

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 market was cautious following the US air strikes on nuclear sites in Iran. Asian IGs were 1-5bps wider. NWDEVL 30 was up 0.5pt. NWD disclosed that the discussions on loan refinancing remained ongoing.*
- **ROADKG:** *Consent solicitation for PIK. See below*
- **FRESHK:** *USD42.4mn of FRESHK 2 1/2 07/08/25 (CB) was further converted into equity. Including USD10mn being put in Aug'23, the o/s amount of the CB reduced to USD202.7mn. The remaining CB will likely be converted into equity before maturity on 8 Jul'25. We maintain buy on FRESHKs. FRESHK 25-28s were unchanged to 0.1pt higher this morning.*

❖ Trading desk comments 交易台市场观点

Last Friday, in KR, HYNMTR fixed rated and floating rated 26-32s closed 1-3bps tighter. HLINSU 55 rose another 0.5pt to 102.4. Chinese IGs were mixed. BABA/MEITUA 30-35s were unchanged to 2bps tighter on AM buying. TENCNT 28-30s were unchanged to 1bp wider. In financials, KBANK/EXIMTH 27-29s tightened 2-5bps while BBLTB 28-40s closed unchanged. In JP, NOMURA/MIZUHO/SUMIBK 28-36s tightened 1-3bps. MUFG 35s widened 1bp. FUKOKU Perp/MYLIFE 55s were 0.1pt lower. AT1s were under better selling from RMs and PBs. BNP 8/HSBC 6.5/INTNED 3.875 Perps were 0.1-0.3pt lower. In HK, BNKEA 34s widened 10bps. Moody's downgraded the subordinated rating of BNKEA by 1 notch to Baa3 while affirmed BNKEA's other ratings and the negative rating outlook. DAHSIN/SHCMBK 31-33s were unchanged to 1bp wider on small selling. NWDEVL Perps/27-31s were up 0.6-0.9pt, closed 0.3-1.2pts higher WoW. FAEACO Perp was 0.4pt lower. See our comments on [20 Jun '25](#). In Chinese properties, ROADKG launched consent solicitation on its USD bonds due 2028-30s. ROADKG 28-30s dropped 1.2-11.5pts, ROADKG Perps lowered 1.0-1.1pts. See our comments below. VNKRL 27-29s lowered another 0.4-0.7pt, closed 2.2pts lower WoW. In SE Asia, PETMK 30-61s were 1-5bps wider. VLLPM 27-29s lowered 0.7-4.2pts, closed 0.5-3.4pts lower WoW.

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The CNH LGFVs remained very firm. The higher yielding CYEADI 7.5 27s/BNHAST 6.9 28s compressed another 20-50bps in yields on back of robust buying from cross-border RM demands. The buying interests picked up in USD papers such as SZTFDV 5.4 28s/ZJXCID 5.95 27s also picked up. In SOE perps, AVIILC/COFCHK Perps were 0.1-0.5pt lower.

❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
NWDEVL 10.131 PERP	37.6	0.9	ROADKG 6.7 03/30/28	33.3	-11.5
NWDEVL 5 7/8 06/16/27	66.9	0.8	ROADKG 5.9 09/05/28	32.9	-8.4
NWDEVL 8 5/8 02/08/28	63.0	0.7	VLLPM 9 3/8 07/29/29	67.9	-4.2
NWDEVL 5 1/4 PERP	28.4	0.7	ROADKG 6 03/04/29	35.8	-2.9
NWDEVL 4 3/4 01/23/27	70.3	0.6	ROADKG 5 1/8 01/26/30	31.0	-2.0

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (-0.22%), Dow (+0.08%) and Nasdaq (-0.51%) were mixed last Friday. President Trump's decision to deploy bunker-busting bombs to attack three Iranian nuclear sites has raised geopolitical risk in a world economy already facing severe uncertainty. Oil jumped almost 6% when markets opened this morning in Asia. UST yield bull steepened last Friday, 2/5/10/30 yield at 3.90%/3.96%/4.38%/4.89%.

❖ Desk Analyst Comments 分析员市场观点

➤ ROADKG: Consent solicitation for PIK

Last Friday, Road King launched consent solicitations for its five USD bonds due in 2028-2030. See Table 1. Road King proposes to change the interest payments to payment-in-kind from cash interests for the next two upcoming interest payment due dates. The interests due on each other interest payment date shall be paid in cash. Road King is also seeking to reserve funds in specified asset designated accounts and/or the toll road designated accounts up to the total remaining scheduled interest payments and related costs. Any excess funds in these accounts must be used for mandatory repurchase or redemption. Moreover, Road King seeks waivers for each of the bonds for any defaults or breaches that have occurred or may arise.

Recalled that Road King deferred the coupon payments on its three USD perps since Nov'24. The consent solicitation shows Road King is under high liquidity pressure amid slow recovery in property market. Road King reported RMB2.3bn contracted sales in 1Q25, down 44% yoy from RMB4.1bn in 1Q24. The yoy decrease was higher than that of most of its peers. See our comment in [Chinese properties contracted sales in 5M25](#). The average new home prices across 70 major cities in China dropped 3.5% yoy in May'25, as per data released by the NBS.

Table 1: Summary of the consent solicitation

Security name	Amt O/s (USDmn)	PIK interest date	PIK interest date	Ask px
ROADKG 6.7 03/30/28	480	30 Mar'26	30 Sep'26	34.8
ROADKG 5.9 09/05/28	300	5 Mar'26	5 Sep'26	33.3
ROADKG 6 03/04/29	415.59	4 Mar'26	4 Sep'26	39.3
ROADKG 5.2 07/12/29	500	12 Jan'26	12 Jul'26	34.6
ROADKG 5.125 01/26/30	500	26 Jun'26	26 Jul'26	31.4
Early consent fee	0.6% of the principal amt in cash			
Early deadline	30 Jun'25			

Base consent fee	0.2% of the principal amt in cash
Expiration time	9 Jul'25
Meeting date	14 Jul'25
Settlement date	On or around 14 Jul'25

Source: Company filling, CMBI FICC Research.

➤ **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)
State power Investment Corp	USD	-	PerpNC3	5.25%	A3/-/-
Shandong Guohui Investment Holding	USD	-	3yr	5.3%	-/-/A-
Hanwha Energy	USD	-	3yr	T+100	-/AA/-
KT Corporation	USD	-	3yr	T+110	-/A-/A

➤ **News and market color**

- Regarding onshore primary issuances, there were 145 credit bonds issued last Friday with an amount of RMB135bn. As for month-to-date, 1,528 credit bonds were issued with a total amount of RMB1,511bn raised, representing a 20.9% yoy increase
- **[BABA]** Senior Alibaba food delivery executive taken away for questioning amid probe in China
- **[FRESHK]** Far East Horizon updates USD4bn MTN and perpetual securities program. Far East Horizon says USD42.4mn of FRESHK 2.5 07/08/25 CBs converted into shares, USD202.7mn remains outstanding
- **[FTHDGR]** Fantasia further extends closing of offshore debt revamp to 25 Jun'25
- **[GEELY]** Geely to hold 26.4% stake in Brazil JV owned by Renault amid overseas push
- **[HYUELE]** China plants of SK Hynix and other global chipmakers targeted by US regulators
- **[MEDCIJ]** Medco Energi plans to raise IDR1tn (cUSD61mn) via 7-year and 10-year IDR bonds to refinance onshore bonds due 2026 and 2028 totaled IDR1.1tn (cUSD65mn)
- **[NSANY]** Nissan Motor seeks to set up industrial bank to support US dealership network

- **[NWDEVL]** New World Development says refinancing talks with creditors ongoing amid market speculation
- **[PERTIJ]** Pertamina unit to build solar panel plant and export clean energy to Singapore
- **[SOFTBK]** SoftBank Group offers Taiwan Semiconductor Manufacturing Co. (TSMC) to jointly build USD1tn AI hub in US

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