

CMBI Credit Commentary

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

- *This morning, the new PINGIN 5 10/08/35 and the new CKHH 4.25 09/26/30 tightened 2bps. In China IG space, 3-5yrs bonds were unchanged, while 5yrs+ bonds were 2-3bps tighter. Korea Corps HYUELEs/HYNMTRs were 1-2bps tighter. We saw better buying on higher-grade CNH LGFV papers.*
- **MEITUA:** *Tightened regulation should moderately supportive for Meituan's profitability. MEITUAs were unchanged this morning. See below.*
- **CTFSHK:** *CTF Services to issue HKD2.2bn CTFSHK 0.75 10/03/28 for general corporate purposes; bonds exchangeable into Shoucheng's shares, listed on Vienna Stock Exchange. CTFSHK 28-29 were unchanged this morning.*

❖ Trading desk comments 交易台市场观点

Yesterday was another slow day as a result of typhoon Ragasa. The new PINGIN 5 10/08/35 was 2-3bps tighter from RO at T+89. The new CKHH 4.25 09/26/30s closed 1bp tighter from RO at T+62.5. The new KOCRGF 28 was 2-3bps tighter from RO at SOFR+65. Chinese TMTs MEITUA/BABA were 1-6bps wider. See comments on MEITUA below. MTRC 5 5/8 and 4 7/8 Perp were unchanged to 0.1pt higher. HYSAN Perps and HYSAN 27-35s were 0.1-0.2pt lower. The NWDEVL complex were 0.1pt lower to 0.3pt higher. In Macau gaming, MGMCHI 27-31s/MPEL 26-32s/STCITY 28-29s/WYNMAC 27-34s were unchanged to 0.1pt lower. SANLTD 27-31s were 0.1pt lower to 0.1pt higher. In Chinese properties, VNKRL 27-29s fell another 1-1.3pts. FUTLAN 28/FTLNHD 26/LNGFOR 27-32s were unchanged to 0.6pt lower. See our comment on Seazen on [23 Sep'25](#). GRNLGR 28 was 0.8pt higher. In Southeast Asia, VEDLN 28-33s were down 0.1-0.2pt. See our comment on Vedanta Ltd [yesterday](#). VLLPM 9 3/8 07/29/29 and MDLNIJ 6 04/30/27 were up 0.5pt. SMCGP Perps were unchanged to 0.3pt higher. We saw better selling from Asia on Yankee AT1s and selected Asian high-beta perps against moderately better-buying from retails. In LGFV space, RMs continued to buy IG and onshore-AAA guaranteed bonds. On the other hand, there were better-selling for higher-yielding names, though PBs and tactical buyers slightly picked up buying as prices consolidated.

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❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
CFAMCI 5 1/2 04/27/47	97.6	0.9	CCAMCL 5 02/08/48	89.4	-3.9
GRNLGR 6 1/4 12/16/28	19.6	0.7	FRIDPT 6.2 04/14/52	102.0	-1.5
VLLPM 9 3/8 07/29/29	61.6	0.5	VNKRLE 3 1/2 11/12/29	67.0	-1.3
MDLNIJ 6 04/30/27	33.9	0.5	VNKRLE 3.975 11/09/27	74.4	-1.0
PLBIJ 5 3/8 05/05/45	95.5	0.5	YANTZE 3.2 10/16/49	75.9	-0.8

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (-0.28%), Dow (-0.37%) and Nasdaq (-0.33%) were lower on Wednesday. US Aug'25 new home sales was 800k, higher than the market expectation of 650k. UST yield was higher on Wednesday. 2/5/10/30 yield was at 3.57%/3.70%/4.16%/4.76%.

❖ Desk Analyst Comments 分析员市场观点

➤ MEITUA: Tightened regulation should moderately supportive for Meituan's profitability

Media reported China will tighten oversight of food delivery to rein in cutthroat, subsidy-driven competition among Meituan, JD.com, and Alibaba's Ele.me, with the State Administration for Market Regulation soliciting feedback on draft guidelines to curb coercive promotions, standardize platform fees, and enhance labor safeguards for riders.

We view a policy-driven de-escalation of subsidy wars to be moderately positive for Meituan's near-term profitability. Since Jul'25, order volumes surged on the back of aggressive and unsustainable subsidies, which compressed average ticket sizes, strained merchant operations, and accelerated cash burn at platforms despite volumes rose. While the new rules should ease promotional expense that will provide support to Meituan's near-term operating margin and operating cash flow, stricter fee transparency, limits on new charges, and stronger rider protections should add to Meituan's operating costs. In our view, given market leadership and boarder delivery coverage, Meituan should benefit more than later entrants from a return to rational competition. Continued regulatory briefings and platform pledges to regulate promotions support a base case of orderly competition rather than a reversion to irrational price wars.

We continue to view the credit story of Meituan remains solid with net cash position of RMB120.0bn, despite the sharply weaker 2Q25 operating performance. While near-term spread volatility may persist as subsidy roll-offs normalize demand and revenue, which should offer better entry opportunities. We maintain Buy on MEITUA 3.05 10/28/30 and MEITUA 0 04/27/28 (CB).

Table 1: Meituan's o/s USD bonds

Security name	Amt o/s (USDmn)	Ask px	YTM/YTP	Z-spread (bps)	First put date	Put px
MEITUA 2.125 10/28/25	750	99.8	4.4%	27	-	-
MEITUA 0 04/27/28	1,500	98.4	5.0%	-	04/27/26	101.28
MEITUA 4.5 04/02/28	1,200	100.2	4.4%	107	-	-
MEITUA 4.625 10/02/29	1,300	100.4	4.5%	117	-	-
MEITUA 3.05 10/28/30	1,250	93.4	4.5%	115	-	-

Source: Bloomberg

➤ Offshore Asia New Issues (Priced)

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
Guangxi Communications Investmen	200	2yr	4.1%	4.1%	-/-/BBB
Nickel Industries	800	5NC2	9.0%	9.0%	B1/-/B+
Orient ZhiSheng	300	3yr	SOFR+59	SOFR+59	Baa2/-/-

➤ Offshore Asia New Issues (Pipeline)

Issuer/Guarantor	Currency	Size (USD mn)	Tenor	Pricing	Issue Rating (M/S/F)
KB Capital	USD	-	5yr	T+115	A3/-/-
Mitsubishi Estate Company	USD	-	5yr	T+95	A2/-/-

➤ News and market color

- Regarding onshore primary issuances, there were 175 credit bonds issued yesterday with an amount of RMB147bn. As for month-to-date, 1,993 credit bonds were issued with a total amount of RMB1,793bn raised, representing a 41% yoy increase
- Macau casinos to resume operations today after 33-hour shutdown due to typhoon
- [AVIILC]** Moody's affirmed AVIC Leasing's Baa1 ratings; outlook negative
- [BABA]** Alibaba to launch its first data centers in Brazil, France, and the Netherlands, advancing its global artificial intelligence strategy
- [COGREN]** Continuum Energy to acquire remaining 26% stake in Continuum Green Energy Holdings
- [CTFSHK]** CTF Services FY25 adjusted EBITDA rises 1% yoy to HKD7.3bn (cUSD942mn)
- [HYUNHI]** HD Hyundai Heavy Industries is pushing to join Malaysia's naval modernization project, which is expected to cost USD1bn
- [NDPAPE]** Nine Dragons Paper FY25 revenue rises 6.3% to RMB63.2bn amid record high sales volume
- [NSANY]** France reviews Nissan payments to suppliers, asks for detailed 2024 records
- [SINOPE]** Sinopec oilfield service unit wins USD359mn contract to build Iraq oil pipeline
- [TAISEM]** TSMC to start building USD16.5bn cutting-edge Taiwan plant in 4Q25
- [VNRKLE]** Vanke plans to exercise the call option on its RMB1.6bn (cUSD224.6mn) 4.11% bonds due 2027

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