Fixed Income
Credit Commentary

21 Sep 2026

CMBI Credit Commentary

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

- *Asia IG and HY were quiet this morning amid the JP holiday. We saw better buying interest in the recent new issue SONYLF '56. Japanese and European subs were 0.2-0.5pt lower against the rates backdrop. CWAHK '30/VNKRLE '27 dropped 0.6-0.8pt.*

- ***NSINTW:*** *FV of new 15.5NC10.5 T2 at T+190bps vs IPT at T+215bps. Taiwan lifers were 2-3bps wider this morning. See below.*

- ***SOFTBK:*** *SoftBank Group mandates USD10bn bonds and EUR1bn bonds issuance to fund the USD10bn payment for the third tranche of the 2026 OpenAI Follow-on Investment with canceling all of the USD10bn of undrawn capacity under the 2026 Bridge Loan Facility and for general corporate purposes. SOFTBKs were unchanged to 1.0pt lower this morning.*

❖ **Trading desk comments 交易台市场观点**

Last Friday, Asia IG traded with a constructive tone with spreads tightened by 1-3bps. Flows were mixed but tilted toward better buying in 5yr risk-on names MEITUA/BNKEA/NORBK/NIPLIF/HPHTSP/AACTEC which were 1-2bps tighter. The 10yr and long-end papers were largely unchanged, with light selling seen in SMBCAC/KYUSEL/NORBK. FRNs generally held steady, although we saw better selling in the front-end tighter-spread paper. We also observed better demand for front-end HK T2s DAHSIN/BNKEA/SHCMBK, as well as 2-3yr paper in MEITUA/HYUELE/HYNMTR, which tightened 1-3bps. KR securities DAESEC/ HYUSEC/NHSECS were unchanged to 2bps tighter.

In higher-yielding space, Japanese and European AT1s rebounded by 0.3-0.5pt in the belly and long end amid a broader recovery in risk assets. The move was led by on-the-run Japanese issues, supported by short covering, although some of the strength faded into the London session as rates edged higher again. Front-end AT1s meanwhile gained 0.1-0.2pt, with moderate flows skewed toward better buying. Chinese developers GRNCH/LNGFOR/VNKRLE were 0.1-1.1pts higher. HK name NWDEVLs were unchanged to 1.3pts lower. SE Asia GENTMK 8.3 Perp/PTTGC 7.125 Perp recovered 0.6-0.7pt. In USD LGFVs, bonds appeared to be consolidating at low-to-mid-5% yields against the latest rates backdrop. As the USD credit universe stabilized, multi-currency investors refocused on CNH assets as the currency reached a 4yr high. This complemented onshore cross-border buying in 5-10yr high-grade CNH paper, while we saw recovering demand in higher-yielding CNH LGFVs from tactical investors. CNH TMT BABA/MEITUA/TENCNT were unchanged to 0.3pt lower.

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❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
VNKRLE 3.975 11/09/27	**52.9**	**1.1**	NWDEVL 4 1/2 05/19/30	**79.8**	**-1.3**
FRIDPT 6.2 04/14/52	**93.5**	**0.9**	NWDEVL 4.8 PERP	**49.1**	**-0.9**
GENTMK 8.3 PERP	**94.5**	**0.7**	VLLPM 9 3/8 07/29/29	**67.2**	**-0.9**
GENMMK 3.882 04/19/31	**89.4**	**0.6**	GLENLN 6 11/15/41	**97.6**	**-0.8**
PTTGC 7 1/8 PERP	**99.1**	**0.6**	BNP 7.2 PERP	**96.7**	**-0.8**

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (+0.17%), Dow (-0.18%) and Nasdaq (+0.39%) were mixed on last Friday. China kept 1yr/5yr LPR unchanged at 3.0%/3.5%, respectively. UST yield was higher on last Friday. 2/5/10/30 year UST yield was at 4.76%/4.26%/5.01%/5.34%.

❖ Desk Analyst Comments 分析员市场观点

➢ NSINTW: FV of new 15.5NC10.5 T2 at T+190bps vs IPT at T+215bps

Nanshan Life proposes to issue 15.5NC10.5 Reg S T2 USD bond (S&P: BBB+). We view the FV of the new bond at T+190bps vs IPT at T+215bps, taking cues from its existing T2s and adjusting for longer in tenor. The bond is callable at par, in whole, on any date during the 3 months prior to and on the first reset date. Proceeds will be used to strengthen its financial structure and capital base, and to improve the capital adequacy ratio.

Table 1: Bond profile of NSINTWs

Security name	ISIN	Amt o/s (USD mn)	Px	G-spread (bps)	YTW	Mod dur	First call date	Payment rank	Issue rating (M/S/F)
NSINTW 5.45 09/11/34	XS2888260564	700	93.4	158	6.5%	6.3	N/A	Subordinated	-/BBB+/BBB
NSINTW 5 ⅞ 03/17/41	XS3046322593	653	94.3	174	6.7%	6.9	12/17/2035	Subordinated	-/BBB+/BBB

Source: Bloomberg.

Nanshan Life delivered strong 1H26 results, supported by CSM release and a favorable domestic equity market backdrop. CSM release amounted to TWD13.8bn in 1H26, equivalent to a release rate of c3.4%, providing a source of recurring earnings. After-tax profit reached TWD30.9bn in 1H26, exceeded FY25 full-year profit of TWD29.0bn. Adjusted for FVOCI equity disposal gains, adj. net profit was TWD47.1bn for 1H26. The strong domestic equity market was an important tailwind. The c57% gain in TWSE Index during 1H26 was supportive for Nanshan Life given domestic equities represented 8.7% of its investment portfolio as of Jun'26. Besides, Nanshan Life's capitalization strengthened notably. The equity-to-assets ratio improved to 10.4% as of Jun'26 from 6.7% at Dec'25, comfortably above the 3% regulatory minimum. The TIS ratio was 129.5%, also higher than the 100% regulatory minimum requirement. These provide a meaningful cushion against potential market volatility. Furthermore, Nanshan Life is considering to set the internal target of TIS at 125-130%, as per media report.

Out of the 4 Taiwan lifers, we pair up CATLIF and FUBON for fair and relative value assessments, in view of their credit profiles and scale of operations. We continue to prefer FUBON 5.45 12/10/35 with a yield pick-up of

10-20bps against CATLIFs. We also pair up NSINTW and SHIKON, and we prefer NSINTW 5 ⅞ 03/17/41 most at current valuation in view of its more balanced risk-return profile, as well as lower cash price and better trading liquidity.

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

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

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

Issuer/Guarantor	Currency	Size (USD mn)	Tenor	IPT/IPG	Issue Rating (M/S/F)
ANZ Bank	USD	-	3yr	T+60	Aa2/AA-/AA-
	USD	-	3yr	SOFR Equiv	
Korea National Oil	USD	-	3yr	T+80	Aa2/AA/-
	USD	-	3yr	SOFR Equiv	
	USD	-	5yr	T+90	
Nanshan Life	USD	-	15.5NC10.5	T+215	-/BBB+/-

- **News and market color**

- Regarding onshore primary issuances, there were 102 credit bonds issued last Friday with an amount of RMB117bn. As for month-to-date, 1,323 credit bonds were issued with a total amount of RMB1,400bn raised, representing a 12.3% yoy increase

- **[DALWAN]** Moody's upgraded Dalian Wanda Commercial Management by two notches to Caa2 from Ca; outlook changed to positive from negative

- **[EHICAR]** eHi Car has redeemed the all of the outstanding EHICAR 7 09/21/26

- **[NWDEVL/VDNWDL]** New World received SSE acceptance for Shanghai K11 REIT spin-off

- **[SOFTBK]** Media reported Softbank increases Arm shares-backed margin loan by USD5bn to USD25bn

- **[VNKRLE]** Media reported China regulator asks Vanke's bank lenders to suspend loan payments for three years

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