)	Amt o/s (USD mn)	Maturity	Ask px	YTW
FTLNHD 4 1/2 05/02/26	New Metro Global	Seazen Group	404	167.978	236.022	5/2/2026	100.3	2.4%
FTLNHD 11.88 09/30/27	New Metro Global	Seazen Group, Seazen Holdings	160	65.973	94.027	9/30/2027	97.9	13.4%
FUTLAN 11.88 06/26/28	Seazen Group	N/A	350	-	350	6/26/2028	98.2	13.4%
FTLNHD 11.8 03/09/29	New Metro Global	Seazen Group	-	-	355	3/9/2029	96.7	13.2%

Source: Bloomberg.

➤ 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)
Industrial and Commercial Bank of China Limited Hong Kong Branch	USD	-	3yr	SOFR+100	A1/-/-

➤ News and market color

- Regarding onshore primary issuances, there were 93 credit bonds issued on last Friday with an amount of RMB73bn. As for Month-to-date, 428 credit bonds were issued with a total amount of RMB347bn raised, representing a 16.9% yoy increase
- **[CHMEDA]** China Mengniu Dairy expected its profit attributable to shareholders of RMB1.4-1.6bn (cUSD203-232mn) in FY25 compared to RMB104.5mn (cUSD15.1mn) after impairment provisions of RMB2.2-2.4bn
- **[CKHH]** CK Hutchison seeking at least USD2bn in damages from Panama over seizure of ports. Fitch upgrade CK Hutchison by one notch to A from A- on its stable cash flow from a diversified portfolio in ports, retail, infrastructure, and telecommunications, supported by prudent financial management; outlook stable
- **[COSL]** China Oilfield Services 3-year Reg S senior unsecured dim sum bond (A3/-/A-) IPT at 2.45%
- **[EHICAR]** eHi Car to hold meetings with fixed-income investors in Hong Kong on 10 Mar'26, in Singapore on 11 Mar'26
- **[FAEACO]** Far East Consortium International to sell London office building to AMTD IDEA for GBP18mn
- **[FOSUNI]** Fosun International expected the loss attributable to owners of the parent to be RMB21.5-23.5bn (cUSD3.1-3.4bn) in FY25 compared to a loss of RMB4.4bn (cUSD630.5mn) a year earlier

- **[LNGFOR]** Longfor warned its profit attributable to owners of the company is likely to be cRMB1bn (cUSD145mn) in FY25 compared with RMB10.4bn (cUSD1.5bn) a year earlier
- **[PTTGC]** Fitch revised the outlook of PTT Global Chemical to negative from stable on risk of PTTGC's EBITDA net leverage remaining above 4.0x over 2026-27; BBB- rating affirmed
- **[SKBTAM]** SK Battery America laid off 958 workers at a factory in Atlanta as it scale down EV plans amid uncertain demand
- **[SOFTBK]** SoftBank is seeking a loan of up to USD40bn to help fund its investment in OpenAI
- **[SUNHKC]** Sun Hung Kai expected FY25 profit to jump fourfold driven by its investment management business
- **[YUEXIU]** Moody's downgraded Yuexiu Property by one notch to Ba2 from Ba1 on its leverage to remain elevated over the next 12-18 month; outlook stable

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