

## CMBI Credit Commentary

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

- *This morning, UST10yr yield further tightened to 3.93% and Asia IGs widened 20-40bps. AT1s and insurance hybrids such as HSBC Perps/MYLIFE 55s/NIPLIF 54s were down 2.0-2.5pts.*
- **Asia ex-JP USD bonds issuance:** Gross issuance increased 31% yoy in 1Q25. See below.
- **MEITUA:** S&P upgraded Meituan by 1 notch to A- from BBB+ on strong business momentum with stable outlook. Separately, Meituan plans to enter the Brazilian market late this year or in early 2026. MEITUAs were unchanged this morning.

#### ❖ Trading desk comments 交易台市场观点

Last Thursday, UST 10-yr yields tightened 15bps to 4.05% post the announcement of reciprocal tariff by the Trump administration. PETMK/NSINTW/BBLTB/MARUB 30-55s were 2-10bps wider despite some dip buying flows. KOROIL/HYUELE 27-33s widened 4-8bps. Fitch downgraded China's long-term foreign-currency issuer default rating to A from A+ with a outlook stable. In Chinese IGs, BABA/TENCNT 27-35s were 5-15bps wider. The long-end of XIAOMI/SINOPE 47-51s were 1.0pt lower. In financials, BCLMHK/CFAMCI 25-30s were 2-13bps wider. DBSSP/WSTP/NOMURA/UOBSP/NAB Float 26-35s, however, closed unchanged to 2bps tighter. In EU AT1s, BACR/BNP/SOCGEN Perps were down 0.2-0.5pt. HSBC 6.95 Perp (callable in 2031) closed 0.4pt lower despite some PB buying. In JP insurance hybrids, MYLIFE 55s/NIPLIF 54s were unchanged to 0.3pt lower amid two-way flows among HFs/AMs. In HK, HYSAN/CASHLD Perps declined 0.5-0.7pt. In Chinese properties, VNKRLE 25-29s/LNGFOR 27-32s were down 0.2-0.4pt. GRNCH 25-28s were unchanged to 0.1pt lower. See our comments on [3 Apr '25](#). In India and Indonesia, ADSEZ 27-41s/ARENJR 39s/ADGREG 42s were 0.7-1.2pts lower. MEDCIJ 26-28s closed 0.2-0.5pt lower. See our comments on [3 Apr '25](#). Elsewhere, MONMIN 26-30s closed unchanged to 0.8pt lower. Last Thu close, Mongolian Mining Corp announced to early redeem MONMIN 12.5 09/13/26 in full at par on 15 Apr '25.

LGFVs remained firm thanks to persistent RM demands in higher-yielding papers from 7% to 13%-handle. The Shandong LGFVs such as SDGAOC 6.9 28s/ZCHLIM 7 26s/WHWDLH 6.9 25s compressed drastically to 12% or tighter in yields and closed 0.2-0.6pt higher. In SOE perps, SPICPT/CCBINT Perps were up 0.1pt.

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## ❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
AIA 3.2 09/16/40	78.3	1.0	CCAMCL 5 02/08/48	90.8	-1.4
PINGIN 2.85 08/12/31	88.6	0.9	ADGREG 6.7 03/12/42	87.1	-1.2
ORIEAS 2 3/4 11/17/30	90.3	0.8	XIAOMI 4.1 07/14/51	80.0	-1.0
MTRC 1 5/8 08/19/30	88.2	0.8	ADSEZ 5 08/02/41	77.1	-0.9
CHINLP 2 1/2 06/30/35	81.8	0.7	NSANY 4.81 09/17/30	93.8	-0.9

## ❖ Marco News Recap 宏观新闻回顾

**Macro** – S&P (-5.97%), Dow (-5.50%) and Nasdaq (-5.82%) were weak on last Friday. US Mar'25 nonfarm payrolls was +228k, higher than the market expectation of +137k. US Mar'25 unemployment rate was 4.2%, higher than the market expectation of 4.1%. China levied a 34% tariff on all US imports effective from 10 Apr'25 as well as curbed exports of seven types of rare earths. UST yield retreated on last Friday, 2/5/10/30 yield at 3.68%/3.72%/4.01%/4.41%.

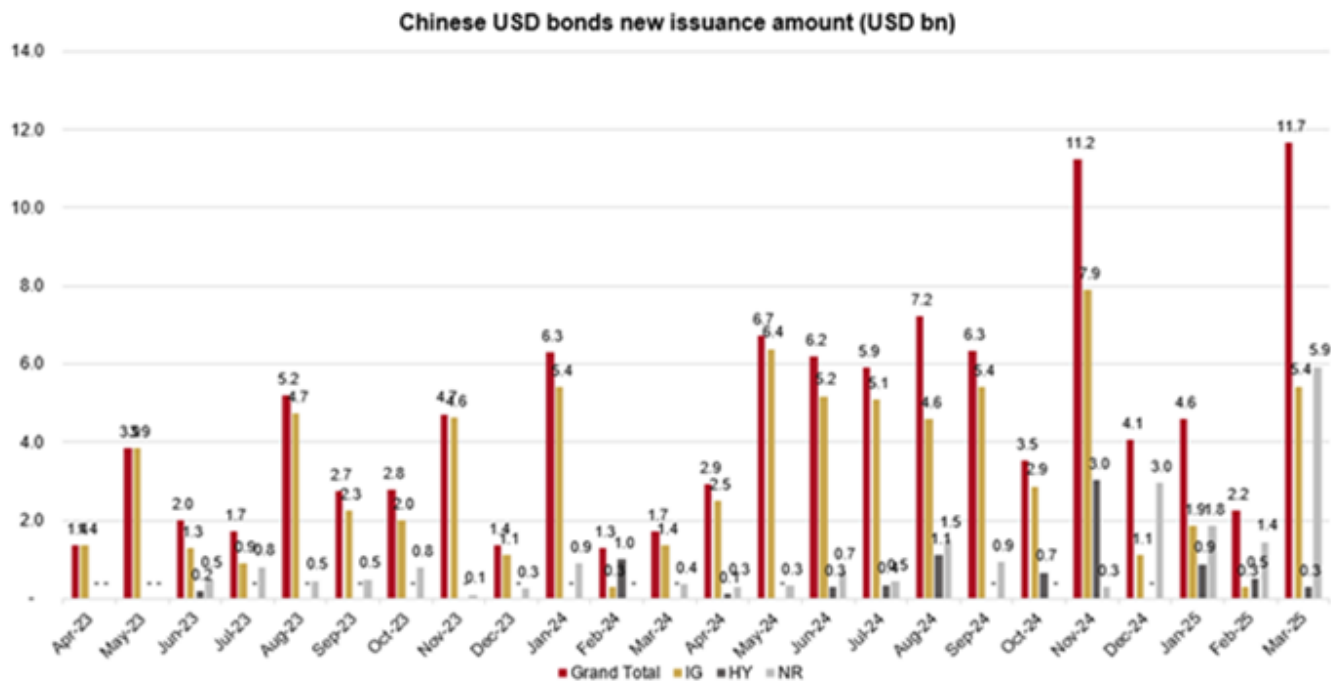
## ❖ Desk Analyst Comments 分析员市场观点

## ➤ Asia ex-JP USD bonds issuance: Mar'25 gross issuance increased 53.2% yoy to USD19.3bn

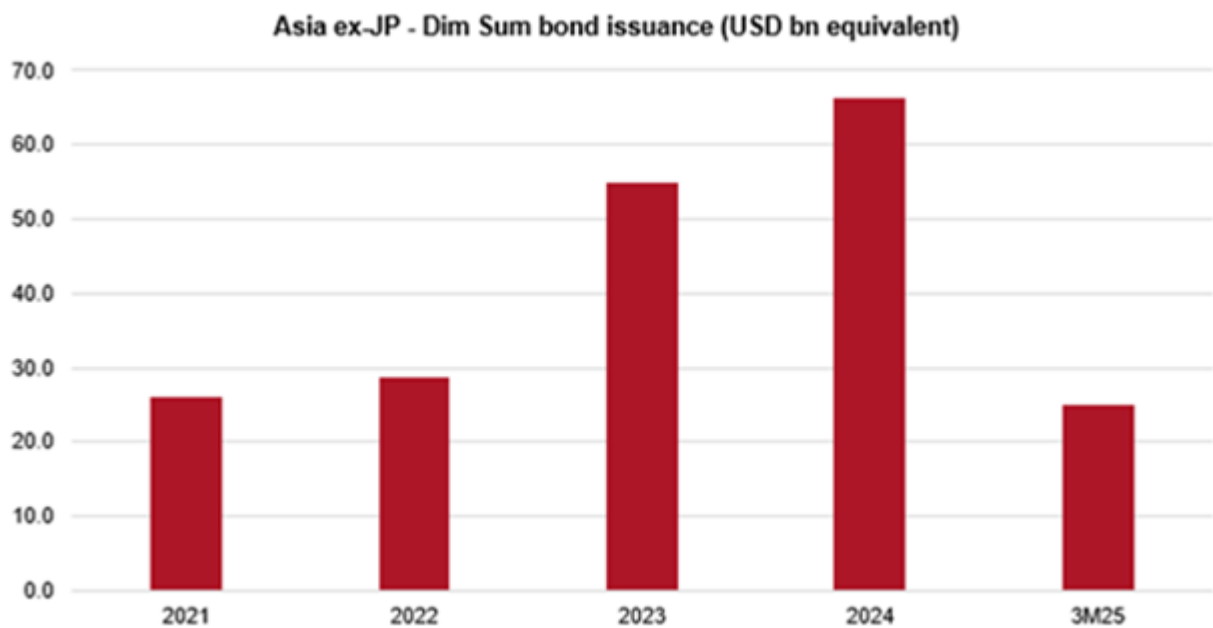
In Mar'25, the gross issuance of Asia ex-JP USD bonds (excl. supranational banks) increased by 53.2% yoy to USD19.3bn from USD12.6bn in Mar'24. China (USD11.7bn), Singapore (USD2.0bn) and South Korea (USD1.6bn) were amongst the largest issuers. IGs contributed 59.6% of the gross issuance amount. Issuance from financial institutions and LGFVs totaled USD9.0bn and USD5.6bn, accounting for 46.9% and 28.8% of total gross issuance of the month, respectively. In 1Q25, gross issuance of Asia ex-JP USD bonds increased 31.0% yoy to USD48.0bn. China (USD18.5bn), South Korea (USD9.8bn), Hong Kong (USD5.2bn) were the major issuers. Financial institutions issued USD bonds totaled USD21.3bn, accounting for 44.4% of the gross issuance amount.

For Chinese USD bonds, the gross issuance totaled USD18.5bn in 1Q25. IGs, HYs, unrated contributed 41.0%, 9.1% and 49.9% of the gross issuance, respectively. Issuance from LGFVs and financials totaled USD9.7bn and USD5.9bn, accounting for 52.3% and 31.9% of total gross issuance in 1Q25, respectively. The offshore LGFV USD bonds issuance (including only issues with an issue size of at least USD100mn) was USD9.7bn in 1Q25, compared with USD2.9bn in 1Q24.

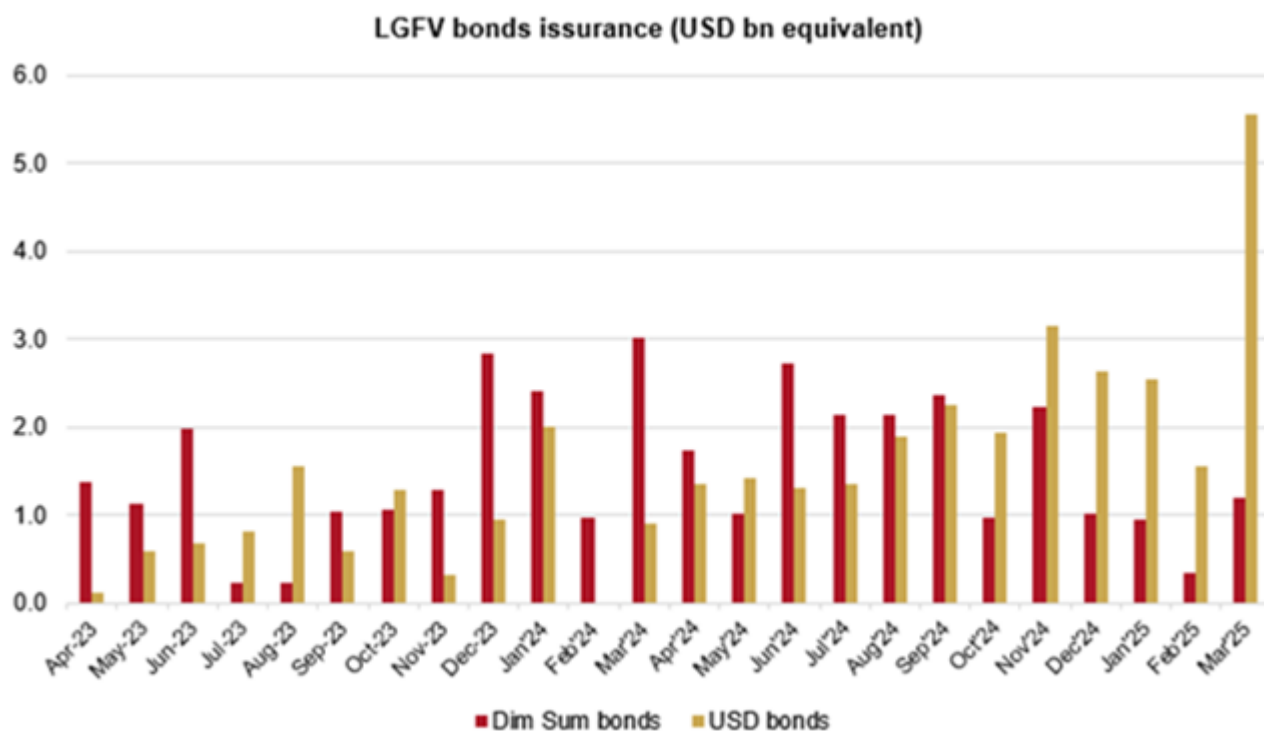
On the other hand, the Asia ex-JP Dim Sum bonds issuance in 1Q25 rose 25.9% yoy to USD24.9bn equivalent from USD19.8bn equivalent in 1Q24, partly reflected the lower funding costs of dim sum bond issuance, as well as issuances from sovereign and quasi-sovereign entities from China and HK. However, the LGFV Dim Sum issuance decreased by 60.9% yoy to USD2.5bn equivalent in over the same period.



Source: Bloomberg.



Source: Bloomberg.



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

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
Zhangzhou Transportation Development Group	500	3yr	5.1%	5.1%	-/-/BBB-

➤ **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 33 credit bonds issued last Thursday with an amount of RMB39bn. As for Month-to-date, 149 credit bonds were issued with a total amount of RMB164bn raised, representing a 14.9% yoy decrease
- Fitch downgraded China's rating to A from A+ with stable outlook, attributed to expected weakening of public finances and rising public debt during economic transition
- [JD]** JD.com real estate arm to buy 18.2-hectares Wacol Logistics Hub which holds six warehouses in Australia for AUD240mn (cUSD151mn)
- [MDLNIJ]** Modernland Realty conducts bondholder identification exercise for tax purposes

- **[MONMIN]** Mongolian Mining Corp to redeem MONMIN 12.5 09/13/26 of USD220mn in full on the optional redemption date on 15 Apr'25
- **[NSANY]** Nissan Motor weighs shifting some car production to US from Japan following tariff hikes
- **[TTMTIN]** Tata Motors UK unit Jaguar Land Rover to pause US shipments amid new tariffs
- **[VEDLN]** Vedanta FY25 total aluminum output rises 2% yoy to 2.42mn tons on record fourth quarter

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