

CMBI Credit Commentary

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

- *This morning, Asian IG credits were largely unchanged amid better selling in long-end JP issues and front-end T2s. The recent new issue WLISRC 36 was 0.6pt weaker. VLLPM 29 rose 2.1pts. VNKRLE 27 edged 0.2pt higher. EHICAR 26 lost 1.0pt. We saw better selling in IG LGFV issues.*
- **DBMMN:** *Tender offer for DBMMN 8.5 07/03/28 and concurrent 5yr USD bonds issue. DBMMN 8.5 28 rose 0.4pt post tender offer announcement. See below.*
- **STCITY:** *Studio City Finance plans to early redeem its outstanding USD165mn STCITY 6.5 01/15/28 at par on 18 Jul'26. STCITY 29 down 0.1pt this morning.*

❖ Trading desk comments 交易台市场观点

Last Thursday in financials, TW lifers closed largely unchanged, we saw better selling in CATLIF and small better buying in FUBON. STANLN 7 Perp/NOMURA 7 Perp were 0.1pt weaker. In Chinese IG, TENCNT 36/KUAISH 36 tightened 1bp amid better buying from Chinese AMs. We saw RMs also buying MTRC 55s/XIAOMI 51s, while selling front-end FRNs. In Chinese HY/higher-beta space, EHICAR 27 leaked 0.9pt, while EHICAR 26/29 were unchanged. Chinese properties LNGFOR 28-32 were 0.1-0.5pt lower. Longfor expects interest-bearing debt to fall to cRMB120bn by end-2028. VNKRLE 27-29 lost 0.1-0.3pt.

In JP, SOFTBKs were 0.3pt lower to 0.4pt higher. RAKUTNs/KIOXIA 30-33 traded unchanged to 0.1pt lower. In SE Asian space, We saw RMs buying EXIMBK 56s. VLLPM 29 gained 1.5pts. On the other hand, GENTMK Perps were down 0.9-1.1pts. Genting Overseas has decided not to proceed with the proposed SGD NC5.5 perp issue. GLPSPs/GLPCHIs were 0.2-0.7pt weaker. PTTGC/TOPTB Perps leaked 0.2-0.3pt. MEDCIJ 28-30/VEDLN 28-33s were 0.1pt lower to 0.1pt higher. In the Middle East, ARAMCOs were unchanged to 0.7pt higher. Aramco is considering the sale of a stake in its sulfur business that could raise up to USD7bn as part of a broader plan to monetize infrastructure assets.

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❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
VLLPM 9 3/8 07/29/29	44.5	1.5	GENTMK 8.3 PERP	97.3	-1.1
AVAPLN 8 1/2 05/15/31	93.8	1.0	GENTMK 7 5/8 PERP	97.6	-0.9
PTTGC 5.2 03/30/52	91.6	0.8	EHICAR 12 09/26/27	47.1	-0.9
BABA 5 5/8 11/26/54	101.2	0.8	GLPSP 4.6 PERP	55.0	-0.7
ARAMCO 5 3/4 07/17/54	95.8	0.7	GLPSP 7.865 PERP	60.1	-0.7

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (+1.08%), Dow (+0.14%) and Nasdaq (+1.91%) were higher on last Friday. UST yield were lower on last Friday. 2/5/10/30 year yield was at 4.19%/4.23%/4.46%/4.90%.

❖ Desk Analyst Comments 分析员市场观点

➤ **DBMMN: Tender offer for DBMMN 8.5 07/03/28 and concurrent 5yr USD bonds issue**

On 18 Jun'26, Development Bank of Mongolia (DBM) launched a tender offer for any and all of its DBMMN 8.5 07/03/28, the sole outstanding USD bond of DBM with an outstanding amount of USD500mn. The tender offer consideration is USD1,038 per USD1,000 principal amount. DBMMN 28 rose c0.3pt to 103.9 following the tender offer announcement. See Table 1.

The tender offer will be funded by a concurrent new 5yr USD bonds issue, expected to be priced before the tender offer expiration date of 2 Jul'26. We consider the FV of new DBMMN 31 to be low-to-mid-7%, taking cues of the yield of MONGOLs and the spread differential between MONGOL 28 and DBMMN 28. The proposed issue will be structured as a USD 144A/Reg S senior unsecured bond, expected to be rated at B1/BB-/-(M/S/F). DBM is rated on par with Mongolia's sovereign rating, reflecting its government's ownership structure and the expectation of extraordinary sovereign support, if required.

Table 1: Summary of tender offer and concurrent USD bonds issue

Issuer:	Development Bank of Mongolia
Tender offer	
Security name	DBMMN 8.5 07/03/28
ISIN	XS3084026817
Amount outstanding	500
Amount subject to tender	Any and all
Tender px	103.8
Expiration date	2 Jul'26 5pm Central European Summer Time
Results announcement date	3 Jul'26
Settlement date	7 Jul'26
Ask px	104.0
YTM	6.4%
Concurrent USD bonds issue	
Tenor	5yr
Bond rating (M/S/F)	B1/BB-/-

Coupon type	Fixed
Pricing date	Prior to 2 Jul'26
Rank	Senior unsecured
Use of proceeds	To fund tender offer and refinance other existing debts

Source: Company filing.

➤ 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	Pricing	Issue Rating (M/S/F)
Guoneng Environmental Protection Investment Group	USD	-	3yr	4.85%	A3/-/-
NH Investment & Securities	USD	-	3yr/ 5yr	T+105/ T+110	A3/A-/-
POSCO International	USD	-	5yr	T+120	Baa2/BBB/-

➤ News and market color

- Onshore primary issuances were suspended last Friday on the Dragon Boat Festival Holiday. As for month-to-date, 1,563 credit bonds were issued with a total amount of RMB1,627bn raised, representing a 18.2% yoy increase
- Media reported China plans to inject RMB62.5bn (cUSD9.2bn) into a consumer trade-in program to revive flagging retail sales
- **[ARAMCO]** Aramco is considering the sale of a stake in its sulfur business that could raise up to USD7bn as part of a broader plan to monetize infrastructure assets
- **[BHP]** BHP Group is seeking to sell its electricity transmission lines in Chile, valued at cUSD1.5bn
- **[DIBUH]** Dubai Islamic Bank is launching a USD750m three-year senior unsecured Islamic financing
- **[FRESHK]** Far East Horizon updated USD4bn MTN, perps programme
- **[GENTMK]** Genting Overseas Holdings decided to not proceed with its proposed SGD NC5.5 perps
- **[GRNCH]** Greentown China Holdings said its offices have been searched by Hong Kong anti-corruption authorities amid an investigation involving a former director
- **[HYNMTR/SOFTBK]** Hyundai Motor Group will buy an additional 9.7% stake in Boston Dynamics from SoftBank Group for USD325mn, making it a wholly owned subsidiary

- **[LASUDE]** Lai Sun Development to complete 50% stake sale of Central office property by early Jul'26
- **[LIHHK]** Lifestyle International Holdings obtained a loan facility of HKD6.4bn (cUSD817mn) for debt refinancing, just hours before the deadline
- **[LNGFOR]** Longfor expects interest-bearing debt to fall to cRMB120bn by end-2028
- **[NSANY]** Nissan Motor is in advanced discussions to receive aid from the UK government for its plant in Sunderland, England
- **[STANLN]** Standard Bank Group targeted a ZAR250bn (cUSD15.4bn) African business banking revenue pool amid growing intra-continental trade in the short term
- **[YANGZH]** Moody's upgraded Yangzhou Econ and Tech to Baa3 from Ba1, outlook stable

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