

CMBI Credit Commentary

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

- *The new SUMITR Float 29s tightened 10bps from RO at SOFR+71 this morning, SUMITR Float 31s tightened 17-18bps from RO at SOFR+89. As for fixed-rate SUMITR new issues, SUMITR 29s were unchanged from RO at T+53, SUMITR 31s tightened 7bps, and SUMITR 36s were a touch wider. Asia IG space were 2-4bps wider.*
- **INCLN/INGPHL/RPVIN:** *Solid 3QFY26 earnings; on track to FY26 guidance. See below.*
- **YLLGSP:** *FY25 results stabilized with narrowing losses, rebound in gross margin to 27.4% in FY25 from 9.4% in FY24 and healthy gearing ratio at 43.6% . YLLGSP 26 was unchanged this morning.*

❖ Trading desk comments 交易台市场观点

Yesterday, in the new issuance space, the new TOHOKU 31 tightened 5bps from RO at T+70. The new NTT Float 31 and OCBCSP 36 hovered around ROs amid active two-way flows. The secondary Chinese IG space overall closed unchanged. We saw balanced flows on TMT names KUAISH/MEITUA/BABA, better buying in CCAMCL FRNs and front-end ORIEAS from Chinese RMs, and better selling on FRESHK 27-29s by global money accounts. EHICAR 26 dropped 0.5pt, while EHICAR 27 closed unchanged. In HK, we saw a gradual recovery in sentiment on HK property. NWDEV/VDNWD Perps gained 0.1-1.3pts. HYSAN 4.85 Perp edged 0.6pt higher. MTRC 5.625 Perp/LASUDE 26 were 0.1pt higher. On the other hand, FAEACO 12.814 Perp lost 0.4pt. The Macau gaming complex were 0.1pt lower to 0.2pt higher. In Chinese properties, FUTLAN 28/FTLNHD 26-27 gained up to 0.6pt. The new FTLNHD 29 was priced at 97.095 and YTM 13%. See our comments [yesterday](#). VNKRL 27-29 lost 0.5pt. LNGFOR 27-32 were 0.1pt lower to 0.3pt higher. In KR space, this week's new issues DAESSEC 29-31 widened 1bp. Long-end EIBKOR/LGENSO/POHANG traded 1-3bps wider with limited deployment. JP insurance subs and Yankee AT1s remained stable in a slow session with flows largely from retail accounts. In SE Asian space, MEDCIJ 27 was down by 0.3pt, while the rest of MEDCIJ 26-30s were unchanged to 0.1pt higher. See our comments on [25 Feb'26](#) regarding Medco Energi's decision to call the remaining o/s USD107.77mn of MEDCIJ 27. ACPM Perps rose 0.9-1.3pts, and ACNRGY 5.1 Perp gained 1.4pts. In the Middle East, PBs were selling long-end KSA/ARAMCO, but global RMs were buying 2-5yr FABUHs. The LGFV space closed largely unchanged amid moderate two-way flows.

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❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
ACNRGY 5.1 PERP	86.6	1.4	ROADKG 5 1/8 01/26/30	22.8	-0.7
ACPM 4.85 PERP	83.1	1.3	EHICAR 7 09/21/26	65.7	-0.5
NWDEVL 6 1/4 PERP	68.8	1.3	VNKRLE 3 1/2 11/12/29	44.6	-0.5
NWDEVL 4.8 PERP	65.6	1.1	VNKRLE 3.975 11/09/27	47.4	-0.5
ACPM 3.9 PERP	67.9	1.0	FAEACO 12.814 PERP	81.3	-0.4

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (-0.54%), Dow (+0.03%) and Nasdaq (-1.18%) were mixed on Thursday. US latest initial jobless claims were +212k, lower than the market expectation of +217k. UST yield was lower on Thursday. 2/5/10/30 year yield was at 3.42%/3.57%/4.02%/4.67%.

❖ Desk Analyst Comments 分析员市场观点

➤ **INCLEN/INGPHL/RPVIN: Solid 3QFY26 earnings; on track to FY26 guidance**

We continue to view ReNew Energy (RNW)'s credit profile as underpinned by robust operating cash inflows and scalable advantages as India's second-largest renewables operator by installed capacity (after Adani Green Energy). Within the ReNew Energy complex, we still prefer INCLEN 4.5 04/18/27 in view of the holdco's more diversified income sources and generation mix despite INCLEN 4.5 04/18/27's out-performance within the curve and the subordination risk. Hence, we maintain buy on INCLEN 4.5 04/18/27. While the valuation is less compelling following a c3pts gain in 2025 and a further c1pt increase YTD, the bond still offers YTM of 5.5% at 99.0.

Table 1: RNW o/s USD bonds

Security name	ISIN	Amt o/s (USD mn)	Ask Px	YTM	Mod dur	Issue rating (M/S/F)
INGPHL 4 02/22/27	USV4819LAA09	399	98.5	5.6%	0.9	Ba3/-/BB-
RPVIN 5.875 03/05/27	USY7279WAA90	270	100.2	5.7%	1.0	Ba3/-/BB-
INCLEN 4.5 04/18/27	USV4605MAA63	400	99.0	5.5%	1.1	Ba3/-/BB-
RPVIN 4.5 07/14/28	USY7280PAA13	585	97.0	5.9%	2.2	Ba3/-/BB-
RPVIN 6.5 02/02/31	USY72910AA35	600	100.3	6.4%	4.1	Ba3/-/BB-

Source: Bloomberg.

RNW's continues to benefit from its diversification into solar module and cell manufacturing operations and resilient operating cash flow generation. In 3QFY26, revenue rose 36% yoy to INR25.1bn, with adj. EBITDA increased 54% yoy to INR21.4bn and loss before tax narrowed by 83% yoy to INR505mn. In 9MFY26, revenue rose 48% yoy to INR100.4bn and adj. EBITDA increased 31% yoy to INR74.8bn, with profit before tax up 83% yoy to INR12.8bn.

Revenue growth was primarily driven by higher commissioned capacity (+7% yoy to 11.4GWs as of Dec'25), gain on asset disposals, improved wind PLF and increase in external sales from solar module and cell manufacturing operations, partially offset by lower solar PLF. An extended monsoon season lifted 9MFY26 weighted average wind PLF to 29.1% from 26.7% a year earlier, while solar PLF declined to 21.6% from 23.5%

due to lower irradiation levels. We continue to view manufacturing operations as a near-term EBITDA driver that diversifies revenue beyond power generation.

RNW remains on track to meet its FY26 guidance. Management raised the lower end of its FY26 adj. EBITDA guidance range to INR90-93bn (including INR11-13bn from manufacturing), up from the prior range of INR87-93bn (including INR10-12bn from manufacturing). Based on our estimates, RNW has achieved 80-83% of the revised full-year target by 9MFY26, with the manufacturing segment tracking at 83-98% of its target. CFe guidance remains INR14-17bn; RNW reported INR25.2bn in 9MFY26, though cash outflows are typically concentrated in 4Q.

RNW is pivoting toward a more solar-heavy portfolio, which is credit positive in view of less reliance on the inherently more uncertain wind resources and the associated variability in cash flows generation. Solar plus Battery Energy Storage System (BESS) portfolio also offers simpler and faster and easier execution which should support more stable operating performance over time. Management indicated that the new configuration is easier to execute than a blended mix of solar, BESS and wind. For the under construction configuration, wind is reduced to 850MW (from 2.5GW), solar increased to 5.2GW (from 4.4GW) and BESS increased to 1.5GW (from 300MW), and bring overall capex reduction of INR60bn.

As of Dec'25, cash and bank balances stood at INR83.3bn, up 3% from Mar'25, supported by higher operating cash inflows and lower capex spending. We expect strong operating cash generation and continued capital recycling to fund the remaining FY26 capex requirements. Net debt/adj. EBITDA improved to 7.1x in 9MFY26 (LTM ending Dec'25) from 8.3x in FY25, driven by higher LTM adj. EBITDA despite an increase in total debt. We expect leverage continue to decline, underpinned by growing adj. EBITDA and ongoing asset monetization.

RNW early redeemed USD525mn RNW 7.95 07/28/26 in full at par in Feb'26, funded by the issuance of USD600mn RPVIN 6.5 02/02/31 in Jan'26. We are aware of three outstanding USD bonds totaled USD1.1bn maturing in 2027, where refinancing risk is relatively elevated. Management intends to refinance in either the onshore or offshore markets depending on cost. We take comfort from RNW's demonstrated access to diversified funding channels across bank loans and bond markets.

Table 2: 3QFY26 and 9MFY26 financial highlights

INR mn	3QFY25	3QFY26	Change	9MFY25	9MFY26	Change
Revenue	18,472	25,140	36%	68,018	100,404	48%
Adj. EBITDA	13,882	21,382	54%	57,070	74,841	31%
Profit/(loss) before tax	(2,946)	(505)	-83%	7,019	12,813	83%
Operating cash flow	18,486	22,649	23%	48,557	63,339	30%
Capex	18,886	29,667	57%	75,800	74,190	-2%
Cashflow to equity (CFe)	765	5,242	585%	16,448	25,152	53%
Plant load factor						
Wind	13.5%	18.1%	4.6 pct pt	26.7%	29.1%	2.4 pct pt
Solar	21.9%	20.9%	-1.0 pct pt	23.5%	21.6%	-1.9 pct pt
INR mn						
	Mar'25	Dec'25	Change			
Cash and bank balances	80,518	83,257	3%			
Total debt	737,682	776,274	5%			
Net debt	657,164	693,017	5%			
Net debt/LTM adj. EBITDA	8.3x	7.1x	-			

Source: Company filing, CMBI FICC Research.

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

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
Emirate of Abu Dhabi	1250/	5yr/	3.75%/	T+20/	-/AA/AA
	1750	10yr	4.25%	T+25	
New Metro Global	355	3yr	11.8%	13.0%	-/B/-
Qatar Islamic Bank	750	5yr	4.402%	T+80	-/-/A
	500/	3yr/	3.95%/	T+53/	
Sumitomo Mitsui Trust	750/	3yr/	SOFR+71/	SOFR+71/	A1/A/-
	500/	5yr/	4.20%/	T+65/	
	750/	5yr/	SOFR+89/	SOFR+89/	
	500	10yr	4.8%	T+80	

➤ **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 76 credit bonds issued yesterday with an amount of RMB53bn. As for month-to-date, 1,041 credit bonds were issued with a total amount of RMB795bn raised, representing a 27.2% yoy decrease
- **[ARAMCO]** Saudi Aramco canceled some liquefied petroleum gas deliveries after damage to a delivery system at its Juaymah facility
- **[CKHH]** CK Hutchison agreed to sell 100% of UK Power Networks Holdings to France's Engie for cUSD14.2bn
- **[CTFSHK]** CTF Services 1HFY26 adjusted EBITDA rose 0.97% yoy to HKD3.6bn (cUSD459mn)
- **[DALWAN]** Dalian Wanda Commercial Management sold Changzhou Xinbei Wanda Plaza Investment
- **[FOSUNI]** Fosun pharma business to issue corporate bonds for up to RMB6bn (cUSD872.7mn)
- **[KDB]** Korea Development Bank will review the privatisation of Korean shipping firm HMM after the shipper's relocation to Busan is completed
- **[IIFOIN]** IIFL Finance plans to raise USD500-750mn via external commercial borrowings and USD social bonds in Mar'26
- **[NIO]** NIO said certain Chinese investors will infuse RMB2.3bn (cUSD329mn) in its subsidiary, GeniTech, by subscribing to its shares

- **[PTTGC]** PTT Global Chemical estimated its capex for the 2026-2030 period totaled USD553mn, i.e. USD96mn in 2026, USD146mn in 2027, USD102mn in 2028, USD163mn in 2029, and USD46mn in 2030
- **[TAISEM]** Taiwan Semiconductor Manufacturing net revenue up 32% in FY25 to TWD3.8tn (cUSD121.6bn)

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