

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

- *Markets were active and better buying this morning. In IG space, high beta names XIAOMI, LENOVO and HYUELE tightened 5-10bps. For SOE Perp/LGFV/AT1, we also saw abundant deployment from onshore buyers and long duration names were preferred.*
- **ADANIG:** *Adani Group issued further detailed responses to Hindenburg Research. Separately, it does not plan to change the schedule or pricing of its USD2.5bn FPO. ADANIG'24, ADANEMs and ADSEZs down another 1-6.5pts this morning.*
- **VEDLN:** *Media reported that Vedanta is in discussion with Oaktree and Indian banks to refinance USD2.5bn debts maturing in 1H23. VEDLNs moved -0.75 to +0.5pt this morning.*

❖ Trading desk comments 交易台市场观点

Last Friday, Asia IG had another very quiet day but tone in the space remained firm. Flow-wise, we saw better buying across the board. On recent new issues, Korea names outperformed as new HYUELE tightened 5-8bps and HK names were 2-3bps tighter. Financials space was mixed. CCAMCL/HRINTH curves still underperformed by grinding 3-12bps wider. T2 benchmarks CCBs/BNKEAs were unchanged to 2bps tighter, and leasing names like ICBCIL/CMINLE tightened 2-5bps. TMT benchmarks continued to show better buying. BABA/TENCNT were sought-after by bank accounts to close 1-3bps tighter, while high beta names LENOVO/XIAOMI widened 5-7bps as these BBB names encountered some profit taking. In IG properties, LNGFORs/VNKRLEs were 4-8bps wider across the curve. China HY was slightly more active across the spaces. SINOCEs 29-30s were up 1.5pts. COGARDs/CSCHCNs/CHINSCs were also 0.5-1pt higher. AGILEs/GRNLGRs were, on the other hand, 0.5-1.5pts lower. ROADKG perps were traded up 1.5-3pts. Among HK Corp names, NWDEVL/NWSZF were traded 0.5-1pt higher. In industrial space, FOSUNIs edged 0.5pt lower. In Macau gaming space, MPELs/MGMCHIs were up 0.5-1pt. SANLTDs/STCITYs closed 1-1.5pts higher. Ex-China HY space was mixed. Indian space still suffered from short selling on Adani Group. ADANIGs notably plunged around 8pts to close at 77.5 level. ADSEZs/ADANEMs/ADTINs were all further marked down 1.5-3.5pts. VEDLNs lowered 0.5-1pts on the day. As per Friday's earnings call, Vedanta planned to reduce debts at both the Indian-listed VDL/London-based parent VRL. AZUPOEs were also down 1-2pts. In Indonesian HYs, LPKRIJs/LMRTSPs were unchanged to 0.25pt higher. KIJAIJ '27/MEDCIJ '28 were up 0.5-1pt.

In the LGFV/SOE Perp/AT1 space, market was stable amid thin liquidity. In LGFVs, we saw balanced two-way flows on quality names.

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GSIAV/CQLGST closed unchanged to 0.5pt lower with better selling. In SOEs, HAOHUA/HUADIA Perps tightened 3-10bps whilst CNOOC widened 2-7bps. AT1s were stable with light volume. NANYAN 6.5 Perp notably tightened 20bps.

❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
ROADKG 7 3/4 PERP	61.2	3.0	ADANIG 4 3/8 09/08/24	77.5	-7.8
BTSD 5 5/8 10/24/24	94.0	2.5	ADSEZ 4 07/30/27	78.8	-3.6
GXFING 3.6 11/18/23	93.7	1.9	ADGREG 6 1/4 12/10/24	91.0	-3.5
SINOCE 4 3/4 08/05/29	73.0	1.5	ADSEZ 4 3/8 07/03/29	75.8	-3.4
COGARD 8 01/27/24	86.3	1.4	ADSEZ 4.2 08/04/27	79.6	-3.2

❖ Macro News Recap 宏观新闻回顾

Macro – U.S. stock markets edged up on last Friday, S&P (+0.25%), Dow (+0.08%) and Nasdaq (+0.95%) rose as the U.S. Dec core PCE recorded the lowest level with 4.4% since Nov'21, which may slow Fed's pace of interest rate hike. The National Association of Realtors (NAR) published on Friday its Pending Home Sales Index, rose 2.5% to 76.9 last month. That was the first increase in pending home sales since May'22. The U.S. treasury yields curve shifted up on last Friday that 2/5/10/30 yields reached 4.19%/3.62%/3.52%/3.64%, respectively.

➤ Offshore Asia New Issues (Priced)

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Yield	Issue Rating (M/S/F)
No Offshore Asia New Issues Priced Today					

➤ Offshore Asia New Issues (Pipeline)

Issuer/Guarantor	Currency	Size (USD mn)	Tenor	Pricing	Issue Rating (M/S/F)
Bank of New Zealand	USD	-	5yr	T+140	A1/AA-/-

➤ News and market color

- Regarding onshore primary issuances, there were 8 credit bonds issued last Sunday with an amount of RMB16bn. As for Month-to-date, 1,074 credit bonds were issued with a total amount of RMB928bn raised, representing a 44.7% yoy decrease
- Banks that finance companies cutting carbon emissions can keep receiving cheap loans from PBOC until the end of 2024. PBOC will also extend its clean-coal use re-lending program to Dec'23 and will let foreign and local lenders deepen global green finance collaboration
- Hong Kong home prices suffered the steepest drop in 2022 since 1998. Live-in home prices declined 15.6% last year, the most since 32.5% slump in 1998 according to the data released by the HKSAR Government

- Media reported that China will implement policies to promote a consumption rebound as a way to drive economic growth and boost imports
- **[ADANIG]** Adani Group issued further detailed responses to Hindenburg Research. Separately, it does not plan to change the schedule or pricing of its USD2.5bn FPO
- **[AZUPOE]** Azure Power said that its FY22 unaudited operating revenue rises 21.4% to USD227mn, the company estimates FY23 revenue is USD245.4mn to USD257.7mn
- **[BUMIILJ]** Bumi Resources CCC rating withdrawn by S&P at the company request
- **[PINGIN]** Media reported that Ping An Insurance Overseas seeks lenders' commitments by 24 Feb for up to USD 500mn loan at SOFR+ 185bps top-level all-in
- **[VEDLN]** Media reported that Vedanta is in discussion with Oaktree and Indian banks to refinance USD2.5bn debts maturing in 1H23; It also plans to use proceeds from the sale of its international zinc assets to fund expansion and deleveraging
- **[YANGOG]** Yango Group announced that it is unable to make payment due 30 Jan regarding USD26.56mn exercised put option of 21Yangcheng01 bonds

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