

CMBI Credit Commentary**Fixed Income Daily Market Update 固定收益部市场日报**

- *Market tone was overall cautious this morning. Asian IG spreads widened 2-3bps with light selling flows. We saw profit taking in front-end AT1. Dim Sum bond was under better selling. New MEITUA '31/'36 down c0.5pt. LGFV and property were weak.*
- **MGMCHI:** *GGR market share increased to 16.3% in 9M26. Maintain neutral on MGMCHIs on valuation. See below.*
- **ZHHFGR:** *Media reported Zhuhai Huafa repaid some trust investors after bond slum; it plans to sell shareholdings of Zhuhai Huachuang for cRMB4.6bn. CNH ZHHFGR rebounded 2-4pts this morning.*

❖ Trading desk comments 交易台市场观点

Yesterday, Asian IG space was mixed. FRESHK curve widened 20-25bps, while HK T2 space widened 10-15bps, led by the BNKEA curve. Media reported HKMA urged banks to ease developer refinancing amid K-shaped property recovery. BABA/TENCNT/MEITUA were unchanged to 2bps tighter. KR industrial HYUELE/POHANG/KORELE tightened 1-2bps. In the CNH space, the recent new MEITUA '31/'36 dropped another 1.0-1.5pts, weighing on the high-grade dim sum market alongside heavy selling in AIA/TENCNT. Among TW lifers, SHIKON '35 tightened 5bps after S&P revised its outlook to stable from negative, while peers held flat. In SEA space, the BBLTB sub-curve tightened 2-3bps on the back of better buying in the '36s and '40s.

In Higher-yielding space, EU AT1 recovered 0.1-0.5pt. CNH ZHHFGR curve dropped a further 10-20pts, sparking a contagion that dragged other Chinese property names like CPDEV/BCDHGR 5-10pts lower. GRNCH /LNGFOR /FUTLAN down 3-5pts. HY industrial HONGQI/FOSUNI dropped 0.2-0.5pt. GLPSP/GLPCHI down 0.1-0.8pt. Macau gaming names were mixed, SJMHOL down 0.1-0.2pt while others were unchanged to 0.4pt higher.

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❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
HKTGHD 5 1/8 06/10/36	93.4	1.0	GRNCH 7 05/19/29	85.5	-5.3
ARAMCO 6 3/8 06/02/55	93.5	0.9	GRNCH 8.45 02/24/28	91.3	-4.6
ARAMCO 5 3/4 07/17/54	86.5	0.9	BCDHGR 6.3 04/20/29	90.3	-3.7
ARAMCO 5 7/8 07/17/64	85.6	0.9	CPDEV 6.8 04/07/29	89.7	-3.6
ARAMCO 6 02/02/56	88.8	0.8	CPDEV 7.15 03/21/28	92.5	-3.3

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (-0.30%), Dow (-0.25%) and Nasdaq (-1.38%) retreated on Thursday. US Sec'26 core PCE was +0.3% qoq, same with the expectation. The latest US initial jobless claim was +194k, compared to the expectation of +198k. UST yield was lower yesterday. 2/5/10/30 year UST yield was at 4.61%/4.78%/4.98%/5.32%.

❖ Desk Analyst Comments 分析员市场观点

➤ **MGMCHI: GGR market share increased to 16.3% in 9M26**

MGM China continued to gain market share in 3Q26, with GGR market share increased to 17.0% in 3Q26 and 16.3% in 9M26, from 15.9% in 1H26, as per our calculation. Management indicated that its GGR market share reached 19.2% in Sep'26, implying stronger momentum towards quarter-end. In 3Q26, MGM China's revenue increased by 4.9% yoy to HKD8.9bn, adj. EBITDA increased 0.9% yoy to HKD2.4bn while adj. EBITDA margin narrowed to 26.8% from 27.9%. For 9M26, revenue rose 4.6% yoy to HKD26.3bn, adj. EBITDA fell 1.0% yoy to HKD7.2bn with adj. EBITDA margin compressed to 27.3% from 28.8%.

MGM Cotai remained the principal growth driver, with revenue increased 6.0% yoy to HKD5.4bn, and adj. EBITDA rose 4.4% yoy to HKD1.5bn. MGM Macau's revenue increased 2.3% yoy to HKD3.5bn, while adj. EBITDA declined 5.4% yoy to HKD865mn. Stronger performance at Cotai property reflected higher main floor table game drop and win at 28.4% (3Q25: 26.2%), as well as higher slot hold and win at 3.7% (3Q25: 2.9%), partly offset by weaker VIP turnover and win at 4.3% (3Q25: 4.4%). While for MGM Macau, the main floor win at 26.9%, slot win at 3.8%, and VIP win at 3.2% are all higher in 3Q26 compared to 23.0%, 3.5%, and 2.0%, respectively, in 3Q25. Looking ahead, we view its expanding market share, coupled with the newly renovated Cotai Supreme Club and high-limit slot area, which opened in Jul'26, continue to support premium-mass segment and GGR growth.

However, profitability remained under pressure in both 3Q26 and 9M26, adj. EBITDA margins were lower yoy partly due to higher promotional expenses amid the competitive operating environment, but these were still within the management's guidance of mid-to-high 20%. MGM China's adj. EBITDAR fell 7.0% to USD264mn in 3Q26, with margin narrowed to 23.2% from 26.1% over the same period. This reflected increase of branding license fee of USD22mn from 3Q25 under the new branding fee agreement. While the branding fee is a revenue-linked operating cost, the impact on profitability remain contained.

We view refinancing risk as manageable, in view of its HKD25.6bn liquidity (cash and bank balances, and undrawn revolver) as of Sep'26, continued operating cash flow generation and good access to funding channels, which provide buffer against the USD750mn MGMCHI 4.75 02/01/27 due in Feb'27. We like Macau gaming bonds as lower-beta and good carry plays with Macau gaming operator's smooth funding channels, and we maintain neutral on MGMCHIs on valuation.

➤ **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 105 credit bonds issued yesterday with an amount of RMB75bn. As for month-to-date, 1,754 credit bonds were issued with a total amount of RMB1,782bn raised, representing a 13.1% yoy increase
- Media reported HKMA urged banks to ease developer refinancing amid K-shaped property recovery
- [CHALCO]** Chalco 9M26 operating revenue up 5.7%yoy to RMB186.6bn; Operating profit up 86.5% yoy to RMB38.8bn
- [CHCOMU]** China Communications Construction 9M26 revenue down 2.2% yoy to RMB502.8bn
- [SINOPE]** Sinopec 9M26 revenue up 4.4% yoy to RMB2.2tn; Operating profit up 25.3% yoy to RMB58.5bn
- [VNKRLE]** China Vanke 9M26 revenue down 34.9% yoy to RMB105bn; Loss attributable to shareholders narrowed to RMB28.0bn

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