

## CMBI Credit Commentary

### Fixed Income Daily Market Update 固定收益部市場日報

- *This morning, the new KOROIL 3yrs FRN tightened 2-3bps from pricing at SOFR+67. The new KOROIL 4 09/29/28 and KOROIL 4.125 09/29/30 tightened 1-2bps from issuing at T+50. The new CBAAU 5yrs FRN tightened 10bps from pricing at SOFR+78. TW lifers were 1-2bps tighter.*
- **FUTLAN/FTLNHD:** *FV of the new FUTLAN 27 to be low-to-mid 12% vs IPT at 13.125%. FUTLAN 26/FTLNHD 28 was down 0.2-0.3pt this morning. See below.*
- **NICAU:** *Nickel Industries proposes to issue new 5NC2 USD bond; concurrent tender offer to purchase USD 400m NICAU 11.25 10/21/28 at 105.625. Expiration deadline at 29 Sep'25 5pm EDT. NICAU 11.25 10/21/28 was 0.1pt higher this morning.*

#### ❖ Trading desk comments 交易台市場观点

Yesterday, there were selling flows on TW lifers in the morning. FUBON 35 widened up to 3bps. NSINTWs/SHIKON were 5-6bps wider at one point, but closed only 2-3bps wider with buyers emerging. In Macau gaming, MPEL 26-32s/SJMHOL 26-28s/WYNMAC 27-34s were 0.1pt lower to 0.1pt higher. See our comment on MPEL [yesterday](#). In Chinese properties, GRNLGR 28-31s dropped by 0.8-1pt. VNKRL 27-29s were down by 0.4-0.6pt. FUTLAN 28/FTLNHD 25-26 were unchanged to 0.2pt lower. See comment below. EHICAR 26-27s increased by 1.4-1.5pts. NWDEVL 27-31s were unchanged to 0.3pt lower, while NWDEVL Perps were 0.1-0.9pt higher. HYSAN Perps were unchanged to 0.2pt higher. There was some trimming of duration from AMs and prop desks, 5-to-10yrs-to-call perp issues across Greater China and Yankee names MTRC/UBS/ALVGR. We saw cash parking demand on front-end issues. In Japan space, there was strong demand from RMs/AMs on 5+ yrs financial FRNs MIZUHO/SUMIBK, lifting their spreads to 3-4bps tighter. Korea space was largely muted. However, the recent HYNMTR 4.5 09/18/30s tightened another 1-3bps amid sustaining local deployment from Korea. In Southeast Asia, HMELIN 5.45 10/22/26 rose 6.4pts. PCORPM 5.95/7.35 Perps were down by 0.1pt. SMCG Perps were unchanged to 0.2pt lower.

In LGFV space, there was continuous demand for higher-yielding papers. Names at the tail of the credit curve remained under pressure.

**Glenn Ko, CFA** 高志和  
(852) 3657 6235  
glennko@cmbi.com.hk

**Cyrena Ng, CPA** 吳蒨瑩  
(852) 3900 0801  
cyrenang@cmbi.com.hk

**Yujing Zhang** 張鈺婧  
(852) 3900 0830  
zhangyujing@cmbi.com.hk

### ❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
HMELIN 5.45 10/22/26	106.4	6.4	GRNLGR 6 1/4 12/16/28	18.9	-1.0
CFAMCI 4.95 11/07/47	91.7	1.6	JD 4 1/8 01/14/50	82.1	-0.8
EHICAR 12 09/26/27	67.7	1.5	GRNLGR 5 7/8 07/03/30	19.5	-0.8
EHICAR 7 09/21/26	78.3	1.4	GRNLGR 7 1/4 01/22/31	19.5	-0.8
NWDEVL 10.131 PERP	50.5	0.9	GRNLGR 6.9 02/12/29	19.5	-0.8

### ❖ Marco News Recap 宏观新闻回顾

**Macro** – S&P (+0.44%), Dow (+0.14%) and Nasdaq (+0.70%) were higher on Monday. UST yield was higher on Monday. 2/5/10/30 yield was at 3.61%/3.71%/4.15%/4.77%.

### ❖ Desk Analyst Comments 分析员市场观点

#### ➤ FUTLAN/FTLNHD: FV of the new FUTLAN 27 to be low-to-mid 12% vs IPT at 13.125%

Seazen proposes to issue 2-yr USD bond (S&P: B-) to refinance the maturing FTLNHD 4 5/8 10/15/25 of USD250mn. We view the FV of the new FTLNHD 27 to be low-to-mid 12% vs IPT at 13.125%. FTLNHD 26 is trading at YTM of 9.2% and FUTLAN 28 is trading at YTM of 12.2%, adjusted for tenor and guarantor differential. The new bond will be issued by New Metro Global, same as FTLNHD 25 and FTLNHD 26, and guaranteed by both Seazen Group (1030.HK) and Seazen Holdings (601155.SH). We view this is a stronger issuing structure than the single-guarantor profile of FTLNHD 25 (guaranteed by Seazen Holdings) and FTLNHD 26 (guaranteed by Seazen Group). We also acknowledged that FUTLAN 28 was directly issued by Seazen Group. See Table 1.

We understand that Seazen has a NDRC quota of USD330mn for new issue, which will expire in Apr'26. We maintain buy on FUTLAN/FTLNHDs and consider them offering good carry. Successful refinancing in the USD bond market will be a catalyst to support further out-performance, in our view. Please also read our comment on Seazen's 1H25 results in our daily on [18 Sep'25](#).

**Table 1: Bond profiles of FUTLAN/FTLNHD**

Security name	Issuer	Guarantor	Amt o/s (USD mn)	Maturity	Coupon	Px	YTW
FTLNHD 4 5/8 10/15/25	New Metro Global	Seazen Holdings	250	10/15/2025	4.625%	99.8	8.5%
FTLNHD 4 1/2 05/02/26	New Metro Global	Seazen Group	404	5/2/2026	4.5%	97.3	9.2%
FUTLAN 11.88 06/26/28	Seazen Group	N/A	300	6/26/2028	11.88%	99.4	12.2%

Source: Bloomberg.

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

Issuer/Guarantor	Size (USD mn)	Tenor	Coupon	Priced	Issue Rating (M/S/F)
China Minsheng Bank	300	3yr	SOFR+51	SOFR+51	Baa3/-
Commonwealth Bank of Australia, New York Branch	750/ 750	5yr/ 5yr	4.15%/ SOFR+78	T+45/ SOFR+78	Aa2/AA-/AA-
Korea National Oil Corporation	500/ 500/ 300	3yr/ 3yr/ 5yr	4.00%/ SOFR+67/ 4.125%	T+50/ SOFR+67/ T+50	Aa2/AA-/

Mineral Resources	700	5.5NC2.5	7.0%	7.0%	Ba3/-/BB-
-------------------	-----	----------	------	------	-----------

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

Issuer/Guarantor	Currency	Size (USD mn)	Tenor	Pricing	Issue Rating (M/S/F)
China Ping An Insurance Overseas	USD	-	10yr	T+130	Baa2/-/-
CK Hutchison International	USD	-	5yr	T+95	A2/A/A-
Clifford Capital Holdings	USD	-	3yr	T+65	-/AA+/AAA
Korea Credit Guarantee Fund	USD	-	3yr	SOFR+100	Aa2/AA/-
Longkou Urban Rural Construction	USD	-	3yr	5.5%	Unrated
New Metro Global/ Seazen	USD	-	2yr	13.125%	-/-/B-

➤ **News and market color**

- Regarding onshore primary issuances, there were 144 credit bonds issued yesterday with an amount of RMB169bn. As for month-to-date, 1,643 credit bonds were issued with a total amount of RMB1,533bn raised, representing a 47.3% yoy increase
- **[ADGREG]** Adani Group is aiming to reduce the leverage over a 5-year period, and plans no overseas bond issuance till 2027; will continue Reg D and domestic bond issuances
- **[BABA]** Alibaba Group Holding is seeking to woo brands that work with Amazon.com to its AliExpress shopping site, to expand its overseas footprint
- **[BHP]** BHP Group is in talks with Global Infrastructure Partners about the acquisition of assets in Australia and Chile
- **[CSIPRO]** CSI Properties tapped USD50mn CSIPRO 10.5 05/21/28 at par
- **[LMRTSP]** LMIRT unitholders approve rights issue
- **[NWDEVL]** NWD in talks with HK Airport Authority to cut rental obligations for 11 Skies mall
- **[PEAKRN]** Peak Re to redeem USD250mn PEAKRN 5.35 Perp on the first call date on 28 Oct'25
- **[SJMWHOL]** Moody's affirmed SJM's Ba3 rating and changed outlook to negative from stable, reflects likelihood that financial leverage will remain elevated over next 12-18 months
- **[VEYONG/XINAOG]** ENN Natural Gas updates on proposal to privatise ENN Energy and related share option offer

*Fixed Income Department*

Tel: 852 3657 6235/ 852 3900 0801

[fis@cmbi.com.hk](mailto:fis@cmbi.com.hk)

**Author Certification**

**CMBIGM or its affiliate(s) have investment banking relationship with the issuers covered in this report in preceding 12 months.**

The author who is primary responsible for the content of this research report, in whole or in part, certifies that with respect to the securities or issuer that the author covered in this report: (1) all of the views expressed accurately reflect his or her personal views

about the subject securities or issuer; and (2) no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific views expressed by that author in this report.

Besides, the author confirms that neither the author nor his/her associates (as defined in the code of conduct issued by The Hong Kong Securities and Futures Commission) (1) have dealt in or traded in the stock(s) covered in this research report within 30 calendar days prior to the date of issue of this report; (2) will deal in or trade in the stock(s) covered in this research report 3 business days after the date of issue of this report; (3) serve as an officer of any of the Hong Kong listed companies covered in this report; and (4) have any financial interests in the Hong Kong listed companies covered in this report.

### **Important Disclosures**

There are risks involved in transacting in any securities. The information contained in this report may not be suitable for the purposes of all investors. CMBIGM does not provide individually tailored investment advice. This report has been prepared without regard to the individual investment objectives, financial position or special requirements. Past performance has no indication of future performance, and actual events may differ materially from that which is contained in the report. The value of, and returns from, any investments are uncertain and are not guaranteed and may fluctuate as a result of their dependence on the performance of underlying assets or other variable market factors. CMBIGM recommends that investors should independently evaluate particular investments and strategies, and encourages investors to consult with a professional financial advisor in order to make their own investment decisions.

This report or any information contained herein, have been prepared by the CMBIGM, solely for the purpose of supplying information to the clients of CMBIGM and/or its affiliate(s) to whom it is distributed. This report is not and should not be construed as an offer or solicitation to buy or sell any security or any interest in securities or enter into any transaction. Neither CMBIGM nor any of its affiliates, shareholders, agents, consultants, directors, officers or employees shall be liable for any loss, damage or expense whatsoever, whether direct or consequential, incurred in relying on the information contained in this report. Anyone making use of the information contained in this report does so entirely at their own risk.

The information and contents contained in this report are based on the analyses and interpretations of information believed to be publicly available and reliable. CMBIGM has exerted every effort in its capacity to ensure, but not to guarantee, their accuracy, completeness, timeliness or correctness. CMBIGM provides the information, advices and forecasts on an "AS IS" basis. The information and contents are subject to change without notice. CMBIGM may issue other publications having information and/or conclusions different from this report. These publications reflect different assumption, point-of-view and analytical methods when compiling. CMBIGM may make investment decisions or take proprietary positions that are inconsistent with the recommendations or views in this report.

CMBIGM may have a position, make markets or act as principal or engage in transactions in securities of companies referred to in this report for itself and/or on behalf of its clients from time to time. Investors should assume that CMBIGM does or seeks to have investment banking or other business relationships with the companies in this report. As a result, recipients should be aware that CMBIGM may have a conflict of interest that could affect the objectivity of this report and CMBIGM will not assume any responsibility in respect thereof. This report is for the use of intended recipients only and this publication, may not be reproduced, reprinted, sold, redistributed or published in whole or in part for any purpose without prior written consent of CMBIGM.

Additional information on recommended securities is available upon request.

### **Disclaimer:**

For recipients of this document in the United Kingdom

This report has been provided only to persons (I) falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended from time to time) ("The Order") or (II) are persons falling within Article 49(2) (a) to (d) ("High Net Worth Companies, Unincorporated Associations, etc.,) of the Order, and may not be provided to any other person without the prior written consent of CMBIGM.

For recipients of this document in the United States

CMBIGM is not a registered broker-dealer in the United States. As a result, CMBIGM is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. The research analyst who is primary responsible for the content of this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA"). The analyst is not subject to applicable restrictions under FINRA Rules intended to ensure that the analyst is not affected by potential conflicts of interest that could bear upon the reliability of the research report. This report is intended for distribution in the United States solely to "major US institutional investors", as defined in Rule 15a-6 under the US, Securities Exchange Act of 1934, as amended, and may not be furnished to any other person in the United States. Each major US institutional investor that receives a copy of this report by its acceptance hereof represents and agrees that it shall not distribute or provide this report to any other person. Any U.S. recipient of this report wishing to effect any transaction to buy or sell securities based on the information provided in this report should do so only through a U.S.-registered broker-dealer.

For recipients of this document in Singapore

This report is distributed in Singapore by CMBI (Singapore) Pte. Limited (CMBISG) (Company Regn. No. 201731928D), an Exempt Financial Adviser as defined in the Financial Advisers Act (Cap. 110) of Singapore and regulated by the Monetary Authority of Singapore. CMBISG may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, as defined in the Securities and Futures Act (Cap. 289) of Singapore, CMBISG accepts legal responsibility for the contents of the report to such

persons only to the extent required by law. Singapore recipients should contact CMBISG at +65 6350 4400 for matters arising from, or in connection with the report.