

## CMBI Credit Commentary

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

- *This morning, BABA/TENCNT/XIAOMI 27-35s were 1-2bps tighter. SHUION 26s retreated 0.5pt. NWDEVLs were unchanged to 0.3pt lower. CPDEV 26-28s retreated 0.1pt.*
- **BBLTB:** *Initiate buy on the new BBLTB 6.056 03/25/40. Maintain buy on BBLTB 5 Perp (AT1) and BBLTB 3.466 09/23/36 (T2). BBLTB 40 tightened 2bps from RO this morning, BBLTB 36 tightened 1bp and the rest of BBLTBs were unchanged. See below.*
- *Media reported Chinese authorities are investigating CKH's port deal. CKH will release FY24 results tomorrow but it will not hold earnings calls. CKINF/CKPH Perps were unchanged to 0.3pt lower this morning, closed 2.1-3.1pts lower WTD. CKHH/HPHTSP 30-34s widened another 2-3bps this morning.*

#### ❖ Trading desk comments 交易平台市场观点

Yesterday, KR space was firm. DAESSEC/HYMNTR 26-31s were 1-3bps tighter. In Chinese IGs, HAOHUA 27-28s were unchanged to 2bps tighter. BABA/MEITUA 28-31s tightened 2-3bps under better buying flows from RMs/PBs. The long end of BABAs/TENCNTs were also 1-2bps tighter (0.2-0.3pt higher) on onshore accounts buying. WB 30s, however, widened 2bps. See our comments on [18 Mar '25](#). In financials, BBLTB priced a 15NC10 bond of USD1bn at CT10+178. See comments below. The new DBSSP Float 28-30s widened 1-2bps, while NAB 36s/CBAAU 30s tightened 1bp. Insurance hybrids and AT1s were firm. MYLIFE 54-55s and FUKOKU Perp were up 0.1-0.2pt. UBS 6.25/BNP 8 Perps were 0.1-0.2pt higher. In HK, NWDEVL Perps/27-31s increased 0.3-1.0pt. NANFUN Perp/PCPDC 26s/CSIPRO 25s, however, declined 0.2-0.4pt. In Chinese properties, SHUION 26s increased 1.0pt. CHIOLI 34-43s were 0.1-0.2pr higher. Outside properties, WESCHI '26 dropped another 0.7pt, closed 1.2pts lower WTD. CHIOIL '26 was up 0.4pt. In Indonesia, CIKLIS 35s declined 0.4pt despite Moody's one notch upgrade to Baa3.

In LGFVs, CPDEV 4.65 '26 and CPDEV 7.15 '28 rose another 0.7pt and 0.3pt, respectively. There were two way interests on CNH names such as CHDOHU 7.6 28s/QDOCID 6.8 28s/QICHEN 7 26s. In SOE perps, CHSCOI Perp was up 0.1pt, CHPWCN Perp was 0.1pt lower.

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## ❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
SHUION 5 1/2 06/29/26	97.3	1.0	CCAMCL 4 3/4 12/04/37	91.3	-0.7
NWDEVL 8 5/8 02/08/28	76.9	0.7	WESCHI 4.95 07/08/26	77.4	-0.7
CPDEV 4.65 01/19/26	99.6	0.7	PCPDC 5 1/8 06/18/26	94.9	-0.4
NWDEVL 4 1/2 05/19/30	61.4	0.6	PLNIJ 7 7/8 06/29/37	118.4	-0.3
NWDEVL 6.15 PERP	76.6	0.6	NANFUN 5 PERP	72.3	-0.3

## ❖ Marco News Recap 宏观新闻回顾

**Macro** – S&P (-1.07%), Dow (-0.62%) and Nasdaq (-1.71%) were lower on Tuesday. The Fed will release its latest policy statement on Wednesday. UST yield retreated on Tuesday, 2/5/10/30 yield at 4.04%/4.07%/4.29%/4.58%.

## ❖ Desk Analyst Comments 分析员市场观点

## ➤ BBLTB: Initiate buy on the new BBLTB 6.056 03/25/40

Yesterday, Bangkok Bank issued 15NC10 USD T2 bond (Moody's: Baa3) with IPT at T+215. The new BBLTB 6.056 03/25/40 was priced at T+178, tightened 37bps from the IPT. The issue size is USD1bn. BBLTB 6.056 03/25/40 is a T2 instrument with one time call at year 10, i.e. 25 Mar'35. The coupon will be reset at the call date to 5yrUST+initial spread of 178bps without coupon step-up. BBLTB 6.056 03/25/40 will be written down in full or partially permanently at the PONV, which will be the occurrence of the Bank of Thailand and/or any other government empowered government agency deciding to grant financial assistance to the bank of a capital injection, without which the bank would become unable to continue its business in any manner.

Taking cues from the BBLTB 3.733 09/25/34 (T2) and BBLTB 3.466 09/23/36 (T2) which was traded at T+155/YTC of 5.6% and T+162/YTC of 5.7%, respectively, we see the FV of BBLTB 6.056 03/25/40 at T+180 after adding tenor premium of 3.5 years. We initiate buy on the new BBLTB 6.056 03/25/40 for its highest YTC among BBLTBs as well as better trading liquidity. At 99.6, BBLTB 6.056 03/25/40 is trading at YTC of 6.1%. Meanwhile, we also maintain buy on BBLTB 5 Perp (AT1, callable 23 Sep'25, YTC of 5.8%) and BBLTB 3.466 09/23/36 (T2, callable 23 Sep'31, YTC of 5.7%) for yield pick-up over its senior bond with similar "tenor".

Bangkok Bank is the largest bank in Thailand by total assets and customer deposits as of Dec'24. Bangkok Bank has more geographically diversified operations than its peers. Its international loan book represented 25% of total loans, higher than those of Kasikornbank (6%) and Krung Thai Bank (2%). The profitability of Bangkok Bank, in terms of NIM/ROA/ROE, has been improving since FY20-21. The lower-than-peer profitability of Bangkok Bank, in our view, reflects that majority of its exposure is to larger corporates with lower credit risk. On the other hand, Bangkok Bank's asset quality was stable in FY24 compared to FY23 despite the end of loan forbearance in 2024. NPL ratio stood at 2.7% as at Dec'24 and Dec'23 and NPL coverage ratio increased to 334%. The CET1 ratio increased to 17.8% as at Dec'24, well above the regulatory minimum requirement of 8%. We view the chance of non-viability for Bangkok Bank to be low in the medium term.

## ➤ Offshore Asia New Issues (Priced)

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
Asian Development Bank	2000	10yr	4.375%	SOFR MS+57	Aaa/AAA/AAA
Bangkok Bank	1000	15NC10	6.056%	T+178	Baa3/-/-

Henan Airport Investment Group	200	3yr	5.2%	5.2%	Baa1/-/BB-
JSC Kaspi.kz	650	5yr	6.25%	6.25%	Baa3/-/BBB-
Qingdao Military-Civilian Integration Development Group	100	3yr	6.4%	6.4%	Unrated
The Arab Energy Fund (TAEF)	300	5yr	SOFR+80	SOFR+80	-/-AA+

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

Issuer/Guarantor	Currency	Size (USD mn)	Tenor	Pricing	Issue Rating (M/S/F)
Bank of China Luxemburg Branch	USD	-	3yr	SOFR+105	A1/-/A
Chang Development International/ Changchun Urban Development & Investment Holdings	USD	Up to 250	3yr	6.75%	-/-/BBB
Foshan Gaoming Construction Investment Group	USD	-	3yr	5.7%	Unrated
Muthoot Finance	USD	-	4yr	6.812%	-/BB+/BB

➤ **News and market color**

- Regarding onshore primary issuances, there were 143 credit bonds issued yesterday with an amount of RMB93bn. As for month-to-date, 1,154 credit bonds were issued with a total amount of RMB896bn raised, representing a 28.1% yoy decrease
- Mongolia to open tender for new railway to double coal exports to China
- **[CHNAAR]** China Aircraft Leasing FY24 EBITDA rises 15.1% yoy to HKD5.0bn (cUSD648mn)
- **[CIFIHG]** CIFI Holdings agrees in principle with AHG on certain amendments to RSA; convening hearing in respect of scheme scheduled for 23 Apr'25
- **[INDYIJ]** Indika Energy plans to tap Nanshan Aluminium IPO to reduce reliance on coal
- **[MGFLIN]** Manappuram Finance board meeting on 20 Mar'25 to consider fundraising proposal
- **[NWSZF]** CTF Services to buy investment platform for USD132m to diversify finance offerings

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