

## CMBI Credit Commentary

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

- *This morning, the new NORBK 4.683 03/10/31 and NORBK 5.356 03/16/36 tightened 7-10bps from RO at T+105 and T+130, respectively. The new GUOTJU Float 09/06/29 tightened 1-2bps from RO at SOFR+50. Long-end ARAMCO/KSA were 0.3pt weaker. NWDEVL/VDNWDL were unchanged to 0.3pt higher. We saw better selling on JP AT1s and insurance subs, and two-way flows on their European counterparts.*
- **PCORPM:** *Call PCORPM 5.95 Perp on 19 Apr'26 at par. Maintain buy on PCORPM 7.35 Perp. PCORPMs were unchanged to 0.1pt lower this morning. See below.*
- **CKHH:** *Media reports that CK Hutchison is in talks to sell 41 global ports in Europe, Southeast Asia, and the Middle East to a consortium comprising US investment giant BlackRock and MSC. CK Hutchison has lost control cover two terminals in Panama. CKHHs were unchanged this morning.*

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#### ❖ Trading desk comments 交易平台市场观点

Yesterday, we saw a wave of selling on 10yr IG papers such as LINREI/KUAISH/HKE/TW lifers/BBLTB/NTT/SUMI/SUMITR, and spreads closed 3-5bps wider. On the other hand, flows geared towards better buying on CCAMCL/NTT FRNs. As for the rest of greater China higher-yielding space, NWDEVLs were down another 0.3-2.4pts, and VDNWDLs were 0.1-0.2pt lower. See our comments on [2 Mar'26](#). MTRC Perps/HYSANs/LASUDE 26 were 0.1-0.6pt lower. LIFUNGS leaked 0.4-1.4pts. The Macau gaming complex were unchanged to 0.4pt lower. See our comments on Macau gaming [yesterday](#). In Chinese properties, VNKRL 27' and 29' lost another 1.1pts. LNGFOR 27-32 were unchanged to 0.3pt lower. In SE Asian space, GLPSPs/VEDLN 28-33s lost 0.1-0.6pt. IHFLIN 27-30 were 0.1-0.2pt lower. PCORPM Perps were unchanged. Petron will redeem the remaining outstanding amount USD162.6mn of PCORPM 5.95 Perp at par on 19 Apr'26. See comments below. In KR space, sentiment was weak, and DAESSEC/POHANG/LGENSO/HYNMTR/HYUELE traded 3-5bps wider. In JP space, RESLIF 6.875 Perp lost 0.8pt and NOMURA 7 Perp was 0.3pt lower. The rest of Japanese and Yankee AT1s and insurance subs also lowered by another 0.5-1.0pt. The Middle Eastern space had another weak day, with notable selling flows from PB accounts across front-end ARAMCO/ABQKQD/ADCBUH/DIBUH/FABUH/KFHKK/SIB and long-end KSA/ARAMCO/QATAR. The ME bonds leaked 0.3-0.8pt overall at the close of Asia session.

In contrast to the otherwise weak session, LGFV remained resilient against the macro volatility and remained largely stable. Selected higher yielding names such as SHGCON/JLIDC/ACHLIM tightened another 15-30bps, thanks to marginal buyers lifting offers.

## ❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
CHGDNU 4.8 09/11/48	<b>94.6</b>	<b>0.8</b>	CNOOC 5 3/4 01/26/41	<b>109.3</b>	<b>-2.5</b>
HILHOHO 9 3/4 02/05/30	<b>60.5</b>	<b>0.6</b>	NWDEVL 5 1/4 PERP	<b>78.7</b>	<b>-2.4</b>
INFRAB 14 1/2 11/15/28	<b>107.3</b>	<b>0.6</b>	NWDEVL 10.131 PERP	<b>81.0</b>	<b>-1.8</b>
ACNRGY 5.1 PERP	<b>87.4</b>	<b>0.4</b>	NWDEVL 4 1/2 05/19/30	<b>82.6</b>	<b>-1.6</b>
MDLNIJ 6 04/30/27	<b>33.4</b>	<b>0.3</b>	FORTEB 9 3/4 PERP	<b>100.0</b>	<b>-1.5</b>

## ❖ Marco News Recap 宏观新闻回顾

**Macro** – S&P (-0.94%), Dow (-0.83%) and Nasdaq (-1.02%) were lower on Tuesday. The EU CPI increased by 1.9% yoy in Feb'26, higher than the market expectation of 1.7%. UST yield bear flattened on Tuesday. 2/5/10/30 year yield was at 3.51%/3.63%/4.06%/4.70%.

## ❖ Desk Analyst Comments 分析员市场观点

➤ **PCORPM: Call PCORPM 5.95 Perp on 19 Apr'26 at par**

Petron Corporation (Petron) will redeem the remaining outstanding amount USD162.6mn of PCORPM 5.95 Perp at par on 19 Apr'26, the first call and coupon reset date. Recalled that Petron completed the exchange offer for PCORPM 5.95 Perp and concurrent new issuance of PCORPM 7.35 Perp in Sep'25. The company accepted USD333.19mn PCORPM 5.95 Perp validly tendered for the exchange offer and USD54.199mn for the cash tender, totaled USD387.389mn. Petron has track records of calling its perps on the first call and coupon reset dates; PCORPM 7.5 Perp in Aug'18 and PCORPM 4.6 Perp in Jul'23. We maintain buy on PCORPM 7.35 Perp (first coupon reset in Sep'28) as a low beta carry play (YTC: 6.1%). We like Petron's smooth access to diverse funding channels as well as notably lower refinancing pressure after the exchange and tender offers for PCORPM 5.95 Perp.

In FY25, Petron's revenue declined by 7% yoy to PHP810bn, primarily due to lower international prices. Despite the revenue decline, Petron's net income grew 84% yoy to PHP 15.6bn, and operating income increased by 28% yoy to PHP37.3bn, reflecting higher sales volumes (increased 3% yoy to 113.4mn barrels) and higher refining margin. Petron maintained its dominance in the local market, capturing 27.8% of the market share as the leading oil company in the Philippines and 25.1% of the LPG sector, according to the latest reporting figures.

As of Sep'25, Petron's free cash flow jumped 361% to PHP47bn in 9M25 from 9M24, attributable to lower net working capital as well as lower capex. Petron spent PHP5bn in capex in 9M25, represented 45% of the full year budget of PHP11bn, and reflected capital discipline under compressed margin environment. Moreover, Petron completed an exchange offer and concurrent new issuance of PCORPM 7.35 Perp during 3Q25, resulting in net cash inflows of PHP1.8bn after the settlement. Petron's cash and ST investments increased to PHP42bn as of Sep'25 from PHP31bn as of Dec'24 and its net leverage was lower, net debt/LTM EBITDA (perp was accounted as debt) was 4.7x while the cash to short term debt increased to 0.4x. We take comfort with Petron's good access to bank borrowings for refinancing of short-term dues.

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

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
Guotai Junan International Holdings	400	3.5yr	SOFR+50	SOFR+50	-/BBB+/-
Norinchukin Bank	500/	5yr/	4.683%/	4.683%/	A1/A-
	500	10yr	5.356%	5.356%	

➤ **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 RMB45bn. As for Month-to-date, 124 credit bonds were issued with a total amount of RMB102bn raised, representing a 58% yoy increase
- **[ADNOCM]** Media reported that ADNOC delays debut dim-sum bond sale amid Middle East hostilities
- **[BHP]** BHP halted investment in Queensland because the state government refused to change its coal royalties
- **[BTSDF]** H&H expects up to 6% rise in adjusted EBITDA for FY25
- **[CKHH]** CK Hutchison is in talks to sell 41 global ports without seized Panama terminals
- **[FIRPAC]** First Pacific unit Maynilad will spend USD132.3mn to reduce unbilled water; First Pacific's Meralco seeks regulatory approval to recover USD137.5mn in costs
- **[NWDEVL]** Blackstone talks on USD4bn NWD deal stall over control
- **[PERTIJ]** Pertamina shipping arm hopes for safe passage of 2 tankers in Persian Gulf
- **[SOFTBK]** S&P lowered SoftBank's credit rating outlook to negative from stable as increased bet on OpenAI may harm the group's liquidity, and affirmed BB+ ratings
- **[VNKRLE]** China Vanke obtained UOB approval to extend RMB323mn of loans by one year

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