

CMBI Credit Commentary

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

The Asset Asian G3 Bond Benchmark Review 2025

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- *The new ICILAT Float 28 widened 2bps from RO this morning. The new MIZUHO Float 31 tightened 10bps, while MIZUHO 4.711 31/MIZUHO 5.323 36 widened 2bps from ROs. TACHEM 5.2 35/TACHEM 5.9 55 widened 3bps from ROs. FAEACO Perp was 2.5pts lower following its FY25 results with no final dividend. NWDEVL 30 was up 0.8pt.*
- **VEDLN:** *Secures up to USD600mn facility to refinance PCF at lower cost. We maintain buy on VEDLN 10.875 09/17/29. At 103.3, VEDLN 10.875 09/17/29 is trading at YTM of 9.6%, and up 5.7pts since the Vedanta Ltd released FY25 results at end-Apr'25. See below.*
- **CPDEV:** *Central Plaza Development announces tender offer for all of the o/s USD188.238mn CPDEV 4.65 01/19/26, and consent solicitation to allow early redemption of all of the bonds at any time at par by giving not less than five business days' notice. Early tender consideration at 100.2 and early deadline on 10 Jul'25 4pm BST. We maintain buy on CPDEVs, see our comments on 14 Mar'25. CPDEVs were unchanged this morning.*

❖ Trading desk comments 交易台市场观点

Yesterday, on primary, ICILAT priced a 3yr floating rated bond (keepwell provided by ICBC Financial Leasing) at SOFR+63. MIZUHO priced 6NC5 fixed rated and floating rated bonds at T+92 (IPT at T+120) and SOFR+125, respectively. MIZUHO also priced 11NC10 bond at T+107 (IPT at T+135-140). TACHEM priced 10yr and 30yr bonds at T+100 (IPT at T+125-130) and T+110 (IPT at T+140-145), respectively. The new NOMURA 4.904 30/NOMURA 5.491 35 widened 1-3bps, the new NOMURA 7 Perp was unchanged. The new WSTP Float 30 widened 2bps. In Chinese IGs, HAOHUA/BABA 27-35s were unchanged to 1bp wider despite onshore buying, TENCNT/MEITUA 28-30s were unchanged to 2bps wider. The long end of BABA/TENCNT 44-61s closed 2-4bps wider. In financials, BBLTB 34-36s were 1-4bps wider. In AT1s, UBS 9.25/BACR 9.625 Perps closed 0.1pt lower. In insurance, CATLIF/NSINTW/SHIKON 33-35s were 2-3bps wider. MYLIFE/NIPLIF 54-55s were up another 0.1-0.3pt. In HK, HKAA/MTRC 30-55s widened 1-3bps. FAEACO Perp was 0.2pt lower. Far East Consortium (FEC) disclosed FY25 results last night, in line with its profit warning on 19 Jun'25. As per FEC, it did not recommend a final dividend due loss made in FY25, while FEC did not provide details on the timing of the call of FAEACO

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12.814 Perp during the earnings call this morning. LIHHK 4.8 06/18/26 rose 1.5pts. NWDEVL Perps/27-31s were 0.2pt lower to 0.3pt higher. Last night, media reported NWD had secured written commitments from all banks for the HKD87.5bn loan refinancing. In Chinese properties, VNKRL 27-29s rose 1.5-2.7pts on talks of SZ Metro's proposal to consolidate Vanke was approved by Shenzhen Government. The bonds closed 3.1-4.5pts higher WTD. ROADKG 28-30s/Perps were unchanged to 3.0pts lower. Since the launch of consent solicitation, ROADKG 28-30s were 8.0-18.2pts lower and ROADKG Perps were 2.0-2.1pts lower. Outside properties, WESCHI 26 rose another 2.0pts and closed 7.1pts higher WTD. See our comments on Weschi's RMB1.65bn asset sales on [26 Jun'25](#). In SE Asia, VEDLN 28-33s were 0.1-0.5pt higher, closed 1.6-2.7pts higher WTD. See comments below on VRL's USD600mn facility.

In LGFVs, JNHTE priced a USD300mn 3yr bond at 4.7%. There were two way interests on USD names such as JJUCDI 6.25 26s/CDTFDG 7.3 27s and CNH names such as KNMIDI 7.9 25s/DYOLIN 6.8 27s. The buying interests in USD papers yielding 8-9% picked up, while there were profit taking flows on onshore-AAA guaranteed CNH papers yielding at low-6% or richer. In SOE perps, SPICPE Perp was 0.1pt lower.

❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
VNKRL 3.975 11/09/27	81.1	2.7	ROADKG 6.7 03/30/28	26.6	-3.0
WESCHI 4.95 07/08/26	86.5	2.0	ROADKG 5.9 09/05/28	25.8	-2.8
LIHHK 4.8 06/18/26	86.2	1.5	ROADKG 5.2 07/12/29	25.1	-2.5
VNKRL 3 1/2 11/12/29	71.7	1.5	ROADKG 5 1/8 01/26/30	25.0	-1.7
PCGIHD 4 1/2 08/23/26	97.7	0.7	ROADKG 6 03/04/29	25.9	-1.7

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (+0.80%), Dow (+0.94%) and Nasdaq (+0.97%) were higher on Thursday. US 1Q25 GDP was -0.5% qoq, lower than the market expectation of -0.2%. The latest initial jobless claims was +236k, better than the market expectation of +244k. UST yield was lower on Thursday, 2/5/10/30 yield at 3.70%/3.79%/4.26%/4.81%.

❖ Desk Analyst Comments 分析员市场观点

➤ VEDLN: Secures up to USD600mn facility to refinance PCF at lower cost

Vedanta Resources (VRL) secures up to USD600mn facilities, of which USD380mn is committed and may further be increased up to USD220mn. Terms of the new facilities include: (i) Negative lien has been created on shares of Vedanta Limited held by VRL and its subsidiaries, (ii) any member of the group are not permitted to create any encumbrance over the shares held in VEDL, and (iii) VRL and its subsidiaries are required to retain control over VEDL of at least 50.1% of issued equity share capital of VEDL. VRL holds 56.38% of VEDL.

The new USD600mn amortizing facilities carries average maturity of 3 years at interest cost of SOFR+450bps (c9.2%). The new facilities will help VRL to fully prepay the private credit facility (PCF) due in Apr'26 of USD550mn and lengthen its maturity profile. The refinancing is also in line with our expectation that VRL is able to refinance at a lower cost and to lower its average cost of debts in view of its improved credit profile, i.e. the refinancing represents c900bps interest cost saving or cUSD50mn, as per our estimate. Recalled that VRL obtained USD1.25bn PCF in Dec'23 as a part of LME in Jan'24, carries interest cost at 18%. Please also read our comments on [VRL's FY25 results](#) as well as [Vedanta Ltd's FY25 results](#). We maintain buy on VEDLN 10.875 09/17/29 in view of this bond's more balanced risk return profile, relatively short tenor and better trading liquidity within the VEDLN curve. At 103.3, VEDLN 10.875 09/17/29 is trading at YTM of 9.6%, and up 5.7pts since the Vedanta Ltd released FY25 results at end-Apr'25.

Table 1: VRL's o/s USD bonds

Security name	ISIN	Amt o/s (USD mn)	Ask Px	YTM	Issue rating (M/S/F)
VEDLN 10.25 06/03/28	US92243XAJ00	300	103.6	8.2%	-/B/B+
VEDLN 10.875 09/17/29	US92243XAH44	1,200	103.3	9.6%	-/B/-
VEDLN 9.475 07/24/30	US92243XAM39	550	98.9	9.7%	B2/B/-
VEDLN 11.25 12/03/31	US92243XAK72	500	104.2	10.0%	-/B/B+
VEDLN 9.85 04/24/33	US92243XAL55	550	98.5	10.1%	B2/B/-

Source: Bloomberg.

➤ **Offshore Asia New Issues (Priced)**

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
Development Bank of Kazakhstan	200	5yr	5.625%	5.562%	-/BBB-/BBB
Guangzhou Development District Investment	400	3yr	4.5%	4.5%	-/-/BBB+
Huangshan Tourism Group	100	3yr	4.7%	4.7%	Unrated
ICBC Financial Leasing	400	3yr	SOFR+63	SOFR+63	-/A/A
	1250/	6NC5/	4.711%/	T+92/	
Mizuho FG	750/	6NC5/	SOFR+125/	SOFR+125/	A1/A/-
	1000	11NC10	5.323%	T+107	

➤ **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 130 credit bonds issued yesterday with an amount of RMB140bn. As for month-to-date, 2,043 credit bonds were issued with a total amount of RMB1,951bn raised, representing a 19.8% yoy increase
- [FAEACO]** Far East Consortium FY25 revenue declines 6.2% yoy to HKD9.6bn (cUSD1.2bn)
- [FOSUNI]** Fosun Pharma to sell shares in US natural health firm for USD34mn
- [LNGFOR]** Fitch downgraded Longfor by one notch to BB- from BB on continued decline in property sales; outlook negative
- [MEDCIJ]** Medco Energi acquires Repsol's participating interest in Corridor PSC for USD425mn, the transaction is expected to be completed in 3Q25
- [NWDEVL]** Media reported NWD obtains written commitments from lenders for HKD 87.5bn (cUSD11.2bn) loan refinancing, loan documents signing to follow
- [SINOPE]** Sinopec signs deal with Japanese conglomerate Marubeni to explore lower-carbon marine fuels

- **[SKONKR]** SK On in talks to get KRW200bn (cUSD147mn) funding from MERITZ Securities
- **[SMCGL/SMCPM]** San Miguel Global unit among firms winning renewable energy deals from the Philippines
- **[SOFTBK]** S&P affirmed SoftBank Group's BB+ ratings despite accelerating AI investments; outlook stable

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