CMBI Credit Commentary

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

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- *Flows focused on new issues this morning. The new HWEUHC'29 tightened 2bps from RO. The new KEBHBN'29/'31 widened 1-2bps from ROs, while the new KORELE'29 widened 4bps. The new TENCNT'36s tightened 2bps and TENCNT'46s tightened 10bps from ROs. The new DAHSIN'37 was unchanged at RO. CNH bonds remained under better selling.*

- ***Chinese properties:** Contracted sales down 15.6% yoy in 9M26. See below.*

- ***KIOXIA:** S&P upgraded Kioxia to BBB from BBB- on exceptionally strong earnings forecast exceeding assumptions with positive outlook. KIOXIAs tightened 1bp this morning.*

❖ Trading desk comments 交易台市场观点

Active Asia IG supply put more pressure on secondary spread performance. In China TMT, long-end TENCNT led the widening, out another 2–5bps, while BABA and KUAISH also leaked 2–5bps wider. DAHSIN came out with new T2 papers, and the secondary desk saw selling in the old '31s. Taiwan lifers were another 3–5bps wider on better selling across four names. Weak sentiment in Korean equities isn't helping credit spreads either, adding further pressure to recent new issues like KORELE and KEBHNB. HYUELE led other low-spread corporate/quasi papers (like utilities) 1–4bps wider, though selling flows weren't particularly block-sized.

High-beta space was generally mixed. Japanese insurance subs edged ~0.125-0.25pts firmer as we saw RM adding small clips into the rates rally, which was nonetheless probably driven by a risk off tone across equities and broader risk assets. European AT1s and insurance subs were conversely better offered against the rates strength from AM trimming risks, and were overall +/-0.125pts. Greater China front, weak session for the CNH universe (including LGFVs) as a result of heavy selling from all types of investors in attempt to raise cash amid new issue pricings. 10-30y CNH papers were 0.5-1.5pts down led by tech names and AIA, as 2-5y issues would occasionally come out at ~0.125pts cheaper also. Meanwhile CNH LGFVs saw one way selling in low yielding issues too, specifically <3% onshore AAA-gtee papers and several quality HY names trading at mid-3%, with limited buying interest overall as most investors opted for tactically keeping cash. USD LGFVs meanwhile were also better offered, yet 1y IG (and a few quality NR) issues still managed to find bid support at ~mid-5%, ie. ~1y UST+100bps or ~SOFR+165bps which should have a decent buffer against any further rate hike(s) until bond maturity.

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❖ Last Trading Day's Top Movers

Top Performers	Price	Change
CFAMCI 4.95 11/07/47	**85.2**	**1.2**
EHICAR 10 10/14/29	**45.2**	**0.7**
CBAAU 5.929 03/14/46	**92.8**	**0.7**
MIZUHO 5.772 04/16/46	**92.5**	**0.6**
HKINTL 5 1/4 01/11/53	**95.7**	**0.6**

Top Underperformers	Price	Change
CHIFEN 7.4 02/13/29	**95.5**	**-1.4**
SOFTBK 9 1/4 04/01/32	**100.8**	**-1.0**
SOFTBK 9 3/4 04/01/34	**100.9**	**-0.9**
LIFUNG 5 1/4 PERP	**54.2**	**-0.8**
PALPM 7 3/4 07/16/31	**92.9**	**-0.8**

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (-0.02%), Dow (-0.35%) and Nasdaq (-0.15%) were weak on Tuesday. China Sep'26 CPI/PPI was +0.9%/+5.0%, compared to the expectation of +1.0/+4.4%. UST yield retreated yesterday. 2/5/10/30 year UST yield was at 4.79%/5.00%/5.21%/5.56%.

❖ Desk Analyst Comments 分析员市场观点

➢ Chinese properties: Contracted sales down 15.6% yoy in 9M26

In Sep'26, the 30 developers under our radar reported aggregate contracted sales of RMB112.0bn, down 17.9% yoy from RMB136.4bn in Sep'25. 6 out of 30 developers recorded yoy increase in contracted sales in Sep'26.

In 9M26, the cumulative contracted sales of the 30 developers down 15.6% yoy to RMB1,085bn from RMB1,286bn in 9M25. GRNLGR (RMB56.6bn), CRHZCH (RMB164.6bn), and CHIOLI (RMB181.0bn) were the better performers with contracted sales growth of 18%, 7%, 6% yoy, respectively. The bottom performers were REDSUN/HONGSL (RMB1.3bn), SUNAC (RMB12.8bn), and LNGFOR (RMB15.3bn) with contracted sales down 65%, 60%, and 57% yoy, respectively.

The yoy decline in contracted sales widened to 17.9% in Sep'26 from 14.9% in Aug'26. We remain cautious on the prospects for a sustained recovery in developers' contracted sales in Oct'26, despite the late-Sep'26 measures could support near-term transaction volumes. As discussed in our comments on 30 Sep'26, the nationwide mortgage interest subsidy, effective from 1 Oct'26, reduces financing costs for eligible first-time buyers. However, the limits on property prices, floor area and subsidised loan principal should concentrate the benefits in lower-priced markets, including lower-tier cities. We therefore view the package as targeted support rather than a broad-based stimulus to housing demand. In our view, a sustained recovery still hinges on household purchasing power, buyer confidence, home-price expectations and confidence in project delivery. Further support could combine targeted national measures with city-specific easing, rather than a broad-based nationwide demand stimulus. We expect higher-tier cities to recover earlier, supported by stronger employment prospects and household purchasing power, as well as greater fiscal capacity to implement supportive policies.

2026 YTD Sales (in RMB mn)

Company	CN Name	BBG Ticker	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Trend	Sep'26 MoM Growth	Sep'26 YoY Growth	Sep'26 YTD Sales	Sep'26 YTD Sales Growth
Greenland Holding*	绿地控股集团*	GRNLGR	3,630	1,870	8,441	3,439	6,310	12,197	3,393	8,510	8,800		3%	57%	56,590	18%
China Overseas	中国海外发展	CHIOLI	14,478	8,464	28,578	24,191	27,291	31,350	15,119	15,983	15,581		-3%	-23%	181,035	6%
China Resources Land	华润置地	CRHZCH	11,650	10,050	22,420	25,880	23,510	22,990	14,100	18,500	15,500		-16%	-12%	164,600	7%
China Jinmao	中国金茂	CHJMAO	7,603	5,327	9,498	8,806	10,493	15,773	9,202	7,398	10,501		42%	7%	84,601	5%
Zhenro Properties	正荣地产	ZHPRHK	346	303	315	391	371	392	355	329	299		-9%	1%	3,101	6%
Poly Real Estate	保利地产	POLYRE	15,617	10,132	26,033	25,931	27,614	29,779	14,923	15,013	16,158		8%	-21%	181,200	10%
Powerlong	宝龙地产	PWRLNG	470	431	649	640	600	630	550	460	420		-9%	-20%	4,850	1%
Central China Real Estate	建业地产	CENCHI	400	580	639	604	696	839	467	572	633		11%	27%	5,430	1%
Yuexiu Property	越秀地产	YUEXIU	4,201	2,905	10,100	8,504	11,303	13,492	5,103	5,599	6,810		22%	0%	68,017	5%
Country Garden (Attributable)	碧桂园	COGARD	2,210	2,230	2,230	2,500	2,630	2,450	2,260	2,280	2,210		-3%	-14%	21,000	6%
Yuzhou Properties	禹洲地产	YUZHOU	530	362	482	457	470	543	399	396	386		-3%	7%	4,025	8%
Greentown	绿城	GRNCH	9,700	8,600	20,300	16,300	18,800	21,000	12,300	15,800	19,300		22%	-13%	142,100	20%
Logan Property*	龙光地产*	LOGPH	350	350	360	530	660	580	500	500	520		4%	11%	4,350	20%
Agile	雅居乐	AGILE	540	610	670	510	650	820	490	380	230		-39%	-50%	4,900	7%
China SCE*	中骏集团控股*	CHINSC	450	510	800	750	780	600	270	90	100		11%	-83%	4,350	1%
Ronshine China	融信中国*	RONXIN	218	37	278	323	258	180	255	182	193		6%	-36%	1,924	6%
Times Property	时代中国控股	TPHL	376	105	401	320	319	310	201	205	279		36%	-7%	2,516	6%
Future Land	新城控股	FUTLAN/FTLNHD	714	1,223	1,079	991	1,393	957	861	889	703		-21%	-53%	8,810	1%
Sino-Ocean	远洋集团	SINOCE	1,150	470	1,420	1,630	1,730	1,740	850	750	590		-21%	-75%	10,330	5%
Yanlord*	仁恒置地*	YLLGSP	380	630	1,100	690	1,640	730	180	840	630		-25%	-32%	6,820	0%
Shimao	世茂房地产	SHIMAO	1,510	1,301	1,712	1,208	1,220	1,257	802	710	580		-18%	-69%	10,300	6%
Gemdale	金地集团	GEMDAL	1,220	630	1,450	2,530	2,000	1,700	1,500	1,020	1,550		52%	-30%	13,600	4%
Zhongliang*	中梁控股*	ZHLGHD	800	700	520	550	550	480	380	310	280		-10%	-71%	4,570	1%
CIFI Holdings	旭辉集团	CIFIHG	730	530	1,150	670	860	1,080	610	660	690		5%	-23%	6,980	7%
China Vanke*	万科企业*	VNKRLE	5,580	3,480	6,410	4,520	7,660	7,370	6,660	4,920	4,990		1%	-46%	51,590	9%
KWG Property	合景泰富集团	KWGPRO	325	250	352	428	441	254	203	161	200		24%	-73%	2,614	-3%
Hopson*	合生创展*	HPDLF	591	309	423	730	737	636	347	719	1,070		49%	-21%	5,562	1%
Longfor (Attributable)	龙湖集团	LNGFOR	1,660	1,340	2,020	1,930	2,130	1,900	1,390	1,500	1,420		-5%	-60%	15,290	-7%
Sunac China*	融创中国*	SUNAC	1,080	2,550	2,150	840	1,450	880	1,120	1,520	1,250		-18%	-3%	12,840	-10%
Redsun	弘阳地产	REDSUN/HONGSL	100	134	167	179	187	176	150	110	126		15%	-54%	1,329	-5%

*Note: * represents the data was collected from CRIC/CIH or estimated.*
Source: Company fillings, CRIC, CIH.

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

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
ABC Macao Branch	500	3yr	4.269%	SOFR+38	A1/A/A
	240	5yr	4.299%	SOFR+41	
Dah Sing Bank	300	10.5NC5.5	6.25%	T+138	Baa2/-/BBB-
Hanwha Energy USA Holdings Corp	400	3yr	5.5%	T+60	Aa2/-/-
KEB Hana Bank	300	3yr	5.25%	T+42	Aa3/-/A+
	300	5yr	5.5%	T+50	
Korea Electric Power Corp	400	3yr	5.25%	T+44	Aa2/AA/-
Tencent Holdings Limited	1300	10yr	6.1%	T+90	A1/A+/-
	500	20yr	6.75%	T+115	

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

Issuer/Guarantor	Currency	Size (USD mn)	Tenor	IPT/IPG	Issue Rating (M/S/F)
Korea Land & Housing Corporation	USD	-	2/5yr	-	-/-/-

➢ News and market color

- Regarding onshore primary issuances, there were 153 credit bonds issued yesterday with an amount of RMB255bn. As for month-to-date, 336 credit bonds were issued with a total amount of RMB396bn raised, representing a 91.2% yoy increase

- **[BABA]** Media reported Alibaba Group is expanding into consumer hardware as part of AI push

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