

CMBI Credit Commentary

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

- *Quiet market this morning with demand on LGFVs due 23/24. SOE Perps and AT1s continued to be stable with buying interests from offshore buyers. China HY property performed well, CHINSC'26 up 11pts by mid-day, the rally of CHIINSCs continued after early redemption of RMB1.3bn ABS on 8 Dec'22. AGILEs were up 1-3pts.*
- **SHIMAO:** *Media reported Shimao's maturity extension plan for its 5 onshore bonds of RMB4.43bn to Dec'26 with no upfront payment and collateral. It proposes to amortize the notes in nine installments to be paid every three months from Dec'24 to Dec'26. SHIMAOs were -1.5 to +1.5pts this morning.*
- **PWRLNG:** *Powerlong cured missed 13 Nov USD coupon of PWRLNG 4.9 05/13/26 within grace period. PWRLNGs up 0.25 to 3.5pts this morning.*

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❖ Trading desk comments 交易台市场观点

U.S Nov CPI data was published as +7.1% yoy on Tuesday and lower than the expectation of +7.3% yoy. The lower than expected inflation data led to a 4-17bps down of long-end UST yields. Market overall remained stable with thin trading volume yesterday. In China IG space, TMT names continued to perform well, MEITUA, TENCNT and BIDU tightened 2 to 6bps, BABA, JD and XIAOMI slightly narrowed 1 to 3bps. Financial sector remained stable, CCAMCLs up 0.25 to 1pt while other AMCs were weak. AT1 and T2 were traded firm with light fluctuation. IG properties stayed calm after last week's rally, VNKRLs, LNGFORs and YUEXIUs moved -0.25 to 0.25pt. China HY properties outperformed compared to other sectors, CHINSCs up 5.5 to 8pts yesterday and has rebounded 10 to 15pts since the company repaid the onshore ABS of cRmb1.3bn due 20 Dec'22 in advance on 8 Dec'22. ROADKGs and CSCHCNs were also up 0.5 to 5pts. Markets showed tame reaction to Seazen's RMB2bn CBICL onshore bonds issuance, FUTLANs/FTLNHDs were -1 to +0.5pt. SHIMAOs were up 0.75 to 2pts amid the news of its plan to extend five onshore bonds totaled RMB4.43bn to Dec'26 and first installment will be paid in Dec'24. In industrials, FOSUNIs were slightly up 0.25 to 0.5pt. EHCARs and CARINC moved -0.5 to +0.75pt. Macau gaming sector was relatively stable compared to previous days, all names fluctuated between -0.5 to 1.5pts. Outside China, Indian/Indonesian names were also stable. MEDCIJs, VEDLNs and ADROIJ were -0.5 to 0.5pt.

Tuesday, SOE sector continued to show two way flows balanced, CSSSHIs, HAOHUAs and CNOOCs tightened up to 5bps, SINOPEs, CHALUMs and CHGRIDs were traded firm. There was demand on short term LGFV names of strong regions, BJSTAT, YWSOAO and NJYZSOs edged up 0.25pt. Other active traded names BEIPRO, TLINVT, CQNANA'24 were unchanged to up 0.25pt.

❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
CHINSC 7 1/4 04/19/23	64.0	7.8	HRINTH 4.95 11/07/47	69.0	-1.4
CHINSC 7 3/8 04/09/24	47.2	6.5	MDLNIJ 3 04/30/27	42.7	-1.4
CSCHCN 9 07/20/24	55.9	4.9	CENCHI 7.9 11/07/23	28.8	-1.3
ROADKG 5.2 01/12/26	71.6	3.9	FUTLAN 4.45 07/13/25	69.6	-0.9
LIHHK 4.8 06/18/26	73.7	3.7	BBNIJ 4.3 PERP	76.7	-0.9

❖ Market News Recap 市场新闻回顾

Macro – U.S. stock markets rallied on Tuesday, the S&P (+0.73%), Dow (+0.30%) and Nasdaq (+1.01%) opened high with lower than expectation Nov CPI data, which is +7.1% yoy. While the markets gradually cooled down near closing as investors are cautious about Wednesday's FOMC meeting result. Media reported that China plans to provide RMB1tn support for semiconductor industry. The U.S. treasury yields overall down yesterday and 2/5/10/30 yields were bull steepened to 4.22%/3.66%/3.51%/3.53%, respectively.

➤ Offshore Asia New Issues (Priced)

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Yield	Issue Rating (M/S/F)
WLB Asset II D Pte Ltd	USD45	4yr	6.5%	6.5%	-/-/-

➤ 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 95 credit bonds issued yesterday with an amount of RMB91bn. As for Month-to-date, 623 credit bonds were issued with a total amount of RMB640bn raised, representing a 33.4% yoy decrease
- **[FOSUNI]** Fosun Tourism Group subsidiary Club Med to provide EUR10mn loan to Fosun International unit for Kiroro Project
- **[GDPLY]** Beijing Energy International assigned first-time A rating by Fitch
- **[GEELY]** Geely Automobile EV unit Zeekr submits draft registration statement for possible IPO in US

- **[LOGPH]** Logan appoints Cosimo Borrelli of Kroll (Hong Kong) as Chief Restructuring Officer to advise on holistic debt extension plan; The company received onshore bondholder's approval on extension of 21 bonds
- **[MIDEAP]** Midea Real Estate raises RMB1.25bn via corporate bond offering to repay debts
- **[PWRLNG]** Powerlong cures missed 13 Nov USD coupon of PWRLNG 4.9 05/13/26 within grace period
- **[SHIMAO]** Media reported that Shanghai Shimaos is seeking to extend five series of RMB4.43bn onshore bonds to Dec'26 due to tight liquidity. The company has no plan to offer an upfront payment to bondholders and will not provide collateral, it proposes to amortize the notes in nine installments to be paid every three months from Dec'24 to Dec'26
- **[SJM HOL]** SJM Resorts completes registration of capital increase (MOP300mn to MOP5bn) for new gaming concession pursuant to Macau Gaming Law

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