CMB INTERNATIONAL 招銀国际

14 Aug 2026

CMBI Credit Commentary

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

- *Asia IG spreads were mixed this morning. KR/JP financials fixed-rate paper widened 1-2bps, while FRNs tightened 1-2bps. TMT space was stable. EU AT1s rose 0.3pt on PB buying. The new CNH CHGRIDs rallied higher under better buying flows.*

- ***Gross USD bonds issuance:** Asia Pacific gross USD bonds issuance decreased 4.2% yoy in 7M26. See below.*

- ***JD:** JD.com 1H26 consolidated net revenue up 0.7% yoy to RMB662.1bn while EBITDA down 4.5% yoy to RMB16.0bn. JD'30 was unchanged this morning.*

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❖ **Trading desk comments 交易台市场观点**

Yesterday, Asia IG space was mixed. China benchmarks closed 0-1bp tighter amid two-way flows in BABA 35s/KUAISH 36s. TW lifers were street-pushed 2-3bps tighter. In KR space, we saw active front-end buying in financials like HLINSU/TYANLI/DAESEC and quasi-sovereigns, while corps traded flat despite rallying equities. In FRN space, we saw better selling in low-spread Chinese bank and securities paper and two-way flows in higher-spread names STANLIN/HSBC/JP banks, and the bonds closed unchanged.

In higher-yielding space, we saw buying flows in LGFV space and high-yielding papers further rallied over concerns about the supply outlook. CNH bonds with >6% yields were chased after by tactical investors and HFs, whilst >4% yielding AAA-guaranteed issues were also sought after by RMs. In contrast, USD LGFVs yielding <=5% remained under better selling from AMs as the US rates backdrop and dealer positioning certainly did not help, with offers marching towards ~4.85% (~+65-70bps) for most BBB and selected A-rated papers. Elsewhere, macro sentiment was firmer away from China and Asian high-beta perps were up ~0.25pt led by PTTGC/GENTMK. European AT1s were ~0.125pt higher led by new BNP with tactical buying flows in the 6-7yr to call part of the curve in names like INTNED 6.5/BBVASM 7.75. On the other hand, MGMCHIs were unchanged to 0.1pt higher post 2Q26 results. See our comments on MGMCHI yesterday. LNGFORs closed unchanged to 0.4pt higher. HYSAN/KSA/GLPSPs were unchanged to 0.3pt higher.

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❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
PETMK 4.8 04/21/60	**84.3**	**0.7**	EHICAR 10 10/14/29	**39.5**	**-0.3**
TSTSME 11 3/8 02/05/31	**107.2**	**0.7**	VNKRLE 3 1/2 11/12/29	**53.4**	**-0.2**
PETMK 5.848 04/03/55	**99.5**	**0.7**	NWDEVL 3 3/4 01/14/31	**77.8**	**-0.2**
PETMK 3.404 04/28/61	**63.8**	**0.5**	CITLTD 4.85 04/25/46	**84.8**	**-0.2**
PTTGC 7 1/8 PERP	**99.2**	**0.5**	YUZHOU 5 1/2 06/30/31	**2.8**	**-0.2**

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (+0.65%), Dow (+0.13%) and Nasdaq (+0.81%) rallied higher on Thursday. US Jul'26 PPI was unchanged mom, lower than expectation of +0.2% mom. UST yield was lower on Thursday. 2/5/10/30 year yield was at 4.15%/4.32%/4.63%/5.21%.

❖ Desk Analyst Comments 分析员市场观点

➢ Gross USD bonds issuance: Asia Pacific gross USD bonds issuance decreased 4.2% yoy in 7M26

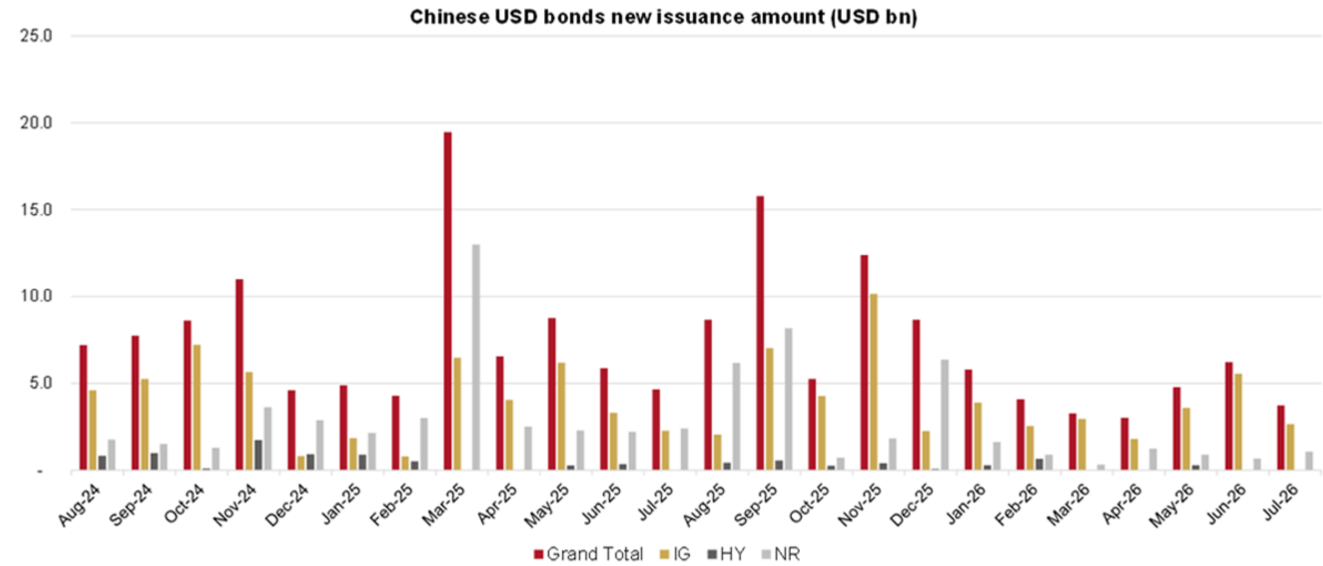
Gross USD issuance of Asia Pacific fell 39.4% yoy in Jul'26

In Jul'26, the gross issuance of USD bonds of Asia Pacific fell 39.4% yoy to USD20.5bn. South Korea (USD6.0bn), Japan (USD4.0bn), and China (USD3.7bn) were among the largest issuers. 84.6% of the gross issuance amount were IGs. By sector, financials (49.4%), governmental entity (23.1%) and communications (8.0%) were among the largest issuers.

Cumulatively, the gross issuance of USD bonds of Asia Pacific decreased 4.2% yoy to USD235.7bn in 7M26. Japan (USD76.3bn), South Korea (USD36.0bn), and Australia (USD34.9bn) were among the largest issuers. 86.2% of the gross issuance amount were IGs. Financials (56.5%), governmental entity (18.8%) and communications (7.3%) were among the largest issuing sectors.

Gross USD issuance of China dropped 20.1% yoy in Jul'26

In Jul'26, the gross issuance of USD bonds of China dropped 20.1% yoy to USD3.7bn. IGs and unrated contributed 71.2% and 28.8% of the gross issuance amount, respectively. Cumulatively, gross issuance of USD bonds of China decreased 43.3% yoy to USD30.9bn in 7M26. IGs, HYs, and unrated contributed 74.3%, 4.1% and 21.6% of the gross issuance amount, respectively. Financials (53.7%), LGFVs (17.0%) and TMT (18.1%) were among the largest issuing sectors.



Source: Bloomberg.

Gross USD issuance of Middle East increased 17.8% yoy in Jul'26

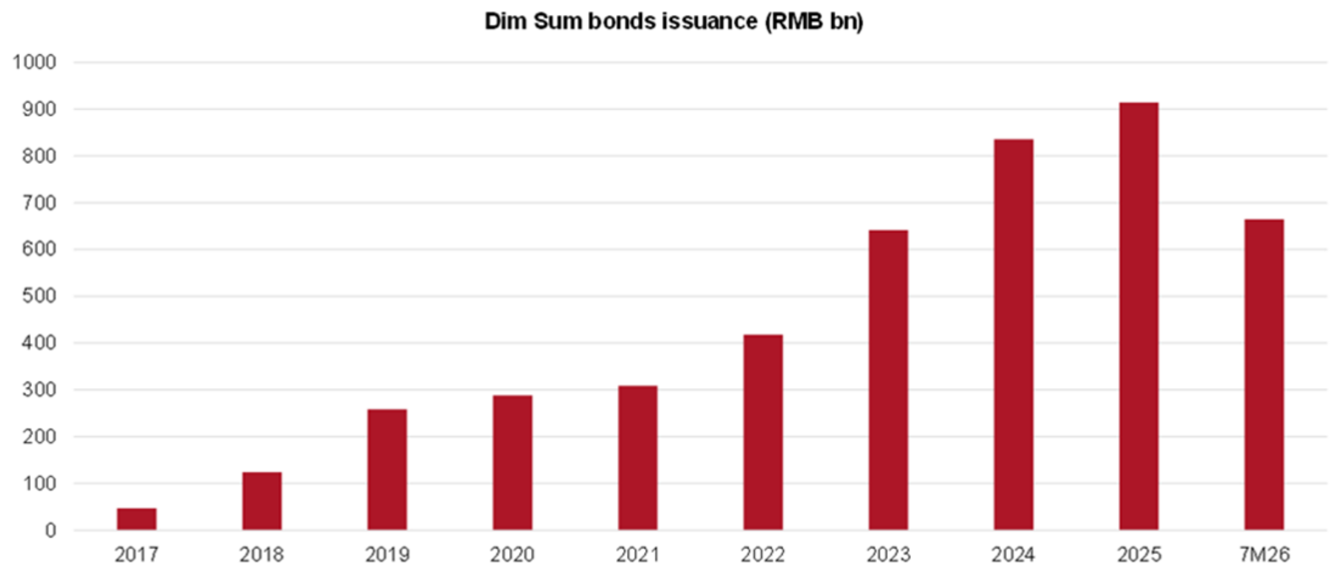
In Jul'26, the gross issuance of USD bonds of the Middle East increased 17.8% yoy to USD14.6bn. The Kuwait (USD6.0bn), Turkey (USD4.6bn) and Saudi Arabia (USD3.3bn) were among the largest issuers. IGs, HYs, and unrated contributed 68.4%, 3.4% and 28.2% of the gross issuance amount, respectively. By sector, sovereigns (67.9%) and financials (27.0%) were among the largest issuing sectors.

Cumulatively, the gross issuance of USD bonds of the Middle East increased by 29.0% yoy to USD131.8bn in 1H26. Saudi Arabia (USD40.9bn), the Turkey (USD26.9bn) and UAE (USD22.5bn) and were among the largest issuers. IGs, HYs, and unrated contributed 70.3%, 17.1% and 12.6% of the gross issuance amount, respectively. By sector, sovereigns (45.7%), financials (35.9%), and energy (10.1%) were among the largest issuing sectors.

Dim Sum bonds issuance decreased 3.3% yoy in Jul'26

The gross issuance of Dim Sum bonds decreased 3.3% yoy to RMB68.3bn in Jul'26. US (RMB27.0bn), China (RMB21.5bn), and Hong Kong (RMB5.4bn) were among the largest issuers. 46.6% of the gross issuance amount were IGs. By sector, financials (83.1%), utilities (5.8%) were among the largest issuers.

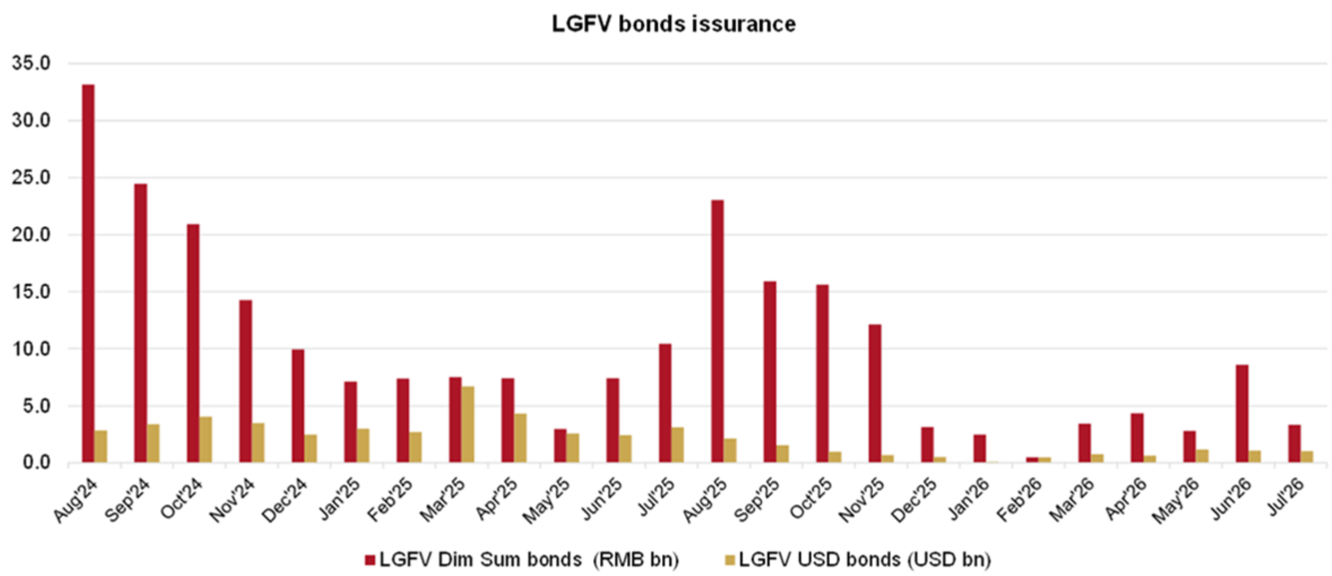
Cumulatively, the gross issuance of Dim Sum bonds increased 32.4% yoy to RMB664.5bn in 7M26. China (RMB401.1bn), US (RMB125.2bn) and Hong Kong (RMB37.0bn) were among the largest issuers. 33.4% of the gross issuance amount were IGs. By sector, financials (43.6%), sovereigns (44.0%), and LGFVs (3.8%) were among the largest issuers.



Source: Bloomberg.

Decreasing issuance of USD and Dim Sim bonds from LGFVs

In Jul'26, the gross USD bonds issuance of LGFVs dropped 67.1% yoy to USD1.0bn and the Dim Sum LGFV bonds issuance decreased 68.1% yoy to RMB3.3bn. In 7M26, the gross USD bonds issuance of LGFVs fell 78.9% yoy to USD5.3bn and Dim Sum LGFV bonds issuance decreased 49.3% yoy to RMB25.5bn. We expect the offshore LGFV issuance to remain low in the near term due to cheaper funding cost in onshore market. According to Wind, the average coupon of onshore LGFV bonds issued in Jul'26 is c2.0%, down from c2.3% in Jan'26 and is much lower than 4.5-5.5% coupon of offshore USD LGFV bonds during the period.



Source: Bloomberg

- **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	IPT/IPG	Issue Rating (M/S/F)
No Offshore Asia New Issues Pipeline Today					

- **News and market color**

  - Regarding onshore primary issuances, there were 122 credit bonds issued yesterday with an amount of RMB97bn. As for month-to-date, 850 credit bonds were issued with a total amount of RMB767bn raised, representing a 8.2% yoy decrease
  - **[CATLIF]** Cathay Life posted an after-tax net profit of TWD5.4bn for Jul'26, bringing 7M26 after-tax net profit to TWD51.7bn
  - **[CKHH]** CK Hutchison 1H26 revenue up 6.1% yoy to HKD255.4bn and EBITDA rose 63% yoy to HKD92.9bn
  - **[HYSAN]** Hysan Development 1H26 turnover decreased 0.1% yoy to HKD1.7bn (cUSD220.5mn)
  - **[JD]** JD.com 1H26 consolidated net revenue up 0.7% yoy to RMB662.1bn while EBITDA down 4.5% yoy to RMB16.0bn
  - **[LENOVO]** Lenovo Group 1QFY27 revenue increased 43% yoy to USD26.9bn
  - **[RIOLN]** Rio Tinto obtained USD1.8bn government support for Tomago aluminum smelter

    [YLLGSP] Yanlord Land Group 1H26 revenue down 33.3% yoy to RMB6.2bn and gross profit down 58.1% yoy to RMB1.3bn

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