

CMBI Credit Commentary**Fixed Income Daily Market Update 固定收益部市场日报**

- *JP and KR spaces were active this morning. Long-end JP Perps were under better selling. SOFTBKs were unchanged to 0.3pt lower. Front-end KR financials and industrials were under better selling and widened 2-3bps. Besides, we saw buyers on front-end Bank T2s.*
- *NWDEVL/VDNWDL: Exchange offers for NWDEVL 4.75 '27, NWDEVL 5.875 '27 and NWDEVL '28 into up to USD600mn new VD note. NWDEVL '27-28 were 0.5-0.9pt higher this morning. See below.*
- *GLPSP/GLPCHI: Media reported GLP Pte's second tranche of the total up to USD1.5bn investment from Abu Dhabi Investment Authority (ADIA) is slightly delayed. GLPSP/GLPCHI dropped 1.7-2.0pts yesterday, and were 0.1-0.3pt lower this morning.*

❖ Trading desk comments 交易台市场观点

Yesterday, Asia IG spreads were 1-4bps wider to start the week to track global IG spreads widening, though the magnitude was smaller than global peers. The relative resilience likely reflected the absence of sizeable block selling during the Chinese National Day holiday, alongside some support for front-end bonds from the modest rally in USTs, which improved entry levels for all-in-yield buyers. Greater China corporate benchmarks BABA/TENCNT/MEITUA/KUAISH were 2-3bps wider. Korean corporates LGENSO/POINTL/HYNMTR were 3-4bps wider. Financials were 2-4bps weaker. Selling was concentrated in bank T2s, with two-way flows in BNKEA/SHNHAN/QBEAU/BBLTB which were overall unchanged. TW lifer T2s were 1-3bps wider.

In higher-yielding space, the week began slowly as European AT1s attempted to stabilize following last week's sharp sell-off, active names moved -0.1 to +0.3pt. Asian flows were mixed overall. AM continued to trim longer-dated exposure in European AT1s and Japanese insurance subs, while front-end paper was also better offered by retail and tactical accounts rotating into securities that had sold off more sharply. GLPCHI/GLPSP dropped 1.7-2.0pts. Media reported GLP Pte's second tranche of the total up to USD1.5bn investment from Abu Dhabi Investment Authority is slightly delayed. Greater China credit was largely subdued, with onshore markets closed for the Chinese National Day holiday. Activity was limited to modest buying interest in CNH-denominated paper from offshore Chinese AM. NWDVELs rebounded 0.5-2.7pts post news of potential repayment of due '27 bonds. See comments below.

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❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
NWDEVL 6 1/4 PERP	55.8	2.7	GLPSP 9 3/4 05/20/28	86.2	-2.0
NWDEVL 4 1/2 05/19/30	79.9	1.8	GLPCHI 7 3/4 04/30/29	85.0	-1.8
NWDEVL 4 1/8 07/18/29	82.6	1.6	GLPSP 7.865 PERP	55.0	-1.8
NWDEVL 3 3/4 01/14/31	74.6	1.3	GLPSP 4.6 PERP	52.2	-1.7
ACPM 4.85 PERP	69.7	0.8	PMBROV 11 1/2 02/18/30	93.0	-1.5

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (+0.66%), Dow (+0.18%) and Nasdaq (+1.05%) were higher on Monday. US Sep'26 S&P Global Services PMI was 58.8, higher than the market expectation of 58.7. US Sep'26 ISM Non-Manufacturing Prices was 74.0, higher than the market expectation of 73.3. US Sep'26 ISM Non-Manufacturing PMI was 54.9, lower than the market expectation of 55.1. UST yield was higher yesterday. 2/5/10/30 year UST yield was at 4.84%/5.06%/5.31%/5.66%.

❖ Desk Analyst Comments 分析员市场观点

➤ **NWDEVL/VDNWDL: Exchange offers for NWDEVL 4.75 '27, NWDEVL 5.875 '27 and NWDEVL '28 into up to USD600mn new VD note**

NWD has launched exchange offers for three USD bonds, NWDEVL 4.75 01/23/27, NWDEVL 5.875 06/16/27 and NWDEVL 8.625 02/08/28, with aggregate principal amount outstanding totaled USD991.5mn. NWD intends to accept up to USD600mn of existing bonds, including no more than USD200mn of NWDEVL '28. Early tender deadline is 14 Oct'26, with the offer expiring at 4pm GMT on 20 Oct'26. NWD aims to offer existing bondholders exposure to an enhanced credit profile linked to Victoria Dockside (VD).

Table 1: Summary of exchange offer

Security name	Amt o/s (USDmn)	Early cash consideration	VD Base exchange consideration New VD note exchange consideration and accrued interest	Cash consideration	Maximum acceptance amt	Acceptance priority	Ask Px
NWDEVL 4.75 01/23/27	456.866	1.75	95	3.5	No greater than USD600mn, of which no greater than USD200mn for NWDEVL '28	1	98.8
NWDEVL 5.875 06/16/27	162.59	1.75	95	3.5		2	97.5
NWDEVL 8.625 02/08/28	372.038	1.75	95	3.5		3	96.8

Source: Bloomberg, Company filing.

The proposed new VD note will carry a 7.375% coupon and mature on 5 Dec'32. It will be issued by CS Management Services (NB) Limited, a wholly owned subsidiary of CS Management Services Holdings Limited, which also owns CS Treasury Management Services (B) Limited, the issuer of VDNWDL 7 12/05/31 from the previous LME. The structure follows the broadly similar framework as the existing VD notes. The repayment of the new VD note will be supported by the Cosmostar New VD BondCo Loan, an intercompany loan guaranteed by NWD and secured by the shared VD security package.

For recoveries from enforcement of the VD security package, the Cosmostar New VD BondCo Loan ranks pari passu with the existing Cosmostar BondCo and PerpCo loans and other designated Mezzanine Facilities,

behind the HKIDL Loan and other designated Pari Passu Facilities. However, its entitlement to qualifying disposal and insurance proceeds is residual, after required prepayments under those senior facilities and the existing Cosmostar BondCo and PerpCo loans, with potential pro rata sharing alongside other qualifying Mezzanine Facilities. Separately, commitments under the VD-secured HKIDL bank facility increased from HKD3.95bn to HKD4.9bn in Sep'26, increasing potential senior claims.

We view the exchange offer as constructive for NWD's near-term liquidity and maturity profile, albeit at a higher interest cost. Assuming full utilization of the USD600mn exchange cap and allocation in acceptance priority order, annual coupon expense would increase by cUSD12mn, as per our calculation. The transaction also follows NWD's previous LME, which reduced USD perps by cHKD8.7bn and bonds by cHKD0.4bn. These measures provide additional time for NWD to execute asset disposals and improve cash generation from property sales. Meanwhile, the proposed Shanghai C-REIT offers a further potential liquidity source, with an expected offering size of cRMB3.8bn.

Non-participating holders could face weaker recovery prospects if additional secured or structurally senior debt reduces the asset value available to satisfy legacy unsecured claims. Overall, the exchange offer should mitigate NWD's near-term refinancing risk. That said, sustained credit improvement remains dependent on asset monetization and cash generation.

➤ **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**

- Onshore primary issuances suspended yesterday during the National Day Holiday
- **[FUBON]** Fubon Life's TIS was 177% as of Jun'26 after transitional measures
- **[GLPSP]** GLP said second tranche investment up to USD1.5bn from ADIA slightly delayed
- **[HCELEC]** Huachen to host USD noteholder call on 16 Oct'26 to update on plan for onshore/offshore debt

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