

CMBI Credit Commentary

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

- Asian IG space was overall 2-3bps tighter this morning. The recent KUAISH 31-36s and SKBTAM 29 were 1-2bps wider. SOFTBK 65/EHICAR 26 were down by 0.6-0.7pt. PMBROV 30 edged 0.6pt higher.
- SHUION:** The IPT of new SHUION 29 at 10.625% looks fair. SHUION 26 was 2.2pts higher this morning. See below.
- CHIOIL:** China Oil and Gas launched a tender offer for CHIOIL 4.7 06/30/26 of USD361mn at par and mandated concurrent USD bond issuance. Offer will expire on 26 Jan'26 4pm GMT. CHIOIL 4.7 06/30/26 was unchanged this morning.

❖ Trading desk comments 交易台市场观点

Last Friday, the new SNBAB 6.15 Perp was down by 0.4pt from RO at par. See our comments [last Friday](#). The new KUAISH 31-36s opened heavy as the market digested flipper flows and initially widened 3-5bps from RO at T+50 and T+70, respectively. The 5yr tranche eventually closed at RO level, while the 10yr tranche remained under pressure and closed 4bps wider. See comments on [15 Jan'26](#). MEITUA curve traded softly amid Chinese accounts selling, particularly on MEITUA 32-35s, which widened 1-2bps. In contrast, FRESHK curve outperformed and tightened 5-8 bps, led by AM accounts chasing the recent 29 issue and repricing the entire curve tighter. TW lifers were 1-2bps wider. We saw better selling on NSINTW/SHIKON, and balanced two-way flows on FUBON. SHUION 5.5 06/29/26 was unchanged. Shui On Land launched tender offer for USD400mn SHUION 26, and circulated 10.625% IPT for new USD bond. See comments below. The NWDEVL/VDNWDL complex was up by 0.2-1.0pt. FAEACO 12.814 Perp/LASUDE 26 gained 0.5-0.6pt. Lai Sun's substantial shareholders Yu Cheuk Yi and Yu Siu Yuk have jointly acquired 60.66mn shares of the company, and their collective holdings have reached c24.12% equity stake in the company. EHICAR 26-27 increased by 0.4-0.5pt. Media reported that eHi mulls LME in 1H26 for its EHICAR 26 bonds. DALWAN 28 was 0.2pt lower. In Chinese properties, VNKRL 27-29 rose another 2.4-2.5pts after Vanke announced 4 options regarding maturity extension on two onshore bonds. LNGFOR 27-32 increased by 0.4-0.8pt. In Korean space, the recent new issues KDB 27-31s and EIBKOR 29 FRNs tightened 1-2bps amid mixed two-way flows. AU and JP IG credits closed 1-4bps tighter across the board. In the Middle East, we saw block size trading on FABUH 34s, while PBs were buying FABUH FRNs. In SE Asia space, BBLTB sub curve was 2-5bps tighter. GLPSP Perps rose 1.8pts. IHFLIN 27-30s/VEDLN 28-33s edged 0.2-0.8pt higher. MEDCIJ 26-30s and the ReNew Energy complex were unchanged to 0.4pt higher.

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❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
VNKRL 3.975 11/09/27	24.5	2.5	TENCNT 3.29 06/03/60	68.6	-0.8
VNKRL 3 1/2 11/12/29	24.0	2.4	CNPCC 5.95 04/28/41	110.3	-0.7
ADSEZ 5 08/02/41	89.4	2.0	HAOHUA 3.7 09/22/50	76.1	-0.7
GLPSP 4 1/2 PERP	71.3	1.8	APAAU 5 3/4 09/16/44	99.7	-0.7
COGARD 5 12/31/32	10.2	1.8	SINOPE 3.68 08/08/49	82.0	-0.7

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (-0.06%), Dow (-0.17%) and Nasdaq (-0.06%) were lower on last Friday. UST yield was higher on last Friday. 2/5/10/30 year yield was at 3.59%/3.82%/4.24%/4.83%.

❖ Desk Analyst Comments 分析员市场观点

➤ SHUION: The IPT of new SHUION 29 at 10.625% looks fair

Shui On Land (SOL) proposes to issue 3NC1.5 Reg S USD senior unsecured bond (unrated), The issuer will be Shui On Development with a guaranteed from SOL. We view the IPT of new SHUION 29 at 10.625% looks fair, in view of the peer valuation and adjusted for tenor differential. See Table 1.

The net proceeds from the new bond will be used to fund the concurrent tender offer for SHUION 5.5 06/29/26 of USD400mn. The tender price is 100.25, SOL will accept valid tenders in an aggregate principal amount of up to the new issuance size. SOL may prioritize to accept the amount tendered from holders who subscribe the new bond. Settlement of the tender offer is conditional upon the settlement of the new bond issuance.

Despite broader sector headwinds, SOL is one of the few Chinese property developers that continues to honor offshore obligations, supported by onshore funding access and asset disposals. Since Aug'24, SOL has redeemed two USD bonds totaled USD990mn, financed by onshore bank borrowings and proceeds from asset sales. The proposed new issue and concurrent tender offer should lengthen SOL's maturity profile and further reduce near-term refinancing pressure. We are neutral on SHUION 5.5 06/29/26 on valuation. In Chinese properties space, we like CHJMAO, DALWAN, FUTLAN/FTLNHD, GRNCH, and LNGFOR.

Table 1: SHUION and peers

Security name	ISIN	Amt o/s (USD mn)	Px	YTW	Issue rating (M/S/F)
SHUION 5.5 06/29/26	XS2358225477	400	98.0	10.3%	Unrated
DALWAN 11 02/13/28	XS2586129574	300	97.4	13.5%	Ca/-/C
FUTLAN 11.88 06/26/28	XS3099012406	350	91.6	18.8%	-/B/-
GRNCH 8.45 02/24/28	XS2971601336	500	101.4	7.7%	B1/-
LNGFOR 3.95 09/16/29	XS2033262895	850	83.2	9.5%	B1/-/BB-
NWDEVL 4.125 07/18/29	XS2028401086	588.386	79.2	11.5%	Unrated

Source: Bloomberg.

Table 2: Summary of the tender offer

Security name	SHUION 5.5 06/29/26
ISIN	XS2358225477
Amt o/s (USD mn)	400
Tender px	100.25

Amount subject to the tender	Up to the new issuance
Expiration deadline	27 Jan'26 4pm GMT
Tender settlement date	On or around 29 Jan'26

Source: Company's filing.

➤ 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)
Shui On Land	USD	-	3NC1.5	10.625%	Unrated

➤ News and market color

- Regarding onshore primary issuances, there were 89 credit bonds issued on last Friday with an amount of RMB63bn. As for month-to-date, 948 credit bonds were issued with a total amount of RMB755bn raised, representing a 29.3% yoy decrease
- [DALWAN]** Fitch upgraded DWCM and Wanda Commercial Properties (Hong Kong) to CC from RD, reflecting its post-restructuring profile
- [EHICAR]** Media reported eHi Car is planning a LME in 1H26 for EHICAR 7 09/21/26 of USD269mn, seeking RMB300-500mn syndicated loans for upfront payment
- [INCLEN/INGPHL/RNW/RPVIN]** ReNew Energy Global to hold investor meetings/calls to market USD 144A/Reg S bonds
- [SANLTD]** Sands Macao launched 'Pearl Gaming Room' with focus on mass-market bet sizes
- [VNKRLE]** Media reported Vanke reassured bondholders it can make 40% upfront payment as part of termout proposal for domestic bonds

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