

CMBI Credit Commentary**Fixed Income Daily Market Update 固定收益部市场日报****The Asset Asian G3 Bond Benchmark Review 2025**

We hope you found our commentaries and ideas helpful. We seek to elevate our efforts and value-add further in the coming year. We highly appreciate your support to us in Sell-Side Analysts of the polls of "The Asset Asian G3 Bond Benchmark Review 2025". Thank you for your support!

- *The new CMINLE Float 28/30 were unchanged this morning. BABA 31-35s widened 1-2bps. SUMIBK Float 30s widened 2bps on some profit taking. BBLTB 34-40s and LGENSO 35s widened 1-2bps. The new HSBC 7.05 Perp was 0.1pt higher from RO at par.*
- **VEDLN:** *VRL is in talks to refinance USD750mn loans. Maintain buy on VEDLN 10.875 09/17/29. VEDLNs were 0.4-0.9pt higher yesterday and were unchanged this morning. See below.*
- **NWDEVL:** *Media reported NWD secures lender commitments of around 40% for HKD87.5bn (cUSD11.2bn) refinancing loan, aims to finalize this deal with over 50 banks by the end of Jun'25. NWDEVL Perps were unchanged to 2.1pts higher this morning.*

❖ Trading desk comments 交易台市场观点

Yesterday, the sentiment in Asia IG space was firm following US trade court ruled against Trump administration's global tariffs. On IG primary, the new AHBMK 5.112 30 tightened 8bps from RO (T+105). HSBC priced a NC5 Perp of USD2bn at par to yield 7.05% (IPT at 7.625%). CMINLE priced 3yr and 5yr floating rate bonds of USD300mn and USD400mn at SOFR+68 (IPT at SOFR+120) and SOFR+80 (IPT at SOFR+130), respectively. SDGOLD priced a NC3 Perp of USD100mn at par to yield 4.9% (IPT at 5.4%). The old CMINLE 25-31s closed unchanged to 1bp wider. In KR, DAESEC/HANFGI 26-28s and LGENSO 35s were 1-5bps tighter. In Chinese IGs, HAOHUA 30s/BABA 31-35s tightened 2-5bps. XIAOMI 30s tightened 2bps, XIAOMI 31s widened 2bps. See our comments on 29 May '25. In financials, DAHSIN/BNKEA 34s were unchanged to 2bps wider on small selling. BBLTB 34-40s tightened 5-7bps, KBANK 31s tightened 10bps. SMBCAC/SUMIFL 26-30s were 1-5bps tighter on PB/AM chasing. SUMIBK/MIZUHO Float 26-30s were 3-5bps tighter. In insurance, CATLIF 34s tightened 5bps. NIPLIF 54-55s/DAIL Perp were unchanged to 0.2pt higher. EU AT1s were under better buying from RMs. UBS/HSBC Perps were unchanged to 0.3pt higher. In HK, MTRC 30-55s tightened 1-2bps. Moody's changed MTR's outlook to stable from negative and affirmed its Aa3 ratings. NWDEVL Perps rose 0.8-3.0pts, closed 0.8-4.7pts lower WTD. NWDEVL 27-31s were up 0.5-0.6pt, closed 2.3-3.9pts lower WTD. Media reported that NWD had secured commitments from banks for around 40% of its HKD87.5bn (USD 11.2bn)

Glenn Ko, CFA 高志和
(852) 3657 6235
glennko@cmbi.com.hk

Cyrena Ng, CPA 吴倩莹
(852) 3900 0801
cyrenang@cmbi.com.hk

Jerry Wang 王世超
(852) 3761 8919
jerrywang@cmbi.com.hk

refinancing loan. In Chinese properties, CHIOLI 30-43s were up 0.3-0.8pt. However, VNKRL 27-29s declined 1.2-1.3pts, closed 1.6-2.0pts lower WTD. Outside properties, WESCHI 26s increased 0.9pt. EHICAR 26-27s were up 0.3-0.4pt. In SE Asia, ADSEZ 27-41s were up 1.0-2.0pts as Adani Ports considers to buy back its USD bonds. ADANEMs/ADTINs/ADGREGs/ARENJs were up 0.4-0.9pt. Elsewhere GLPSP Perps declined 0.6-1.1pts.

In LGFVs, GXCMIN priced a 3yr bond of USD300mn at par to yield 4.7% (IPT at 5.2%). There were robust deployment demands from RMs in higher yielding LGFVs such as JDZUDG 7.5 28s/ZCHLIM 8 26s. In SOE perps, HUANEN/AVIILC Perps were up 0.1pt.

❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
NWDEVL 6.15 PERP	58.6	2.9	VNKRLE 3.975 11/09/27	79.8	-1.3
ADSEZ 5 08/02/41	78.2	2.0	VNKRLE 3 1/2 11/12/29	71.6	-1.2
NWDEVL 4.8 PERP	25.3	1.4	GLPSP 4.6 PERP	54.2	-1.1
ADSEZ 3.828 02/02/32	84.8	1.3	ROADKG 5 1/8 01/26/30	34.3	-1.1
ADSEZ 3.1 02/02/31	83.9	1.3	GLPSP 4 1/2 PERP	57.4	-0.6

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (+0.40%), Dow (+0.28%) and Nasdaq (+0.39%) were higher on Thursday. US 1Q25 GDP was -0.2% qoq, compared to the market expectation of -0.3%. The latest initial jobless claims was +240k, higher than the market expectation of +229k. UST yield retreated on Thursday, 2/5/10/30 yield at 3.92%/4.00%/4.43%/4.92%.

❖ Desk Analyst Comments 分析员市场观点

➤ VEDLN: VRL is in talks to refinance USD750mn loans

Vedanta Resources (VRL) is in talks with banks to prepay USD550mn due-Apr'26 private credit facility as well as to repay USD200mn due-Jun'25 bank loan by refinancing, as per media report. The original principal amount of the due-Apr'26 amortizing private credit facility was USD1.25bn and it carries interest cost at 18%. VRL obtained the private credit facility in Dec'23 as a part of LME in Jan'24. The USD200mn bank loan carries interest cost at SOFR+400bps. VRL is exploring options to refinance these two loans by bank loan or new USD bond issuance.

We expect VRL to refinance the high-cost private credit facility at a lower cost, in view of VRL improving credit profile supported by VEDL's solid financial performance as well as lengthened maturity profile post refinancing exercises in 2024. Recalled that VRL has refinanced USD3.0bn of USD bonds since Sep'24 via new issues totaled USD3.1bn. We understand that VRL's average interest cost was 11.7% as of Sep'24 while the weighted-average coupon rate of VRL's USD bonds is 10.4%. We maintain buy on VEDLN 10.875 09/17/29 in view of more balanced risk return profile and better trading liquidity. At 99.7, VEDLN 10.875 09/17/29 is trading at YTM of 11.0%.

Separately on 27 May'25, the National Company Law Tribunal's (NCLT) granted an interim stay on the NCLT's March order, which rejected VEDL's proposed demerger plan of Talwandi Sabo Power (TSPL). The relief is subject to condition that TSPL to give bank guarantee of INR12.5bn (cUSD145.7mn) to protect the interests of Sepco Electric Power, a creditor of TSPL objected the demerger of TSPL, within two weeks. NCLT will hear the matter on 4 Aug'25. VEDL has extended the timeline to complete the demerger by 30 Sep'25.

Table 1: VRL's o/s USD bonds

Security name	ISIN	Amt o/s (USD mn)	Ask Px	YTM	Issue rating (M/S/F)
VEDLN 10.25 06/03/28	US92243XAJ00	300	101.2	9.6%	-/B/B+
VEDLN 10.875 09/17/29	US92243XAH44	1,200	99.7	11.0%	-/B/-
VEDLN 9.475 07/24/30	US92243XAM39	550	95.6	10.6%	B2/B/-
VEDLN 11.25 12/03/31	US92243XAK72	500	100.8	11.0%	-/B/B+
VEDLN 9.85 04/24/33	US92243XAL55	550	95.3	10.7%	B2/B/-

Source: Bloomberg.

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

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
CMB International Leasing	300/	3yr/	SOFR+68/	SOFR+68/	A3/-/-
	400	5yr	SOFR+80	SOFR+80	
Guangxi Communications Investment Grou	300	3yr	4.7%	4.7%	-/-/BBB
Linyi City Development International	38	3yr	6.0%	6.0%	Unrated
SDG Finance Limited/					
Shandong Gold Group	100	PNC3	4.9%	4.9%	Unrated
Yisheng (BVI) International	50	3yr	6.5%	6.5%	Unrated

➤ **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 81 credit bonds issued yesterday with an amount of RMB49bn. As for month-to-date, 1,339 credit bonds were issued with a total amount of RMB1,596bn raised, representing a 33.8% yoy increase
- [ADSEZ]** Adani Ports appoints arranger on INR50bn (cUSD585mn) 15-year NCD issue at 7.75%
- [COGARD]** Media reported key Lenders including Bank of China, ICBC yet to join Country Garden restructuring agreement
- [GEELY/NIO]** NIO and Geely-owned Zeekr agree to share EV charging stations in China
- [GRNKEN]** Greenko Energy founders set to close USD650mn loan funding their purchase of part of Orix's 20% shares
- [HONGQI]** China Hongqiao to cut conversion price of HONGQI 5.25 01/25/26 to HKD5.68 from HKD6.14, HONGQI 1.5 03/26/30 to HKD19.36 from HKD20.88, effective from 30 May'25
- [NSANY]** Nissan to invest EUR700mn (cUSD791.5m) in India over next two years; Nissan offers buyout packages to US workers amid cost-cutting push

- **[NWDEVL]** Media reported NWD secures lender commitments of around 40% for HKD87.5bn (cUSD11.2bn) refinancing loan, aims to finalize this deal with over 50 banks by the end of Jun'25; NWD's HKD4bn (cUSD510.3mn) three-year loan backed by Victoria Dockside assets launched into syndication
- **[SINOPE]** Sinopec sets up USD695mn fund targeting hydrogen energy investments
- **[UPLLIN]** UPL Corp redeemed UPLLIN 5.25 Perp of USD400mn on 28 May'25
- **[VNRLE]** Vanke gets USD876mn two-year loan from offshore financial institutions. Vanke uses RMB790mn (cUSD110mn) from VNRLE 3.2 09/21/25 of RMB2bn, and RMB1.16bn (cUSD161mn) from VNRLE 2.9 08/12/25 of RMB2bn to fund projects, RMB1.21bn and RMB840mn remaining respectively

Fixed Income Department

Tel: 852 3657 6235/ 852 3900 0801

fis@cmbi.com.hk

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