Cross-border Bonds Weekly Report

中誠信亞太 CCXAP

2026 Issue 27
From July 20 to July 24

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

Headline: China's H1 Industrial Output Grows 5.4% YoY; US Initial Jobless Claims Plunge to 187,000, Hitting 57-Year Low

On July 21, China reported that H1 industrial output rose 5.4% YoY, contributing over 35% to economic growth. On July 23, the US reported that initial jobless claims fell to 187,000, far below expectations, marking the lowest level since 1969.

Exchange Rate: RMB Depreciated; USD Index Increased

Last week, the RMB has depreciated. As of July 24, the RMB/USD middle rate closed at 6.7939, up 5.0bp from last Friday. The USD Index closed at 101.468, up 0.7% from last Friday.

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

Last week, China Government Bond yields generally decreased. Initial jobless claims far below expectations, US Treasury yields increased.

Chinese Offshore Bond Market

Primary Market: New Issuance of Chinese Offshore Bonds Decreased

From July 20 to July 24, Chinese enterprises issued 35 new bonds in the offshore market, totaling about USD2.487 billion, a decrease of 16.33% from last week. Among them, financial institutions were the main issuers, issuing a total of USD1.919 billion in bonds.

Secondary Market: Return on Chinese USD Bonds Decreased

As of July 24, the return rate of Chinese USD bonds decreased by 26.0bp to 1.05% compared to last Friday, among which the return rate of investment-grade bonds decreased by 34.0bp to 0.92%, while the return rate of high-yield bonds increased by 29.0bp to 1.97%.

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

From July 20 to July 24, rating agencies took positive rating actions on 3 Chinese issuers.

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Headline: China's H1 industrial output grows 5.4% YoY; US initial jobless claims plunge to 187,000, hitting 57-year low

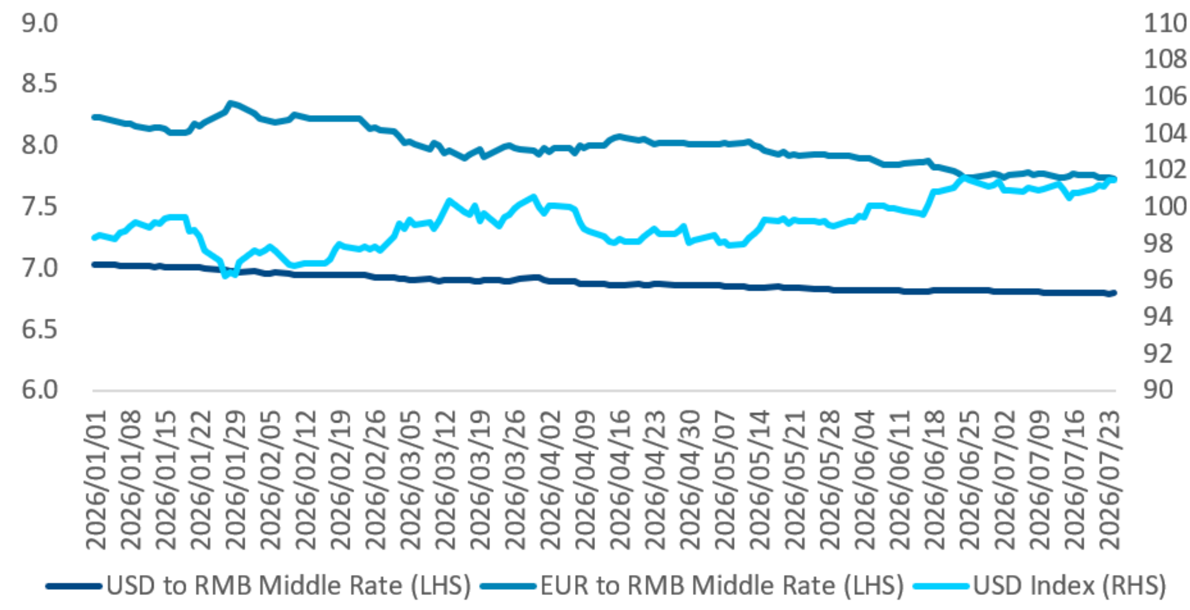
On July 21, China reported that H1 industrial output above designated size rose 5.4% YoY, contributing over 35% to economic growth, with 32 of 41 major industrial sectors maintaining growth. The industrial economy remained broadly stable, effectively serving as a ballast for the macroeconomy. Industrial enterprise profits improved notably, with profits of large-scale industrial enterprises up 18.8% YoY in the first five months and the operating profit margin reaching 5.6%. Industrial exports grew rapidly, with goods exports (in RMB terms) up 13.4% YoY in H1. The digital economy accelerated, with revenue up 13.0% YoY and profits up 19.3% YoY in the first five months. Business expectations remained generally stable, with the production sub-index of the manufacturing PMI staying in expansionary territory for four consecutive months.

On July 23, the US reported that initial jobless claims for the week ending July 18 fell by 22,000 to 187,000, far below market expectations of 212,000 and marking the lowest level since September 1969. The less volatile four-week moving average fell by 7,250 to 208,000. For the week ending July 11, continuing claims fell by 2,000 to 1.796 million, below market expectations of 1.807 million and remaining at historically low levels. Economists noted that the sharp drop in initial claims was partly attributable to seasonal distortions from annual summer shutdowns at auto plants, and that claims would likely rebound to around 200,000 in the coming week. However, market participants believe that even factoring in seasonal effects, the underlying strength of the jobs market remains solid. A constrained labor supply, moderate job creation, and limited layoffs have formed an unusual equilibrium that has kept the unemployment rate at historically low levels.

Exchange Rate: RMB depreciated; USD Index increased

In the past week, the RMB has depreciated. As of July 24, the RMB/USD middle rate closed at 6.7939, up 5.0bp from last Friday. The RMB/EUR middle rate closed at 7.7237, down 394.0bp from last Friday. The USD Index closed at 101.468, up 0.7% from last Friday.

Figure 1: RMB exchange rate

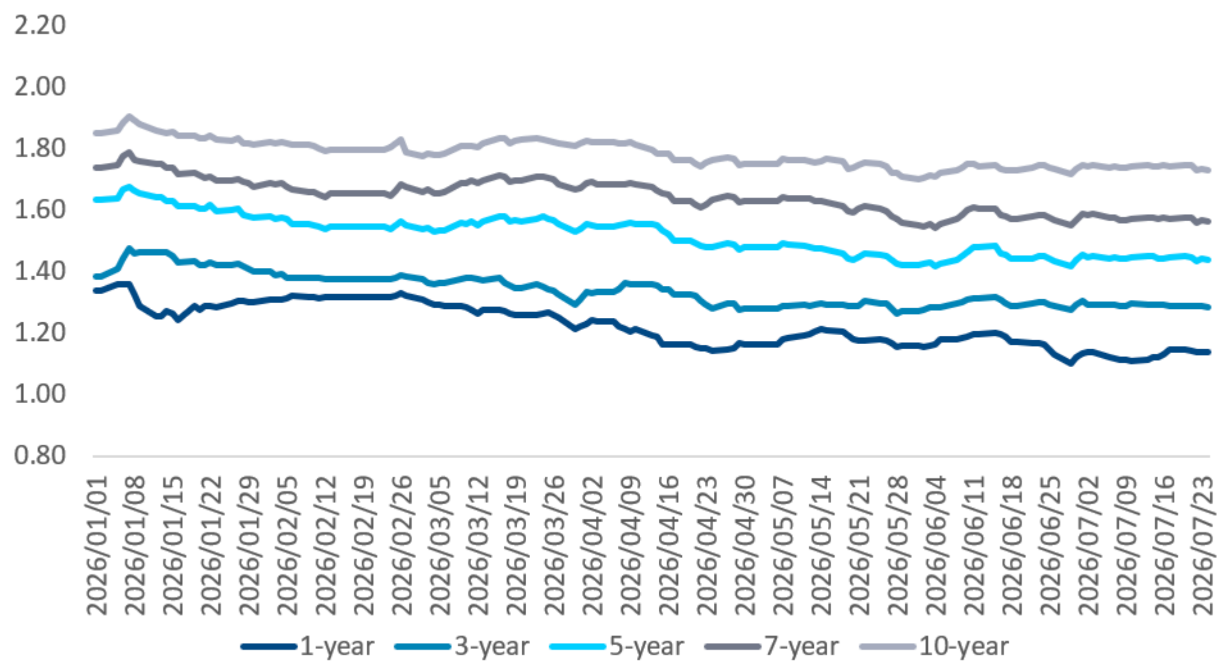


Sources: CCXAP research

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

In the past week, China Government Bond yields generally decreased. As of July 24, the 1-year, 3-year, 5-year, 7-year, and 10-year China Government Bond yields were 1.1389%, 1.2825%, 1.4381%, 1.5621%, and 1.7282%, respectively. Down 0.52bp, 0.62bp, 0.85bp, 0.62bp, and 1.22bp from last Friday.

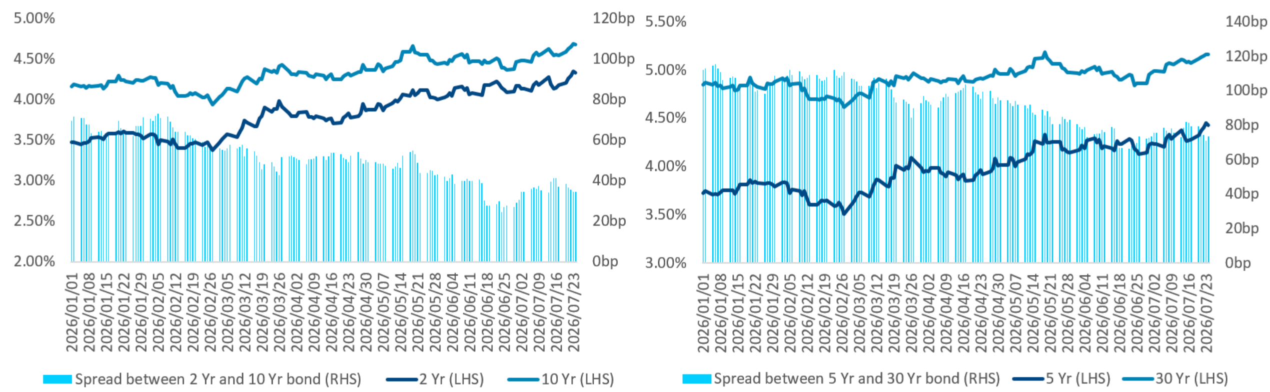
Figure 2: China Government Bond yields



Sources: CCXAP research

Softer-than-expected June CPI cooled rate-hike expectations, US Treasury yields decreased. As of July 24, the 2-year, 5-year, 10-year, and 30-year US treasury yields were 4.3306%, 4.4256%, 4.6771%, and 5.1574%, respectively. Up 15.39bp, 14.71bp, 12.97bp, and 8.84bp from last Friday. For US Treasury yield spreads, the spread between the 2-year and 10-year Treasury notes narrowed by 2.42bp to 34.65bp compared to last Friday, and the spread between the 5-year and 30-year Treasury bonds narrowed by 5.87bp to 73.18bp compared to last Friday.

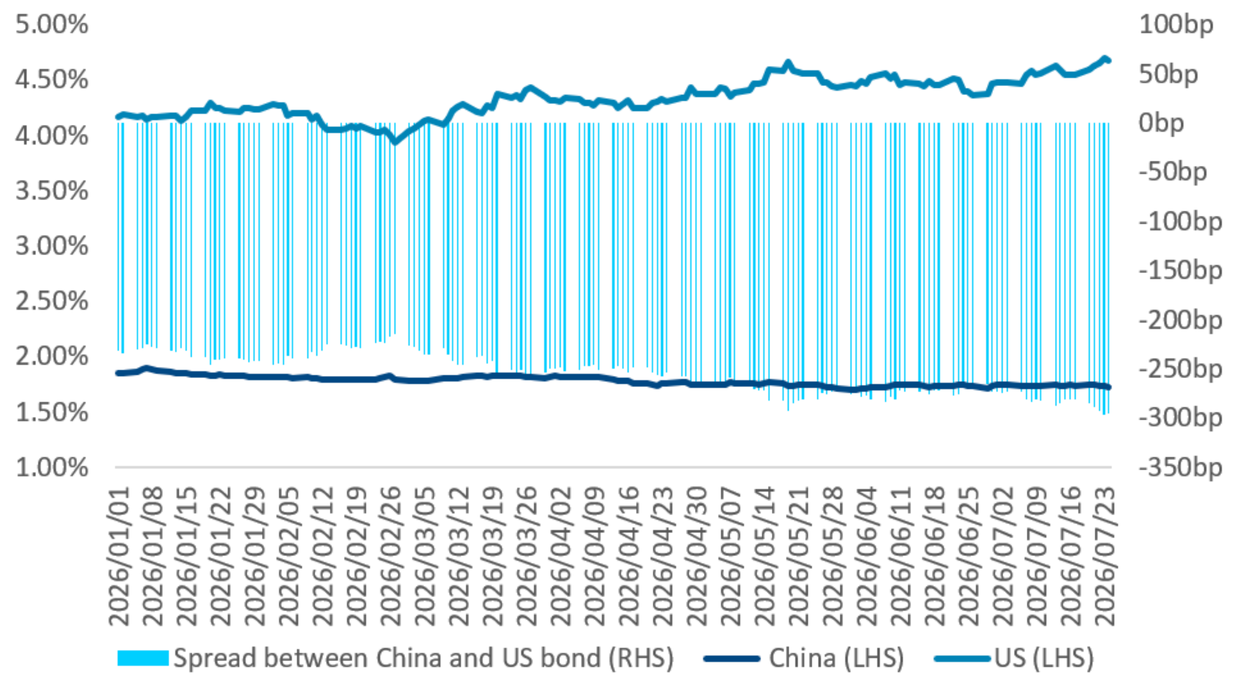
Figure 3: US Treasury yields and yield spreads



Sources: CCXAP research

As of July 24, the 10-year Treasury bond interest rate gap between China and the US was -294.9bp, widening by 14.2bp from last Friday and widening by 62.9bp from the beginning of the year.

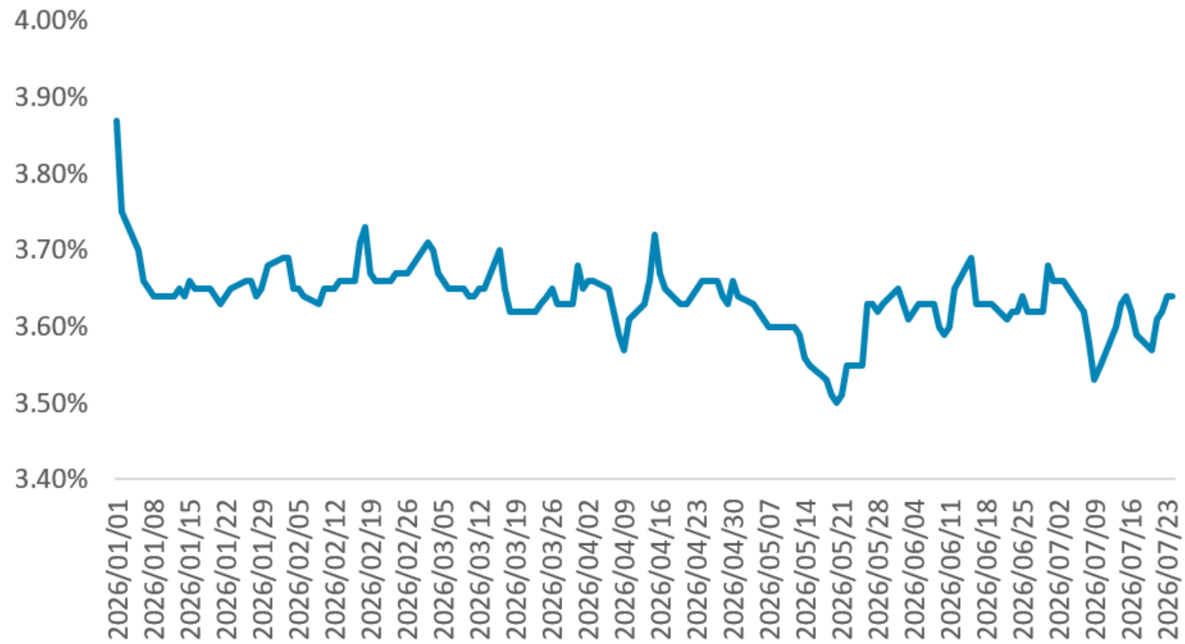
Figure 4: Yield spread between 10-year note of China and US



Sources: CCXAP research

As of July 24, the US benchmark rate SOFR (Secured Overnight Financing Rate) was 3.64%, up 5.0bp from last Friday and down 23.0bp 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 July 20 to July 24, Chinese enterprises issued 35 new bonds in the offshore market, totaling about USD2.487 billion, a decrease of 16.33% from last week. Among them, financial institutions were the main issuers, issuing a total of USD1.919 billion in bonds.

Table 1：New issuance of Chinese offshore bonds (20260720-20260724)

Announcement date	Obligor	Currency	Amount	Coupon (%)	Maturity	Tenor	Industry	Issuer Rating	Issue Rating
2026/7/20	GF Holdings Hong Kong Corp Ltd	CNY	8	1.54	2026/10/23	92D	Financials	-/BBB/BBB	-/-/-
2026/7/20	Guotai Haitong Financial Holdings Ltd	CNY	500	1.58	2027/1/19	180D	Financials	-/-/-	-/-/-
2026/7/20	Industrial & Commercial Bank of China Ltd/Dubai DIFC	HKD	400	3.42	2029/7/27	3	Banks	A1/-/-	-/-/-
2026/7/20	Linyi City Construction Investment Group Co Ltd	USD	110	5.15	2029/7/23	3	Chengtou	-/-/BBB-	-/-/-
2026/7/21	China Securities International Finance Holding Co Ltd	HKD	100	3.18	2027/1/27	184D	Financials	-/BBB+/BBB+	-/-/-
2026/7/21	CITIC Securities International Co Ltd	USD	12	0	2027/1/24	180D	Financials	-/BBB+/A-	-/-/-
2026/7/21	CMB Financial Leasing Co., Ltd.	USD	600	SOFR +47	2029/7/28	3	Financials	A2/A-/-	A2/-/-
2026/7/21	GF Holdings Hong Kong Corp Ltd	USD	1	4.32	2027/1/15	176D	Financials	-/BBB/BBB	-/-/-
2026/7/21	GF Holdings Hong Kong Corp Ltd	CNY	14	1.7	2027/1/19	180D	Financials	-/BBB/BBB	-/-/-
2026/7/21	Huatai International Financial Holdings Co Ltd	USD	20	4.22	2027/1/20	177D	Financials	-/BBB+/-	-/-/-

2026/7/21	Industrial & Commercial Bank of China Ltd/Dubai DIFC	HKD	450	3.5	2029/7/26	3	Banks	A1/-/-	-/-/-
2026/7/21	Puyang Investment Group Co Ltd	CNY	184	2.9	2029/7/23	3	Chengtou	-/-/-	-/-/-
2026/7/21	Shenwan Hongyuan HK Ltd	CNY	80	1.72	2027/1/28	184D	Financials	-/BBB/-	-/-/-
2026/7/21	Shenwan Hongyuan HK Ltd	HKD	100	3.37	2027/1/25	182D	Financials	-/BBB/-	-/-/-
2026/7/21	Shenwan Hongyuan HK Ltd	USD	10	4.31	2027/1/27	184D	Financials	-/BBB/-	-/-/-
2026/7/22	CITIC Securities International Co Ltd	CNY	20	0	2036/7/28	10	Financials	-/BBB+/A-	-/-/-
2026/7/22	CITIC Securities International Co Ltd	CNY	2,400	2.15	2031/7/30	5	Financials	-/BBB+/A-	-/-/-
2026/7/22	CITIC Securities International Co Ltd	USD	15	7	2026/10/27	92D	Financials	-/BBB+/A-	-/-/-
2026/7/22	CSI Financial Products Ltd	HKD	2	0	2027/2/2	188D	Financials	-/-/-	-/-/-
2026/7/22	GF Holdings Hong Kong Corp Ltd	HKD	70	3.35	2027/1/20	180D	Financials	-/BBB/BBB	-/-/-
2026/7/22	Huatai International Financial Holdings Co Ltd	USD	80	0	2027/1/5	161D	Financials	-/BBB+/-	-/-/-
2026/7/22	Taizhou Urban Construction and Investment Development Group Co Ltd	USD	400	4.4	2029/7/27	3	Chengtou	-/-/BBB	-/-/-
2026/7/23	China Minsheng Banking Corp Ltd/Hong Kong	CNY	200	1.55	2027/2/1	186D	Banks	Baa3/-/-	-/-/-
2026/7/23	CITIC Securities International Co Ltd	CNY	10	0	2036/7/28	10	Financials	-/BBB+/A-	-/-/-
2026/7/23	GF Holdings Hong Kong Corp Ltd	USD	5	4.32	2027/1/25	180D	Financials	-/BBB/BBB	-/-/-
2026/7/23	Industrial & Commercial Bank of China Ltd/Dubai DIFC	HKD	150	3.47	2029/8/3	3	Banks	A1/-/-	-/-/-
2026/7/23	Industrial & Commercial Bank of China Ltd/Dubai DIFC	HKD	450	3.49	2029/8/3	3	Banks	A1/-/-	-/-/-
2026/7/24	CNCB Hong Kong Investment Ltd	CNY	1,900	1.62	2027/5/25	299D	Financials	-/BBB+/A-	-/-/-
2026/7/24	GF Holdings Hong Kong Corp Ltd	HKD	90	3.35	2027/1/26	180D	Financials	-/BBB/BBB	-/-/-
2026/7/24	Huatai International Financial Holdings Co Ltd	USD	60	4.4	2027/1/19	173D	Financials	-/BBB+/-	-/-/-
2026/7/24	Huatai International Financial Holdings Co Ltd	USD	25	4.2	2026/10/29	91D	Financials	-/BBB+/-	-/-/-
2026/7/24	Huatai International Financial Holdings Co Ltd	USD	25	4.4	2027/1/20	174D	Financials	-/BBB+/-	-/-/-
2026/7/24	Huatai International Financial Holdings Co Ltd	USD	50	4.42	2027/1/14	167D	Financials	-/BBB+/-	-/-/-
2026/7/24	Industrial & Commercial Bank of China Ltd/Dubai DIFC	HKD	500	3.44	2029/8/3	3	Banks	A1/-/-	-/-/-
2026/7/24	Suqian Yufeng Industrial Investment Development Management Group Co Ltd	CNY	232	2.88	2029/7/30	3	Chengtou	-/-/-	-/-/-

Sources: CCXAP research

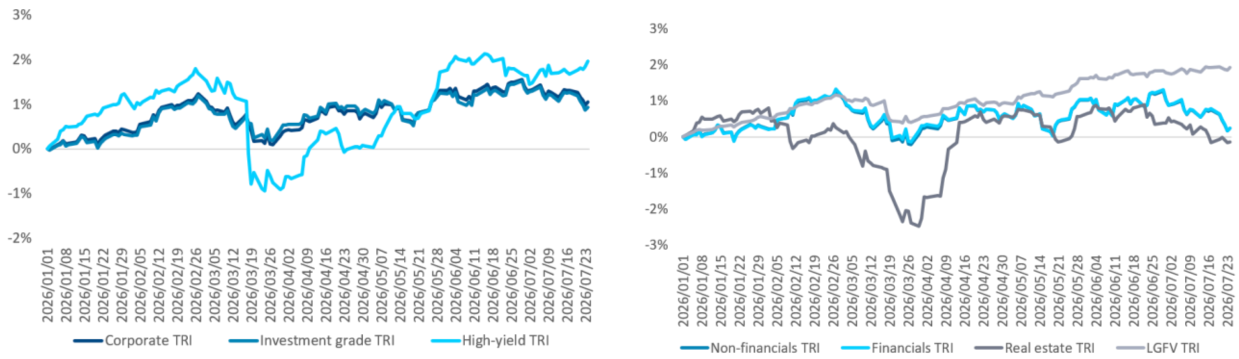
Secondary Market: return on Chinese USD bonds decreased

As of July 24, the year-to-date return[1] of Chinese USD bonds decreased by 26.0bp to 1.05% compared to last Friday, among which the return rate of investment-grade bonds decreased by 34.0bp to 0.92%, while the return rate of high-yield bonds increased by 29.0bp to 1.97%. By industry, the return rate of non-financial bonds was 0.24%, down 51.0bp from last Friday. The return

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

rate of financial bonds was 0.25%, down 53.0bp. The return rate of real estate was -0.14%, up 2.0bp. The return rate of Chengtou was 1.92%, unchanged from last Friday.

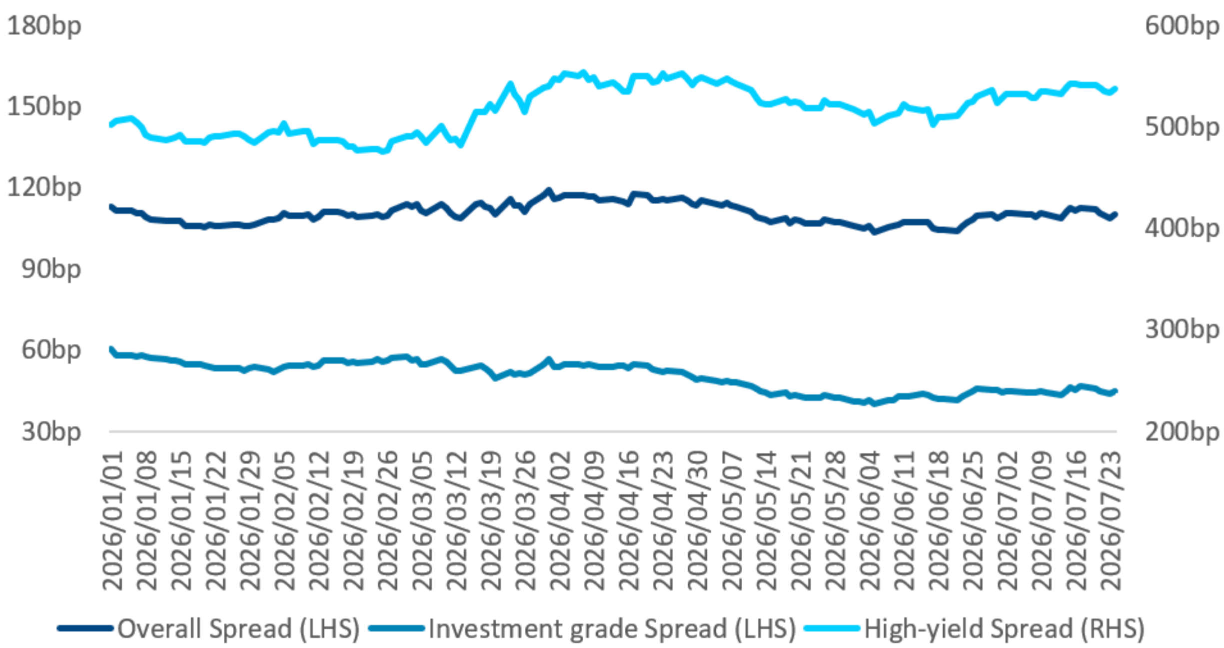
Figure 6: YTD return on Markit iBoxx Chinese USD bond index



Sources: CCXAP research

As of July 24, the spread of Chinese USD bonds narrowed by 2.4bp to 110.14bp from last Friday, among which the spread of investment-grade bonds narrowed by 1.8bp to 44.86bp, and the spread of high-yield bonds narrowed by 3.7bp to 537.42bp.

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



Sources: CCXAP research

From July 20 to July 24, 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 (20260720-20260724)

Security Name	Obligor	Last Price（USD）	Years to Maturity	Yield to Convention	Yield Change
EHICAR 7 09/21/26	eHi Car Services Limited	67.221	0.16	335.579	2.6273M
CINDBK 3 ¼ PERP	China CITIC Bank International Limited	99.989	PERP	7.096	738.1
EHICAR 12 09/26/27	eHi Car Rental Limited	43.714	1.17	107.367	218.7
SIDEVE 2.8 08/18/26	Sichuan Development Holding Co., Ltd.	99.895	0.06	4.735	173.4
SDGOLD 2.8 08/25/26	Shandong Gold Group Co., Ltd.	99.944	0.08	3.535	153.5
EHICAR 10 10/14/29	eHi Car Services Limited	41.267	3.22	56.79	152.3
ZHOSHK 5.98 01/30/28	Zhongsheng Group Holdings Limited	91.916	1.52	12.019	134.4
SXUCI 2 ½ 08/19/26	haoxing City Development Group Limited	99.794	0.07	6.152	133.6
WESCHI 9.9 12/04/28	China West Cement Co., Ltd.	84.992	2.36	17.994	65.8
LCTIGP 5 ½ 08/27/26	Luoyang Cultural Tourism Investment Group Co., Ltd.	100.148	0.09	3.441	43.5

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 actions on 3 Chinese issuers

From July 20 to July 24, rating agencies took positive rating actions on 3 Chinese issuers.

Table 3: Rating actions of cross-border issuer (20260720-20260724)

Entity		Sector	Latest Rating			Last Rating			Rating Agency	Reason of Change Outlook
			Entity Rating	Outlook	Date	Entity Rating	Outlook	Date		
Offshore Rating：										
Upgrade	China CITIC Financial Asset Management Co., Ltd.	Financials	BBB+	Stable	2026/07/21	BBB	Stable	2025/08/15	Fitch	Strengthened policy role of the company
	China Great Wall Asset Management Co., Ltd.	Financials	BBB	Pos	2026/07/21	BBB	Stable	2025/08/15	Fitch	Continued improvement in the company's credit profile
	China Great Wall AMC (International) Holdings Company Limited	Financials	BBB	Pos	2026/07/21	BBB	Stable	2025/08/15	Fitch	Continued improvement in the company's credit profile

Source: CCXAP research

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