

## CMBI Credit Commentary

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

#### The Asset G3 Bond Benchmark Review 2026

We hope you found our commentaries and ideas helpful. We seek to elevate our efforts and value-add further in the coming year. We highly appreciate your support to us in Sell-Side Analysts of the polls of "[The Asset G3 Bond Benchmark Review 2026](#)". Thank you for your support!

- *Asia IG credits were largely unchanged this morning, amid AMs selling front-end Korean issues/HK T2s while Chinese accounts buying 5yr AMCs. SOFTBK 65 was up 0.5pt. YPCORP 29 lost 0.6pt. EHICAR 29 was 0.5pt lower. Long-end CNH issues edged 0.3pt higher amid better buying from AMs.*
- **SHUION:** *Continues to leverage on its IP portfolio to enhance financial flexibility. SHUION 29 was unchanged this morning. See below.*
- **DAIL/NIPLIF:** *Moody's upgraded IFSR rating of Nippon Life and Daiichi Life by one notch to Aa3 from A1 under the updated rating methodology which changed the criteria for rating entities above the sovereign rating. DAILs/NIPLIFs were unchanged this morning amid slightly better buying.*

#### ❖ Trading desk comments 交易平台市场观点

Last Friday, the new STANLN 7 Perp edged 0.6pt higher from RO at par, amid better buying from RMs and PBs. The Macau gaming complexes were unchanged to 0.3pt higher. In HK, the NWDEVL/VDNWDL complex gained up to 0.7pt. FAEACO 12.814 Perp closed 0.5pt higher. Far East Consortium completed the disposal of 50% stake in Ritz Carlton Perth. Chinese TMTs MEITUA/XIAOMI traded 2bps tighter to 3bps wider. See our comments on Xiaomi 1Q26 results [last Friday](#). WESCHI 28-29 edged 0.1-0.4pt higher. In Chinese properties, VNKRL 27' and 29' were 0.5-0.7pt higher, while LNGFOR 28-32 gained 0.2-0.5pt. Vanke units have received approval from banks to extend RMB1.184bn (cUSD175mn) loans in total. In SE Asian space, GARUDA 31 led the space and rose 2.1pts. VEDLN 28-33s closed up to 0.3pt higher. See our comments on Vedanta on [28 May'26](#). TOPTB/PTTGC Perps traded 0.2-0.3pt higher. GLPSPs/GLPCHI were 0.3pt lower to 0.1pt higher. GLP Pte plans to sell non-China data center assets with a net asset value of around USD1bn to a fund managed by Ares Management this year. In JP space, insurance subs NIPLIF/DAIL climbed by 0.5pt on the back of Moody's upgrades, and RESLIF/SUMILF edged 0.1-0.3pt firmer amid better buying demand from prop desks and PBs. SOFTBKs gained 0.1-0.6pt. SoftBank will invest up to USD87.5bn to develop 5GW data center in France. The LGFV space was overall stable amid two-way flows among RMs and tactical investors. We saw some sporadic selling in higher-yielding USD issues but they were largely well digested.

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## ❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
GARUDA 6 1/2 12/28/31	84.1	2.1	VLLPM 9 3/8 07/29/29	36.5	-1.7
CCAMCL 4 3/4 12/04/37	92.6	1.0	HAOHUA 3.7 09/22/50	75.2	-1.3
PLBIJ 5 3/8 05/05/45	92.7	0.8	TAISEM 2 1/2 10/25/31	89.7	-0.8
PLNIJ 4 06/30/50	70.3	0.8	YANTZE 3.2 10/16/49	74.9	-0.8
PLNIJ 4 7/8 07/17/49	81.5	0.7	CFAMCI 4.95 11/07/47	91.7	-0.6

## ❖ Marco News Recap 宏观新闻回顾

**Macro** – S&P (+0.22%), Dow (+0.72%) and Nasdaq (+0.20%) were higher on last Friday. US May'26 Chicago PMI was 62.7, higher than the market expectation of 50.6. 2/5 year UST yield were lower on last Friday. 2/5/10/30 year yield was at 3.98%/4.13%/4.45%/4.99%.

## ❖ Desk Analyst Comments 分析员市场观点

## ➤ SHUION: Continues to leverage on its IP portfolio to enhance financial flexibility

Shui On Land (SOL) filed an application with Shanghai Stock Exchange to issue RMB5.8bn (cUSD845mn) in ABS, backed by its Wuhan Xintiandi project. We view this as an another demonstration of SOL's ability to monetize its IPs portfolio to enhance its financial flexibility. In Jan'26, SOL issued USD450mn SHUION 29 to fund a concurrent tender offer for SHUION 26, accepting USD295.218mn of the USD400mn outstanding and leaving USD104.782mn remaining. The LME effectively extended SOL's maturity profile and alleviated near-term refinancing pressure. Despite persistent sector headwinds, SOL remains one of the few Chinese property developers that continues to honor offshore obligations, underpinned by onshore funding access and ongoing asset disposals. We are neutral on SHUION 29 on valuation. In Chinese properties space, we like CHJMAO, FUTLAN/FTLNHD, GRNCH, and LNGFOR.

Table 1: SHUIONs and our Chinese properties picks

Security name	ISIN	Amt o/s (USD mn)	Ask px	YTW	Issue rating (M/S/F)
SHUION 5.5 06/29/26	XS2358225477	104.782	100.1	3.4%	Unrated
SHUION 9.75 01/26/29	XS3040578745	450	101.9	8.9%	Unrated
CHJMAO 4.25 07/23/29	XS2030348903	500	93.4	6.6%	Ba3/-/
FTLNHD 11.88 09/30/27	XS3192214685	94.027	98.4	13.2%	-/B-/
FUTLAN 11.88 06/26/28	XS3099012406	350	99.5	12.3%	-/B-/
GRNCH 8.45 02/24/28	XS2971601336	500	101.9	7.0%	B1/-/
LNGFOR 3 3/8 04/13/27	XS2098539815	250	95.9	8.4%	B2/B+/BB-
LNGFOR 4 1/2 01/16/28	XS1743535491	500	93.6	8.8%	B2/-/BB-
LNGFOR 3.95 09/16/29	XS2033262895	850	84.7	9.5%	B2/B+/BB-
LNGFOR 3.85 01/13/32	XS2098650414	400	74.7	9.8%	B2/B+/BB-

Source: Bloomberg.

➤ **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)
No Offshore Asia New Issues Pipeline Today					

➤ **News and market color**

- Regarding onshore primary issuances, there were 74 credit bonds issued last Friday with an amount of RMB48bn. As for May'26, 1,407 credit bonds were issued with a total amount of RMB1,550bn raised, representing a 4.8% yoy decrease
- China allows local government special-purpose bonds to support urban renewal projects
- **[DAIL]** Moody's upgraded IFSR rating of Daiichi Life by one notch to Aa3 from A1 and upgraded its subordinated debt rating to A2 from A3
- **[FAEACO]** Far East Consortium completed disposal of 50% stake in Ritz Carlton Perth
- **[LENOVO]** Lenovo to build R&D, manufacturing base for AI computing products in Tianjin
- **[MITMOT/NSANY]** Nissan, Mitsubishi to jointly produce vehicles in North America and Japan
- **[NIPLIF]** Moody's upgraded IFSR rating of Nippon Life by one notch to Aa3 from A1, its senior unsecured debt ratings to A1 from A2, and its subordinated debt ratings to A2 from A3
- **[SOFTBK]** SoftBank to invest up to USD87.5bn to develop 5GW data center in France
- **[TOPTB]** Thai Oil raised loan, lending limits under ICBL contract with parent PTT
- **[TTMTIN]** Tata Motors targets 50% ramp-up in EV output in coming months amid surging demand
- **[VNKRLE]** China Vanke shareholders approved Shenzhen Metro loan agreements at AGM; received approval from banks to extend RMB1.2bn (cUSD175mn) loans in total
- **[ZHONAN]** Moody's upgraded ZhongAn Online P&C Insurance by one notch to A3 from Baa1 on its improved profitability, reduced product risk and enhanced financial flexibility; outlook changed to stable from positive

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