

CMBI Credit Commentary

Fixed Income Daily Market Update 固定收益部市場日報

- *This morning, the new SOFTBK 7.625 04/29/61 and SOFTBK 8.25 10/29/65 lowered 0.3-0.5pt from RO at par. The new YANTZE 1.79 10/22/28 tightened up to 6bps from initial pricing at T+16. Asia IG space was overall unchanged to 2bps wider. We saw AMs buying front-end KR bonds. MTRC Perps rose 0.3-0.7pt.*
- **SANLTD:** 3Q25 results supported by the growing contribution from The Londoner Macao. SANLTD 26-31s were unchanged this morning. See below.
- **SHIKON:** Nvidia's plan to build headquarters in Taipei will progress after Shin Kong Life Insurance Company, which owns the development rights of the land sites, agreed to end the contract with Taipei city government. TW lifers were unchanged this morning.

❖ **Trading desk comments 交易台市场观点**

Yesterday, the new ASBBNK 4.155 30 tightened 2bps from issuance at T+60, and ASBBNK Float 30 tightened 12bps from RO at SOFR+90. The new GS COR 4.25 30 was initially traded by AM flippers and tightened 2bps from pricing at T+77, and later had small PB buyers. See our comment on GS COR on [21 Oct'25](#). For the rest of KR space, we saw front-end buyers on HYUEEs and sellers on HYNMTRs/KTGCs, but the overall spreads were largely unchanged. In JP space, SOFTBK 27-35s were unchanged to 0.2pt higher. See our comment on SOFTBK [yesterday](#). Japanese insurance hybrids were 0.1-0.3pt higher amid better-buying from RMs. AMs out of Asia were buying front-end HSBC/BNP while retail buyers for long-end papers. Yankee AT1s fell a touch softer after London opened. There was street lifting for ultra-long China TMT bonds like TENCNT while only light flows from PBs on the rest of TMT front-end bonds and belly-to-10-years. REGH 6.5 Perp was 1pt higher. The NWDEVL complex dropped 0.1-1pt. In Macau gaming, SJMHOLs/MGMCHIs/MPELs/SANLTDs/STCITYs/WYNMACs were 0.1pt lower to 0.1pt higher. See comments below on Sands China. In Chinese properties, YUZHOU 27 recovered 0.7pt. VNKRLE 27 underperformed and closed 0.9pt lower, while VNKRLE 29 was 0.5pt higher. LNGFOR 27-32s were down by 0.1pt. In Southeast Asia, VLLPM 27-29 continued to lead the space and rose 1.4-1.6pts. SMCGL Perps were 0.1pt lower to 0.1pt higher. San Miguel Global Power fully redeemed USD750mn SMCGL 7 PERP.

In LGFV space, the new GEZHOU 4.25 PERP edged a few cents higher from RO at par. There were more AM buyers for AAA-guaranteed and higher-yielding issues, while tactical investors were trimming exposure of HY bonds.

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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	60.8	1.6	NWDEVL 5 1/4 PERP	47.7	-1.0
VLLPM 7 1/4 07/20/27	70.6	1.4	NWDEVL 6 1/4 PERP	41.0	-1.0
NANFUN 5 PERP	79.6	1.0	VNKRLE 3.975 11/09/27	73.7	-0.9
REGH 6 1/2 PERP	28.2	1.0	NWDEVL 4 1/8 PERP	42.2	-0.9
YUZHOU 7 06/30/27	12.7	0.7	NWDEVL 4.8 PERP	40.2	-0.8

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (-0.53%), Dow (-0.71%) and Nasdaq (-0.93%) were lower on Wednesday. US Crude Oil Inventories was -0.961mn, lower than the market expectation of +2.2mn. UST yield bull flattened on Wednesday. 2/5/10/30 yield was at 3.45%/3.56%/3.97%/4.54%.

❖ Desk Analyst Comments 分析员市场观点

➤ SANLTD: 3Q25 results supported by the growing contribution from Londoner Macao

In 3Q25, Sands China's revenue and adj. property EBITDA increased 7.6% and 2.7% yoy to USD1.9bn and USD601mn, respectively, supported by the growing contribution from The Londoner Macao which was the only facility of Sands China posted yoy growth in revenue and adj. property EBITDA. Recalled that The Londoner Macao hotel tower was under rebranding and renovation starting from 2Q24, and the works were completed in 2Q25. In 9M25 Sands China's revenue increased 1.1% to USD5.4bn while adj property EBITDA declined 3.1% to USD1.7bn. The growing contributions from The Londoner Macao mitigated the weaker performance of Sands China's other facilities. Its adj. property EBITDA margin was 31.5% in 9M25, compared with 32.9% in 9M24. Sands China's market share by mass market revenue share and adj. property EBITDA recovered to 25.4% and 27.8% in 3Q25 from 24.0% and 27.4% in 2Q25, respectively. Nonetheless, the adj. property EBITDA, market share by mass market revenue share and adj. property EBITDA in 3Q25 remain below the levels of USD610mn, 25.6% and 30.1% prior to the rebranding and renovation works in 1Q24.

We are neutral on SANLTDs on valuation. Within the Macau gaming sector, our top picks are MPELs and STCITYs in view of the improving market shares and growing adj. EBITDA of Melco and Studio City, as well as the more appealing risk-return profiles of MPELs/STCITYs. Additionally, we consider WYNMAC'27, '28 and '29 yield pick-up plays, trading at 40-60bps over bonds of its US parent. We are also neutral on MGMCHIs and SJMHOLs on valuation. See our [Macau gaming sector piece on 5 Sep'25](#) for more discussions.

Table 2: Our Macau gaming USD bond picks

Security name	ISIN	Amt o/s (USD mn)	Ask Px	YTM	Mod dur
MPEL 5.375 12/04/29	USG5975LAE68	1,150	98.1	5.9%	3.6
MPEL 7.625 04/17/32	USG5975LAK29	750	105.0	6.7%	3.0
MPEL 6.5 09/24/33	USG5975LAL02	500	100.2	6.5%	4.1
STCITY 6.5 01/15/28	USG85381AF13	500	99.9	6.5%	2.0
STCITY 5 01/15/29	USG85381AG95	1,100	95.5	6.5%	2.9
WYNMAC 5.5 10/01/27	USG98149AD29	750	100.0	5.5%	0.0
WYNMAC 5.125 12/15/29	USG98149AE02	1,000	98.1	5.6%	3.6

Source: Bloomberg.

➤ Offshore Asia New Issues (Priced)

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
China Three Gorges Corporation	700	3yr	3.6%	T+16	A1/-/-
Softbank Group	900/	35.5NC5.5/	7.625%/	7.625%/	-/B+/-
The Republic of Korea	1000	5yr	3.625%	T+17	Aa2/AA/AA-

➤ Offshore Asia New Issues (Pipeline)

Issuer/Guarantor	Currency	Size (USD mn)	Tenor	Pricing	Issue Rating (M/S/F)
Deyang Development Holding Group Co., Ltd.	USD	-	3yr	5.0%	-/-/BBB-
Shangrao Investment Holdings International Company Limited	USD	-	3yr	5.1%	-/-/BBB-

➤ News and market color

- Regarding onshore primary issuances, there were 179 credit bonds issued yesterday with an amount of RMB171bn. As for month-to-date, 1,087 credit bonds were issued with a total amount of RMB1,062bn raised, representing a 33.2% yoy increase
- Danantara aims to consolidate the country's state-owned enterprises to 240 from 1,044 in five years
- [BNKEA]** Bank of East Asia completed redemption of USD650mn BNKEA 5.825 PERP
- [CHALUM]** Rio Tinto is considering an asset-for-equity swap with Aluminum Corporation of China (Chinalco)
- [COGARD]** Country Garden's unit turns to automation to cut labor costs amid competitive pressures
- [GLPCHI]** GLP China aims to emerge with benchmark USD bond offering as early as this month
- [JD]** JD.com is entering Hong Kong's insurance brokerage market
- [ORIX]** ORIX's REIT arm acquired two Japan properties for JPY31.8bn (cUSD209.5mn)
- [SANLTD]** Sands China 3Q25 adjusted property EBITDA climbs 2.7% yoy
- [SMCGL]** San Miguel Global Power fully redeemed USD750mn SMCGL 7 PERP
- [VNKRLLE]** China Vanke has won the bid for a land parcel in Xuzhou's Tongshan District for RMB213mn (cUSD30mn)
- [XINAOG]** ENN has yet to fulfil three pre-conditions to ENN Energy privatization offer

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