Cross-border Bonds Weekly Report

中誠信亞太 CCXAP

2026 Issue 41
From November 2 to November 6

New Issuance of Chinese Offshore Bonds Decreased; Secondary Market Yields Increased

Headline: China's October S&P Global Services PMI Falls to 50.8; US Nonfarm Payrolls Increase by 165,000 in October

On November 4, China reported an October S&P Global Services PMI of 50.8, down from 51.6 in September, indicating the slowest pace of expansion in three months. On November 6, the US reported an increase of 165,000 in October nonfarm payrolls, significantly exceeding the expected increase of 65,000. The previous month's increase was revised up from 29,000 to 60,000.

Exchange Rate: RMB Depreciated; USD Index Increased

Last week, the RMB has depreciated. As of November 6, the RMB/USD middle rate closed at 6.7168, up 30.0bp from last Friday. The USD Index closed at 102.298, up 0.41% from last Friday.

Interest Rate: Chinese Government Bond Yields Decreased; US Treasury Yields Decreased

Last week, China Government Bond yields decreased. Driven by weaker expectations for fiscal expansion following the midterm election results, US Treasury yields decreased.

Chinese Offshore Bond Market

Primary Market: New Issuance of Chinese Offshore Bonds Decreased

From November 2 to November 6, Chinese enterprises issued 33 new bonds in the offshore market, totaling about USD2.444 billion, a decrease of 11.60% from last week. Among them, financial institutions were the main issuers, issuing a total of USD2.086 billion in bonds.

Secondary Market: Return on Chinese USD Bonds Increased

As of November 6, the return of Chinese USD bonds increased by 34.0bp to 1.22% compared to last Friday, among which the return rate of investment-grade bonds increased by 32.0bp to 1.09%, while the return rate of high-yield bonds increased by 47.0bp to 1.33%.

Rating Actions: CCXAP Assigned Credit Rating to 2 Entities

From November 2 to November 6, CCXAP assigned credit ratings to two entities, namely Chengdu Yunlai Investment Group Co., Ltd. and Luzhou Aviation Development Investment Group Co., Ltd.



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Headline: China's October S&P Global Services PMI Falls to 50.8; US Nonfarm Payrolls Increase by 165,000 in October

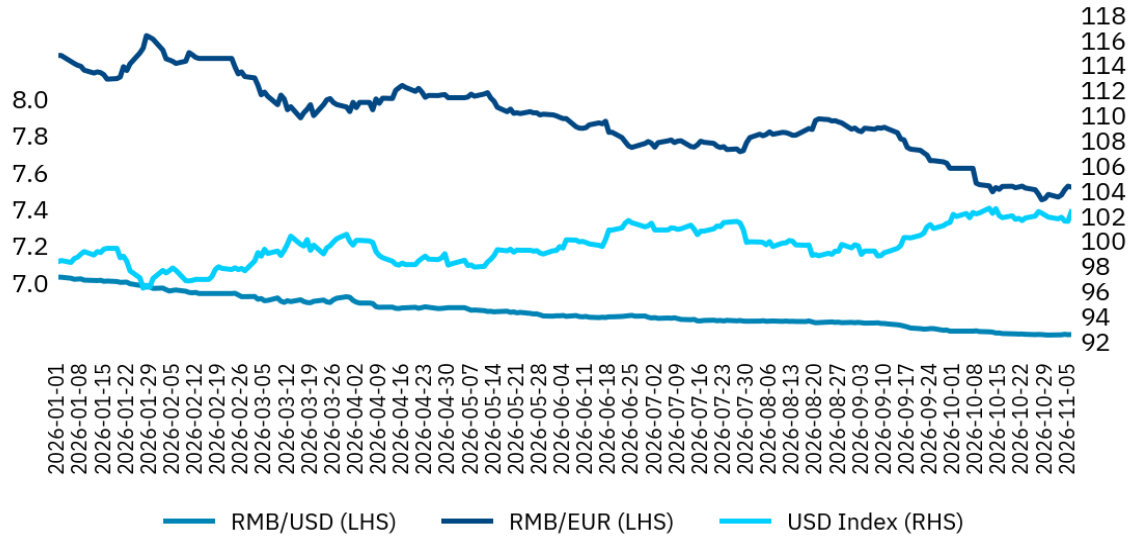
On November 4, China reported the S&P Global Services PMI of 50.8 in October, down from 51.6 in September, indicating the slowest pace of expansion in three months. However, the index remained above the 50 mark separating expansion from contraction, indicating continued growth in services activity, albeit with weaker momentum. The survey showed that new business continued to grow at a pace broadly unchanged from the previous month. New export business increased for the sixth consecutive month, extending the longest growth streak since 2024. To meet existing business needs, firms continued to hire both full-time and part-time employees, providing some support for employment. However, firms faced pressure from both costs and selling prices: higher raw material, fuel and wage costs drove input costs up at the fastest pace in five months. Meanwhile, intensifying market competition prompted firms to reduce selling prices for the second consecutive month, while the National Day Golden Week holiday provided only limited support for business growth. Amid rising costs and competitive pressures, business confidence fell to its lowest level since July. Overall, the services sector continued to expand, but slower growth, rising costs and price competition warrant attention to firms' profit margins and the outlook for demand.

On November 6, the US reported an increase of 165,000 in October nonfarm payrolls, significantly exceeding the expected increase of 65,000. The previous month's increase was revised up from 29,000 to 60,000. The unemployment rate edged down from 4.2% to 4.1%, indicating continued resilience in the labor market. By industry, professional and business services added 70,000 jobs, providing significant support for employment growth during the month. Employment also increased in health care and transportation and warehousing. Meanwhile, the combined increase in nonfarm payrolls for August and September was revised up by 84,000, indicating stronger employment performance than initially estimated. Regarding wages, average hourly earnings for private-sector employees rose by 0.4% month on month to USD38.00, representing a year-on-year increase of 3.1%, while the average workweek remained at 34.4 hours. Despite the rebound in employment growth, the number of long-term unemployed remained at approximately 2 million, accounting for 27.6% of all unemployed people, indicating that some workers continued to face difficulties finding new jobs. Overall, the Employment Situation Report showed job gains, a slight decline in unemployment and rising wages, providing new evidence for assessing US economic growth and inflationary pressures. Subsequent employment and wage developments will also provide important indications of the direction of monetary policy.

Exchange Rate: RMB Depreciated; USD Index Increased

Last week, the RMB has depreciated. As of November 6, the RMB/USD middle rate closed at 6.7168, up 30.0bp from last Friday. The RMB/EUR middle rate closed at 7.5191, up 399.0bp from last Friday. The USD Index closed at 102.298, up 0.41% from last Friday.

Figure 1: RMB exchange rate

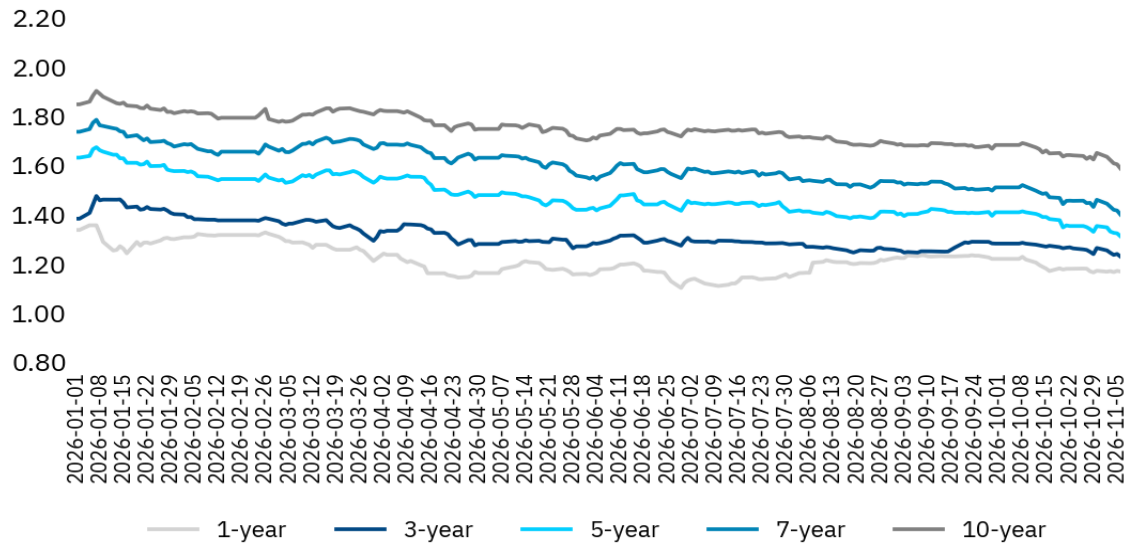


Sources: CCXAP research

Interest Rate: Chinese Government Bond Yields Decreased; US Treasury Yields Decreased

Last week, China Government Bond yields decreased. As of November 6, the 1-year, 3-year, 5-year, 7-year, and 10-year China Government Bond yields were 1.1683%, 1.2291%, 1.3115%, 1.3996%, and 1.5868%, respectively. Down 0.31bp, 3.49bp, 4.17bp, 6.01bp, and 6.32bp from last Friday.

Figure 2: China Government Bond yields

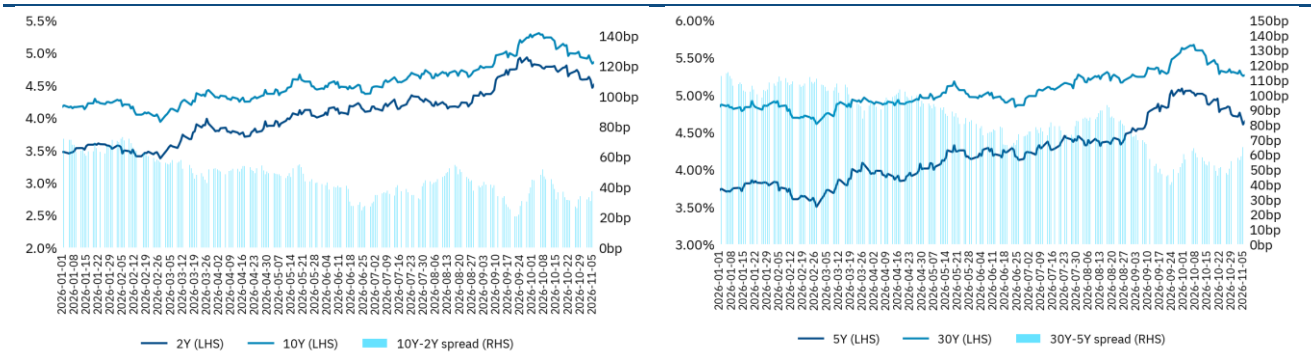


Sources: CCXAP research

Driven by weaker expectations for fiscal expansion following the midterm election results, US Treasury yields decreased. As of November 6, the 2-year, 5-year, 10-year, and 30-year US Treasury yields were 4.5115%, 4.6449%, 4.8574%, and 5.2645%, respectively. Down 7.61bp, 7.49bp,

7.15bp, and 4.37bp from last Friday. For US Treasury yield spreads, the spread between the 2-year and 10-year Treasury notes widened by 0.46bp to 34.59bp compared to last Friday and the spread between the 5-year and 30-year Treasury bonds widened by 3.12bp to 61.96bp compared to last Friday.

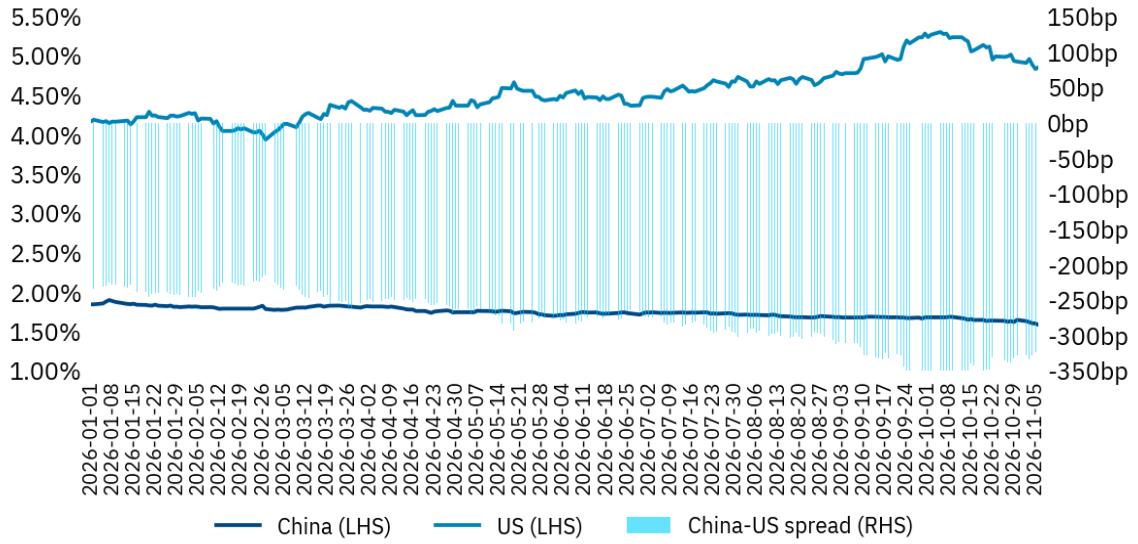
Figure 3: US Treasury yields and yield spreads



Sources: CCXAP research

As of November 6, the 10-year Treasury bond interest rate gap between China and the US was -327.1bp, narrowing by 0.8bp from last Friday and widening by 95.1bp from the beginning of the year.

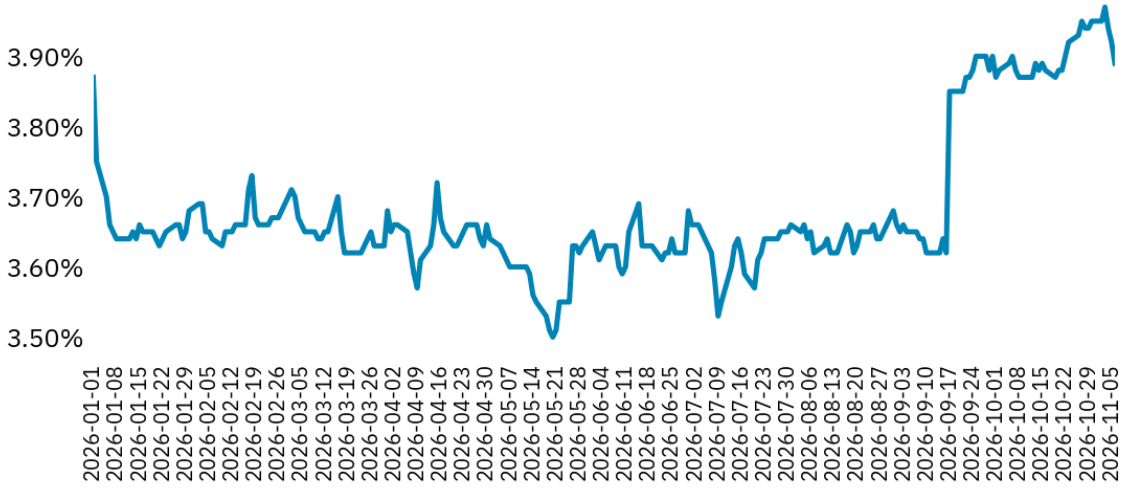
Figure 4: Yield spread between 10-year note of China and US



Sources: CCXAP research

As of November 6, the US benchmark rate SOFR (Secured Overnight Financing Rate) was 3.89%, down 6.0bp from last Friday and up 2.0bp from the beginning of the year.

Figure 5: US Benchmark Rate SOFR



Sources: CCXAP research

Primary Market: New Issuance of Chinese Offshore Bonds Decreased

From November 2 to November 6, Chinese enterprises issued 33 new bonds in the offshore market, totaling about USD2.444 billion, a decrease of 11.60% from last week. Among them, financial institutions were the main issuers, issuing a total of USD2.086 billion in bonds.

Table 1: New issuance of Chinese offshore bonds (20261102-20261106)

Announce date	Obligor	Ccy	Amount (million)	Coupon (%)	Maturity	Tenor	Industry	Issuer Rating	Issue Rating
2026/11/2	Mianyang Science Technology City Development Investment Group Co Ltd	CNY	785	1.99	2031/11/9	5	Chengtou	-/-/-	-/-/-
2026/11/2	Zouping Financial Development Group Co Ltd	CNY	300	2.4	2029/11/6	3	Chengtou	-/-/-	-/-/-
2026/11/3	Bank of China Ltd/Hong Kong	HKD	1000	3.95	2029/11/10	3	Banks	A1/-/-	A1/A/A
2026/11/3	Bank of China Ltd/Hong Kong	CNY	2500	1.6	2028/11/10	2	Banks	A1/-/-	A1/A/A
2026/11/3	China Chengtong Holdings Group Limited	CNY	3000	2.17	2036/11/10	10	Financials	-/-/-	-/A-/A-
2026/11/3	China Chengtong Holdings Group Limited	CNY	1000	1.85	2031/11/10	5	Financials	-/-/-	-/A-/A-
2026/11/3	China Citic Bank Corp Ltd/London	USD	80	SOFR+40	2029/11/9	3	Banks	-/-/-	-/-/-
2026/11/3	GF Holdings Hong Kong Corp Ltd	USD	5	4.69	2027/5/5	180D	Financials	-/BBB+/BBB	-/-/-
2026/11/3	GF Holdings Hong Kong Corp Ltd	USD	29	4.72	2027/5/5	180D	Financials	-/BBB+/BBB	-/-/-

Announce date	Obligor	Ccy	Amount (million)	Coupon (%)	Maturity	Tenor	Industry	Issuer Rating	Issue Rating
2026/11/3	Huangshi Urban Development Investment Group Co Ltd	CNY	228	3.95	2029/11/10	3	Chengtou	-/-/-	-/-/-
2026/11/4	Bank of China Ltd/Macau	HKD	117.77	0	2026/12/18	37D	Banks	A1/-/-	-/-/-
2026/11/4	Bank of China Ltd/Sydney	CNY	2000	1.64	2029/11/12	3	Banks	A1/-/-	A1/A/A
2026/11/4	Bank of China Ltd/Sydney	AUD	400	3M BBSW+67	2031/11/12	5	Banks	A1/-/-	A1/A/A
2026/11/4	China Securities International Finance Holding Co Ltd	CNY	33.4	0	2031/3/31	4.39	Financials	-/BBB+/BBB+	-/-/-
2026/11/4	GF Holdings Hong Kong Corp Ltd	USD	32	4.15	2026/12/9	30D	Financials	-/BBB+/BBB	-/-/-
2026/11/4	GF Holdings Hong Kong Corp Ltd	USD	10	4.71	2027/5/5	180D	Financials	-/BBB+/BBB	-/-/-
2026/11/4	GF Holdings Hong Kong Corp Ltd	USD	10	4.71	2027/5/4	179D	Financials	-/BBB+/BBB	-/-/-
2026/11/4	GF Holdings Hong Kong Corp Ltd	HKD	8	3.43	2027/5/5	180D	Financials	-/BBB+/BBB	-/-/-
2026/11/4	Shenwan Hongyuan HK Ltd	CNY	100	1.8	2027/5/10	179D	Financials	-/BBB/-	-/-/-
2026/11/4	Shenwan Hongyuan HK Ltd	HKD	130	3.5	2027/5/7	178D	Financials	-/BBB/-	-/-/-
2026/11/4	TF International Securities Group Ltd	USD	10	4.65	2027/5/11	180D	Financials	-/-/BBB-	-/-/-
2026/11/5	China Securities International Finance Holding Co Ltd	CNY	35	0	2030/6/12	3.59	Financials	-/BBB+/BBB+	-/-/-
2026/11/5	China Securities International Finance Holding Co Ltd	CNY	36.8	0	2028/11/20	2.03	Financials	-/BBB+/BBB+	-/-/-
2026/11/5	CITIC Securities International Co Ltd	USD	5.5	0	2027/2/12	92D	Financials	-/BBB+/A-	-/-/-
2026/11/5	GF Holdings Hong Kong Corp Ltd	USD	10	4.69	2027/5/7	178D	Financials	-/BBB+/BBB	-/-/-
2026/11/5	GF Holdings Hong Kong Corp Ltd	HKD	200	3.45	2027/5/6	178D	Financials	-/BBB+/BBB	-/-/-
2026/11/5	Guotai Junan International Holdings Ltd	CNY	670	0	2028/11/3	1.98	Financials	Baa1/BBB+/-	-/-/-
2026/11/5	Nanping Wuyi Development Group Co Ltd	CNY	400	2.99	2031/11/12	5	Chengtou	-/-/-	-/-/-

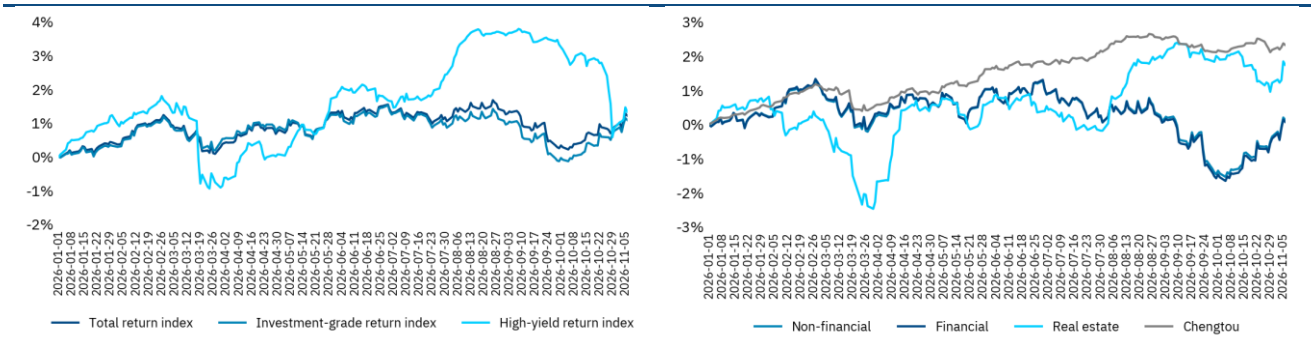
Announce date	Obligor	Ccy	Amount (million)	Coupon (%)	Maturity	Tenor	Industry	Issuer Rating	Issue Rating
2026/11/5	Yibin Development Holding Group Co Ltd	CNY	680	2.1	2031/11/12	5	Consumer Staples	-/-/-	-/-/-
2026/11/6	GF Holdings Hong Kong Corp Ltd	USD	15	4.69	2027/5/7	178D	Financials	-/BBB+/BBB	-/-/-
2026/11/6	GF Holdings Hong Kong Corp Ltd	USD	3	4.15	2026/12/9	29D	Financials	-/BBB+/BBB	-/-/-
2026/11/6	GF Holdings Hong Kong Corp Ltd	USD	1	4.15	2026/12/10	30D	Financials	-/BBB+/BBB	-/-/-
2026/11/6	GF Holdings Hong Kong Corp Ltd	USD	10	4.69	2027/5/6	177D	Financials	-/BBB+/BBB	-/-/-

Sources: CCXAP research

Secondary Market: Return on Chinese USD Bonds Increased

As of November 6, the return[1] of Chinese USD bonds increased by 34.0bp to 1.22% compared to last Friday, among which the return rate of investment-grade bonds increased by 32.0bp to 1.09%, while the return rate of high-yield bonds increased by 47.0bp to 1.33%. By industry, the return rate of non-financial bonds was 0.13%, up 49.0bp from last Friday. The return rate of financial bonds was 0.07%, up 49.0bp from last Friday. The return rate of real estate was 1.74%, up 53.0bp from last Friday. The return rate of Chengtou was 2.32%, up 14.0bp from last Friday.

Figure 6: YTD return on Markit iBoxx Chinese USD bond index

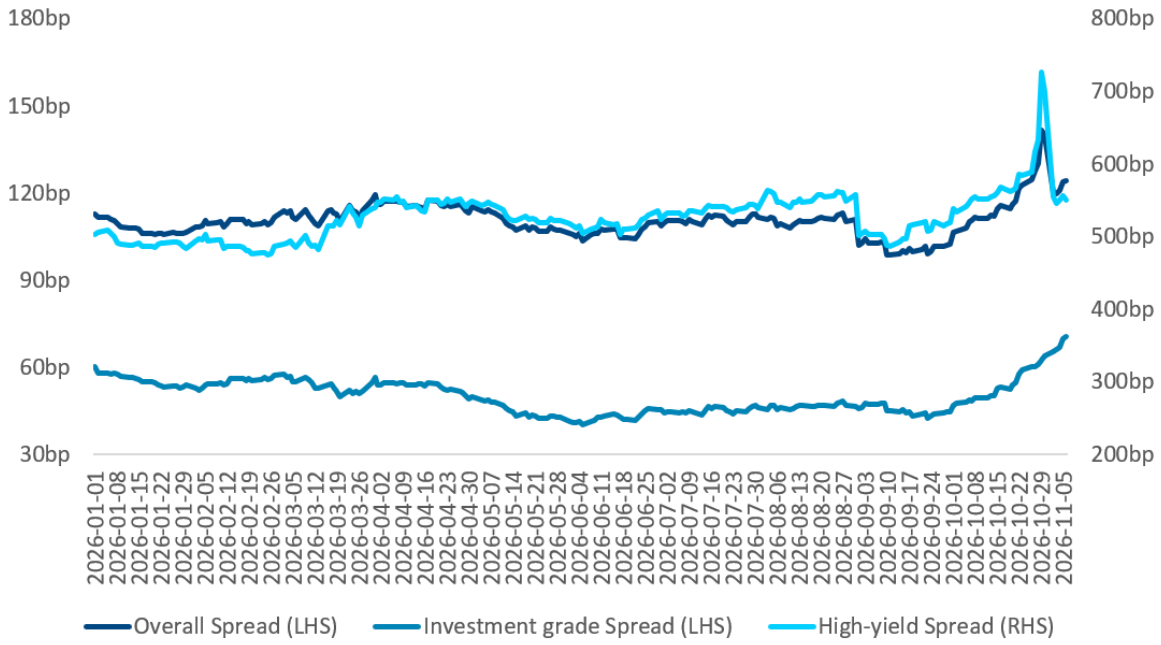


Sources: CCXAP research

As of November 6, the spread of Chinese USD bonds narrowed by 15.4bp to 124.28bp from last Friday, among which the spread of investment-grade bonds widened by 6.7bp to 70.54bp, and the spread of high-yield bonds narrowed by 148.7bp to 550.86bp.

[1] Return measures the year-to-date return since January 1, 2026.

Figure 7: Yield Spreads of Bloomberg Barclays Chinese USD bond index



Sources: CCXAP research

From November 2 to November 6, the following table shows the 10 bonds with the largest yield increases. Among them, the yield of Knowledge City (Guangzhou) Investment Group Co Ltd changed the most.

Table 2: Chinese offshore bonds with largest increase in yield (20261102-20261106)

Security Name	Obligor	Last Price (USD)	Years to Maturity	Yield to Convention	Yield Change
KCGZIG 5.4 03/11/28	Knowledge City (Guangzhou) Investment Group Co Ltd	95.155	1.34	9.345	451.7
GZDZCD 4.39 03/13/28	Science City (Guangzhou) Investment Group Co Ltd	94.26	1.345	9.038	422.3
QDJZWD 7.9 06/04/27	Qingdao Jiaozhou Bay Development Group Co Ltd	98.683	0.57	10.356	387.5
EHICAR 12 09/26/27	eHi Car Services Limited	47.823	0.882	126.064	262.4
GZDZCD 5 ¾ 04/22/27	Science City (Guangzhou) Investment Group Co Ltd	99.518	0.452	6.846	252.8
JIMOTM 6.9 12/03/26	Qingdao Jimo District Urban Tourism Development Investment Co Ltd	99.925	0.068	7.949	161.1
HKIQCL 5.4 04/09/28	Qingdao City Construction Investment (Group) Co Ltd	98.691	1.419	6.382	124.9
CIXISO 5.8 12/21/26	Cixi State-owned Assets Investment Holding Co Ltd	100.268	0.118	3.244	124.9
HKIQCL 5 ¾ 09/12/27	Qingdao City Construction Investment (Group) Co Ltd	99.967	0.844	5.78	119.7

Security Name	Obligor	Last Price (USD)	Years to Maturity	Yield to Convention	Yield Change
PUTSTA 7.4 04/15/27	Putian State-Owned Assets Investment Co Ltd	100.709	0.433	5.66	110.9

Note: M in the rate of return change represents 1000; all defaulting entities have been excluded

Sources: CCXAP research

Rating Actions: CCXAP Assigned Credit Rating to 2 Entities

On November 3, CCXAP assigned first-time long-term credit rating of BBB_g to Chengdu Yunlai Investment Group Co., Ltd. ("CYIG"), with stable outlook.

On November 4, CCXAP assigned first-time long-term credit rating of BBB_g- to Luzhou Aviation Development Investment Group Co., Ltd. ("LADI"), with stable outlook.

Table 3: CCXAP's rating actions of cross-border issuer (20261102-20261106)

Rating Date	Obligor	Entity Rating	Rating Rational
11/3	CYIG	BBB_g	The rating reflects the Company's (1) important role in the development of Qionglai City; (2) solid track record of receiving government payments; and (3) diversified funding channels. However, the rating is constrained by the Company's (1) high debt growth driven by a large number of construction projects; (2) medium exposure to commercial activities; and (3) contingent liability risk from external guarantees.
11/4	LADI	BBB_g-	The rating reflects the Company's (1) status as the key industrial investment entity of the aviation industry in Changjiang Economic Development Zone of Luzhou City, with good technological level; and (2) relatively diversified business mix, with strong regional exclusivity; (3) strong support from the local government, including subsidies, capital injections, and special funds. However, the rating is constrained by the Company's (1) weak asset profitability, with high reliance on government subsidies; (2) relatively high debt leverage and weak debt servicing capability; and (3) moderate access to funding.

Source: CCXAP research

From November 2 to November 6, rating agencies took positive rating actions on 7 Chinese issuers.

Table 4: Rating actions of cross-border issuer (20261102-20261106)

Entity		Sector	Latest Rating			Last Rating			Rating Agency	Reason of Change Outlook
			Entity Rating	Outlook	Date	Entity Rating	Outlook	Date		
Offshore Rating:										
Upgrade	Hua Xia Bank Co Limited	Financials	BBB-	Stable	2026/11/2	BB+	Stable	2026/5/15	Fitch	Greater propensity of government support to domestic systemically important banks

	China Minsheng Banking Corp Ltd	Financials	BBB	Stable	2026/11/2	BBB-	Stable	2026/5/15	Fitch	Greater propensity of government support to domestic systemically important banks
	China Guangfa Bank Co Ltd	Financials	BBB-	Stable	2026/11/2	BB+	Stable	2026/5/15	Fitch	Greater propensity of government support to domestic systemically important banks
	Ping An Bank Co Ltd	Financials	BBB-	Stable	2026/11/2	BB+	Stable	2026/5/15	Fitch	Greater propensity of government support to domestic systemically important banks
	Chengdu Jianjiang Investment Group Co Ltd	Chengtou	A-	Stable	2026/11/4	BBB+	Stable	2025/11/6	Lianhe	Upgrade of internal credit assessment on local government
	CMBC International Holdings Limited	Financials	BBB	Stable	2026/11/5	BBB-	Stable	2026/8/28	Fitch	Upgrade follows the upgrade of its parent
	Zking Property & Casualty Insurance Co Ltd	Financials	A-	Pos	2026/11/6	A-	Stable	2025/11/14	Fitch	Stronger financial performance over the past two years

Source: CCXAP research

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