

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

- *Asian IG space was unchanged to 2bps tighter this morning. New SEKIS'30/34 tightened c15bps. ZURNVX'55 rose c0.2pt. LGFVs remained to be under better buying. CHIOLIs/COGO were unchanged to 0.2pt higher while VNKRLEs dropped c1pt.*
- *GLPSP: Potential bonds offering up to USD500mn. See below for comments. GLPSPs were unchanged to 0.4pt lower, GLPCHI'26 rose 0.6pt this morning.*
- *DALWAN: Media reported that Dalian Wanda settled payment of RMB3.14bn to Country Garden Services for acquisition of 1.49% of Zhuhai Wanda Commercial Management Group. DALWANs were unchanged to 0.4pt lower this morning.*

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❖ Trading desk comments 交易平台市场观点

Yesterday, SEKIS priced a long-5-year bond and a 10-year bond at CT5+88 and CT10+113, respectively. The new KOLAHO '27 tightened 5bps from RO (CT2+47/CT3+55). The new CSILTD Float '27 widened 1bp from RO (SOFR+73). In Chinese IGs, BABA/TENCNT 30-31s were unchanged to 2bps wider. WB 30s widened 2bps. In financials, HRINTH 29/30s closed 7-9bps tighter. CCAMCL/ORIEAS 27-30s were also 1-2bps tighter. Meanwhile KBANK 31s tightened 1bp. OCBCSP 34s closed 2bps wider amid mixed two-way flows. In EU AT1s, the recent new HSBC/INTNED Perps were 0.2-0.3pt higher. In HK, NWDEVL Perps/27-31s increased another 0.4-1.1pts and closed 0.9-2.3pts higher WTD. In Chinese properties, VNKRLE 25/27/29 rose another 1.3-1.5pts and closed 3.5-3.6pts higher WTD. FTLNHD/FUTLAN 25-26s were 1.0-1.3pts. LNGFOR 28/29/32 and SHUION 25/26 were up 0.4-0.8pt. YXREIT '26/CHIOLI '43 were 0.3-0.4pt higher. Outside properties, WESCHI '26 rebounded 0.4pt. Away from China, GLPSP Perps were 0.5-0.6pt lower, GLPSP '25/GLPCHI '26 were unchanged. Media reported GLPSP could issue a new bond of up to USD500mn to refinance its o/s USD1bn GLPSP '25. See comments below. In India, VEDLNs closed unchanged despite S&P downgraded Vedanta's senior unsecured bonds one notch to CCC+ while maintained the issuer's rating unchanged. Continuum complex closed unchanged. The company expects its IPO around Apr '25. UPLLINs were 0.3-0.5pt higher. ADGREG '42 was 0.3pt lower. In Indonesia, LPKRIJs closed unchanged following Fitch's one-notch upgrade to B-.

In LGFVs, the new ZQGLIH '27 rose 0.1pt from RO at par. The recent new YTGFIH '27 increased 0.2pt. The old WHMTR '27 was 0.1pt higher amid the new issue mandate of another 3-yr USD bond. There were more RM deployment buying in quality LGFVs. GZINFU '26/GZGETH '25 were up 0.1pt. The high-yielding LGFV papers were also sought-after by HFs. KMLGRP/KNMIDI/DFINVH/GSHIAV 25s were 0.1-0.3pt higher. CPDEVs/BCDHGRs were under buying from RMs/Prop desks and closed

0.1-0.2pt higher. In SOE perps, the new CHPWCN 4.65 Perp rose 0.1pt from RO at par on top-up buying from RMs. The old CHPWCN Perps were 0.2-0.3pt higher. COFCHK/SPICPT Perps were up 0.1pt.

❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
VNKRLE 3 1/2 11/12/29	64.8	1.5	MUFG 4.286 07/26/38	94.7	-0.6
VNKRLE 3.975 11/09/27	68.7	1.5	MUFG 3.751 07/18/39	88.2	-0.6
FTLNHD 4 5/8 10/15/25	82.8	1.3	GLPSP 4 1/2 PERP	66.9	-0.6
VNKRLE 3.15 05/12/25	90.8	1.3	GLPSP 4.6 PERP	65.3	-0.5
FTLNHD 4 1/2 05/02/26	74.8	1.2	ADGREG 6.7 03/12/42	97.2	-0.3

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (+0.47%), Dow (+0.79%) and Nasdaq (+0.28%) rallied higher on Wednesday. Chinese government plans to raise property white list fund to RMB4tn by the end of 2024. UST yields retreated yesterday, 2/5/10/30 yield reached 3.93%/3.84%/4.02%/4.30%.

❖ Desk Analyst Comments 分析员市场观点

➤ GLPSP: Potential bonds offering up to USD500mn

Media reported that GLP could launch USD bonds offering in coming weeks up to USD500mn with a targeted coupon rate of below 10% to partially refinance GLPSP 3.875 06/04/25 of USD1bn due May'25. GLP may also launch a tender offer on GLPSP 3.875 06/04/25 concurrently.

We believe the recent [sales of GCP non-China operations](#) and progresses in assets monetization have provided the bondholders with more clarity on the repayment sources for GLPSP 3.875 06/04/25. The potential tender offer price would then need to be at par/close to par to attract interests from the holders to tender their bonds, in our view, considering GLPSP 3.875 06/04/25 is trading at 97.2 with a YTM of 8.6% for less than 8 months to maturity. The new issue and concurrent tender offer, if successfully goes ahead, will notably lengthen the maturity profile of GLP, though at the expense of higher funding costs. That said, we believe that the impact of higher funding costs will be mitigated by GLP's continuous deleveraging efforts by GLP.

On the other hand, we view that the incentive for GLP to call the its perps is low in view of the lack of a big coupon step-up feature along with the falling interest rate environment. GLPSP 4.5 Perp of USD850mn will be first callable in May'26. The coupon of the perps will be reset to 5yUST+initial spread of 3.735%. The second coupon reset of the GLPSP 4.5 Perp will be in May'31 with a step-up of 25bps, and the third coupon reset will be in May'46 with a step-up of 100bps from the initial spread. GLP's another o/s perp, GLPSP 4.6 Perp (first callable in Jun'27), has the same coupon reset and step-up clauses and reset interval as GLPSP 4.5 Perp.

Security name	ISIN	O/s amt (USDmn)	Px	YTM/YTC (%)	Rating (M/S/F)
GLPSP 4.5 Perp	XS2340147813	850	66.9	33.18	-/-B+
GLPSP 4.6 Perp	XS2357239057	300	65.3	22.48	-/-B+
GLPSP 3.875 06/04/25	XS1242348164	1000	97.2	8.58	-/-BB
GLPCHI 2.95 03/29/26	XS2314779427	700	90.4	10.33	-/-

Source: Bloomberg.

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

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
Muthoot Finance Ltd	400	4.5yr	6.375%	6.375%	-/BB/BB
Philippine National Bank	300	5yr	4.85%	T+102	Baa3/-/-
Sekisui House	500/500	5/10yr	4.7%/5.1%	T+88/113	-/BBB+/-

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

Issuer/Guarantor	Currency	Size (USD mn)	Tenor	Pricing	Issue Rating (M/S/F)
Korea Housing Finance	USD	-	5yr	-	-/-/-
Ningbo Haishu Development	USD	-	3yr	5.3%	-/-/-
Wuhan Metro Group	USD	-	3yr	T+118	A3/-/A

➤ **News and market color**

- Regarding onshore primary issuances, there were 93 credit bonds issued yesterday with an amount of RMB79bn. As for month-to-date, 438 credit bonds were issued with a total amount of RMB413bn raised, representing a 2.6% yoy increase
- **[DAFAPG]** DaFa Properties ordered to be wound up by HK High Court
- **[DALWAN]** Media reported that Dalian Wanda settled payment of RMB3.14bn to Country Garden Services for acquisition of 1.49% of Zhuhai Wanda Commercial Management Group
- **[FRESHK]** S&P affirmed Far East Horizon's BBB- rating with stable rating outlook
- **[GLPSP]** Media reported that GLP plans to offer USD notes to refi USD1bn GLPSP 3.875 06/04/25 with concurrent tender offer for GLPSP 3.875 06/04/25
- **[IDASAL]** Media reported that MIND ID expects to invest up to USD30bn in next five years with USD20bn coming from its equity
- **[JINKE]** Jinke Property to extend deadline for submitting restructuring proposals to 8 Nov'24
- **[LPKRIJ]** Fitch upgraded Lippo Karawaci to B- with positive rating outlook
- **[SUNAC]** Sunac China to raise HKD1.2bn via share placement to support long-term solutions for onshore corporate bonds
- **[VEDLN]** S&P lowered Vedanta Resources' senior unsecured notes lowered to CCC+ from B-

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