

2025 Issue 39 From October 13 to October 17

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

**Headline: China's September CPI Fell by 0.3% YoY, Below Expectations;
US Federal Reserve Releases Beige Book**

On October 15, China announced its September CPI decreased by 0.3% YoY, compared with a forecast of -0.1%. On October 16, the Federal Reserve released its Beige Book, indicating that prices continued to rise across all Federal Reserve Districts from early September to mid-October due to tariff impacts.

Exchange Rate: RMB Appreciated; USD Index Decreased

Last week, the RMB has appreciated. As of October 17, the RMB/USD middle rate closed at 7.0949, down 99.0bp from last Friday. The USD Index closed at 98.433, down 0.54% from last Friday.

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

Last week, China Government Bond yields decreased. As the Federal Reserve may further cut interest rates, US Treasury yields decreased.

Chinese Offshore Bond Market

Primary Market: New Issuance of Chinese Offshore Bonds Increased

From October 13 to October 17, Chinese enterprises issued 42 new bonds in the offshore market, totaling about USD2.634 billion, an increase of 378.85% from last week. Among them, financial institutions were the main issuer, issuing a total of USD1.753 billion in bonds.

Secondary Market: Return on Chinese USD Bonds Increased

As of October 17, the return rate of Chinese USD bonds increased by 26.0bp to 6.76% compared to last Friday, among which the return rate of investment-grade bonds increased by 30.0bp to 8.46%, while the return rate of high-yield bonds decreased by 5.0bp to 8.45%.

Rating Actions: Rating Agencies Took Rating Action on 3 Chinese Issuers

From October 13 to October 17, rating agencies took positive rating action on 3 Chinese issuers.



Analyst Contacts

Saul Zuo
852-2810 7142
saul_zuo@ccxap.com

Natalie Xu
852-2810 7142
natalie_xu@ccxap.com

Other Contacts

Peter Chong
852-2860 7124
peter_chong@ccxap.com

Headline: China's September CPI fell by 0.3% YoY, below expectations; US Federal Reserve releases Beige Book

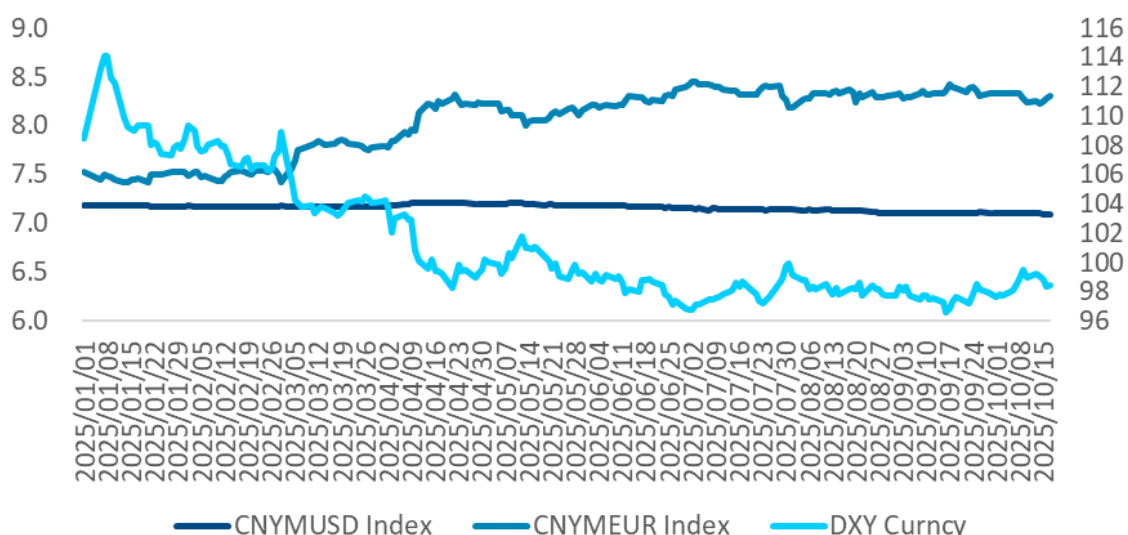
On October 15, China announced its September CPI decreased by 0.3% YoY, compared with a forecast of -0.1%. The YoY decline in September's CPI was mainly due to the carryover effect. Of the -0.3% YoY change in CPI this month, the carryover effect sent the CPI down by 0.8 percentage points. Prices of gold jewelry and platinum jewelry rose by 42.1% and 33.6% respectively. The core CPI, which excludes food and energy prices, increased by 1.0% YoY, marking the fifth consecutive month of expanding growth. The September PPI remained flat MoM for the second consecutive month, while the YoY decline narrowed.

On October 16, the Federal Reserve released its Beige Book, indicating that prices continued to rise across all Federal Reserve Districts from early September to mid-October due to tariff impacts. The report showed that in many districts, rising import costs as well as increases in service costs such as insurance, healthcare, and technical solutions led to an acceleration in input cost growth during this period. Some manufacturing and retail firms have fully passed on the higher import costs to customers. Many districts reported expectations that heightened economic uncertainty would drag down economic activity. Certain districts explicitly noted that a prolonged government "shutdown" would pose downside risks to economic growth.

Exchange Rate: RMB appreciated; USD Index decreased

In the past week, the RMB has appreciated. As of October 17, the RMB/USD middle rate closed at 7.0949, down 99.0bp from last Friday. The RMB/EUR middle rate closed at 8.3074, up 736.0bp from last Friday. The USD Index closed at 98.433, down 0.54% from last Friday.

Figure 1: RMB exchange rate

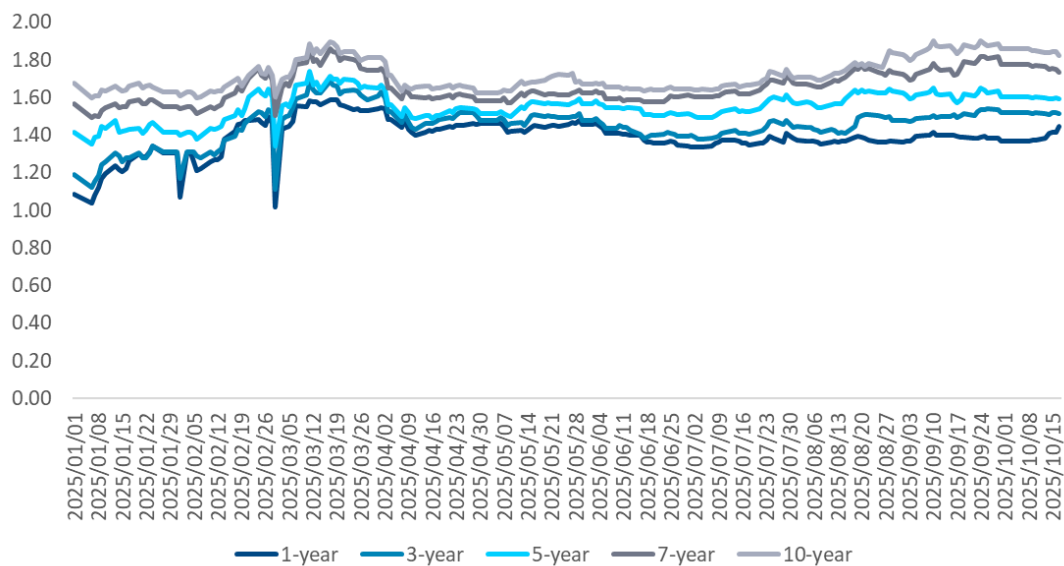


Sources: CCXAP research

Interest Rate: Chinese Government Bond yields decreased; US Treasury yields decreased

In the past week, China Government Bond yields generally decreased. As of October 17, the 1-year, 3-year, 5-year, 7-year, and 10-year China Government Bond yields were 1.4434%, 1.5140%, 1.5899%, 1.7359%, and 1.8246%, respectively. Compared with last Friday, the 1-year yield rose by 6.93bp, the 3-year yield fell by 0.58bp, the 5-year yield fell by 1.51bp, the 7-year yield fell by 3.17bp and the 10-year yield fell by 2.14bp.

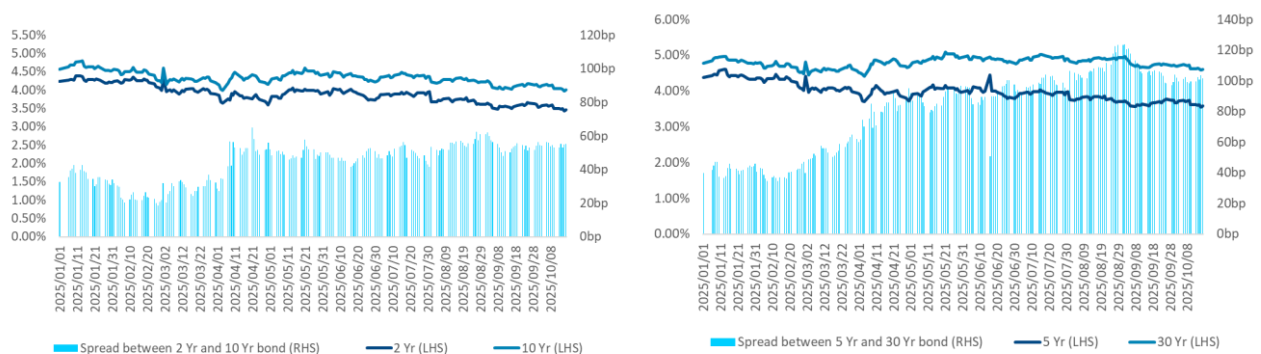
Figure 2: China Government Bond yields



Sources: CCXAP research

As the Federal Reserve may further cut interest rates, US Treasury yields decreased. As of October 17, the 2-year, 5-year, 10-year, and 30-year US treasury yields were 3.4573%, 3.5916%, 4.0088%, and 4.6053%, respectively. Down 4.42bp, 3.31bp, 2.34bp and 1.34bp from last Friday. For US Treasury yield spreads, the spread between the 2-year and 10-year Treasury notes widened by 2.08bp to 55.15bp compared to last Friday, and the spread between the 5-year and 30-year Treasury bonds widened by 1.97bp to 101.37bp compared to last Friday.

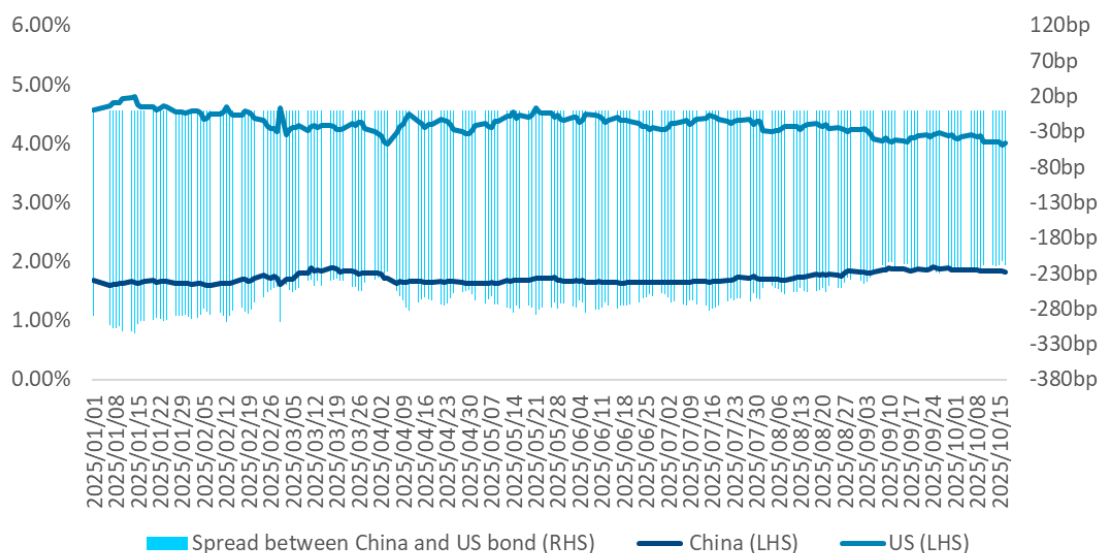
Figure 3: US Treasury yields and yield spreads



Sources: CCXAP research

As of October 17, the 10-year Treasury bond interest rate gap between China and the United States was -218.4bp, narrowing by 0.2bp from last Friday and widening by 71.0bp from the beginning of the year.

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



Sources: CCXAP research

Primary Market: new issuance of Chinese offshore bonds increased

From October 13 to October 17, Chinese enterprises issued 42 new bonds in the offshore market, totaling about USD2.634 billion, an increase of 378.85% from last week. Among them, financial institutions were the main issuer, issuing a total of USD1.753 billion in bonds.

Table 1: New issuance of Chinese offshore bonds (20251013-20251017)

Announcement date	Obligor	Currency	Amount	Coupon (%)	Maturity	Tenor	Industry	Issuer Rating	Issue Rating
2025/10/13	GF Holdings Hong Kong Corp Ltd	CNY	300	2.25	2026/10/16	361D	Financials	-/BBB/BBB	-/-/-
2025/10/13	China Securities International Finance Holding Co Ltd	CNY	260	1.8	2025/12/19	59D	Financials	-/-/-	-/-/-
2025/10/13	CITIC Securities International Co Ltd	USD	20	4.15	2026/1/15	90D	Financials	-/BBB+/-	-/-/-
2025/10/13	GF Holdings Hong Kong Corp Ltd	HKD	100	3.42	2026/7/15	273D	Financials	-/BBB/BBB	-/-/-
2025/10/13	GF Holdings Hong Kong Corp Ltd	USD	10	4.15	2026/1/16	93D	Financials	-/BBB/BBB	-/-/-
2025/10/14	Bank of China Ltd/Macau	USD	600	SOFR+48	2028/10/21	3	Banks	A1/A/--	A1/A/A
2025/10/14	Bank of China Ltd/Macau	CNY	2,500	1.9	2028/10/21	3	Banks	A1/A/--	A1/A/A
2025/10/14	Jiangmen Xinhui Xinkong Group Co Ltd	CNY	1,385	2.8	2028/10/20	3	Chengtou	-/-/-	-/-/-
2025/10/14	Jinan Hi-tech Holding Group Co Ltd	USD	190	4.15	2028/10/20	3	Chengtou	--/--/BBB	--/--/BBB
2025/10/14	Feicheng Huayu Industrial Group Co Ltd	CNY	248	3.5	2028/9/21	3	Chengtou	-/-/-	-/-/-
2025/10/14	Guotai Junan International Holdings Ltd	USD	100	3.91	2026/10/20	364D	Financials	Baa2/BBB+/-	-/-/-

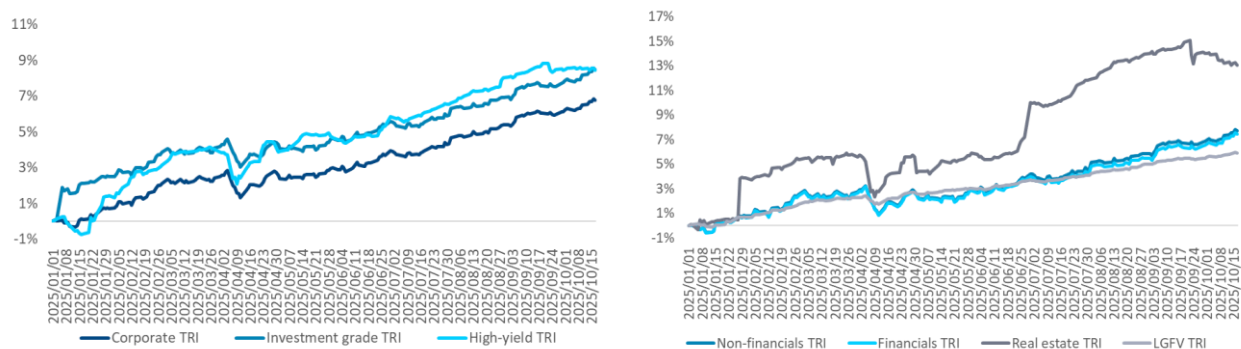
2025/10/14	CITIC Securities International Co Ltd	USD	10	3.96	2026/7/21	273D	Financ ials	-/BBB+/-	-/-/-
2025/10/14	China Securities International Finance Holding Co Ltd	HKD	70	3.75	2026/1/22	97D	Financ ials	-/-/-	-/-/-
2025/10/14	Guotai Junan International Holdings Ltd	USD	58	4.15	2026/4/21	182D	Financ ials	Baa2/BBB+/-	-/-/-
2025/10/14	GF Holdings Hong Kong Corp Ltd	USD	50	SOFR +56	2026/10/20	364D	Financ ials	-/BBB/BBB	-/-/-
2025/10/14	CITIC Securities International Co Ltd	HKD	120	3.23	2025/11/21	31D	Financ ials	-/BBB+/-	-/-/-
2025/10/14	GF Holdings Hong Kong Corp Ltd	USD	10	4.15	2026/1/21	92D	Financ ials	-/BBB/BBB	-/-/-
2025/10/14	China Securities International Finance Holding Co Ltd	CNY	80	1.78	2026/1/22	97D	Financ ials	-/-/-	-/-/-
2025/10/14	CITIC Securities International Co Ltd	USD	4	0	2026/1/16	91D	Financ ials	-/BBB+/-	-/-/-
2025/10/14	GF Holdings Hong Kong Corp Ltd	USD	60	SOFR +56	2026/10/21	364D	Financ ials	-/BBB/BBB	-/-/-
2025/10/14	GF Holdings Hong Kong Corp Ltd	USD	14	4.11	2026/4/16	182D	Financ ials	-/BBB/BBB	-/-/-
2025/10/14	CITIC Securities International Co Ltd	USD	9	9	2026/1/16	91D	Financ ials	-/BBB+/-	-/-/-
2025/10/15	China Water Affairs Group Ltd	USD	150	5.875	2030/10/22	5	Utilitie s	Ba1/BB+/-	Ba1/BB+/-
2025/10/15	Chengdu Sino French Ecological Park Investment Development Co Ltd	USD	100	4.3	2028/10/22	3	Cheng tou	-/-/-	-/-/-
2025/10/15	China Securities International Finance Holding Co Ltd	USD	30	4.2	2026/1/22	92D	Financ ials	-/-/-	-/-/-
2025/10/15	China Securities International Finance Holding Co Ltd	USD	49	4.07	2026/7/21	274D	Financ ials	-/-/-	-/-/-
2025/10/15	TF International Securities Group Ltd	USD	6	4.9	2026/7/16	272D	Financ ials	-/-/BBB-	-/-/BBB-
2025/10/15	Huatai International Financial Holdings Co Ltd	HKD	385	0	2026/4/22	182D	Financ ials	Baa1/BBB+/-	-/-/-
2025/10/15	BOCOM International Holdings Co Ltd	USD	1	0	2028/10/24	3	Financ ials	Baa1/-/A	-/-/-
2025/10/15	GF Holdings Hong Kong Corp Ltd	USD	9	4.19	2026/3/5	126D	Financ ials	-/BBB/BBB	-/-/-
2025/10/16	Heze Transportation Investment and Development Group Co Ltd	CNY	800	4.5	2028/10/21	3	Cheng tou	-/-/-	-/-/-
2025/10/16	Shengzhou Investment Holding Co Ltd	USD	100	4.25	2028/10/21	3	Cheng tou	-/-/-	-/-/-
2025/10/16	GF Holdings Hong Kong Corp Ltd	USD	30	4.11	2026/10/20	364D	Financ ials	-/BBB/BBB	-/-/-
2025/10/16	Bocom International Product & Solution Ltd	USD	1	0	2028/10/24	3	Financ ials	Baa1/-/A	-/-/-
2025/10/16	CITIC Securities International Co Ltd	USD	20	0	2026/1/23	92D	Financ ials	-/BBB+/-	-/-/-
2025/10/16	BOCOM International Holdings Co Ltd	USD	1	0	2028/10/24	3	Financ ials	Baa1/-/A	-/-/-
2025/10/16	GF Holdings Hong Kong Corp Ltd	USD	15	4.15	2026/4/22	182D	Financ ials	-/BBB/BBB	-/-/-
2025/10/17	BOCOM International Holdings Co Ltd	USD	1	0	2028/10/24	3	Financ ials	Baa1/-/A	-/-/-
2025/10/17	BOCOM International Holdings Co Ltd	USD	1	0	2028/10/24	3	Financ ials	Baa1/-/A	-/-/-
2025/10/17	Huatai International Financial Holdings Co Ltd	USD	80	4.28	2026/1/27	96D	Financ ials	Baa1/BBB+/-	-/-/-
2025/10/17	Huatai International Financial Holdings Co Ltd	USD	30	4.26	2026/1/27	96D	Financ ials	Baa1/BBB+/-	-/-/-
2025/10/17	China Securities International Finance Holding Co Ltd	HKD	70	3.6	2026/1/23	93D	Financ ials	-/-/-	-/-/-

Sources: CCXAP research

Secondary Market: return on Chinese USD bonds increased

As of October 17, the year-to-date return¹ of Chinese USD bonds increased by 26.0bp to 6.76% compared to last Friday, among which the return rate of investment-grade bonds increased by 30.0bp to 8.46%, while the return rate of high-yield bonds decreased by 5.0bp to 8.45%. By industry, the return rate of non-financial bonds was 7.70%, up 36.0bp from last Friday. The return rate of financial bonds was 7.46%, up 38.0bp. The return rate of real estate was 13.04%, down 18.0bp. The return rate of Chengtou was 5.89%, up 16.0bp.

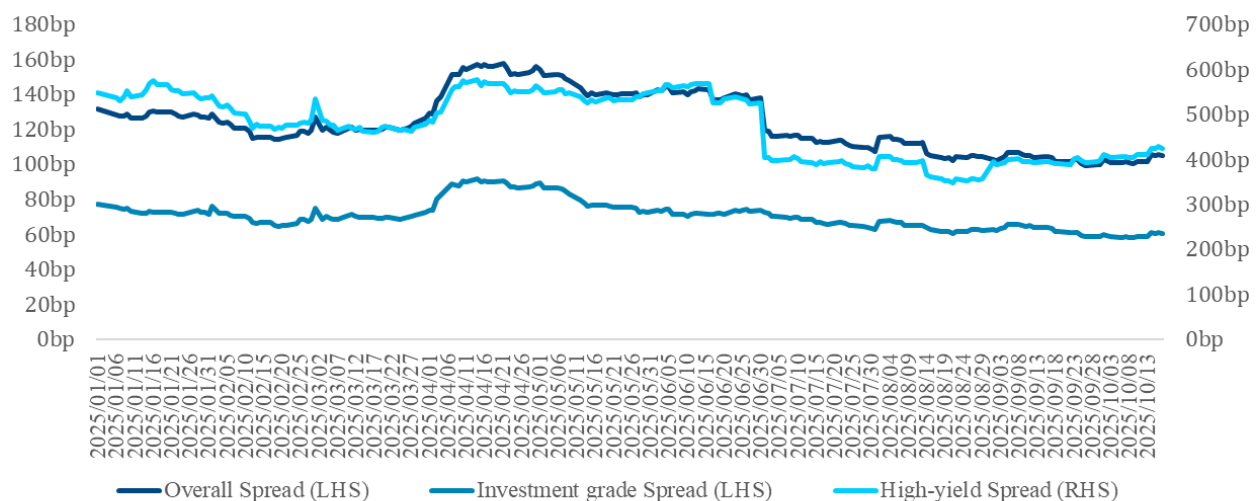
Figure 5: YTD return on Markit iBoxx Chinese USD bond index



Sources: CCXAP research

As of October 17, the spread of Chinese USD bonds widened by 3.6bp to 105.06bp from last Friday, among which the spread of investment-grade bonds widened by 2.1bp to 60.57bp, and the spread of high-yield bonds widened by 13.5bp to 423.22bp.

Figure 6: Yield Spreads of Bloomberg Barclays Chinese USD bond index



Sources: CCXAP research

¹ Year-to-date return measures the return since January 2, 2025

From October 13 to October 17, the following table shows the 10 bonds with the largest yield increases. Among them, the yield of Jingdezhen Hesheng Industrial Investment Development Co., Ltd. changed the most.

Table 2: Chinese offshore bonds with largest increase in yield (20251013-20251017)

Security Name	Obligor	Last Price (USD)	Years to Maturity	Yield to Convention	Yield Change
JDZHSI 6.8 10/25/25	Jingdezhen Hesheng Industrial Investment Development Co., Ltd.	100.053	0.01	-2.650	4.6231M
WHGBIO 2.9 10/28/25	Hubei Science and Technology Investment Group Co., Ltd.	100.115	0.02	-5.299	754.8
BNKEA 5.825 PERP	Bank of East Asia, Limited	100.127	永续	-38.724	605.7
FWDGHD 8.045 PERP	FWD Life Insurance Company of China	100.435	永续	-143.847	499.4
GWFOOD 2.349 10/29/25	Wens Food Group Co., Ltd.	99.865	0.02	10.346	449.6
BCHINA 1.5 10/22/25	Bank of China Limited, Macau Branch	99.995	0.01	3.276	319.2
MEITUA 2 10/28/25	Meituan	99.967	0.02	4.065	164.8
AGRBK 1.2 10/22/25	Agricultural Bank of China Limited, Hong Kong Branch	99.99	0.00	4.772	158.3
CHGDNU 4 11/05/25	CGN International Limited	100.005	0.04	3.779	129.7
ICBCAS 3.2 10/25/25	Industrial and Commercial Bank of China Limited, Dubai International Financial Centre Branch	100.05	0.01	-2.817	123.1

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

Sources: CCXAP research

Rating Actions: rating agencies took rating action on 3 Chinese issuers

From October 13 to October 17, rating agencies took positive rating action on 3 Chinese issuers.

Table 3: Rating actions of cross-border issuer (20251013-20251017)

Entity		Sector	Latest Rating			Last Rating			Rating Agency	Reason of Change Outlook
			Entity Rating	Outlook	Date	Entity Rating	Outlook	Date		
Offshore Rating :										
Upgrade	ZhongAn Online Property Insurance Co., Ltd.	Financials	Baa1	POS	2025/10/13	Baa1	Stable	2024/06/05	Moody's	ZhongAn Online profitability improves, especially in non-insurance business areas
	Chongqing Fengdu Cultural Tourism Group Co., Ltd.	Chengdu	BBB	Stable	2025/10/14	BBB-	Stable	2024/10/10	Lianhe	The strategic importance of Fengdu Culture and Tourism in Fengdu County, Chongqing has increased

	Chengdu Xinjin Urban Industrial Development Group Co., Ltd.	Chengt ou	BBB	Stable	2025/10/14	BBB-	Stable	2024/10/15	Lianhe	The upgrade reflects the company's increased strategic importance
--	---	--------------	-----	--------	------------	------	--------	------------	--------	---

Source: CCXAP research

Copyright © 2025 China Chengxin (Asia Pacific) Credit Ratings Company Limited ("CCXAP"). All rights reserved.

No part of this publication may be reproduced, resold, or redistributed in any form or by any means, without prior written permission of CCXAP.

A credit rating is the analytical result of current credit worthiness and forward-looking opinion on the credit risk of a rated entity or a debt issue. Credit ratings issued by CCXAP are opinions on the current and relative future credit risk of the rated entities or debt issues, but do not address any other risks, including but not limited to liquidity risk, market price risk, and interest rate risk.

Credit ratings, non-credit assessments, and other opinions included in CCXAP's publications are not recommendations for investors to buy, sell, or hold particular securities, nor measurements of market value of the rated entities or debt issues. While obtaining information from sources it believes to be reliable, CCXAP does not perform audit and undertakes no duty of independent verification or validation of the information it receives from the rated entities or third-party sources.

All information contained herein belongs to CCXAP and is subject to change without prior notice by CCXAP. CCXAP considers the information contained herein to be accurate and reliable. However, all information is provided on an "as is" and "as available" basis and CCXAP does not guarantee accuracy, adequacy, completeness, or timeliness of the information included in CCXAP's publications.

To the extent where legally permissible, CCXAP and its directors, officers, employees, agents and representatives disclaim liability to any person or entity (i) for any direct or compensatory losses or damages, including but not limited to by any negligence on the part of, and any contingency within or beyond the control of CCXAP or any of its directors, officers, employees, agents or representatives, arising from or in connection with the information contained herein or the use of or inability to use any such information; and (ii) for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if CCXAP or any of its directors, officers, employees, agents or representatives is advised in advance of the possibility of such losses or damages.

China Chengxin (Asia Pacific) Credit Ratings Company Limited

Address: Suites 1904-1909, 19/F, Jardine House,
1 Connaught Place, Central, Hong Kong

Website: www.ccxap.com

Email: info@ccxap.com

Tel: +852-28200711

Fax: +852-28208020