Cross-border Bonds Weekly Report

中誠信亞太 CCXAP

2026 Issue 26
From July 13 to July 17

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

Headline: US June CPI Rises 3.5% YoY; China Q2 GDP Grows 4.3% YoY

On July 14, the US reported that June CPI rose 3.5% YoY, below expectations and marking the largest monthly decline since April 2020. On July 15, China announced that Q2 GDP grew 4.3% YoY, missing expectations and recording the slowest pace since 2022Q4.

Exchange Rate: RMB Appreciated; USD Index Decreased

Last week, the RMB has appreciated. As of July 17, the RMB/USD middle rate closed at 6.7934, down 55.0bp from last Friday. The USD Index closed at 100.765, down 0.19% from last Friday.

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

Last week, China Government Bond yields generally increased. Softer-than-expected June CPI cooled rate-hike expectations, US Treasury yields decreased.

Chinese Offshore Bond Market

Primary Market: New Issuance of Chinese Offshore Bonds Increased

From July 13 to July 17, Chinese enterprises issued 51 new bonds in the offshore market, totaling about USD2.973 billion, an increase of 104.08% from last week. Among them, financial institutions were the main issuers, issuing a total of USD2.161 billion in bonds.

Secondary Market: Return on Chinese USD Bonds Increased

As of July 17, the return rate of Chinese USD bonds increased by 5.0bp to 1.32% compared to last Friday, among which the return rate of investment-grade bonds increased by 6.0bp to 1.26%, while the return rate of high-yield bonds decreased by 2.0bp to 1.68%.

Rating Actions: CCXAP Assigned Credit Rating to 1 Chinese Entity

On July 14, CCXAP assigned first-time long-term credit rating of BBB_g to Chongqing Tongnan Construction Engineering (Group) Co., Ltd., with stable outlook.

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Headline: US June CPI rises 3.5% YoY; China Q2 GDP grows 4.3% YoY

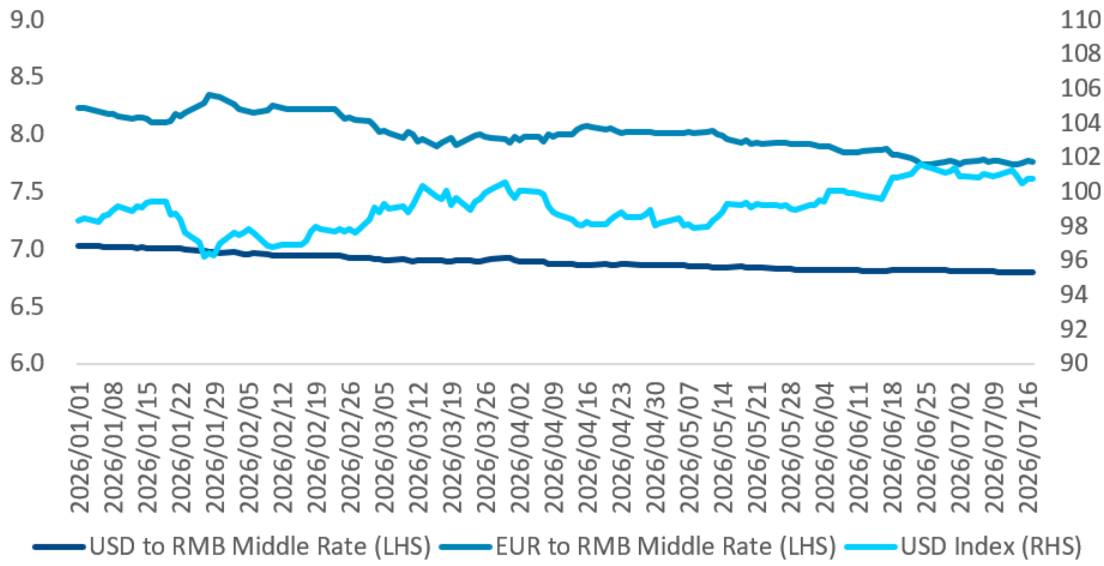
On July 14, the US reported that June CPI rose 3.5% YoY, below market expectations of 3.8% and down from 4.2% in May. On a MoM basis, CPI fell 0.4%, marking the largest monthly decline since April 2020. Core CPI, excluding food and energy, rose 2.6% YoY in June, below the expected 2.9% and the prior reading of 2.9%, while remaining flat on a MoM basis. The sharp drop in energy prices was the key driver of the disinflation. The energy index fell 5.7% MoM, with gasoline prices plunging 9.7% MoM and electricity prices down 1.0%. However, on a YoY basis, energy prices were still up 15.7%, with gasoline up 26.7%, highlighting continued volatility in the energy sector. Meanwhile, the shelter index rose only 0.1% MoM, the smallest gain since January 2021. The sustained cooling in housing inflation was a critical factor behind the softer-than-expected core CPI reading, though shelter still rose 3.3% YoY and remained a key support for core inflation.

On July 15, China announced that the real GDP for the second quarter of 2026 reached RMB36,151.1 billion, growing 4.3% YoY at constant prices, below market expectations of 4.5% and down from 5.0% in the first quarter, the slowest pace since 2022Q4. On a QoQ basis, GDP rose 0.9%, compared with 1.3% in the previous quarter. In nominal terms, Q2 GDP grew 5.9% YoY, with the GDP deflator turning positive for the first time in three years at 1.6%. For the first half of 2026, GDP increased by 4.7% YoY, remaining within the government's annual target range of 4.5%-5.0%. By sector, the tertiary industry grew 5.2% YoY in H1, serving as the key pillar of growth, while secondary industry expanded only 3.9%, weighed down by construction and real estate. Looking at the three growth drivers, exports remained robust, supported by AI-related high-end manufacturing demand, while consumption and investment weakened notably. Quarterly retail sales growth slowed from 2.4% in Q1 to 0.2% in Q2, while fixed asset investment continued to decelerate.

Exchange Rate: RMB appreciated; USD Index decreased

In the past week, the RMB has appreciated. As of July 17, the RMB/USD middle rate closed at 6.7934, down 55.0bp from last Friday. The RMB/EUR middle rate closed at 7.7631, down 81.0bp from last Friday. The USD Index closed at 100.765, down 0.19% from last Friday.

Figure 1: RMB exchange rate

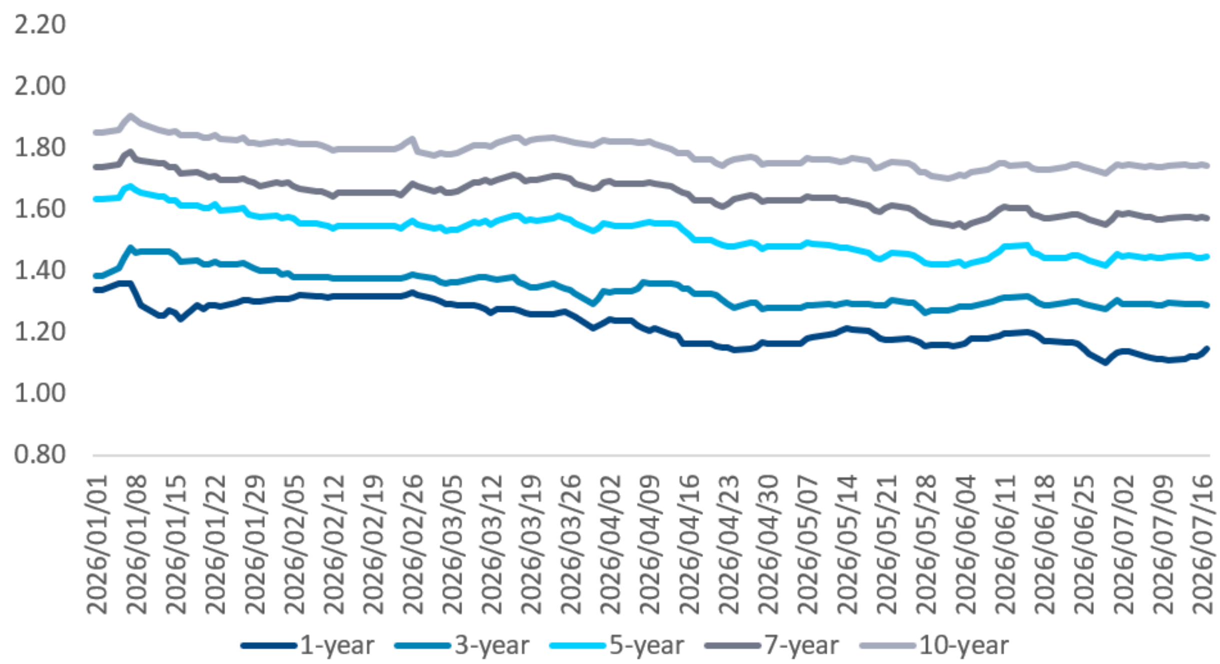


Sources: CCXAP research

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

In the past week, China Government Bond yields generally increased. As of July 17, the 1-year, 3-year, 5-year, 7-year, and 10-year China Government Bond yields were 1.1441%, 1.2887%, 1.4466%, 1.5683%, and 1.7404%, respectively. Compared to last Friday, the 1-year yield increased by 3.44bp, the 3-year yield decreased by 0.51bp, the 5-year yield increased by 0.30bp, the 7-year yield decreased by 0.10bp, and the 10-year yield increased by 0.06bp.

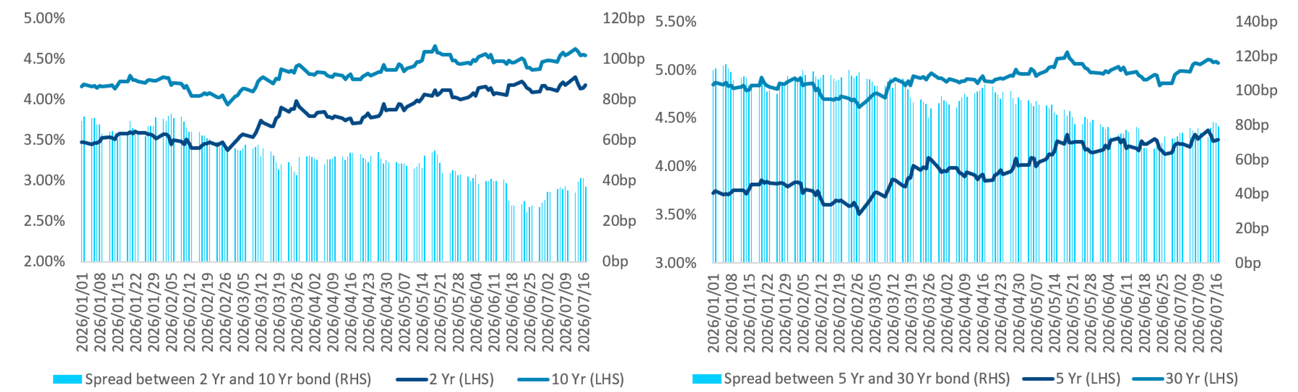
Figure 2: China Government Bond yields



Sources: CCXAP research

Softer-than-expected June CPI cooled rate-hike expectations, US Treasury yields decreased. As of July 17, the 2-year, 5-year, 10-year, and 30-year US treasury yields were 4.1767%, 4.2785%, 4.5474%, and 5.0690%, respectively. Compared to last Friday, the 2-year yield decreased by 3.12bp, the 5-year yield decreased by 2.62bp, the 10-year yield decreased by 1.38bp, and the 30-year yield increased by 1.03bp. For US Treasury yield spreads, the spread between the 2-year and 10-year Treasury notes widened by 1.74bp to 37.07bp compared to last Friday, and the spread between the 5-year and 30-year Treasury bonds widened by 3.65bp to 79.05bp compared to last Friday.

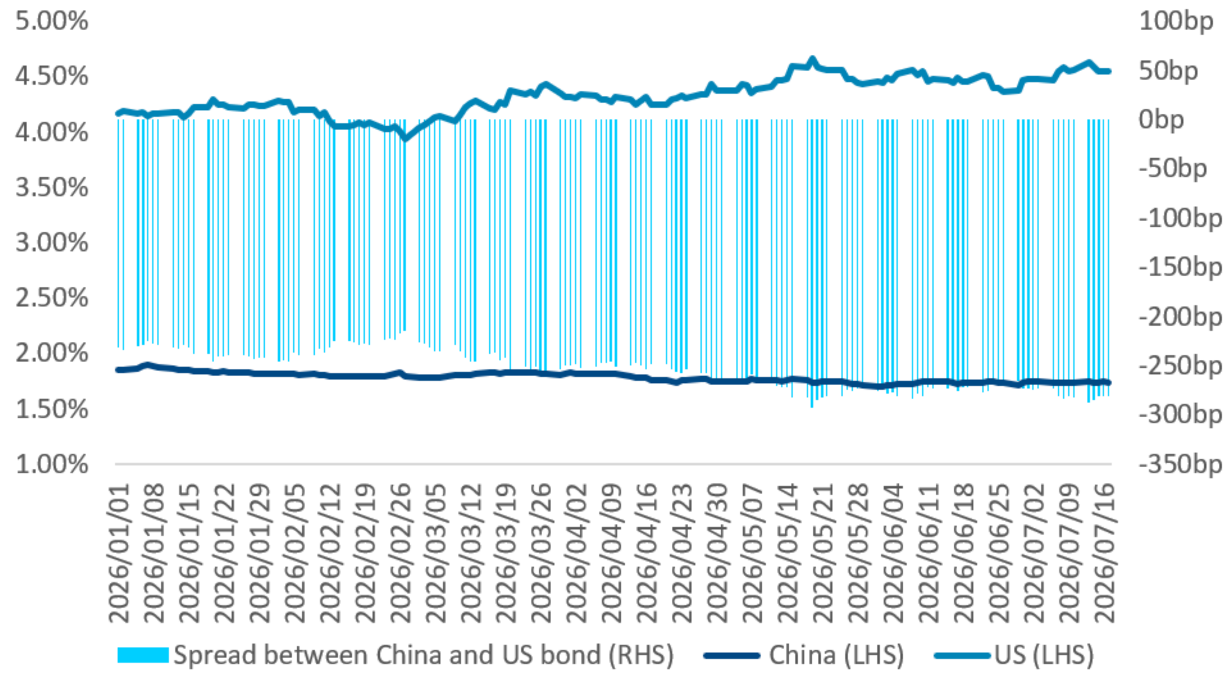
Figure 3: US Treasury yields and yield spreads



Sources: CCXAP research

As of July 17, the 10-year Treasury bond interest rate gap between China and the US was -280.7bp, narrowing by 1.4bp from last Friday and widening by 48.7bp from the beginning of the year.

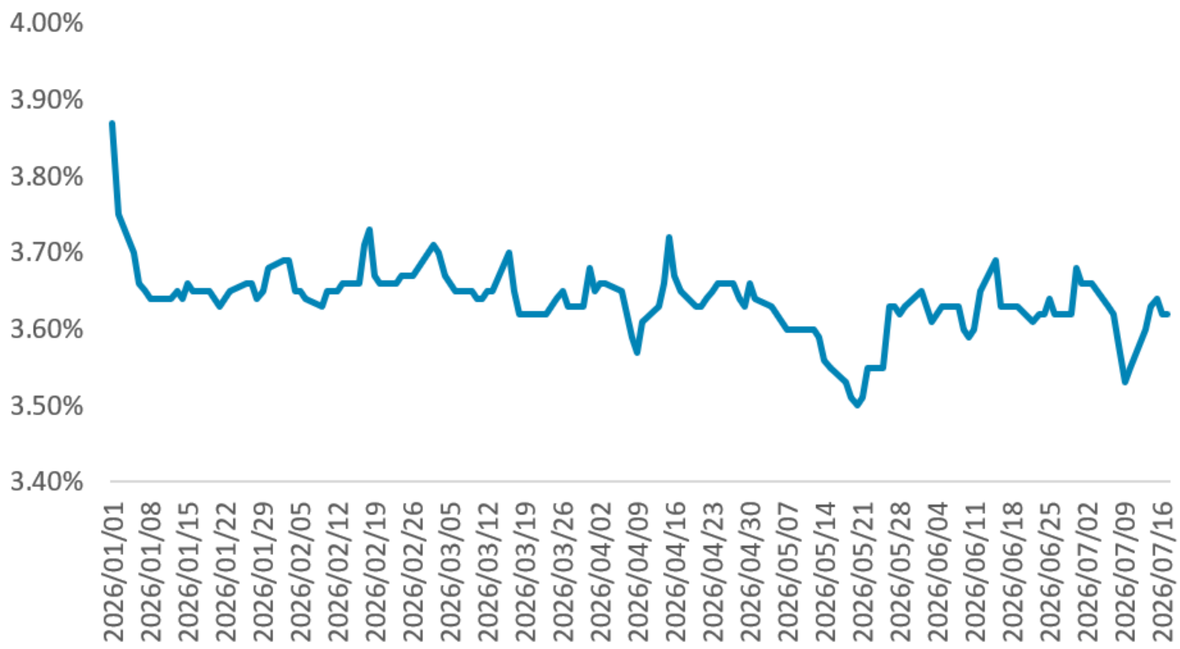
Figure 4: Yield spread between 10-year note of China and US



Sources: CCXAP research

As of July 17, the US benchmark rate SOFR (Secured Overnight Financing Rate) was 3.62%, up 7.0bp from last Friday and down 25.0bp from the beginning of the year.

Figure 5: US Benchmark Rate SOFR



Sources: CCXAP research

Primary Market: new issuance of Chinese offshore bonds increased

From July 13 to July 17, Chinese enterprises issued 51 new bonds in the offshore market, totaling about USD2.973 billion, an increase of 104.08% from last week. Among them, financial institutions were the main issuers, issuing a total of USD2.161 billion in bonds.

Table 1: New issuance of Chinese offshore bonds (20260713-20260717)

Announcement date	Obligor	Currency	Amount	Coupon (%)	Maturity	Tenor	Industry	Issuer Rating	Issue Rating
2026/7/13	CITIC Securities International Co Ltd	CNY	750	0	2031/7/14	5	Financials	-/BBB+/A-	-/-/-
2026/7/13	CITIC Securities International Co Ltd	CNY	750	0	2031/7/14	5	Financials	-/BBB+/A-	-/-/-
2026/7/13	CITIC Securities International Co Ltd	USD	1	0	2028/7/15	2	Financials	-/BBB+/A-	-/-/-
2026/7/13	GF Holdings Hong Kong Corp Ltd	HKD	10	3.31	2027/1/7	176D	Financials	-/BBB/BBB	-/-/-
2026/7/13	Jinko Power Technology Co Ltd	USD	100	4.38	2029/7/20	3	Energy	-/-/-	-/-/-
2026/7/14	Chengdu Dongjin Huaizhou Xincheng Investment Group Co Ltd	USD	30	4.9	2029/7/16	3	Chengtou	-/-/-	-/-/-
2026/7/14	CITIC Securities International Co Ltd	CNY	7	2	2028/3/28	2	Financials	-/BBB+/A-	-/-/-
2026/7/14	CSI Financial Products Ltd	HKD	2	0	2027/1/25	188D	Financials	-/-/-	-/-/-
2026/7/14	GF Holdings Hong Kong Corp Ltd	HKD	240	3.18	2026/12/17	153D	Financials	-/BBB/BBB	-/-/-
2026/7/14	GF Holdings Hong Kong Corp Ltd	USD	100	4.34	2027/1/13	176D	Financials	-/BBB/BBB	-/-/-
2026/7/14	GF Holdings Hong Kong Corp Ltd	HKD	101	3.33	2027/1/12	180D	Financials	-/BBB/BBB	-/-/-

2026/7/14	GF Holdings Hong Kong Corp Ltd	USD	15	4.11	2026/10/29	105D	Financials	-/BBB/BBB	-/-/-
2026/7/14	Shandong Commercial Group Co Ltd	CNY	485	1.98	2029/7/21	3	Consumer Staples	-/-/-	-/-/-
2026/7/14	TF International Securities Group Ltd	USD	6	4.55	2027/1/20	188D	Financials	-/-/BBB-	-/-/-
2026/7/15	Anhui Transportation Holding Group Co Ltd	USD	400	4.35	2029/7/22	3	Chengtou	A3/-/A	-/-/A
2026/7/15	BOC International Holdings Ltd	CNY	20	2.3	2029/7/24	3	Financials	A2/-/A	-/-/-
2026/7/15	China CITIC Bank International Ltd	CNY	1,330	2.3	-	PERP	Banks	A3/-/A-	Ba2/-/-
2026/7/15	China CITIC Bank International Ltd	USD	400	5	-	PERP	Banks	A3/-/A-	Ba2/-/-
2026/7/15	China Construction Bank Corp Luxembourg Branch	EUR	100	3.1	2029/7/22	3	Banks	A1/-/-	-/-/-
2026/7/15	Chongqing Puri Development Investment Group Co Ltd	CNY	160	2.7	2029/7/17	3	Chengtou	-/-/-	-/-/-
2026/7/15	CITIC Securities International Co Ltd	CNY	400	2.2	2031/7/22	5	Financials	-/BBB+/A-	-/-/-
2026/7/15	CITIC Securities International Co Ltd	CNY	18	4.18	2029/9/14	3	Financials	-/BBB+/A-	-/-/-
2026/7/15	CITIC Securities International Co Ltd	CNY	17	5.44	2030/3/14	4	Financials	-/BBB+/A-	-/-/-
2026/7/15	CITIC Securities International Co Ltd	CNY	18	1.47	2030/12/23	4	Financials	-/BBB+/A-	-/-/-
2026/7/15	CITIC Securities International Co Ltd	CNY	18	1.32	2030/3/1	4	Financials	-/BBB+/A-	-/-/-
2026/7/15	CITIC Securities International Co Ltd	CNY	18	1.66	2029/3/29	3	Financials	-/BBB+/A-	-/-/-
2026/7/15	GF Holdings Hong Kong Corp Ltd	USD	5	4.34	2027/1/13	180D	Financials	-/BBB/BBB	-/-/-
2026/7/15	Guotai Junan International Holdings Ltd	USD	85	4.23	2027/1/18	180D	Financials	Baa2/BBB+/-	-/-/-
2026/7/15	Huatai International Financial Holdings Co Ltd	USD	20	4.25	2027/1/14	176D	Financials	-/BBB+/-	-/-/-
2026/7/15	Huatai International Financial Holdings Co Ltd	USD	55	4	2026/11/6	107D	Financials	-/BBB+/-	-/-/-
2026/7/15	Panzhihua Urban Construction and Transportation Group Co Ltd	CNY	244	4.3	2031/7/21	5	Chengtou	-/-/-	-/-/-
2026/7/16	China International Capital Corp International Ltd	USD	80	4.2	2026/10/27	96D	Financials	Baa1/BBB+/A-	-/-/-
2026/7/16	CITIC Securities International Co Ltd	CNY	44	0	2031/3/31	5	Financials	-/BBB+/A-	-/-/-
2026/7/16	CITIC Securities International Co Ltd	CNY	64	0	2030/3/4	4	Financials	-/BBB+/A-	-/-/-
2026/7/16	CSI Financial Products Ltd	HKD	2	0	2027/1/27	188D	Financials	-/-/-	-/-/-
2026/7/16	CSI Financial Products Ltd	HKD	1	0	2027/1/27	188D	Financials	-/-/-	-/-/-
2026/7/16	CSI Financial Products Ltd	HKD	1	0	2027/1/27	188D	Financials	-/-/-	-/-/-
2026/7/16	GF Holdings Hong Kong Corp Ltd	USD	26	4.07	2026/10/21	92D	Financials	-/BBB/BBB	-/-/-
2026/7/16	GF Holdings Hong Kong Corp Ltd	USD	10	4.34	2027/1/15	179D	Financials	-/BBB/BBB	-/-/-
2026/7/16	GF Holdings Hong Kong Corp Ltd	CNY	20	1.72	2027/1/15	178D	Financials	-/BBB/BBB	-/-/-
2026/7/16	Industrial & Commercial Bank of China Ltd/Dubai DIFC	HKD	550	3.45	2029/7/23	3	Banks	A1/-/-	-/-/-
2026/7/16	Shanghai Pudong Development Bank Co Ltd/Hong Kong	CNY	3,000	1.68	2029/7/23	3	Banks	Baa2/-/-	Baa2/-/-

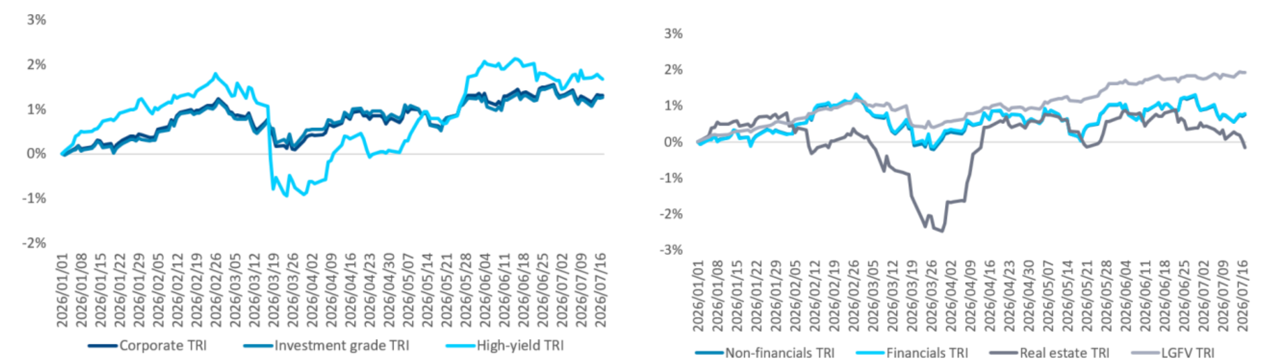
2026/7/17	China International Capital Corp International Ltd	USD	67	4.335	2027/1/14	171D	Financials	Baa1/BBB+/A-	-/-/-
2026/7/17	CITIC Securities International Co Ltd	USD	5	0	2026/10/23	92D	Financials	-/BBB+/A-	-/-/-
2026/7/17	GF Holdings Hong Kong Corp Ltd	USD	10	SOFR +48	2027/1/15	178D	Financials	-/BBB/BBB	-/-/-
2026/7/17	GF Holdings Hong Kong Corp Ltd	HKD	45	3.33	2027/1/15	177D	Financials	-/BBB/BBB	-/-/-
2026/7/17	Guotai Junan International Holdings Ltd	CNY	700	1.75	2027/1/20	180D	Financials	Baa2/BBB+/-	-/-/-
2026/7/17	Industrial & Commercial Bank of China Ltd/Dubai DIFC	HKD	450	3.46	2029/7/23	3	Banks	A1/-/-	-/-/-
2026/7/17	Sichuan Development Financing Guarantee Co Ltd	USD	56	4.95	2031/7/22	5	Chengtou	-/-/-	-/-/-
2026/7/17	Xuchang City Investment Group Co Ltd	CNY	300	4.2	2029/7/24	3	Chengtou	-/-/-	-/-/-
2026/7/17	Ziyang Development Investment Group Co Ltd	USD	60	4.85	2029/7/23	3	Chengtou	-/-/-	-/-/-

Sources: CCXAP research

Secondary Market: return on Chinese USD bonds increased

As of July 17, the year-to-date return[1] of Chinese USD bonds increased by 5.0bp to 1.32% compared to last Friday, among which the return rate of investment-grade bonds increased by 6.0bp to 1.26%, while the return rate of high-yield bonds decreased by 2.0bp to 1.68%. By industry, the return rate of non-financial bonds was 0.75%, up 3.0bp from last Friday. The return rate of financial bonds was 0.78%, up 4.0bp. The return rate of real estate was -0.16%, down 24.0bp. The return rate of Chengtou was 1.92%, up 7.0bp.

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

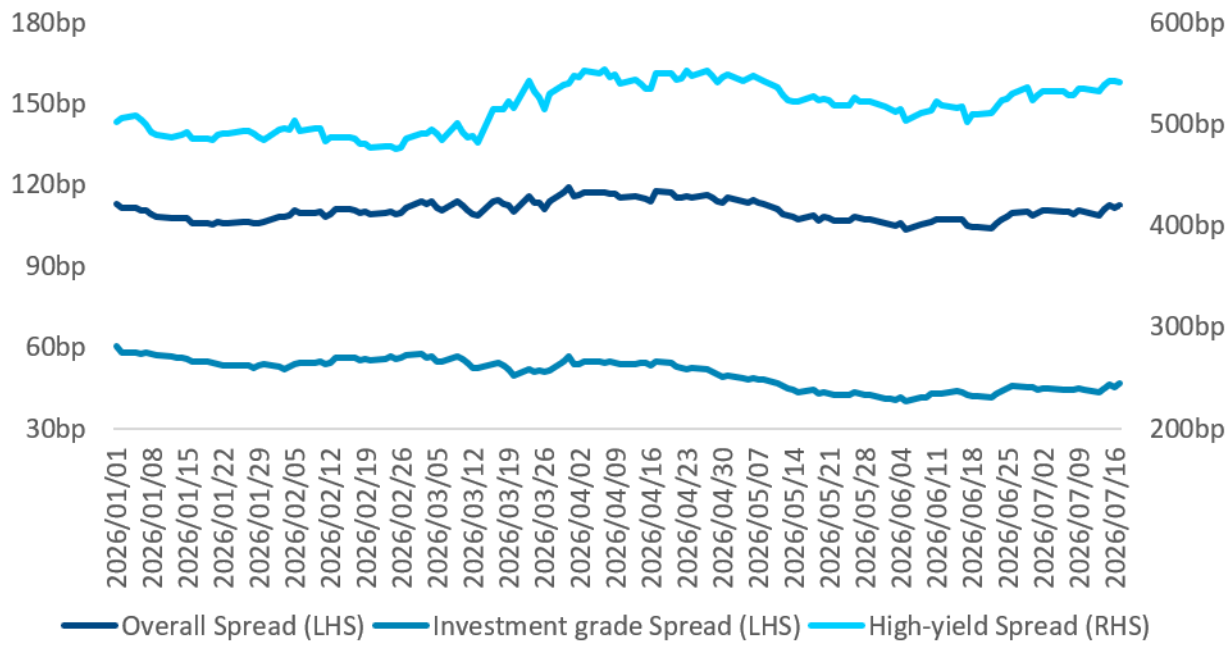


Sources: CCXAP research

As of July 17, the spread of Chinese USD bonds widened by 2.5bp to 112.49bp from last Friday, among which the spread of investment-grade bonds widened by 2.2bp to 46.67bp, and the spread of high-yield bonds widened by 5.7bp to 541.08bp.

[1] Year-to-date return measures the return since January 1, 2026

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



Sources: CCXAP research

From July 13 to July 17, the following table shows the 10 bonds with the largest yield increases. Among them, the yield of eHi Car Services Limited changed the most.

Table 2: Chinese offshore bonds with largest increase in yield (20260713-20260717)

Security Name	Obligor	Last Price（USD）	Years to Maturity	Yield to Convention	Yield Change
EHICAR 7 09/21/26	eHi Car Rental Limited	67.712	0.18	291.176	4.6743M
EHICAR 12 09/26/27	eHi Car Rental Limited	44.107	1.19	104.401	214.8
CINDBK 3 ¼ PERP	China CITIC Bank International Limited	99.98	永续	4.214	150.2
LYURBN 7.4 08/17/26	Linyi City Construction Investment Group Co., Ltd.	100.601	0.08	-1.209	99.8
WESCHI 10 ½ 11/11/29	China West Cement Co., Ltd.	82.096	3.32	17.858	96.3
CDURDE 4.7 12/29/26	Changde Urban Development Group Co., Ltd.	100.999	0.45	2.377	81.6
HBGGDS 7 ½ 08/20/26	Hubei Guanggudong State-Owned Capital Investment and Operation Group Co., Ltd.	100.106	0.09	6.126	76.1
SDGOLD 2.8 08/25/26	Shandong Gold Group Co., Ltd.	99.916	0.10	3.677	54.4
SIDEVE 2.8 08/18/26	Sichuan Development Holding Co., Ltd.	99.891	0.08	4.263	52.9
CFAMCI 4 ¾ 04/27/27	China Huarong Asset Management Co., Ltd	100.07	0.77	4.647	48.7

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 1 Chinese entity

On July 14, CCXAP assigned first-time long-term credit rating of BBB_g to Chongqing Tongnan Construction Engineering (Group) Co., Ltd. (“CTCE”), with stable outlook.

Table 3: CCXAP's rating actions of cross-border issuer (20260713-20260717)

Rating Date	Obligor	Entity Rating	Rating Rational
2026/7/14	CTCE	BBB$_g$	The rating reflects the Company's (1) important role in project construction and state-owned asset operation in Tongnan District; (2) solid track record of receiving local government support; and (3) diversified access to funding. However, the rating is constrained by the Company's (1) high exposure to commercial activities; and (2) increasing debt burden driven by capital expenditures on construction projects; (3) relatively high contingent liability risks.

Source: CCXAP research

From July 13 to July 17, rating agencies took positive rating actions on 7 Chinese issuers.

Table 4: Rating actions of cross-border issuer (20260713-20260717)

Entity		Sector	Latest Rating			Last Rating			Rating Agency	Reason of Change Outlook
			Entity Rating	Outlook	Date	Entity Rating	Outlook	Date		
Offshore Rating：										
Upgrade	Zoucheng Hengtai Holding Group Co., Ltd.	Chengtou	BBB+	Stable	2026/07/13	BBB	Stable	2025/07/14	Lianhe	Improved internal credit view of local government and expectation of continued very strong support for the company
	Qingdao Ronghui Fortune Investment Holding Group Co., Ltd.	Industrials	Ag	Stable	2026/07/13	Ag-	Stable	2025/05/19	CCXAP	The stronger capacity to provide support from the local government
	Qingdao Shibei Construction Investment Group Co., Ltd.	Chengtou	Ag	Stable	2026/07/13	Ag-	Stable	2025/05/15	CCXAP	The stronger capacity to provide support from the local government
	Urumqi Gaoxin Investment and Development Group Co., Ltd.	Chengtou	BBB-	Stable	2026/07/14	BB+	Stable	2025/07/18	Fitch	Improved credit view of the local government's capacity to provide support
	Suzhou SND Group Company Limited	Chengtou	Ag+	Stable	2026/07/15	Ag	Stable	2025/07/16	CCXAP	The company's prudent investment pace, enhanced risk management, and dominant role in regional industrial development
	Huzhou Moganshan High-tech Group Co., Ltd.	Chengtou	Ag-	Stable	2026/07/16	BBBg+	Stable	2025/06/20	CCXAP	The company's regional strength has enhanced

	Bright Food International Ltd.	Industrials	BBB	Stable	2026/07/17	BBB-	Stable	2021/06/10	S&P	The company's strategic importance to its parent has increased

Source: CCXAP research

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.

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