

CMBI Credit Commentary

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

- *Asian IGs were firm this morning. TMTs widened up to 5bps while KRKPS/27/29 tightened c5bps. Long duration JP names down c0.5pt. LGFV were active with two-way flows.*
- **Asia Credit Outlook 2025:** *To cut or not to cut, that is the question... haunting FED... and us. See comments below.*
- **VEDLN:** *Media reported that Vedanta Resources plans to raise up to USD1bn to refinance high-cost debt. VEDLNs were unchanged to 0.1pt higher this morning.*

❖ Trading desk comments 交易台市场观点

Last Friday, LGENSOs were 2-3bps wider while DAESECs closed unchanged to 1bp tighter. The tone on Chinese IGs were constructive amid China's announcement on expanding consumption subsidies to cover smartphones and other electronics. SINOCH 31s/BABA 31s/TENCNT 30s/XIAOMI 30s tightened 1-2bps. In financials, Chinese AMCs were under better buying from AMs. HRINTH 26-27s were 0.1-0.3pt higher. CCAMCL/ORIEAS 26-30s were 2-4bps tighter. BCLMHK/WSTP Float 26-29s were better bid and tightened 1-3bps. In T2s, BNKEAs/NANYANS/DAHSINs were 1-5bps tighter. In EU AT1s, the 6-10yr to call papers such as BNP 8/INTNED 7.25 Perps were unchanged to 0.2pt higher. Thai AT1s were better bid by institutional demands. The 2025-callable papers such as BBLTB 5/KBANK 5.275 Perps were up 0.1pt. In HK, NWDEVL Perps/28-30s retreated 1.0-1.9pts on last Fri after having jumped 1.4-3.5pts on last Thu. In Chinese properties, FTLNHD/SHUION 25-26s, VNKRL 25-29s, and LNGFOR 28-32s were 0.2-0.7pt higher. Outside properties, HONGQI announced the new issue mandate of a 3-yr USD bond. In Macau gaming, MPELs/SANLTDs were 0.1-0.4pt lower. In India, ADSEZs/ADTINs/ADGREGs/ADINCOs were 0.7-1.3pts higher. In Indonesia, MDLNIJ 27s lowered 1.2pts.

LGFVs were traded in a constructive tone amid beginning-of-year deployment demands. USD NJYZSO/QDHTCO 27s were 0.1-0.3pt higher. There were two-way flows in CNH LGFVs such as ZHAPIE 26s/ZOUCAO 27s/LHKHIG 25s. In SOE perps, CHSCOI 3.4 Perp was up 0.2pt, HUADIA 3.375 Perp/CHPWCN 3.45 Perp were 0.1-0.2pt lower. SUNSHG/YUNDHL/HAIDIL/CNMDHL 26s were unchanged to 0.2pt higher.

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

Cyrena Ng, CPA 吳蓓瑩
(852) 3900 0801
cyrenang@cmbi.com.hk

Jerry Wang 王世超
(852) 3761 8919
jerrywang@cmbi.com.hk

❖ Last Trading Day's Top Movers

Top Performers	Price	Change	Top Underperformers	Price	Change
ADSEZ 3.1 02/02/31	77.7	1.3	NWDEVL 6 1/4 PERP	37.1	-1.9
ADSEZ 3.828 02/02/32	78.6	1.2	NWDEVL 4.8 PERP	31.8	-1.7
ADTIN 4 1/4 05/21/36	79.1	1.2	NWDEVL 4 1/8 PERP	37.6	-1.6
ADSEZ 4 3/8 07/03/29	87.3	1.2	NWDEVL 8 5/8 02/08/28	73.1	-1.2
ADSEZ 5 08/02/41	76.4	1.1	NWDEVL 8 5/8 02/08/28	73.1	-1.2

❖ Marco News Recap 宏观新闻回顾

Macro – S&P (+1.26%), Dow (+0.80%) and Nasdaq (+1.77%) were strong on last Friday. China Dec'24 Caixin service PMI was 52.2, higher than the expectation of 51.4. UST yield moved higher on last Friday, 2/5/10/30 yield reached 4.28%/4.41%/4.60%/4.82%.

❖ Desk Analyst Comments 分析员市场观点

➤ Asia Credit Outlook 2025: To cut or not to cut, that is the question.... haunting FED... and us

Executive Summary**Technical continues to be supportive in 2025**

In 2024, ACIG and ACHY returned 4.6% and 15.1%, respectively, thanks to the rate cuts in the US, improving market sentiment on the expectation of China's more forceful supportive measures and strong market technical. While we believe that repeating the performance in 2024 is challenging, we remain constructive on Asian USD bonds, mainly because of the positive market technical, especially the sustained onshore "demand". Fundamentally, we are facing slowing growth in major economies and a potential trade war but these concerns will be somewhat tempered by the stimulus measures in countries like China and Indonesia, and moderating default rate. Valuation-wise, the credit spreads of both IG and HY are tight by historical standard but not as unappealing on yield terms. We continue to see Alpha and spread compression opportunities for improving credit stories.

FFR to cut 50bps in 2025 but the rate movement to be choppy

CMBI economic research maintained the view that the US Federal Reserve (FED) will cut Fed Fund Rate (FFR) by 50bps in 2025 and another 50bps in 2026, in line with the projections released by FED on 18 Dec'24. At the time of writing, the "Trump trades" appear to have overshoot, we expect the 10-year UST to decline from 4.6% at the end of 2024 to 4% at the end of 2025 and 3.75% at the end of 2026. We expect the US dollar index to weaken from 108.5 at the end of 2024 to 104.5 at the end of 2025 and 102 at the end of 2026. That said, the rate and currency will not move in straight lines. We expect a choppy rate environment as details of Trump's inflationary policies, as well as economic and employment figures unfolding.

Net redemptions to shrink, if not reverse

The “normalized” or lower funding costs for sectors such as banks, Chinese AMCs, LGFVs, Macau gaming and TMT should support the continuous rebound in gross issuance. In 2024, the gross issuance in Asia ex JP, AU & NZ increased 31% to cUSD189bn. If the growth of gross issuance in 2025 is the same as that of 2024, the gross issuance in 2025 will increase to cUSD248bn, translating into a net issuance of cUSD8bn, compared with scheduled maturities of cUSD240bn in 2025. This will reverse the net redemption trend since 2022. If the growth of gross issuance is only 10-15%, the gross issuance will increase to USD208-217bn, implying a net redemption of cUSD23-32bn in 2025. The eventual growth of gross issuance will depend very much on UST movements. That said, we expect net redemptions to shrink notably, if not reverse, in 2025. We are not too concerned on higher gross issuance and potential reversal of net redemptions. As we have been arguing, the higher gross and net issuance can only come if the market sentiment is strong.

Themes and picks

Based on our house view, we expect a largely parallel shift of UST rates from the current levels to the end of 2025. However, we believe that 2025 will start with a lot of noise on tariff, trade war and UST rate movement as Trump will be sworn in the presidency. These will raise the longer-term inflation expectation but the near-term impact should be relatively muted before the actual policies coming in effect. Hence, from a trading perspective, we expect the UST to steepen first before flatten towards the year-end and prefer short-tenor in the near-term.

From a sector perspective, we prefer domestic consumption plays under the threat of trade war, and sectors protected or supported by governments. On the other hand, in a tight credit spread environment, we prefer to go down the credit curve for lower-rated credits in sectors where credit fundamental is solid or improving. We see Alpha opportunities for under-researched credits and spread compression opportunities in various sectors. Additionally, we continue to recommend going down the capital structure such as corporate perps with high coupon step-up and bank capital papers in regimes with sound track records on call.

Given the generally easing credit environment and availability of lower-cost funding alternatives in the region, we expect the active early redemptions to continue. We see the strong technical of selected SEA credits and believe that they are the candidates for early redemptions.

Our themes for 2025 will center on: -

- Yield curve steepening in 1H25 with shorter-tenor rates going lower while longer-tenor rates being volatile. We prefer tenor of 5-year or short
- Consumption plays with less exposure to export markets
- Yield pick-up/spread compression trades such as bank capital papers, corporate perps with high coupon step-up
- LGFVs from higher-tier cities and ongoing access to low-cost onshore funding channels
- Surviving Chinese properties
- SEA credits with smooth access to various channels and better risk-return profile

Theme	Bond	Recommen	Maturity/	Ask price	YTM/YTC(%)
	FAEACO 12.764 Perp	Buy	18/2/2025	99.9	13.2

	NWDEVL 5.25 Perp	Buy	22/3/2026	49.2	77.0
	NWDEVL 6.15 Perp	Buy	16/3/2025	64.0	301.5
	NWDEVL 4.8 Perp	Buy	02/3/2025	32.4	14.8 (YTM)
➤ Yield pick-up/spread compression trades	RAKUTN 5.125 Perp	Buy	22/4/2026	97.3	7.4
	RAKUTN 8.125 Perp	Buy	15/12/2029	100.0	8.1
	PCORPM 5.95 Perp	Buy	19/4/2026	100.1	5.9
▪ Corp perps	SMCGL 5.7 Perp	Buy	21/1/2026	98.9	6.8
	SMCGL 5.45 Perp	Buy	9/12/2026	96.9	7.2
	SMCGL 8.125 Perp	Buy	2/12/2029	101.7	7.7
	SMCPM 5.5 Perp	Buy	29/7/2025	99.5	6.4
	ANZ 6.75 Perp	Buy	15/6/2026	102.0	5.3
	KBANK 4 Perp	Buy	10/2/2027	95.7	6.2
	MQGAU 6.125 Perp	Buy	8/3/2027	101.0	5.6
	WSTP 5 Perp	Buy	21/9/2027	98.8	5.5
	BACR 4.375 Perp	Buy	15/3/2028	90.5	7.7
	BBLTB 5 Perp	Buy	23/9/2025	99.2	6.1
	CHIBK 8 Perp	Buy	26/10/2027	100.9	7.6
▪ Capital papers (AT1s and T2s) of financial institutions and life insurance	INTNED 3.875 Perp	Buy	16/5/2027	91.2	8.0
	SHINFN 2.875 Perp	Buy	12/5/2026	96.6	5.5
	KBANK 5.275 Perp	Buy	14/10/2025	99.3	6.2
	RCBPM 6.5 Perp	Buy	27/8/2025	100.2	6.2
	BBLTB 3.466 09/23/36	Buy	23/9/2031	86.0	6.0
	CHIBK 5.75 04/07/32	Buy	7/4/2027	98.5	6.5
	KBANK 3.343 10/02/31	Buy	2/10/2026	95.9	5.9
	NSINTW 5.45 09/11/34	Buy	11/9/2034	96.9	5.9
	BCLMHK Float 07/14/25	Buy	14/7/2025	100.6	5.3
	BCLMHK Float 06/26/27	Buy	26/6/2027	100.0	5.2
	BCLMHK Float 08/23/27	Buy	23/8/2027	100.2	5.2
▪ Leasing companies' majority-owned by state-owned banks or laggards	FRESHK 3.375 02/18/25	Buy	18/2/2025	99.8	5.2
	FRESHK 4.25 10/26/26	Buy	26/10/2026	97.2	5.9
	FRESHK 6.625 04/16/27	Buy	16/4/2027	101.2	6.1
	FRESHK 5.875 03/05/28	Buy	5/3/2028	98.9	6.2

➤ Other Asian IGs						
		AACTECs	Buy	Jun'26-Jun'31	89.5-96.4	5.3-5.7
		HYUELE 1.5 01/19/26	Buy	19/1/2026	96.5	5.0
		HYUELE 2.375 01/19/31	Buy	19/1/2031	84.4	5.4
		ZHOSHKs	Buy	May'25-Jan'28	97.2-115.0	5.9-6.3
	▪	Short-term bonds with high yields				
➤ Consumption plays with less exposure to export markets						
		BTSDf 13.5 06/26/26	Buy	26/6/2026	107.1	8.3
		EHICARs	Buy	Sep'26-Sep'27	67.4-69.6	30.4-31.2
		MPELs	Buy	Jun'25-Apr'29	91.8-100.9	5.6-7.5
		SJMHOls	Buy	Jan'26-Jan'28	95.5-98.4	6.1-6.5
		STCITYs/STDCTYs	Buy	Jul'25-Jan'29	91.2-100.9	6.1-7.6
	▪	Car rental, Macau gaming and TMT				
		MEITUA 0 04/27/27	Buy	27/4/2025	98.8	5.3
		MEITUA 2.125 10/28/25	Buy	28/10/2025	97.7	5.0
		TENCNT 3.595 01/19/28	Buy	19/1/2028	96.5	4.9
		TENCNT 3.975 04/11/29	Buy	11/4/2029	96.4	4.9
		WB 3.375 07/08/30	Buy	8/7/2030	89.8	5.5
		XIAOMI 3.375 04/29/30	Buy	29/4/2030	91.0	5.3
		XIAOMI 2.875 07/14/31	Buy	14/7/2031	86.1	5.4
➤ Beneficiaries of supportive government policies						
		CCAMCL 4.4 Perp	Buy	3/11/2026	98.4	5.3
		HRINTH 4.25 Perp	Buy	30/9/2025	99.0	5.7
	▪	Chinese AMCs with demonstrated government support				
		HRINTH 3.875 11/13/29	Buy	13/11/2029	92.8	5.6
		HRINTH 3.375 02/24/30	Buy	24/2/2030	89.9	5.7
		HRINTH 3.625 09/30/30	Buy	30/9/2030	89.9	5.7
		SHUGRP 7.2 03/20/27	Buy	20/3/2027	99.5	7.5
		CCUDIHS	Buy	Jun'26-Jun'27	101.8-102.0	5.5-6.0
	▪	LGFVs from higher tier cities with ongoing access to onshore funding				
		CPDEVs	Buy	Jul'25-Jan'26	97.6-98.5	6.6-7.0
		KMRLGP 8.125 12/07/25	Buy	7/12/2025	100.0	8.2
		ZHHFGR 2.8 11/04/25	Buy	11/04/2025	97.6	5.8
➤ Survivors in Chinese properties						
	▪	SOEs				
		CHJMAOs	Buy	Mar'25-Jul'29	85.9-100.0	4.4-8.1
	▪	non-SOE survivors with:-				
	➤	T1/2 cities positioning				
		DALWANS	Buy	Jan'26-Feb'26	86.6-96.0	15.4-25.7
	➤	Ownership of high quality investment properties providing				
		FUTLAN/FTLNHDs	Buy	Jul'25-May'26	83.4-94.1	16.9-19.4

recurring rental income and access to alternative funding channels such as CMBS, CBICL-guaranteed bonds, operating loans, etc.	GRNCHs	Buy	Jan'25-Jul'25	99.2-99.9	3.5-7.2
	LNGFORs	Buy	Apr'27-Jan'32	70.4-84.6	9.8-11.5
	YLLGSP	Buy	20/5/2026	95.5	8.7
➤ Manageable near-term maturities, especially offshore bond maturities					

➤ SEA credits					
▪ Smooth access to various funding channels	VEDLN 10.25 06/03/28	Buy	3/6/2028	102.6	9.3
	INCLN 4.5 04/18/27	Buy	18/4/2027	95.5	6.7
▪ Better risk-return profiles	INDYIJ 8.75 05/07/29	Buy	7/5/2029	103.3	7.8
	MEDCIJ 6.95 11/12/28	Buy	12/11/2028	100.0	6.9
	MEDCIJ 8.96 04/27/29	Buy	27/4/2029	105.5	7.4
	ADANEM 3.867 07/22/31	Sell	07/22/2031	78.0	8.3
	ADANEM 3.949 02/12/30	Sell	02/12/2030	81.4	8.5
	ADSEZ 4 07/30/27	Sell	07/30/2027	90.6	8.1
	ADSEZ 4.2 08/04/27	Sell	08/04/2027	90.7	8.3
	ADSEZ 4 3/8 07/03/29	Sell	07/03/2029	86.5	8.0
	ADSEZ 3.1 02/02/31	Sell	02/02/2031	76.8	8.0
	ADSEZ 3.828 02/02/32	Sell	02/02/2032	77.8	8.0
	ADSEZ 5 08/02/41	Sell	08/02/2041	75.7	7.6
	ADTIN 4 08/03/26	Sell	08/03/2026	92.3	9.3
	ADTIN 4 1/4 05/21/36	Sell	05/21/2036	78.5	7.0
	ARENRJ 4 5/8 10/15/39	Sell	10/15/2039	74.8	7.5
	ADGREG 6.7 03/12/42	Sell	03/12/2042	84.5	8.4

Note: The call date of FAEACO 12.764 Perp and NWDEVL 4.8 Perp refer to next call date.

Source: Bloomberg.

Summary of recommendations

Asian Corporate-IG	Maintain Buy	AACTECs
		HYUELE 1.5 01/19/26

		HYUELE 2.375 01/19/31
		ZHOSHKs
		HAOHUA 3.875 06/19/29
	Chg. to Neutral	HAOHUA 3 09/22/30
		SYNNVX 4.892 04/25/25
Asian Corporate-Non IG	Maintain Buy	BTSDf 13.5 06/26/26
		EHICARs
		ANZ 6.75 Perp
	Initiate Buy	KBANK 4 Perp
		MQGAU 6.125 Perp
		WSTP 5 Perp
Asian Bank AT1	Maintain Buy	BBLTB 5 Perp
		CHIYBK 8 Perp
		KBANK 5.275 Perp
		RCBPM 6.5 Perp
		SHINFN 2.875 Perp
		BCHINA 3.6 Perp
	Chg. to Neutral	DBSSP 3.3 Perp
		ICBCAS 3.58 Perp
	Initiate Buy	BBLTB 3.466 09/23/36
Asian Bank T2	Maintain Buy	CHIYBK 5.75 04/07/32
		KBANK 3.343 10/02/31
	Chg. to Neutral	SHINFN 3.34 02/05/30
Asian Lifer	Initiate Buy	NSINTW 5.45 09/11/34
		CCAMCL 4.4 Perp
		HRINTH 4.25 Perp
Chinese AMC	Maintain Buy	HRINTH 3.875 11/13/29
		HRINTH 3.375 02/24/30
		HRINTH 3.625 09/30/30
Chinese Leasing	Initiate Buy	BCLMHK Float 07/14/25
		BCLMHK Float 06/26/27

		BCLMHK Float 08/23/27
		FRESHK 3.375 02/18/25
	Maintain Buy	FRESHK 4.25 10/26/26
		FRESHK 6.625 04/16/27
		FRESHK 5.875 03/05/28
		CDBALF 3.5 10/24/27
	Chg. to Neutral	CDBLFD 2 03/04/26
		CDBLFD 3 1/8 03/02/27
		CHJMAOs
		DALWANs
Chinese Properties	Maintain Buy	FUTLAN/FTLNHDs
		GRNCHs
		LNGFORs
		YLLGSP
		TENCNT 3.595 01/19/28
	Initiate Buy	TENCNT 3.975 04/11/29
		MEITUA 0 04/27/27
		MEITUA 2.125 10/28/25
Chinese TMT	Maintain Buy	WB 3.375 07/08/30
		XIAOMI 3.375 04/29/30
		XIAOMI 2.875 07/14/31
		TENCNT 2.39 06/03/30
	Chg. to Neutral	TENCNT 2.88 04/22/31
		FAEACO 12.764 Perp
	Initiate Buy	NWDEVL 4.8 Perp
		NWDEVL 5.25 Perp
		NWDEVL 6.15 Perp
Corporate Perps	Maintain Buy	RAKUTN 5.125 Perp
		RAKUTN 8.125 Perp
		PCORPM 5.95 Perp
		SMCGL 5.7 Perp

		SMCGL 5.45 Perp
		SMCGL 8.125 Perp
		SMCPM 5.5 Perp
	Chg. To Neutral	NWDEVL 4.125 Perp
	Maintain Neutral	RAKUTN 6.25 Perp
		UPLLIN 5.25 Perp
European Bank AT1	Maintain Buy	BACR 4.375 Perp
		INTNED 3.875 Perp
	Chg. to Neutral	BACR 6.125 Perp
LGFV	Initiate Buy	SHUGRP 7.2 03/20/27
		CCUDIHs
		CPDEVs
	Maintain Buy	KMRLGP 8.125 12/07/25
		ZHHFGR 2.8 11/04/25
		GSHIAV
	Chg. to Neutral	GXFING
	GZINFUs	
		ZHHFGR 2.95 02/28/25
Macau Gaming	Maintain Buy	MPELs
		SJMHOls
		STCITYs/STDCTYs
SEA Renewables and Commodities	Initiate Buy	VEDLN 10.25 06/03/28
		INCLN 4.5 04/18/27
		INDYIJ 8.75 05/07/29
	Maintain Buy	MEDCIJ 6.95 11/12/28
		MEDCIJ 8.96 04/27/29
		ADANEM 3.867 07/22/31
		ADANEM 3.949 02/12/30
Sell	ADSEZ 4 07/30/27	
	ADSEZ 4.2 08/04/27	
	ADSEZ 4 3/8 07/03/29	

ADSEZ 3.1 02/02/31
 ADSEZ 3.828 02/02/32
 ADSEZ 5 08/02/41
 ADTIN 4 08/03/26
 ADTIN 4 1/4 05/21/36
 ARENRJ 4 5/8 10/15/39
 ADGREG 6.7 03/12/42

Click [here](#) for full report

➤ **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)
China Hongqiao Group	USD	-	3yr	7.5%	-/-/BB+
Chugoku Electric Power	USD	-	10yr	-	-/BBB+/-
Clifford Capital	USD	-	5yr	-	-/AAA/-
Henan Railway Construction & Investment Group	USD	-	3yr	-	-/-/A
Hyundai Capital	USD	-	3/5yr	T+100/120	A3/A-/A-
Hyundai Capital	USD	-	3yr	SOFR Equiv	A3/A-/A-
India Export-Import Bank	USD	-	10yr	T+130	Baa3/BBB-/BBB-
National Australia Bank	USD	-	5yr	T+75/SOFR Equiv	Aa2/AA-/A-
National Australia Bank	USD	-	11NC10	T+155	A3/A-/A-
Quzhou State-Owned Capital Operation	USD	-	3yr	5.3%	-/-/-
Vinhomes	USD	-	-	-	B1/-/BB-

➤ **News and market color**

- Regarding onshore primary issuances, there were 64 credit bonds issued on Friday with an amount of RMB46bn. As for Month-to-date, 163 credit bonds were issued with a total amount of RMB105bn raised, representing a 14.2% yoy increase
- Media reported that PBOC plans to lower interest rate in 2025
- Media reported that Macau visitors rose 24% in 2024 and reached 88.6% of pre-pandemic level

- **[DALWAN]** Media reported that Dalian Wanda sold Huaibei Wanda Plaza Investment to New China Life Insurance and CICC Capital Management
- **[JINKE]** Jinke Property signed agreement with restructuring investor
- **[LOGPH]** Logan Group reached agreement in respect of term sheet for holistic restructuring of offshore debt
- **[VEDLN]** Media reported that Vedanta Resources plans to raise up to USD1bn to refinance high-cost debt
- **[VNKRL]** China Vanke bought four real estate projects for cRMB2.4bn

Fixed Income Department

Tel: 852 3657 6235/ 852 3900 0801

fis@cmbi.com.hk

CMB International Global Markets Limited ("CMBIGM") is a wholly owned subsidiary of CMB International Capital Corporation Limited (a wholly owned subsidiary of China Merchants Bank)

Author Certification

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.