

## CMBI Credit Commentary

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

- *The new KANSEL '30/ORIX '35 tightened 7bps and 1bp, respectively this morning TENCNT 30-31s tightened 1-2bps. The new BARC 7.625/SUMIBK 6.45 Perps declined 0.1pt and 0.3pt, respectively.*
- **Chinese properties:** *Lower yoy contracted sales in Jan'25. See below.*
- **GRNCH:** *Greentown tap USD150mn of GRNCH 8.45 02/24/28 at 100.5/8.258%. Maintain buy on GRNCHs. GRNCH'28 was unchanged while GRNCH 25s were unchanged to 0.1pt lower this morning. See below.*

#### ❖ Trading desk comments 交易台市场观点

Yesterday, on new issues, BACR priced a NC10.5 Perp at 7.625%. SUMIBK priced a NC10.25 Perp at par to yield 6.45%. ORIX priced a 10-yr bond at CT10+85. KANSEL priced a 5-yr bond at CT5+67. HPHTSP priced a 5-yr bond at CT5+73. In KR, DAESSEC 27-29s tightened 1-2bps. LGENSE 34s and HYNMTR/HYUELE 27-31s were unchanged to 2bps wider. Chinese IGs were better bid. HAOHUA/BABA/MEITUA/WB 28-31s tightened 2-4bps. In financials, Chinese AMCs such as CCAMCL/ORIEAS 26-30s were 1-5bps tighter despite profit taking from Chinese AMs. In T2s, BZLNZ/WSTPNZ 34-35s were unchanged to 2bps tighter. New Zealand cut interest rates by 50bps to 3.75% as expected. BNKEA 34s/NANYAN 34s/DAHSIN 33s tightened 2-5bps. In JP insurance hybrids, MYLIFE 54s/FUKOKU Perp were 0.2-0.3pt lower. In EU AT1s, BNP 8/SANTAN 9.625 Perps were down 0.1-0.2pt. UBS 7/DANBNK 7 Perps were unchanged to 0.2pt higher on better buying from PBs. In HK corps, NWDEVL 27-31s/Perps rose another 0.6-1.8pts after the gain of 1.2-2.3pts on Mon. CSIPRO 25s/LIHHK 26s were up 0.4-0.5pt. Chinese properties were soft. See comments below. Greentown announced the USD150mn tap of GRNCH 8.45 '28 at 100.5 and raised the size to USD500mn. GRNCH 8.45 '28 closed 0.3pt lower. See comments below. LNGFOR 27-32s were 1.3-1.8pts lower following the gain of 3.1-4.3pts over the last week. DALWAN 25-26s were down 0.6-1.0pt. In India, ADSEZs/ARENJs were down 0.1-0.4pt.

In LGFVs, the flows were skewed to better buying from RMs. GXCMIN 25s/SDGOLD 26s were up 0.1-0.2pt. Media reported Beijing Capital Group is exploring a USD450mn 3-yr bond issuance to refinance its o/s USD450mn CPDEV 3.85 '25. CPDEV 25-26s closed unchanged yesterday and were unchanged to 0.1pt lower this morning. We saw more offers on the low-teens yielding LGFVs following the recent yield compression, though these flows were largely digested by PBs/HFs. In SOE perps, HUADIA/COFCHK Perps were up 0.1-0.2pt.

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## ❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
NWDEVL 4 3/4 01/23/27	67.3	1.8	LNGFOR 3.95 09/16/29	76.8	-1.8
NWDEVL 4 1/2 05/19/30	53.1	1.6	LNGFOR 3.85 01/13/32	68.5	-1.8
NWDEVL 5 7/8 06/16/27	65.8	1.4	LNGFOR 4 1/2 01/16/28	84.3	-1.5
NWDEVL 4 1/8 07/18/29	54.0	1.4	SINOPC 4 1/4 04/24/43	87.9	-1.4
NWDEVL 8 5/8 02/08/28	63.0	1.2	LNGFOR 3 3/8 04/13/27	85.6	-1.3

## ❖ Marco News Recap 宏观新闻回顾

**Macro** – S&P (+0.24%), Dow (+0.02%) and Nasdaq (+0.07%) were higher on Tuesday. S&P 500 reaches all-time high. UST yield was higher on Tuesday, 2/5/10/30 yield at 4.29%/4.40%/4.55%/4.77%.

## ❖ Desk Analyst Comments 分析员市场观点

## ➤ Chinese properties: Lower yoy contracted sales in Jan'25

In Jan'25, 32 developers under our radar reported contracted sales totaled RMB111.7bn, decreased 19.0% yoy from RMB137.8bn in Jan'24. 8 out of 32 developers reported yoy increase in contracted sales in Jan'25, compared to 10 developers with yoy increase in Dec'24. We believe that the lower yoy contracted sales in Jan'25 was attributable to the earlier CNY holiday which started in late January.

SUNAC (RMB6.8bn) was best performer in Jan'25 with 82% yoy increase in contracted sales. The bottom performers were FUTLAN/FTLNHD (RMB1.0bn), JINGRU (RMB60mn) and AGILE (RMB800mn), and their contracted sales dropped 72%, 71%, and 67% yoy, respectively, in Jan'25.

While the contracted sales remained weak in Jan'25, we expect to see further relaxation of home purchase restrictions in the tier-1 cities in 2025, except Guangzhou which has cancelled all the purchase restrictions for Guangzhou residents and non-Guangzhou families in Sep'24. We also expect to see further LPR cut to stimulate the housing demand. The last LPR cut was in Oct'24, the 1/5-yr LPR was reduced to 3.1%/3.6% from 3.35%/3.85%. The current LPR is the lowest since the LPR was launched in Aug'19.

2025 YTD Sales (in RMB mn)							
Company	CN Name	BBG Ticker	Jan	Jan'25 MoM Growth	Jan'25 YoY Growth	Jan'25 YTD Sales	Jan'25 YTD Sales Growth
Sunac China	融创中国	SUNAC	6,840	291%	82%	6,840	82%
Sino-Ocean	远洋集团	SINOCE	1,890	-59%	58%	1,890	58%
Times Property	时代中国控股	TPHL	650	-35%	22%	650	22%
China Overseas	中国海外发展	CHIOLI	12,020	-70%	14%	12,020	14%
Shimao	世茂房地产	SHIMAO	2,210	-22%	5%	2,210	5%
China Jinmao	中国金茂	CHJMAO	6,695	-56%	5%	6,695	5%
China Resources Land	华润置地	CRHZCH	11,600	-64%	2%	11,600	2%
Yuexiu Property	越秀地产	YUEXIU	6,601	-51%	1%	6,601	1%
Yanlord*	仁恒置地*	YLLGSP	1,420	-51%	-4%	1,420	-4%
Greentown	绿城	GRNCH	11,300	-62%	-6%	11,300	-6%
Poly Real Estate	保利地产	POLYRE	18,015	20%	-11%	18,015	-11%
Central China Real Estate	建业地产	CENCHI	578	-63%	-19%	578	-19%
Ronshine China	融信中国	RONXIN	350	-55%	-22%	350	-22%
Greenland Holding*	绿地控股集团*	GRNLGR	3,300	-45%	-27%	3,300	-27%
China SCE*	中骏集团控股*	CHINSC	600	-50%	-29%	600	-29%
Logan Property*	龙光地产*	LOGPH	550	-8%	-31%	550	-31%
Redsun	弘阳地产	REDSUN/HONGSL	669	-17%	-32%	669	-32%
Longfor (Attributable)	龙湖集团	LNGFOR	3,010	-44%	-35%	3,010	-35%
Yuzhou Properties	禹洲地产	YUZHOU	501	-29%	-38%	501	-38%
Powerlong	宝龙地产	PWRLNG	691	-34%	-38%	691	-38%
KWG Property	合景泰富集团	KWGPRO	502	-48%	-40%	502	-40%
Zhenro Properties	正荣地产	ZHPRHK	373	-50%	-40%	373	-40%
China Vanke*	万科企业*	VNKRLE	11,010	-53%	-43%	11,010	-43%
Zhongliang	中梁控股	ZHLGHD	1,100	-26%	-45%	1,100	-45%
CIFI Holdings	旭辉集团	CIFIHG	1,810	-25%	-51%	1,810	-51%
Country Garden (Attributable)	碧桂园	COGARD	2,260	-34%	-59%	2,260	-59%
Gemdale	金地集团	GEMDAL	2,250	-57%	-59%	2,250	-59%
Hopson	合生创展	HPDLF	473	-51%	-63%	473	-63%
Radiance*	金辉控股*	JNHUIG/RDHGCL	490	-23%	-66%	490	-66%
Agile	雅居乐	AGILE	800	7%	-67%	800	-67%
Jingrui Holdings	景瑞控股	JINGRU	60	-64%	-71%	60	-71%
Future Land	新城控股	FUTLAN/FTLNHD	1,017	-68%	-72%	1,017	-72%

➤ **GRNCH: Greentown tap USD150mn of GRNCH 8.45 02/24/28 at 100.5/8.258%. Maintain buy on GRNCHs**

Security Name	ISIN	Issue size (USD mn)	Amt o/s (USD mn)	Coupon	Maturity	Ask price	YTM
GRNCH 4.7 04/29/25	XS2247552446	450.0	446.5	4.7%	4/29/2025	99.9	5.2%
GRNCH 5.65 07/13/25	XS2193529562	300.0	294.5	5.65%	7/13/2025	99.8	6.1%
GRNCH 8.45 02/24/28	XS2971601336	500.0	500.0	8.45%	2/24/2028	100.7	8.2%

Source: Bloomberg.

Greentown tap another USD150mn of GRNCH 8.45 02/24/28 at 100.5/8.258%, making the issue size of GRNCH 8.45 02/24/28 increased to USD500mn. The aggregate maximum acceptance amount for GRNCH 4.7 04/29/25 and GRNCH 5.65 07/13/25 in the tender offers will also be increased to USD600mn, covering 81% of the outstanding amount of the two bonds totaled USD741mn.

We maintain buy on GRNCHs, we consider GRNCHs low beta and leverage plays on SOE developers. As we discussed in our [Asia Credit Outlook 2025](#), we consider Greentown one of the survivors of the Chinese property sector given its state-ownership and smooth access to funding channels. Over the past 3 months, Greentown issues 3 onshore bonds totaled RMB3bn at coupon rates ranging from 3.85-4.25%. It is one of the few property developers able to issue onshore bonds on an unsecured basis and without CBICL guarantee. Greentown has also been actively early redeeming its USD bonds since 2024.

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

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
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Chengdu Yidu Construction Investment	40	3yr	7%	7%	Unrated
Greentown China Holdings	150	3NC2	8.45%	8.258%	B1/-/-
Hutchison Port Holdings Trust	500	5yr	5%	T+73	Baa1/A-/-
Kansai Electric Power	500	5yr	5.037%	T+67	A3/-/-
ORIX Corporation	500	10yr	5.4%	T+85	A3/BBB+/A-
Sumitomo Mitsui Financial Group	1,250	PerpNC10.25	6.452%	6.452%	Baa3/BB+/-
The Government of Mongolia	500	5yr	6.625%	6.625%	-/B+/B+

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

Issuer/Guarantor	Currency	Size (USD mn)	Tenor	Pricing	Issue Rating (M/S/F)
Mirae Asset Securities	USD	-	3yr	T+125	Baa2/-/-
Varanasi Aurangabad NH-2 Tollway	USD	-	9NC3	-	Baa3/-/BBB-

➤ **News and market color**

- Regarding onshore primary issuances, there were 124 credit bonds issued yesterday with an amount of RMB124bn. As for month-to-date, 591 credit bonds were issued with a total amount of RMB509bn raised, representing a 29.4% yoy increase
- China's average new home prices drop 5% yoy in Jan'25
- The Reserve Bank of New Zealand cut interest rates by 50bps to 3.75%
- [CPDEV]** Beijing Capital Group is exploring a 3-year bond issuance to refinance its CPDEV 3.85 07/14/25 of USD450mn
- [CWAHK]** China Water Affairs plans to issue RMB500mn 3-year Panda bond
- [HYSAN]** Hysan is evaluating options for HYSAN 4.1 Perp of USD850mn first callable in Jun'25, the perp will be reset to 5yrUST+2.887% (c7.3%) in Sep'25 without step-up if it is not called on the first call date
- [JD]** JD.com launches domestic taxi-hailing services
- [MONGOL]** The Government of Mongolia has accepted USD391.729mn of MONGOL 5.125 04/07/26 and USD108.271mn of MONGOL 8.65 01/19/28 in the tender offers
- [NWDEVL]** NWD seeks to use USD3.8bn in additional properties as collateral for refinancing bank loans maturing in 2027 and beyond, including K11 Shanghai Huaihai Middle Road and Rosewood Phuket

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