

## 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!

- *Asian IGs were unchanged to 2bps tighter this morning. The recent new HSBC 7.05 Perp/RY 6.75 2085 were unchanged to 0.1pt higher. The new CNH CHGRID 2 30/CHGRID 2.25 35 closed unchanged from ROs at par.*
- *NWDEVL: USD3bn equity funding plan. NWDEVLs perps moved 5-25pts lower after the coupon deferral while dated bonds moved 4-8pts lower. See below.*
- *VEDLN: Vedanta Ltd raised INR50bn (cUSD582mn) from privately placed NCDs in three tranches, coupon at 9.31%, 9.45% and 3MOIS+328bps, respectively. VEDLN 28-33s moved 0.3-0.6pt higher yesterday and were unchanged this morning.*

#### ❖ Trading desk comments 交易台市场观点

Yesterday, KR IG space remained firm. PKX 30-35s/HYUELE 27-33s tightened 1-3bps. HANFGI/DAESEC 26-28s were also 1-3bps tighter. LGENSO 34s/35s tightened 1-2bps. Chinese IGs retraced. BABA/TENCNT/MEITUA 27-35s were 2-3bps wider. XIAOMI 51s widened 1bp amid mixed flows. In financials, CCAMCL/ORIEAS 27-30s were better sold by AMs and widened 1-3bps. In HK, the new HKINTL 4.125 30s widened 3bps. NWDEVL Perps were 0.1-1.3pts higher, closed 4.7-25.3pts lower from last Thu closes. NWDEVL 27-31s were up 0.2-0.9pt, closed 4.4-8.3pts lower from last Thu closes. Media reported NWD plans USD3bn equity funding. See comments below. In financials, BBLTB 33-40s were 1-3bps wider. EXIMTH/KBANK 27-33s were unchanged to 2bps wider on profit taking from PBs. In AU/JP, CBAU/WSTP 30-36s were unchanged to 2bps wider. SUMIFL/SMBAC/NTT 26-33s were unchanged to 2bps tighter. Insurance hybrids were sought after. MYLIFE/NIPLIF 54-55s were up 0.3pt. In AT1s, the new RY 6.75 2085 closed 0.1pt higher from RO at par amid mixed flows with buying from RMs/PBs vs selling from AMs. In Chinese properties, LNGFOR 27-32s lowered 0.3-0.7pt. VNKRL 27/DALWAN 26s declined 0.3-0.4pt. Outside properties, WESCHI 26s/EHICAR 26-27s lowered 0.4-0.9pt. In SE Asia, TOPTB 43-50s widened 1-2bps on flow from RMs. VLLPM 27-29s dropped 2.3-5.8pts and closed 6.4-7.0pts lower WTD. Adani complex bonds were up 0.1-0.3pt. The long end of PLNJI/INDOIS 48-51s were 0.9-1.1pts higher (unchanged to 6bps tighter).

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

**Cyrena Ng, CPA 吳蓓瑩**  
(852) 3900 0801  
cyrenang@cmbi.com.hk

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

The higher yielding CNH LGFVs such as WFBHIN 6.9 27s/BNHAST 6.9 28s/QDOCID 6.8 28s continued to compress on deployment demand from RMs, though there were more profit taking in the CNH/USD LGFVs that experienced yield compression recently. There were two way interests on USD papers such as ANQYIX 6.9 28s/CQLGST 6.25 27s.

#### ❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
NWDEVL 6.15 PERP	33.3	1.3	VLLPM 9 3/8 07/29/29	73.8	-5.8
PLNIJ 4 7/8 07/17/49	80.2	1.1	VLLPM 7 1/4 07/20/27	81.7	-2.3
PLNIJ 6.15 05/21/48	96.5	1.1	WESCHI 4.95 07/08/26	80.1	-0.9
PLNIJ 4 3/8 02/05/50	74.3	1.1	LNGFOR 3.95 09/16/29	78.2	-0.7
INDOIS 3.55 06/09/51	70.4	1.1	LNGFOR 3.85 01/13/32	70.5	-0.5

#### ❖ Marco News Recap 宏观新闻回顾

**Macro** – S&P (+0.01%), Dow (-0.22%) and Nasdaq (+0.32%) were mixed on Wednesday. US May'25 ADP nonfarm employment change was +37k, lower than the market expectation of +111k. US May'25 ISM non-manufacturing PMI was 49.9, lower than the market expectation of 52.0. UST yield retreated on Wednesday, 2/5/10/30 yield at 3.87%/3.93%/4.37%/4.89%.

#### ❖ Desk Analyst Comments 分析员市场观点

##### ➤ NWDEVL: USD3bn equity funding plan

Media reported NWD plans USD3bn equity funding includes convertible preferred shares, involves 50% funding from its controlling Cheng family and the remaining 50% to be contributed by potential equity investors, and NWD is in talks with international private equity funds, Chinese insurers and Chinese funds in relation to the proposal. While the deal will go through and what are the details of the deal are subject to lots of uncertainties, the news reinforce our belief that supporting NWD is in the best interests of the Cheng family. NWDEVLs perps moved 5-25pts lower after the coupon deferral while dated bonds moved 4-8pts lower. At current levels, we believe that NWDEVLs have priced in significant downside. For bonds with dated maturities, we prefer NWDEVL 8 5/8 02/08/28 for its highest cash yield. For perps, we can no longer look at these on a cash yield basis. That said, we believe that NWDEVL 5 1/4 Perp offer better risk-return profile amongst the outstanding perps given the largest coupon step-up. NWDEVL 5 1/4 Perp should be in a higher priority in case of any market repurchases and tender offers.

As media reported earlier, NWD has received over 80% of loans confirm commitment to the HKD87.5bn (cUSD11.1bn) refinancing deal of which more than 60% have confirmed their commitment in writing, NWD expects to receive written confirmation from the remaining 20% in the coming few days. We believe that completing the loan refinancing is NWD's focus now. Given our base case of loan refinancing will be completed and next scheduled maturity of USD bonds on Jan'27, we believe that NWD is under less pressure to conduct a holistic restructuring on its USD bonds and perps in the near-term. If NWD can secure additional loans, such as the DB loan as reported, NWD could draw down the loans to buy back or tender offer the higher coupon-paying and lower cash price bonds and perps. Please also read our commentary on [NWDEVL on 2 Jun'25](#).

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

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
Chengdu Jianjiang Investment Group	93	3yr	4.73%	4.73%	Unrated

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

Issuer/Guarantor	Currency	Size (USD mn)	Tenor	Pricing	Issue Rating (M/S/F)
No Offshore Asia New Issue Pipeline Today					

➤ **News and market color**

- Regarding onshore primary issuances, there were 101 credit bonds issued yesterday with an amount of RMB150bn. As for Month-to-date, 232 credit bonds were issued with a total amount of RMB244bn raised, representing a 19.3% yoy decrease
- China urges carmakers to 'self-regulate' on prices amid concerns about industry
- **[BABA]** Alibaba-Apple AI partnership stalled by Chinese government amid growing US-China tensions
- **[CERCG]** China Energy Reserve plans exchange offer for its eight tranches of USD2.05bn-equivalent offshore bonds
- **[CKHH]** CKH port sale sparks concerns of potential dominance by Mediterranean Shipping Company
- **[COGARD]** Country Garden extends deadline to support offshore revamp until further notice, no action required for existing RSA acceders
- **[DEXICN]** Dexin China reports no commitment and no formal agreement in respect of a potential restructuring has been reached or entered into
- **[VEDLN]** Vedanta Ltd says US doubling tariff on aluminum damaging, seeks curbs on imports. Media reported Vedanta Resources talks with banks for USD550mn to prepay the high-cost loan with 18% coupon in Apr'26

*Fixed Income Department*

Tel: 852 3657 6235/ 852 3900 0801

[fis@cmbi.com.hk](mailto:fis@cmbi.com.hk)

**Author Certification**

The author who is primary responsible for the content of this research report, in whole or in part, certifies that with respect to the securities or issuer that the author covered in this report: (1) all of the views expressed accurately reflect his or her personal views about the subject securities or issuer; and (2) no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific views expressed by that author in this report.

Besides, the author confirms that neither the author nor his/her associates (as defined in the code of conduct issued by The Hong Kong Securities and Futures Commission) (1) have dealt in or traded in the stock(s) covered in this

research report within 30 calendar days prior to the date of issue of this report; (2) will deal in or trade in the stock(s) covered in this research report 3 business days after the date of issue of this report; (3) serve as an officer of any of the Hong Kong listed companies covered in this report; and (4) have any financial interests in the Hong Kong listed companies covered in this report.

### **Important Disclosures**

There are risks involved in transacting in any securities. The information contained in this report may not be suitable for the purposes of all investors. CMBIGM does not provide individually tailored investment advice. This report has been prepared without regard to the individual investment objectives, financial position or special requirements. Past performance has no indication of future performance, and actual events may differ materially from that which is contained in the report. The value of, and returns from, any investments are uncertain and are not guaranteed and may fluctuate as a result of their dependence on the performance of underlying assets or other variable market factors. CMBIGM recommends that investors should independently evaluate particular investments and strategies, and encourages investors to consult with a professional financial advisor in order to make their own investment decisions.

This report or any information contained herein, have been prepared by the CMBIGM, solely for the purpose of supplying information to the clients of CMBIGM and/or its affiliate(s) to whom it is distributed. This report is not and should not be construed as an offer or solicitation to buy or sell any security or any interest in securities or enter into any transaction. Neither CMBIGM nor any of its affiliates, shareholders, agents, consultants, directors, officers or employees shall be liable for any loss, damage or expense whatsoever, whether direct or consequential, incurred in relying on the information contained in this report. Anyone making use of the information contained in this report does so entirely at their own risk.

The information and contents contained in this report are based on the analyses and interpretations of information believed to be publicly available and reliable. CMBIGM has exerted every effort in its capacity to ensure, but not to guarantee, their accuracy, completeness, timeliness or correctness. CMBIGM provides the information, advices and forecasts on an "AS IS" basis. The information and contents are subject to change without notice. CMBIGM may issue other publications having information and/ or conclusions different from this report. These publications reflect different assumption, point-of-view and analytical methods when compiling. CMBIGM may make investment decisions or take proprietary positions that are inconsistent with the recommendations or views in this report.

CMBIGM may have a position, make markets or act as principal or engage in transactions in securities of companies referred to in this report for itself and/or on behalf of its clients from time to time. Investors should assume that CMBIGM does or seeks to have investment banking or other business relationships with the companies in this report. As a result, recipients should be aware that CMBIGM may have a conflict of interest that could affect the objectivity of this report and CMBIGM will not assume any responsibility in respect thereof. This report is for the use of intended recipients only and this publication, may not be reproduced, reprinted, sold, redistributed or published in whole or in part for any purpose without prior written consent of CMBIGM.

Additional information on recommended securities is available upon request.

### **Disclaimer:**

For recipients of this document in the United Kingdom

This report has been provided only to persons (I) falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended from time to time) ("The Order") or (II) are persons falling within Article 49(2) (a) to (d) ("High Net Worth Companies, Unincorporated Associations, etc.") of the Order, and may not be provided to any other person without the prior written consent of CMBIGM.

For recipients of this document in the United States

CMBIGM is not a registered broker-dealer in the United States. As a result, CMBIGM is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. The research analyst who is primary responsible for the content of this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA"). The analyst is not subject to applicable restrictions under FINRA Rules intended to ensure that the analyst is not affected by potential conflicts of interest that could bear upon the reliability of the research report. This report is intended for distribution in the United States solely to "major US

institutional investors", as defined in Rule 15a-6 under the US, Securities Exchange Act of 1934, as amended, and may not be furnished to any other person in the United States. Each major US institutional investor that receives a copy of this report by its acceptance hereof represents and agrees that it shall not distribute or provide this report to any other person. Any U.S. recipient of this report wishing to effect any transaction to buy or sell securities based on the information provided in this report should do so only through a U.S.-registered broker-dealer.

For recipients of this document in Singapore

This report is distributed in Singapore by CMBI (Singapore) Pte. Limited (CMBISG) (Company Regn. No. 201731928D), an Exempt Financial Adviser as defined in the Financial Advisers Act (Cap. 110) of Singapore and regulated by the Monetary Authority of Singapore. CMBISG may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, as defined in the Securities and Futures Act (Cap. 289) of Singapore, CMBISG accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact CMBISG at +65 6350 4400 for matters arising from, or in connection with the report.