

CMBI Credit Commentary

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

- *This morning, JP corporate IG names SUMI widened 2-3bps, while financial names SUMIBK/MUFG widened 3-5bps. CBAAU 41 edged 0.4pt higher. YPCORP 29 was 0.8pt lower. DALWAN 28/NUFAU 30 leaked 0.5-0.6pt.*
- **LASUDE:** *LFH secured downsized refinancing. Maintain neutral on LASUDE 5 07/28/26, which was 0.2pt lower this morning. See below.*
- **ADTIN:** *Adani Energy Solutions plans to early redeem ADTIN 4 08/06/26 in full at par on or around 15 Apr'26. ADTIN 41s was 0.3pt higher this morning.*

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❖ Trading desk comments 交易台市场观点

Yesterday, Chinese IGs recovered to 1-3bps tighter, driven by buying interests into MEITUA/KUAISH/XIAOMI. FRESHK 26-29s were 2bps tighter to 1bp wider, amid Chinese real-money accounts buying the 28s tranche. See our comments on Far East Horizon's FY25 financial results [yesterday](#). Taiwanese lifers tightened 1-3bps on better buying into beta names SHIKON and NSINTW. In HK, NWDEVL Perps led the space and rose 0.4-2.5pts, while VDNWDL 9 Perp closed unchanged. On the other hand, LASUDE 26 retraced 0.6pt. HYSANs/MTRC Perps were 0.1-0.2pt lower. In Chinese properties, VNKRL 27' and 29' were down by 1.3-1.5pts. LNGFOR 27-32/FUTLAN 28/FTLNHD 26-29 were unchanged to 0.3pt lower. In KR, local block buyers lifted low-beta and bank-guaranteed corporate names like SKBTAM, which tightened 2-3bps. For the rest of KR space, activities stayed muted and spreads closed largely unchanged. Japanese AT1s and insurance subs were marked down by 0.3pt amid relatively light activities. Meanwhile, their Yankee counterparts closed 0.3-1.0pt weaker. Flows were overall two-way skewed toward better selling from PBs and London/US de-risking accounts, particularly in BACR. BACR 7 5/8 Perp traded 1.0pt lower. In SE Asian space, PETMK 45-61 traded 3-4bps tighter amid two-way flows. PTTGC/TOPTB Perps leaked 0.5-0.7pt. In the Middle East, flows were balanced two-way on long-end KSA and ARAMCO, but we saw better-selling interests in front-end papers DIBUH/FABUH/ADCBUH/KFHKK/TAQAUH and bank FRNs FABUH. For the rest of FRN space, we saw better selling on 5yr EU and Japanese bank FRNs. In LGFV space, flows remained active two-way as RMs continued to pick up loose bonds from tactical holders.

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❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
NWDEVL 4 1/8 PERP	78.9	2.5	VNKRLE 3 1/2 11/12/29	44.2	-1.5
NWDEVL 5 1/4 PERP	84.2	1.5	VNKRLE 3.975 11/09/27	47.3	-1.3
NWDEVL 10.131 PERP	87.1	1.3	LUSOIB 7 1/2 05/29/34	101.0	-1.1
NWDEVL 6 1/4 PERP	67.1	0.9	BACR 7 5/8 PERP	103.2	-1.0
BABA 3 1/4 02/09/61	64.4	0.7	CCAMCL 4 3/4 12/04/37	92.4	-0.9

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (-1.52%), Dow (-1.56%) and Nasdaq (-1.78%) were lower on Thursday. The US latest initial jobless claims was +213k, lower than the market expectation of +214k. The US started an investigation to determine whether policies and practices of certain economies with structural excess capacity and production in manufacturing sectors restrict US commerce. UST yield was higher on Thursday. 2/5/10/30 year yield was at 3.76%/3.88%/4.27%/4.88%.

❖ Desk Analyst Comments 分析员市场观点

➤ LASUDE: LFH secured downsized refinancing

Media reported Lai Sun Development (LSD)'s 55.08%-owned subsidiary Lai Fung Holdings (LFH) has obtained all existing lenders' approvals for a HKD3.1bn-equivalent (cUSD391mn) facility to help refinance a secured loan due yesterday, and LFH will repay the remaining cHKD200mn (cUSD25.6mn) of the existing loan. The new loan is to be secured by the shopping malls Shanghai Hong Kong Plaza and Guangzhou May Flower Plaza, the same assets that backed the original loan. The tenor of the loan is one year with LFH's option to extend for another year. The final amount of HKD3.1bn-equivalent is modestly downsized from the HKD3.2bn LFH proposed in Feb'26, while the tenor is materially shortened from the 5 years proposed in Apr'25.

While the downsized loan and materially shorter tenor compared to originally proposed may reflect reduced lender confidence, in LSD, LFH, or HK CRE more broadly, we still view the refinancing as credit positive to LSD as the refinancing allows LSD to focus on addressing the maturity of its o/s USD bond LASUDE 5 07/28/26 of USD493mn due within four months. Based on LSD's HKD8bn disposal target for Feb'25-Jan'27 and the progress so far, i.e. project sales of HKD2.2bn and asset disposals totaled HKD4.3bn (incl. CCB Tower, Novotown Phase II Tower 1 and 3 in Hengqin, and LP interest in New Vision Fund), LSD has a remaining target of cHKD1.3bn asset disposals in coming 10 months.

We maintain neutral on LASUDE 5 07/28/26 and view the current valuation as unappealing. At 88.2, LASUDE 26 is trading at 42.2% YTW, and the bond rose c14pts YTD, which in our view, already priced in a potential consensual LME involving partial upfront cash repayment and a maturity extension.

➤ Offshore Asia New Issues (Priced)

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
BCEG (HongKong) Company/ Beijing Construction Engineering Group Co	300	3yr	4.1%	4.1%	-/BBB-/-

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

Issuer/Guarantor	Currency	Size (USD mn)	Tenor	Pricing	Issue Rating (M/S/F)
No Offshore Asia News Issues Pipeline Today					

➤ **News and market color**

- Regarding onshore primary issuances, there were 145 credit bonds issued yesterday with an amount of RMB107bn. As for month-to-date, 875 credit bonds were issued with a total amount of RMB713bn raised, representing a 29.2% yoy increase
- Media reported Japanese life insurance companies plan to increase investment in private credit in the next fiscal year, despite concerns of a downturn in the sector
- **[ADSEZ]** Adani Ports accepted USD102.084mn of ADSEZ 4 07/30/27 and USD97.49mn of ADSEZ 3.1 02/02/31 in the tender offer
- **[GLPSP]** Media reported GLP is seeking a valuation of cUSD20bn in a Hong Kong IPO that could take place as early as this year
- **[LGELEC]** LG Electronics obtained a short-term loan of KRW400bn (cUSD271.3mn) from Sumitomo Mitsui Banking Corp last month to repay maturing bonds totaling cKRW520bn (cUSD352.7mn) due in 1H26
- **[RIOLN]** Rio Tinto is offering a USD350 per ton premium above the London Metal Exchange cash prices for Japanese aluminum buyers, above its previous offer of a USD250 surcharge
- **[SMCGL]** San Miguel Global Power's unit will invest PHP11.5bn (cUSD194.3mn) to expand its solar plant generation capacity
- **[UPLLIN]** UPL warned of rising risks to fertilizer prices and availability, as the ongoing Iran war disrupts the supply chain

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