

CMBI Credit Commentary

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

- *Asian IG space was weak and overall widened 2-5bps. HRINTHs were one-way selling and down 0.5-1pt. Despite the weak property sector, LGFVs were active and short-term bonds with HYs were better buying.*
- *Yanlord: Continue to navigating through the storm well. Maintain buy on YLLGSP'24 and '24. YLLGSP'24 up 0.15pt and YLLGSP'26 rose 1.5pts post the results. See below.*
- *DALWAN: Paid coupon on DALWAN 11 02/13/26 on time. DALWANs rose 0.25 to 0.75pt this morning. See below.*

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❖ Trading desk comments 交易台市场观点

Asia ex-JP IG space had another risk-off session yesterday, despite PBOC's surprising cut of 1yr MLF rate to 2.5% from 2.65%. The recent new issues such as HKLSP/CICCHK papers edged 2-5bps wider. Chinese SOEs such as CHGRID/SINOCH papers were unchanged to 1bp wider. Benchmark TMTs such as BABA/BIDU 31s widened 2-3bps. The high beta TMTs such as MEITUAWB 30s were traded 10-15bps wider. XIAOMI 30s widened 5bps. In financials, Chinese bank T2s were subdued. Chinese bank AT1s such as ICBCAS/BOCOM AT1s were marked down 0.25-0.5pt. In AMC space, HRINTH curve was under one way selling to close 1-2.5pts lower. CCAMCL 27s-31s were also traded heavily and CCAMCL 27s widened 7bps to T+168. Elsewhere in Korea space, KOEWPW/KOHNPW 28s and KORELE 26s were under better buying. Chinese properties performed mixed. FTLNHD 24s/25s were bid up 0.5-2.25pts. DALWANs were indicated 1.5-2pts higher across the curve. SHUION '24/YLLGSP '26 gained 1-1.5pts. On the other hand, AGILE 25s fell 5.25pts. LNGFORs dropped 4-4.5pts to close between high-40s to mid-50s. CHJMAOs/ VNKRLs edged 2.5pts lower. In industrials, FOSUNI 25-27s were marked down another 1-1.5pts. EHICAR 24s/26s declined 1pt. Macau gaming paper such as MPEL/WYNMAC 26-28s moved 1-2pts lower. STCITY 28-29s were down 2-2.5pts. In Indian space, ADSEZs/ADANEMs lowered another 0.5-1pt. GRNKEN/RPVIN 26-28s were down 1pt. Indonesian SOEs PLNIs/PERTIs were indicated 0.75-1.25pts lower.

The LGFV/Perp spaces were relatively stable. There were active two-way flows in the 23s/24s LGFVs and c23s/24s SOE perps. In LGFVs, Shandong/Chongqing names remained active. QDHTCO/QDJZWD/CQNANA 24-26s were marked 0.1-0.15pt higher. JNHTE 23s/24s were better bid with active two-way flows. However, property related LGFVs such as CPDEV 25-26s were traded 1-2pts lower. In SOE perps, CHSCOI 4 Perp/CHPWCN 309 Perp were marked 0.125pt lower. HK Corp perps performed mixed. CKPH 3.5 Perp/CKPH 3.8 Perp were bid

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up 0.5pt. Whilst NWDEVL 4.8 Perp/NWDEVL 6.25 Perp were traded another 2.75-3.25pts lower.

❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
FTLNHD 4.8 12/15/24	27.8	2.3	AGILE 6.05 10/13/25	12.5	-5.3
DALWAN 7 1/4 01/29/24	41.3	1.9	AGILE 5 1/2 04/21/25	21.2	-5.3
YLLGSP 5 1/8 05/20/26	56.2	1.6	LNGFOR 3.85 01/13/32	45.8	-4.5
DALWAN 11 02/13/26	28.4	1.5	LNGFOR 4 1/2 01/16/28	55.5	-4.3
SHUION 6.15 08/24/24	63.7	1.0	LNGFOR 3 3/8 04/13/27	56.2	-4.2

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (-1.16%), Dow (-1.02%) and Nasdaq (-1.14%) were dragged by Energy and Financial sector on Tuesday. US Jul retail sale rose 0.7% mom, increased from +0.3% mom in Jul'23 and higher than expectation of -0.4% mom. China Jul price index of 70 major cities down 0.1% yoy. US treasury yields were mixed yesterday that long-term yields rallied higher, 2/5/10/30 yield reached at 4.92%/4.36%/4.21%/4.32%, respectively.

❖ Desk analyst comments 分析员市场观点

➤ Yanlord: Continue to navigating through the storm well

YLLGSPs offer good risk and return profile

YLLGSPs were 3-15pts lower over the past 2 weeks, due mainly to the collateral damage of sharp price movements of COGARDs. We continue to view Yanlord as a “survivor” in view of its resilient operating performance and manageable debt maturities. We believe that YLLGSPs offer good risk and return profile and maintain Buy on YLLGSP'24 and '26.

	O/S (USD mn)	Maturity	Coupon	Offer price	YTM (%)
YLLGSP 6.8 02/27/24	376	2/27/2024	6.8%	92.478	22.7%
YLLGSP 5 1/8 05/20/26	500	5/20/2026	5.125%	56.988	28.7%

Source: Bloomberg.

Click [here](#) for full report.

➤ DALWAN: Paid coupon on DALWAN 11 02/13/26 on time

Dalian Wanda has paid the coupon on DALWAN 11 02/13/26 on time on 14 Aug. In Jul, it has redeemed USD400mn DALWAN 6.875 07/23/23 and paid the coupon on DALWAN 7.25 01/29/24. It does not have offshore

maturity or coupon due in the remaining of 2023. The next offshore maturity will be DALWAN 7.25 01/29/24 of USD600mn in Jan'24.

On the other hand, apart from the RMB3.8bn onshore bond puttable in Sep'23, there is no other onshore bond due this year. And onshore coupons totaled cRMB411mn will be payable before the end of 2023. Zhuhai Wanda's IPO is now the key to watch for Wanda's upcoming liquidity. DALWANs rose 0.25 to 0.75pt this morning.

Table 1: Dalian Wanda's offshore outstanding bonds

	Amt o/s (USDmn)	Price (ask)	YTM (ask, %)
DALWAN 7.25 01/29/24	600	39.96	348.83
DALWAN 11 01/20/25	400	30.52	128.94
DALWAN 11 02/13/26	300	27.14	86.88
Total	1,300		

Source: Bloomberg.

Table 2: Dalian Wanda's bond maturities

	Onshore (RMBmn)	Offshore (USDmn)
1H24	760	600
2H24	1,118	-
1H25	-	400
2H25	6,800	-
After 2025	1,500	300
Total	10,178	1,300

Source: Wind.

➤ **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	Pricing	Issue Rating (M/S/F)
No Offshore Asia New Issues Pipeline Today					

➤ **News and market color**

- Regarding onshore primary issuances, there were 100 credit bonds issued yesterday with an amount of RMB94bn. As for Month-to-date, 888 credit bonds were issued with a total amount of RMB706bn raised, representing a 9% yoy decrease
- [AGILE]** Agile raised HKD387mn (cUSD50mn) from share placement

- **[DALWAN]** Media reported that Dalian Wanda Commercial Management paid USD33mn coupon of USD300mn DALWAN 11 02/13/26
- **[HRINTH]** Huarong Asset Management's unit renewed USD80mn facility
- **[KWGPRO]** KWG Group announced to sell 50% of Hangzhou Zhiyan, 50% of Suzhou Jinyu and 51% of Suzhou Zhuoyuto to Greentown China for cRMB2.1bn
- **[MONMIN]** Mongolian Mining's revenue increased 385% yoy to USD517mn in 1H23, gross profit turned to positive in 1H23 as USD225.1mn
- **[SINOCE]** Sino-Ocean unit announced it schedules interest payment of RMB1.5bn (cUSD206.5mn) 15Yuanyang03 bonds on 21 Aug
- **[ZHAPIE]** Fitch affirmed Zhangzhou Jiulongjiang's long term issuer rating at BBB- with stable outlook

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