CMBI Credit Commentary

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

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- *Asian IG spread was unchanged this morning. SSLINS '56 up 0.25pt. FRESHKs were unchanged to 0.25pt lower. Chinese property developers remained weak. BCDHGR/CPDEV down 0.1-0.2pt. LGFVs were under better selling with light buying interest.*

- ***Gross USD bond issuance:** Asia Pacific gross USD bond issuance decreased by 3.2% yoy in 10M26. See below.*

- ***PCORPM:** Petron 9M26 revenue up 56% yoy to cUSD14.6bn and operating income down 28% yoy to cUSD301mn. Maintain buy on PCORPM 7.35 Perp, which was unchanged this morning.*

❖ **Trading desk comments 交易台市场观点**

Yesterday, Asian IG space was stable and quiet amid JP holiday. Front-end FRN were relatively more active than other space with two-way flows. China TMT BABA/TENCNT/MEITUA were unchanged to 2bps tighter. CNH TMTs stabilized. TW lifers tightened 1-3bps. China/HK T2 BNKEA /DAHSIN /NANYAN were unchanged to 2bps tighter. KR financials and industrials were unchanged to 2bps wider. JP insurance names MYLIFE/SONYLF/DAIL were under better selling.

In Higher-yielding space, EU AT1s were unchanged to 0.3pt higher, long-end SOCGEN was under better selling while UBS found buying support from HFs and PBs in the belly to long end of the curve. Chinese developers were mixed, CNH ZHHFGR dropped 1-4pts. LNGFOR/GRNCH rose 0.5-1pt. LGFVs were under better selling. SOFTBKs further dropped 0.1-0.5pt. GLPSP/GLPCHI down 0.1-0.4pt. Macau gaming names down 0.1-0.5pt.

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❖ **Last Trading Day's Top Movers**

Top Performers	Price	Change
CKINF 4.2 PERP	**67.5**	**2.8**
GRNCH 8.45 02/24/28	**94.5**	**1.1**
LNGFOR 3.95 09/16/29	**79.8**	**1.0**
LNGFOR 4 1/2 01/16/28	**90.8**	**0.8**
CPDEV 6.8 04/07/29	**92.8**	**0.6**

Top Underperformers	Price	Change
LASUDE 5 07/28/29	**74.2**	**-1.9**
GZFINH 4.05 04/15/29	**96.3**	**-0.9**
GENTMK 8.3 PERP	**82.5**	**-0.9**
QDJZWD 7 12/27/27	**98.0**	**-0.7**
FRESHK 6 10/01/28	**97.9**	**-0.7**

❖ **Marco News Recap 宏观新闻回顾**

Macro – S&P (+0.37%), Dow (-0.38%) and Nasdaq (+0.83%) were mixed on Tuesday. US Sep'26 job openings was 7.523mn, higher than the expectation of 7.19mn. UST yield rallied higher, 2/5/10/30 year UST yield was at 4.61%/4.74%/4.95%/5.32%.

❖ **Desk Analyst Comments 分析员市场观点**

➢ **Gross USD bond issuance: Asia Pacific gross USD bond issuance decreased by 3.2% yoy in 10M26.**

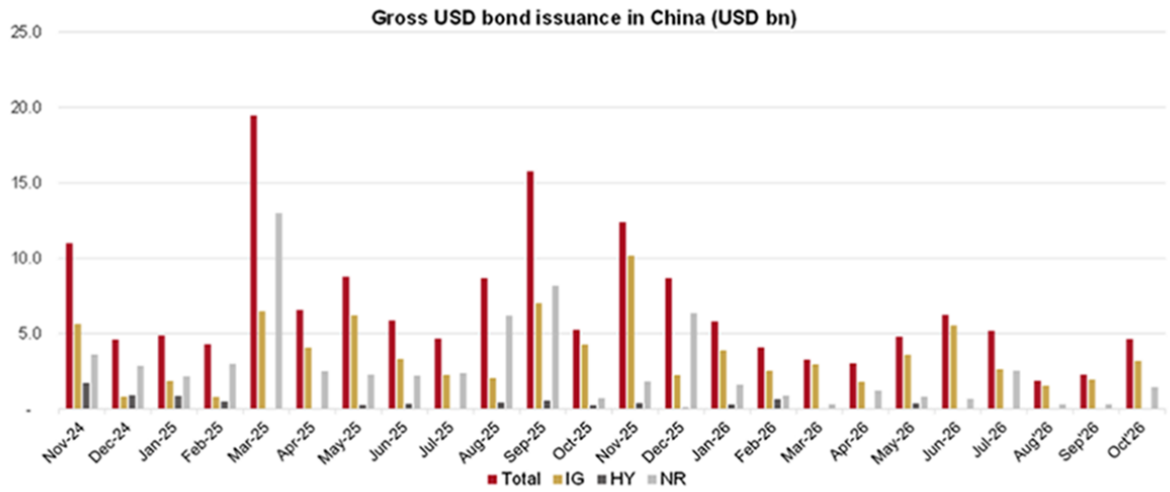
Gross USD bond issuance in Asia Pacific increased 16.5% yoy in Oct'26 and decreased 3.2% yoy in 10M26

In Oct'26, gross USD bond issuance in Asia Pacific increased 16.5% yoy to USD23.8bn. Australia (USD8.0bn), China (USD4.6bn), and South Korea (USD3.9bn) were among the largest issuers, with IG bonds accounting for 67.0% of the total amount. By sector, financials (46.9%), government entities (12.8%) and materials (12.2%) were the largest issuing sector.

Cumulatively, gross USD bond issuance in Asia Pacific decreased 3.2% yoy to USD328.4bn in 10M26. Japan (USD108.0bn), Australia (USD50.7bn) and South Korea (USD47.4bn) were the top issuers, with IG bonds accounting for 75.4% of the total amount. Financials (56.0%), government entities (17.6%) and communications (9.3%) were the largest issuing sector.

Gross USD bond issuance in China dropped 11.7% yoy in Oct'26 and 51.1% yoy in 10M26

In Oct'26, gross USD bond issuance in China dropped 11.7% yoy to USD4.6bn. IGs and unrated bonds contributed 68.8% and 31.2% of the gross issuance amount, respectively. Cumulatively, gross USD bond issuance decreased 51.1% yoy to USD41.2bn in 10M26. IGs, HYs, and unrated bonds contributed 72.1%, 3.2% and 24.7% of the total amount, respectively. Financials (58.5%), communications (20.6%), and LGFVs (15.4%) were among the largest issuing sectors.



Source: Bloomberg.

Gross USD bond issuance in the Middle East fell 11.9% yoy in Oct'26 and 1.5% yoy in 10M26

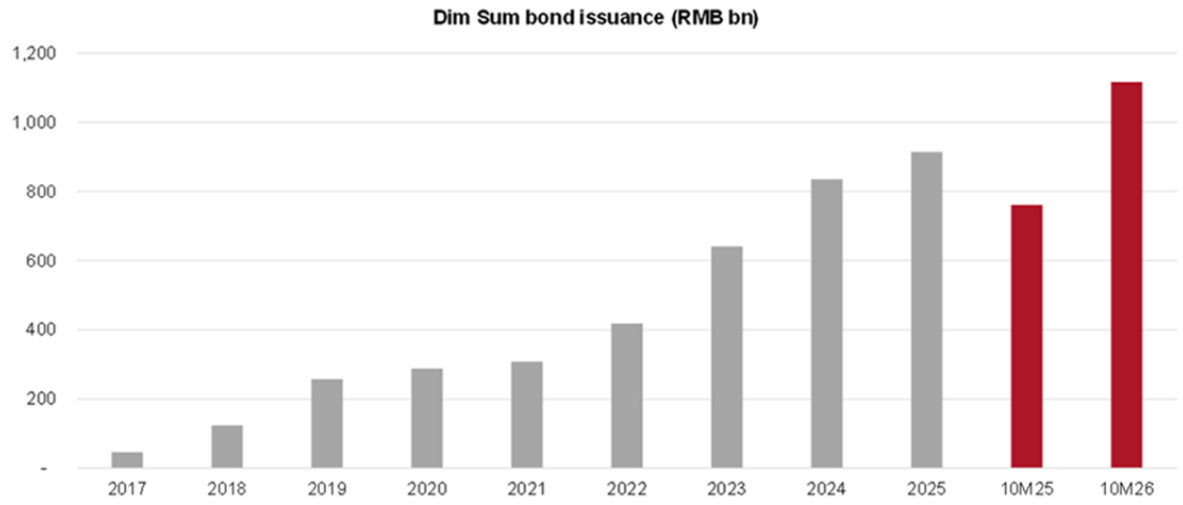
In Oct'26, gross USD bond issuance in the Middle East fell 11.9% yoy to USD9.7bn. The UAE (USD4.1bn), Kuwait (USD3.3bn) and Turkey (USD1.7bn) were among the largest issuers, with IG bonds accounting for 63.1% of the total amount. By sector, government entities (49.9%) and financials (18.9%) were the largest issuing sectors.

Cumulatively, gross USD bond issuance in the Middle East decreased by 1.5% yoy to USD163.9bn in 10M26. Saudi Arabia (USD49.5bn), Turkey (USD37.2bn) and the UAE (USD33.7bn) and were among the top issuers. IGs, HYs, and unrated bonds contributed 67.1%, 17.7% and 15.2% of the gross issuance, respectively. By sector, government entities (44.6%), financials (37.1%) and energy (8.6%) were among the largest issuing sectors.

Dim Sum bond issuance increased 147.9% yoy in Oct'26 and 46.6% yoy in 10M26

Gross issuance of Dim Sum bonds increased 147.9% yoy to RMB113.7bn in Oct'26. China (RMB64.3bn), the US (RMB25.8bn), and France (RMB5.2bn) were among the largest issuers, with IGs represented 79.4% of the total amount. By sector, financials (58.3%), communications (29.9%), and industrials (9.3%) were the largest issuing sectors.

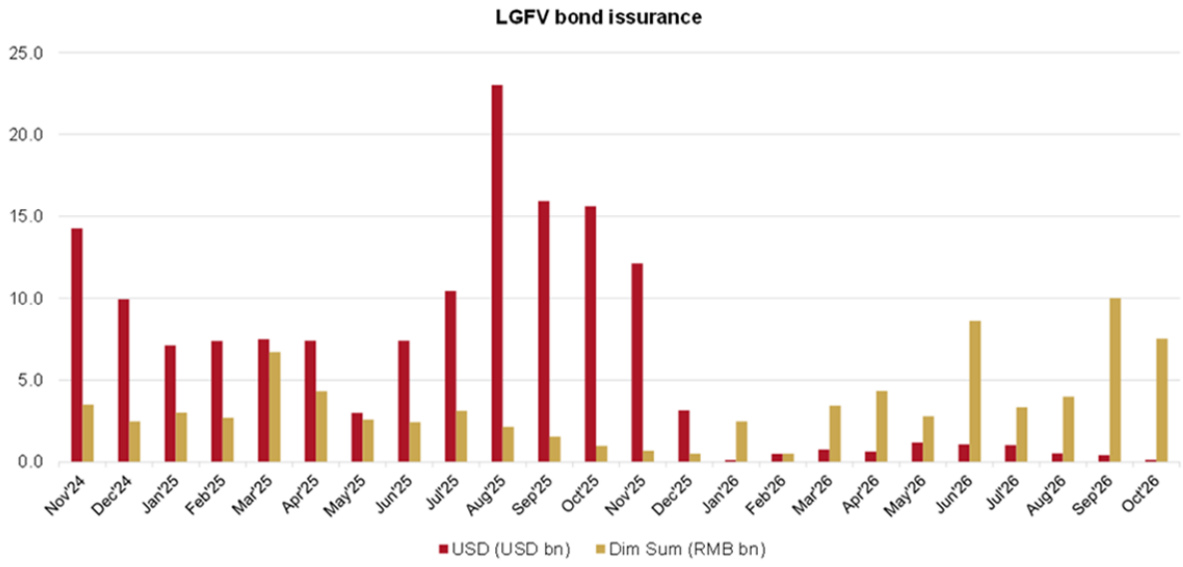
Cumulatively, gross issuance of Dim Sum bonds increased 46.6% yoy to RMB1,115.9bn in 10M26. China (RMB697.5bn), the US (RMB201.9bn), and Hong Kong (RMB56.6bn) were the top issuers. By sector, financials (43.4%), government entities (39.1%) and industrials (6.4%) were among the largest issuing sectors.



Source: Bloomberg.

Declining USD and Dim Sum bond issuance from LGFVs

In Oct'26, gross USD bond issuance by LGFVs dropped 86.5% yoy to USD0.1bn. Dim Sum LGFV issuance decreased 51.7% yoy to RMB7.5bn. Cumulatively, gross USD bond issuance by LGFVs fell 78.6% yoy to USD6.3bn in 10M26, and Dim Sum LGFV issuance decreased 60.7% yoy to RMB47.0bn. We expect offshore LGFV issuance continue to decline, driven by lower onshore funding costs and tighter NDRC scrutiny for new issues. According to Wind, the average coupon of onshore LGFV bonds issued in Oct'26 is c1.84%, down from c1.9% in Sep'26 and lower than c2.7% of Dim Sum LGFV issuance in Oct'26.



Source: Bloomberg.

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

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
No Offshore Asia New Issues Priced Today					

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

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

- **News and market color**

- Regarding onshore primary issuances, there were 64 credit bonds issued yesterday with an amount of RMB92bn. As for Month-to-date, 149 credit bonds were issued with a total amount of RMB146bn raised, representing a 69.9% yoy increase

- **[ADEIN]** Media reported that Adani Group is in talks with foreign lenders for USD1.5bn loan to fund data center expansion

- **[FUTLAN/FTLNHD]** Seazen Group raised RMB1.55bn by commercial REIT in Shanghai Exchange

- **[PCORPM]** Petron 9M26 revenue up 56% yoy to cUSD14.6bn and operating income down 28% yoy to cUSD301mn

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