Cross-border Bonds Weekly Report

中誠信亞太 CCXAP

2026 Issue 28
From July 27 to July 31

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

Headline: US Holds Rates Steady for Fifth Consecutive Meeting; China's July Official Manufacturing PMI Falls to 49.2%

On July 29, the US kept the federal funds rate target range unchanged at 3.50%-3.75%, in line with expectations. On July 31, China reported that its July official manufacturing PMI was 49.2%, below the expected 50.0% and down 1.1 percentage points from the previous reading.

Exchange Rate: RMB Appreciated; USD Index Decreased

Last week, the RMB has appreciated. As of July 31, the RMB/USD middle rate closed at 6.7894, down 45.0bp from last Friday. The USD Index closed at 99.914, down 1.55% from last Friday.

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

Last week, China Government Bond yields generally decreased. Following the hawkish signals from the Fed meeting, US Treasury yields generally increased.

Chinese Offshore Bond Market

Primary Market: New Issuance of Chinese Offshore Bonds Decreased

From July 27 to July 31, Chinese enterprises issued 37 new bonds in the offshore market, totaling about USD1.36 billion, a decrease of 45.3% from last week. Among them, financial institutions were the main issuers, issuing a total of USD975 million in bonds.

Secondary Market: Return on Chinese USD Bonds Remained Flat

As of July 31, the return rate of Chinese USD bonds remained unchanged from last Friday at 1.05%, among which the return rate of investment-grade bonds decreased by 6.0bp to 0.86%, while the return rate of high-yield bonds increased by 47.0bp to 2.44%.

Rating Actions: Rating Agencies Took Rating Actions on 7 Chinese Issuers

From July 27 to July 31, rating agencies took positive rating actions on 7 Chinese issuers.

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Headline: US holds rates steady for fifth consecutive meeting; China's July official manufacturing PMI falls to 49.2%

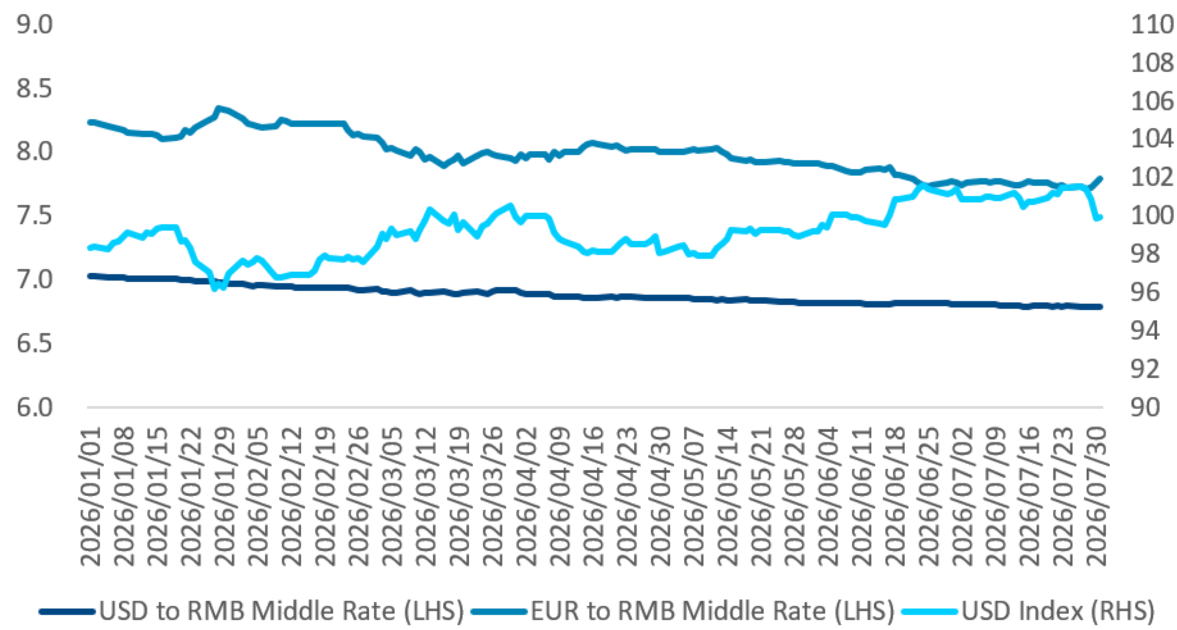
On July 29, the US announced the Fed would keep the federal funds rate target range unchanged at 3.50%-3.75%, in line with market expectations. This marked the fifth consecutive meeting since December 2025 in which the Fed held rates steady. However, the voting outcome shifted from unanimous approval at the June meeting to 9-3 in favor of holding rates, with three dissenters, Cleveland Fed President Hammack, Minneapolis Fed President Kashkari, and Dallas Fed President Logan, each favoring a 25bp rate hike. This marked the first time since 2016 that three dissenting votes were cast in the same direction at a single FOMC meeting. The policy statement noted that economic activity was expanding at a solid pace despite elevated uncertainty from the Middle East conflict and other factors. Productivity growth and capital investment remained strong, job gains kept pace with labor supply, and the unemployment rate changed little. Inflation remained above the Committee's 2% target, partly reflecting supply-driven price increases in certain sectors such as energy.

On July 31, China reported that July official manufacturing PMI was 49.2%, below market expectations of 50.0% and down 1.1 percentage points from June, falling back into contractionary territory. The non-manufacturing business activity index and the composite PMI output index stood at 49.0% and 49.3%, respectively, with all three major indices dipping below the 50-threshold simultaneously. By sub-index, the production index fell to 49.9%, down 1.5 percentage points from the previous month, indicating a slowdown in manufacturing activity. The new orders index declined to 48.5%, a drop of 2.7 percentage points, signaling weakening market demand. By enterprise size, PMIs for large, medium, and small enterprises were 49.5%, 49.7%, and 47.4%, respectively, down 1.2, 0.8, and 0.8 percentage points from June, all below the 50 threshold. Analysts attributed the decline to a combination of high-base effects, the traditional off-season for manufacturing in July, and extreme weather disruptions such as heatwaves and floods across multiple regions. Still, structural bright spots remained: the equipment manufacturing PMI stood at 51.4% and the high-tech manufacturing PMI at 53.3%, both significantly above the headline manufacturing figure and continuing to expand at a relatively fast pace, supporting the ongoing structural upgrade of the manufacturing sector.

Exchange Rate: RMB appreciated; USD Index decreased

In the past week, the RMB has appreciated. As of July 31, the RMB/USD middle rate closed at 6.7894, down 45.0bp from last Friday. The RMB/EUR middle rate closed at 7.7886, up 649.0bp from last Friday. The USD Index closed at 99.914, down 1.55% from last Friday.

Figure 1: RMB exchange rate

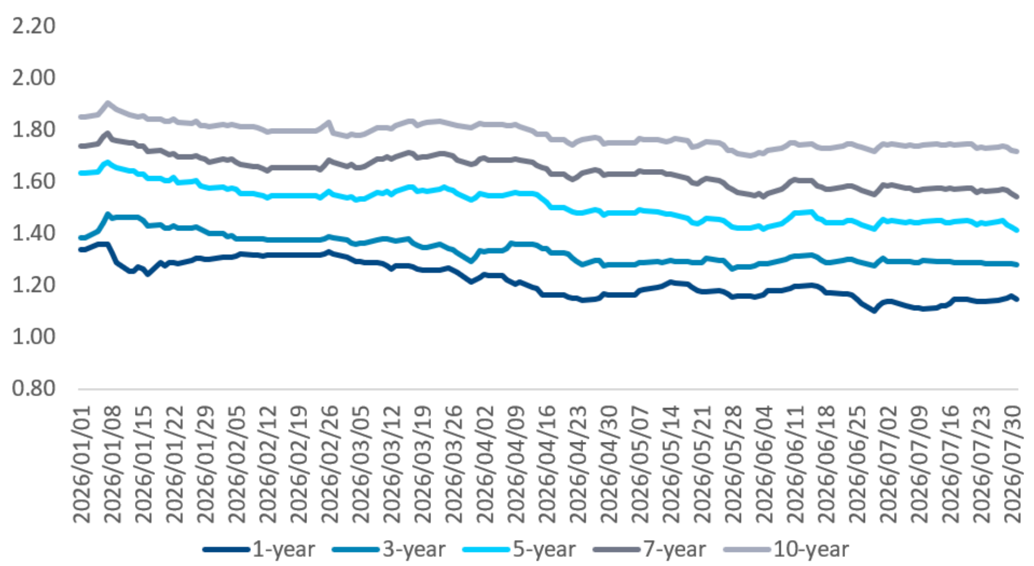


Sources: CCXAP research

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

In the past week, China Government Bond yields generally decreased. As of July 31, the 1-year, 3-year, 5-year, 7-year, and 10-year China Government Bond yields were 1.1460%, 1.2786%, 1.4110%, 1.5422%, and 1.7141%, respectively. Compared to last Friday, the 1-year yield increased by 0.71bp, the 3-year yield decreased by 0.39bp, the 5-year yield decreased by 2.71bp, the 7-year yield decreased by 1.99bp, and the 10-year yield decreased by 1.41bp.

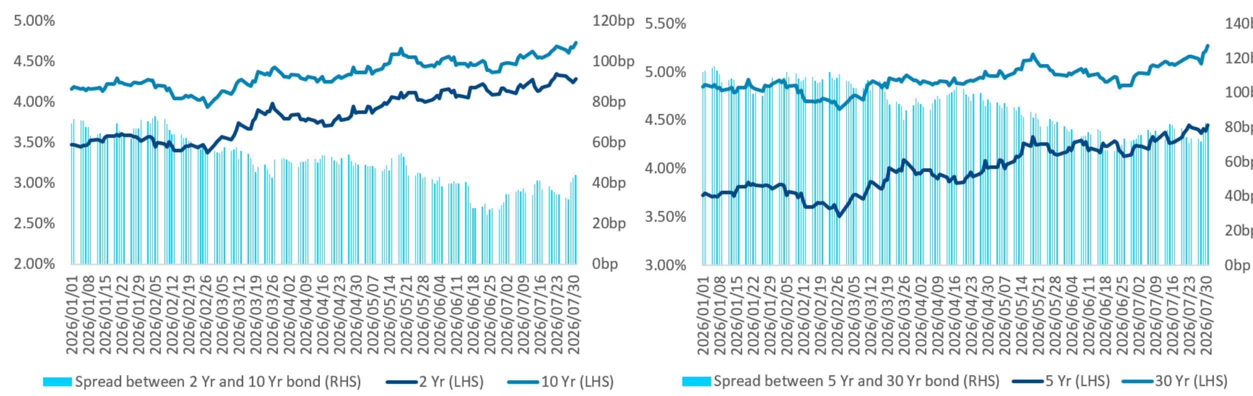
Figure 2: China Government Bond yields



Sources: CCXAP research

Following the hawkish signals from the Fed meeting, US Treasury yields generally increased. As of July 31, the 2-year, 5-year, 10-year, and 30-year US treasury yields were 4.2912%, 4.4489%, 4.7347%, and 5.2724%, respectively. Compared to last Friday, the 2-year yield decreased by 3.94bp, the 5-year yield increased by 2.33bp, the 10-year yield increased by 5.76bp, and the 30-year yield increased by 11.50bp. For US Treasury yield spreads, the spread between the 2-year and 10-year Treasury notes widened by 9.70bp to 44.35bp compared to last Friday, and the spread between the 5-year and 30-year Treasury bonds widened by 9.17bp to 82.35bp compared to last Friday.

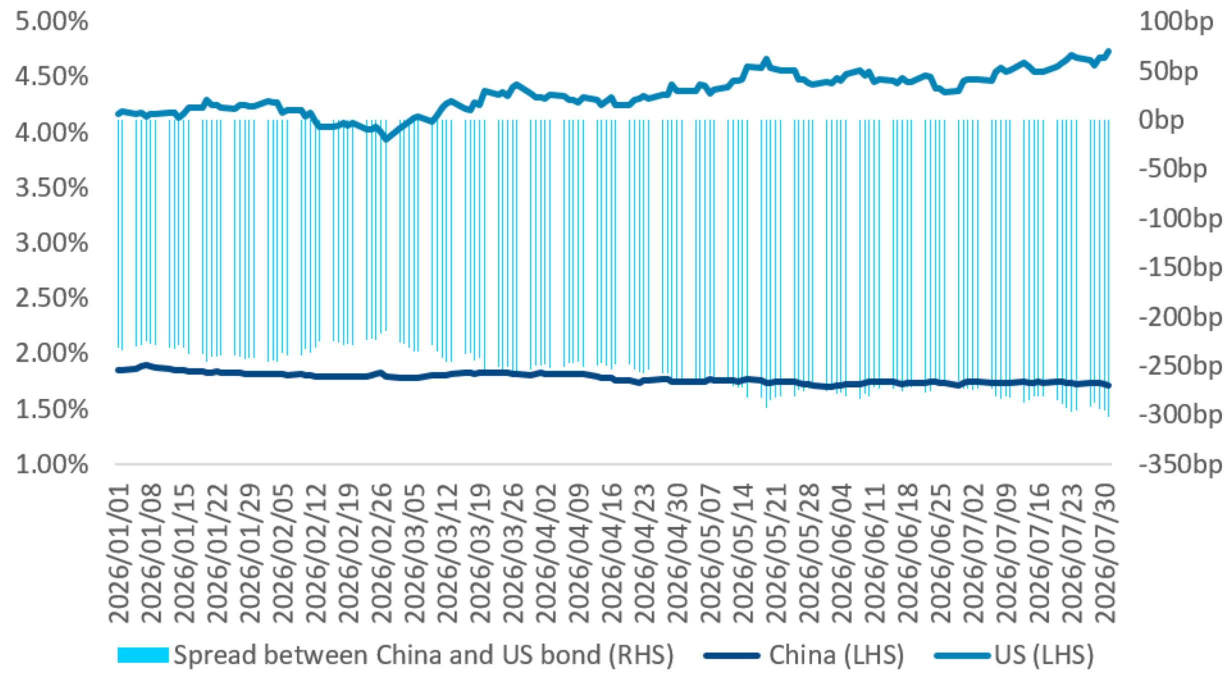
Figure 3: US Treasury yields and yield spreads



Sources: CCXAP research

As of July 31, the 10-year Treasury bond interest rate gap between China and the US was -302.1bp, narrowing by 7.2bp from last Friday and widening by 70.1bp from the beginning of the year.

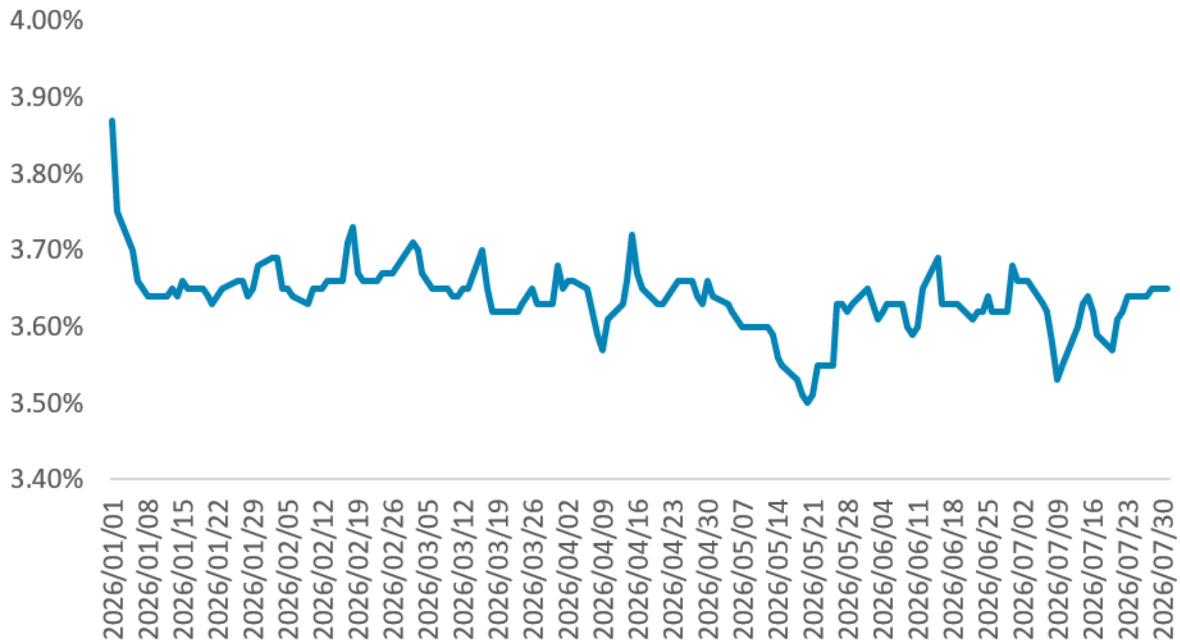
Figure 4: Yield spread between 10-year note of China and US



Sources: CCXAP research

As of July 31, the US benchmark rate SOFR (Secured Overnight Financing Rate) was 3.65%, up 1.0bp from last Friday and down 22.0bp 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 27 to July 31, Chinese enterprises issued 37 new bonds in the offshore market, totaling about USD1.36 billion, a decrease of 45.3% from last week. Among them, financial institutions were the main issuers, issuing a total of USD975 million in bonds.

Table 1：New issuance of Chinese offshore bonds (20260727-20260731)

Announcement date	Obligor	Currency	Amount	Coupon (%)	Maturity	Tenor	Industry	Issuer Rating	Issue Rating
2026/7/27	China Securities International Finance Holding Co Ltd	CNY	270	1.9	2029/8/3	3	Financials	-/BBB+/BBB+	-/-/-
2026/7/27	CNCB Hong Kong Investment Ltd	HKD	235	0	2027/8/5	1	Financials	-/BBB+/A-	-/-/-
2026/7/27	GF Holdings Hong Kong Corp Ltd	USD	20	4.46	2027/1/25	180D	Financials	-/BBB/BBB	-/-/-
2026/7/27	GF Holdings Hong Kong Corp Ltd	HKD	10	3.38	2027/1/25	180D	Financials	-/BBB/BBB	-/-/-
2026/7/27	GF Holdings Hong Kong Corp Ltd	USD	10	4.46	2027/1/20	175D	Financials	-/BBB/BBB	-/-/-
2026/7/27	GF Holdings Hong Kong Corp Ltd	USD	80	4.46	2027/1/27	177D	Financials	-/BBB/BBB	-/-/-
2026/7/27	GF Holdings Hong Kong Corp Ltd	USD	40	4.46	2027/2/1	180D	Financials	-/BBB/BBB	-/-/-
2026/7/27	Huatai International Financial Holdings Co Ltd	USD	60	4.4	2027/1/20	173D	Financials	-/BBB+/-	-/-/-
2026/7/27	Industrial & Commercial Bank of China Ltd/Dubai DIFC	HKD	300	3.41	2029/8/6	3	Banks	A1/-/-	-/-/-
2026/7/27	Linyi Eastern City Construction Investment Group Co Ltd	CNY	200	3.95	2029/8/3	3	Chengtou	-/-/-	-/-/-

2026/7/28	China Ping An Insurance Overseas Holdings Ltd	USD	50	SOFR +45	2027/8/3	1	Financials	Baa2/-/-	-/-/-
2026/7/28	China Ping An Insurance Overseas Holdings Ltd	USD	80	SOFR +45	2027/8/3	1	Financials	Baa2/-/-	-/-/-
2026/7/28	CITIC Securities International Co Ltd	USD	50	5.28	2031/8/3	5	Financials	-/BBB+/A-	-/-/-
2026/7/28	CSI Financial Products Ltd	HKD	1	0	2027/2/11	191D	Financials	-/-/-	-/-/-
2026/7/28	GF Holdings Hong Kong Corp Ltd	CNY	60	1.81	2027/2/1	180D	Financials	-/BBB/BBB	-/-/-
2026/7/28	GF Holdings Hong Kong Corp Ltd	USD	15	4.46	2027/1/26	180D	Financials	-/BBB/BBB	-/-/-
2026/7/28	Huatai International Financial Holdings Co Ltd	USD	30	4.45	2026/12/10	132D	Financials	-/BBB+/-	-/-/-
2026/7/28	Huatai International Financial Holdings Co Ltd	CNY	335	0	2027/1/20	173D	Financials	-/BBB+/-	-/-/-
2026/7/28	Huatai International Financial Holdings Co Ltd	CNY	325	0	2027/1/20	173D	Financials	-/BBB+/-	-/-/-
2026/7/28	Luoyang Cultural Tourism Investment Group Co Ltd	CNY	220	3.98	2029/8/4	3	Chengtou	-/-/-	-/-/-
2026/7/29	CCB International Holdings Ltd	CNY	60	1.85	2027/2/4	182D	Financials	A2/-/A	-/-/-
2026/7/29	China Ping An Insurance Overseas Holdings Ltd	CNY	500	1.755	2027/8/4	1	Financials	Baa2/-/-	-/-/-
2026/7/29	China Securities International Finance Holding Co Ltd	USD	10	4.4	2026/12/30	149D	Financials	-/BBB+/BBB+	-/-/-
2026/7/29	CSI Financial Products Ltd	HKD	1	0	2026/11/9	96D	Financials	-/-/-	-/-/-
2026/7/29	CSI Financial Products Ltd	HKD	2	0	2027/2/11	190D	Financials	-/-/-	-/-/-
2026/7/29	GF Holdings Hong Kong Corp Ltd	USD	20	4.17	2026/11/3	91D	Financials	-/BBB/BBB	-/-/-
2026/7/30	CITIC Securities International Co Ltd	CNY	10	0	2036/7/28	10	Financials	-/BBB+/A-	-/-/-
2026/7/30	GF Holdings Hong Kong Corp Ltd	USD	10	4.17	2026/11/3	92D	Financials	-/BBB/BBB	-/-/-
2026/7/30	GF Holdings Hong Kong Corp Ltd	USD	24	4.17	2026/11/4	92D	Financials	-/BBB/BBB	-/-/-
2026/7/30	Hefei Industry Investment Holding Group Co Ltd	CNY	1,830	1.88	2029/8/6	3	Materials	-/-/BBB+	-/-/BBB+
2026/7/30	Wuhan Gehua Group Co Ltd	CNY	500	3.2	2029/8/6	3	Chengtou	-/-/-	-/-/-
2026/7/31	CCB International Holdings Ltd	USD	15	0	2027/2/4	181D	Financials	A2/-/A	-/-/-
2026/7/31	GF Holdings Hong Kong Corp Ltd	USD	10	4.46	2027/1/28	177D	Financials	-/BBB/BBB	-/-/-
2026/7/31	GF Holdings Hong Kong Corp Ltd	USD	60	4.46	2027/2/2	180D	Financials	-/BBB/BBB	-/-/-
2026/7/31	GF Holdings Hong Kong Corp Ltd	USD	10	4.17	2026/11/6	92D	Financials	-/BBB/BBB	-/-/-
2026/7/31	GF Holdings Hong Kong Corp Ltd	CNY	550	1.7	2027/2/3	180D	Financials	-/BBB/BBB	-/-/-
2026/7/31	Shenwan Hongyuan HK Ltd	CNY	110	0	2027/2/2	179D	Financials	-/BBB/-	-/-/-

Sources: CCXAP research

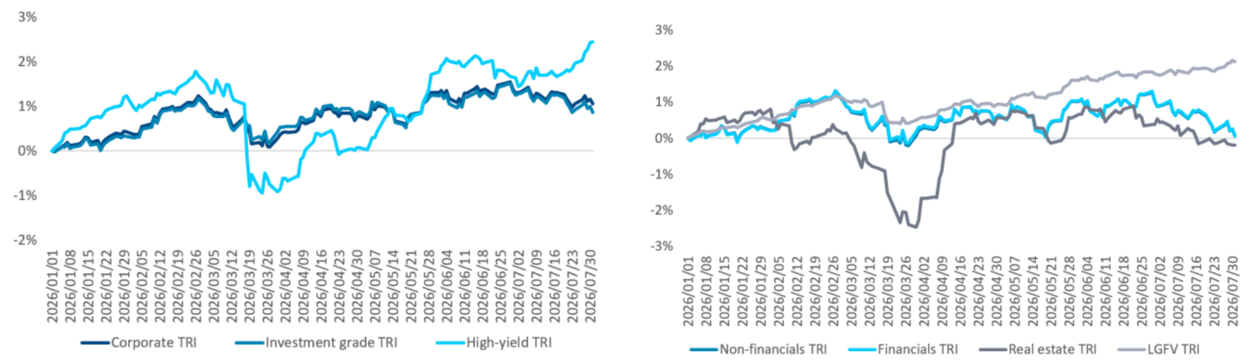
Secondary Market: return on Chinese USD bonds remained flat

As of July 31, the year-to-date return[1] of Chinese USD bonds remained unchanged from last Friday at 1.05%, among which the return rate of investment-grade bonds decreased by 6.0bp to 0.86%, while the return rate of high-yield bonds increased by 47.0bp to 2.44%. By industry, the return rate

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

of non-financial bonds was 0.05%, down 19.0bp from last Friday. The return rate of financial bonds was 0.06%, down 19.0bp. The return rate of real estate was -0.19%, down 5.0bp. The return rate of Chengtou was 2.12%, up 20.0bp.

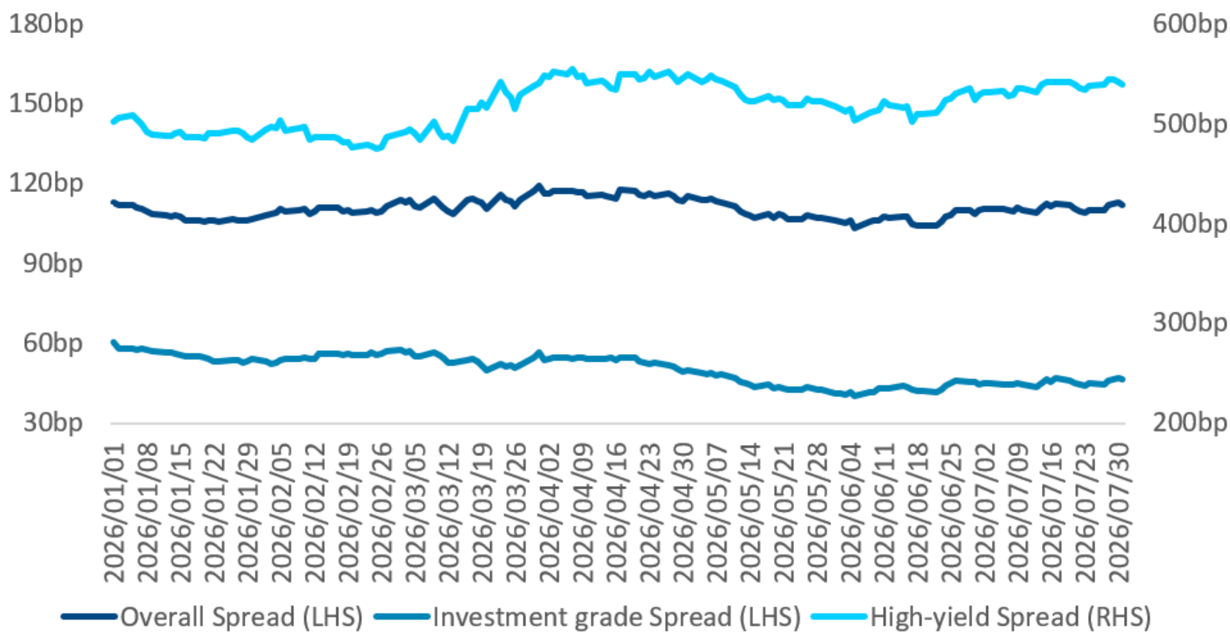
Figure 6: YTD return on Markit iBoxx Chinese USD bond index



Sources: CCXAP research

As of July 31, the spread of Chinese USD bonds widened by 1.5bp to 111.66bp from last Friday, among which the spread of investment-grade bonds widened by 1.4bp to 46.22bp, and the spread of high-yield bonds widened by 1.2bp to 538.57bp.

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



Sources: CCXAP research

From July 27 to July 31, 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 (20260727-20260731)

Security Name	Obligor	Last Price （USD）	Years to Maturity	Yield to Convention	Yield Change
EHICAR 7 09/21/26	eHi Car Services Limited	67.5	0.14	372.792	4.3818M
EHICAR 12 09/26/27	eHi Car Services Limited	42.775	1.15	112.021	680.3
SDGOLD 2.8 08/25/26	Shandong Gold Group Co., Ltd.	99.967	0.06	3.353	208.9
EHICAR 10 10/14/29	eHi Car Services Limited	40.6	3.20	58.201	143.8
AHTRHK 1.618 08/26/26	Anhui Transportation Holding Group Co., Ltd.	99.814	0.07	4.781	87.4
JNUCGC 2.4 09/23/26	Jinan Urban Construction Group Limited	99.592	0.14	5.434	62.1
ZHHFGR 3.05 10/17/28	Zhuhai Huafa Group Co., Ltd.	97.231	2.21	4.382	60.4
SHUGRP 7.2 03/20/27	Shuifa Group Co., Ltd.	101.5	0.63	4.723	58.2
LCTIGP 5 ½ 08/27/26	Luoyang Cultural Tourism Investment Group Co., Ltd.	100.153	0.07	2.805	57.9
AVIILC 6 ⅛ PERP	AVIC International Leasing Co., Ltd.	100.267	PERP	5.256	53.7

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 7 Chinese issuers

From July 27 to July 31, rating agencies took positive rating actions on 7 Chinese issuers.

Table 3: Rating actions of cross-border issuer (20260727-20260731)

	Entity	Sector	Latest Rating			Last Rating			Rating Agency	Reason of Change Outlook
			Entity Rating	Outlook	Date	Entity Rating	Outlook	Date		
Offshore Rating：										
Upgrade	China Resources Land Ltd.	Real estate	A-	Stable	2026/07/29	BBB+	Stable	2026/02/09	Fitch	Rating incorporates parent support with increased willingness to provide support
Upgrade	Yiwu State-Owned Capital Operation Co., Ltd.	Chengtou	BBB+	Stable	2026/07/29	BBB	Stable	2025/08/12	Fitch	Yiwu's reform of government-related entities has reinforced the company's role as the city's core entity
Upgrade	Haitong International Securities Group Ltd.	Financials	BBB+	Stable	2026/07/29	BBB	Stable	2025/07/29	S&P	Operationally fully integrated and strategically well aligned with the parent's business
Upgrade	Shenzhen International Holdings Ltd.	Transportation	BBB+	Stable	2026/07/30	BBB	Stable	2024/06/20	S&P	The company's importance to the municipal government has increased

	Shenzhen Expressway Corp. Ltd.	Transportation	BBB+	Stable	2026/07/30	BBB	Stable	2024/06/06	S&P	The company's rating upgraded in line with the parent's rating upgrade, reflecting its core subsidiary status
	Zoucheng Limin Construction Development Group Co., Ltd.	Chengtou	BBBg	Stable	2026/07/31	BBBg-	Stable	2025/08/18	CCXAP	Improved debt structure and enhanced standby liquidity
	China Vanke Co., Ltd.	Real estate	CC	None	2026/07/31	RD	None	2026/05/18	Fitch	Reflecting the company's post-restructuring profile

Source: CCXAP research

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