

## CMBI Credit Commentary

### Fixed Income Daily Market Update 固定收益部市場日報

- *The new AGRBK 28 tightened 1bp from RO at SOFR+42 this morning. The new ANZ 28s/30s FRN tightened 2-3bps from pricing at SOFR+59 and SOFR+68, respectively. HYUELEs tightened 3bps. China TMTs/HAOHUA/PINGIN widened 2-3bps. JP insurance hybrids and AT1s were 0.1-0.3pt lower.*
- **Macau gaming:** Solid GGR growth continues in 11M25. See below.
- **SMCGL:** San Miguel Global Power terminated tender and exchange offers for SMCGL 5.7 Perp but mentioned that it remains committed to redeeming the perp on the step up date. SMCGL Perps were unchanged this morning.

#### ❖ Trading desk comments 交易台市場观点

Yesterday, there were active flows among AMs/PBs on JP financials SMBC/MIZUHO/MUFG/SUMIBK and JP corps JERA/NTT/MITCO, but the spreads were generally unchanged. Japanese AT1s and insurance subs were largely unchanged. SOFTBK 5.25 07/06/31 was 0.9pt higher. Asian AMs and prop desks were buying the belly and long end of Yankee AT1s. Korean IG HYNMTR/HYUELE/KOEPW/HANFGI were a touch tighter. We saw street selling on Chinese TMT/POEs MEITUA/TENCNT/XIAOMI, which widened 2-3bps. See comments on MEITUA's 3Q25 results [yesterday](#). The NWDEVL complex overall rose 0.1-2.4pts, except that NWDEVL 4.8 Perp was down by 0.7pt. Media reported that NWD's Henry Cheng has held preliminary talks with potential buyers for some Rosewood Hotels. CWAHK 26-30 decreased by 0.1-0.4pt. China Water Affairs 1HFY26 EBITDA dropped 18.6% yoy to HKD2.2bn (cUSD277.8mn). EHICAR 26-27 were unchanged to 0.2pt higher. eHi Car posted good results with notably yoy improvement in EBITDA 3Q25 and fleet utilization rate, as well as slight reduction in net debts, benefitting largely from strong seasonality. FAEACO 12.814 Perp recovered 1.2pts. See our comments [last Friday](#). In Macau gaming, SJMHOL 26-28/MGMCHI 26-31/MPEL 27-33/SANLTD 27-31/STCITY 28-29/WYNMAC 27-34 were 0.1pt lower to 0.2pt higher. See comments below. In Chinese properties, VNKRLE 27-29 were unchanged to 0.8pt higher. Vanke provided its entire stake in property management arm Onewo as loan collateral to controlling shareholder Shenzhen Metro. LNGFOR 27-32 dropped by 0.2-1.6pts. FTLNHD 26/FUTLAN 28 were 0.3pt lower to 0.1pt higher. Seazen issued RMB616mn ABS backed by Shanghai shopping mall. In SE Asia, BBLTB senior and recent new 30s/35s tightened 2-3bps amid better-buying flows, while activities for BBLTB sub were largely muted. SMCGL Perps were 0.5pt lower to 0.1pt higher, post the termination of exchange and tender offer for SMCGL 5.7 Perp because of current market conditions. As per the company, it remains committed to redeeming the perp on the step up date.

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In LGFV space, we saw moderate two-way flows among retail and tactical investors in higher-yielding issues. Some AMs continued to source onshore AAA-guaranteed papers. Flows were nonetheless skewed towards small better selling in lower-yielding USD issues as liquidity gradually thinned up. For non-LGFV CNH issues, there were interests in front-end SOE papers from onshore RMs.

#### ❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
CHIOLI 6.45 06/11/34	<b>109.9</b>	<b>11.9</b>	CFAMCI 5 1/2 04/27/47	<b>96.0</b>	<b>-2.3</b>
NWDEVL 4 1/8 07/18/29	<b>76.2</b>	<b>2.4</b>	LNGFOR 3.85 01/13/32	<b>69.6</b>	<b>-1.6</b>
FAEACO 12.814 PERP	<b>67.2</b>	<b>1.2</b>	TENCNT 3.29 06/03/60	<b>68.9</b>	<b>-1.5</b>
NWDEVL 4 1/2 05/19/30	<b>74.0</b>	<b>1.2</b>	TAISEM 4 1/2 04/22/52	<b>95.2</b>	<b>-1.4</b>
SOFTBK 5 1/4 07/06/31	<b>95.9</b>	<b>0.9</b>	TENCNT 3.94 04/22/61	<b>79.3</b>	<b>-1.4</b>

#### ❖ Marco News Recap 宏观新闻回顾

**Macro** – S&P (-0.53%), Dow (-0.90%) and Nasdaq (-0.38%) were lower on Monday. US Nov'25 S&P Global Manufacturing PMI was 52.2, higher than the market expectation of 51.9. US Nov'25 ISM Manufacturing PMI/Prices was 48.2/58.5, respectively, lower than the market expectation of 49.0/59.5. UST yield was higher on Monday. 2/5/10/30 year yield was at 3.54%/3.67%/4.09%/4.74%.

#### ❖ Desk Analyst Comments 分析员市场观点

##### ➤ Macau gaming: Cumulative GGR growth accelerated in 11M25

Table 1: Macau monthly GGR

MOP mn	2023	2024	2025	Cumulative GGR 2025	Cumulative GGR 2025 growth rate	% of 2019 GGR
Jan	11,580	19,337	18,254	18,254	-5.6%	73.2%
Feb	10,324	18,486	19,744	37,998	0.5%	75.5%
Mar	12,738	19,503	19,659	57,657	0.6%	75.7%
Apr	14,722	18,545	18,858	76,515	0.8%	76.7%
May	15,565	20,188	21,193	97,708	1.7%	77.7%
Jun	15,207	17,694	21,064	118,772	4.4%	79.4%
Jul	16,662	18,595	22,125	140,897	6.5%	81.0%
Aug	17,213	19,754	22,156	163,053	7.2%	82.3%
Sep	14,937	17,253	18,289	181,342	7.1%	82.3%
Oct	19,501	20,787	24,086	205,428	8.0%	83.3%
Nov	16,043	18,438	21,088	226,516	8.6%	84.0%

Source: Macau DSEC.

In Nov'25, Macau's gross gaming revenue (GGR) increased 14.4% yoy to MOP21.1bn. The strong performance in Nov'25 showed resilience across both mass and premium mass/VIP markets despite the typical post Oct Golden Week seasonality. Cumulatively, the GGR for the 11M25 reached MOP226.5bn, equivalent to 84.0% of pre-COVID level in 2019. The yoy GGR growth widened to 8.6% in 11M25 from 8.0% in 10M25.

Taking cues from the current run-rate, upcoming Dec holiday travel season, along with a projected 11.5% rise in 2025 tourist arrivals to 38.95mn, we expect the full-year 2025 GGR growth to be cMOP245bn, exceeding Macau's government full year budget of MOP228bn. For 2026, Macau government set GGR target of

MOP236bn. The projection, appears to be conservative in our view, is based on the improved performance from May'25 through Aug'25 when monthly GGR exceeded MOP20bn for four consecutive months.

As discussed before, we consider Macau gaming bonds lower-beta and good carry plays with improving credit stories despite we should expect new supply to come given the refinancing requirements with the scheduled maturities and undemanding funding costs. Our top picks of sector remain MPELs and STCITYs in view of the growing adj. EBITDA of Melco and Studio City, as well as the more appealing risk-return profiles of MPELs/STCITYs. We also consider WYNMAC'27 and '29 yield pick-up plays, trading at premium of 60-80bps over bonds of its US parent. We are neutral on MGMCHIs, SANLTDs, and SJMHOLs on valuation.

**Table 2: Our Macau gaming USD bond picks**

Security name	ISIN	Amt o/s (USD mn)	Ask Px	YTM	Mod dur
MPEL 5 3/8 12/04/29	USG5975LAE68	1,150	97.5	6.1%	3.4
MPEL 7 5/8 04/17/32	USG5975LAK29	750	104.1	6.8%	5.0
MPEL 6 1/2 09/24/33	USG5975LAL02	500	99.4	6.6%	6.0
STCITY 6 1/2 01/15/28	USG85381AF13	500	99.5	6.8%	1.9
STCITY 5 01/15/29	USG85381AG95	1,100	94.8	6.9%	2.8
WYNMAC 5 1/2 10/01/27	USG98149AD29	750	100.0	5.5%	1.7
WYNMAC 5 1/8 12/15/29	USG98149AE02	1,000	97.7	5.8%	3.5

Source: Bloomberg.

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

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
Agricultural Bank of China Limited Tokyo Branch	300	3yr	SOFR+42	SOFR+42	A1/-
ANZ	750/ 750/ 500	3yr/ 3yr/ 5yr	3.919%/ SOFR+59/ SOFR+68	T+37/ SOFR+59/ SOFR+68	Aa2/AA-/AA-

➤ **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 64 credit bonds issued yesterday with an amount of RMB63bn.
- Media reported China told two large private-sector real estate information providers to withhold data on monthly home sales for Nov'25
- [ASAMLI]** Asahi Mutual Life entered into an agreement to acquire all issued shares of Vietnamese life insurance company MVI Life for cUSD170mn
- [FOSUNI]** Fosun International issued 2-year JPY4.2bn bond at 3%

- **[GRNKEN]** Fitch downgraded Greenko Energy by one notch to BB- from BB on weaker project execution, risk management; outlook stable
- **[KAISAG]** Kaisa started consent solicitation on six USD bonds to pay interest with shares, not cash
- **[NWDEVL]** NWD accepted the following as of the second early tender deadline; aggregate principal amount of USD11.6mn of NWDEVL 4.8 Perp, USD44.317mn of NWDEVL 6.25 Perp, USD1mn of NWDEVL 10.131 Perp, USD6.222mn of NWDEVL 5.25 Perp, USD122.22mn of NWDEVL 4.125 Perp, USD17.5mn of NWDEVL 28, USD12.204mn of NWDEVL 29, USD8.8mn of NWDEVL 30 and USD1mn of NWDEVL 31
- **[PCORPM]** Petron Malaysia will temporarily halt its operations in the coming days due to Tropical Storm Senyar
- **[VEDLN]** S&P revised the outlook of Vedanta Resources to positive from stable on improving operating performance; affirmed B+ rating
- **[VNKRLE]** China Vanke seeks one-year's grace from lenders to repay 22VANKEMTN004 of RMB2bn
- **[WESCHI]** West China Cement accepted USD400mn WESCHI 07/08/2026 in the tender offer
- **[XINAOG]** ENN Energy further extends dispatch of privatization scheme document to no later than 30 Jan'26

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