Cross-border Bonds Weekly Report

2026 Issue 30
From August 10 to August 14

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

Headline: US July CPI Rises 3.4% YoY; China July M2 Growth Slows to 7.7%

On August 12, the US reported that July CPI rose 3.4% YoY, in line with expectations. On August 14, China reported that July M2 grew 7.7% YoY, below the expected 7.9% and the previous reading of 8.0%.

Exchange Rate: RMB Appreciated; USD Index Increased

Last week, the RMB has appreciated. As of August 14, the RMB/USD middle rate closed at 6.7878, down 26.0bp from last Friday. The USD Index closed at 99.667, up 0.13% from last Friday.

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

Last week, China Government Bond yields generally decreased. Driven by the widening US fiscal deficit, US Treasury yields generally increased.

Chinese Offshore Bond Market

Primary Market: New Issuance of Chinese Offshore Bonds Increased

From August 10 to August 14, Chinese enterprises issued 26 new bonds in the offshore market, totaling about USD3.752 billion, an increase of 12.82% from last week. Among them, industrial enterprises were the main issuers, issuing a total of USD2.810 billion in bonds.

Secondary Market: Return on Chinese USD Bonds Increased

As of August 14, the return rate of Chinese USD bonds increased by 5.0bp to 1.49% compared to last Friday, among which the return rate of investment-grade bonds increased by 1.0bp to 1.21%, while the return rate of high-yield bonds increased by 38.0bp to 3.7%.

Rating Actions: CCXAP Assigned Credit Ratings to 3 Entities

From August 10 to August 14, CCXAP assigned first-time long-term credit ratings to 3 entities, China Chunlai Education Group Co., Ltd., Tianjin Jinrui Xinyuan Industrial Investment Co., Ltd., and Zhuhai Jingkai Investment Holding Group Co., Ltd.

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Headline: US July CPI rises 3.4% YoY; China July M2 growth slows to 7.7%

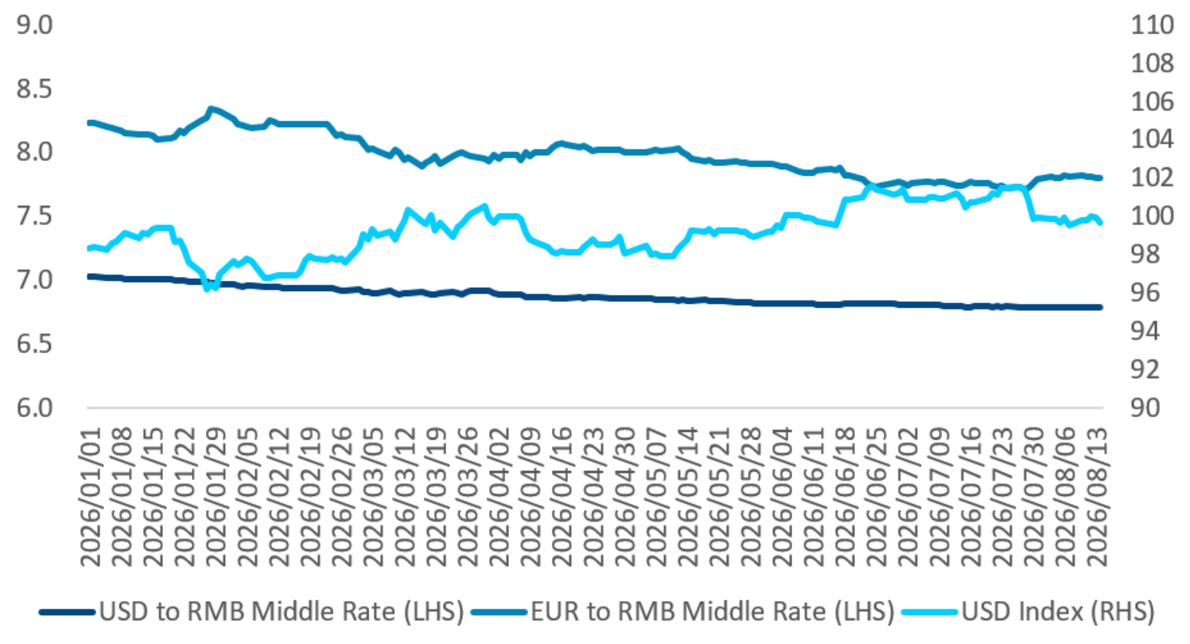
On August 12, the US reported that July headline CPI rose 3.4% YoY, in line with market expectations and down from 3.5% in June. On a MoM basis, CPI rose 0.1%, returning to positive after June's -0.4% decline, also in line with expectations. Core CPI rose 2.5% YoY, matching expectations and down from 2.6% in June, marking the lowest level since 2021. Core CPI MoM turned from flat in June to a 0.2% increase. Although inflation remains well above the Fed's 2% target, the moderate monthly readings in both July and June suggest that the energy-driven inflation rebound earlier this year is losing momentum. Still, price levels remain volatile and susceptible to the evolving situation in the Middle East. By component, energy prices fell 1.5% MoM in July, the second consecutive monthly decline following a 5.7% drop in June; however, due to sharp increases in previous months, energy prices were still up 14.7% YoY.

On August 14, China reported that broad money supply (M2) was RMB355.51 trillion at end-July, growing 7.7% YoY, below market expectations of 7.9% and down from 8.0% in June. Currency in circulation (M0) was RMB14.82 trillion, up 11.6% YoY, with net cash injection of RMB725.5 billion in the first seven months. Narrow money supply (M1) was RMB115.46 trillion, up 4.0% YoY. The M2-M1 gap narrowed to 3.7 percentage points, down 0.3 percentage points from June. The moderation in M2 growth was mainly attributable to a slowdown in loan growth, which reduced credit-derived money creation, while a modest decline in foreign exchange reserves also weakened support for M2.

Exchange Rate: RMB appreciated; USD Index increased

In the past week, the RMB has appreciated. As of August 14, the RMB/USD middle rate closed at 6.7878, down 26.0bp from last Friday. The RMB/EUR middle rate closed at 7.8017, down 50.0bp from last Friday. The USD Index closed at 99.667, up 0.13% from last Friday.

Figure 1: RMB exchange rate

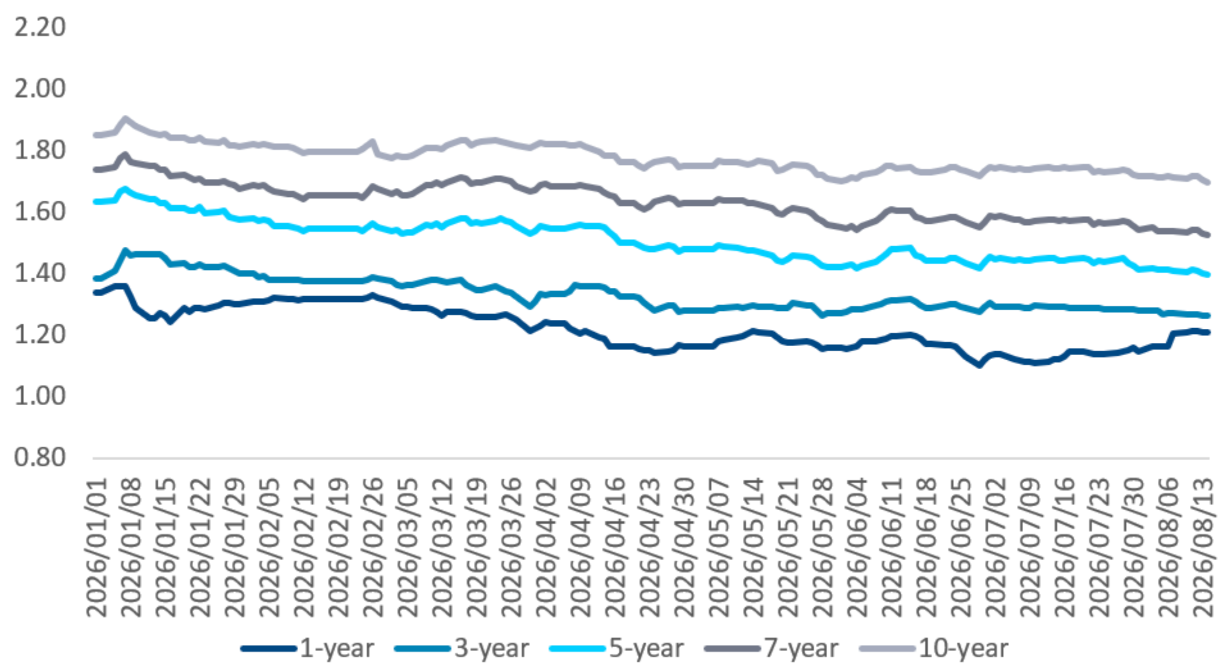


Sources: CCXAP research

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

In the past week, China Government Bond yields generally decreased. As of August 14, the 1-year, 3-year, 5-year, 7-year, and 10-year China Government Bond yields were 1.2065%, 1.2607%, 1.3935%, 1.5230%, and 1.6964%, respectively. Compared to last Friday, the 1-year yield increased by 0.22bp, the 3-year yield decreased by 0.81bp, the 5-year yield decreased by 1.38bp, the 7-year yield decreased by 1.38bp, and the 10-year yield decreased by 1.50bp.

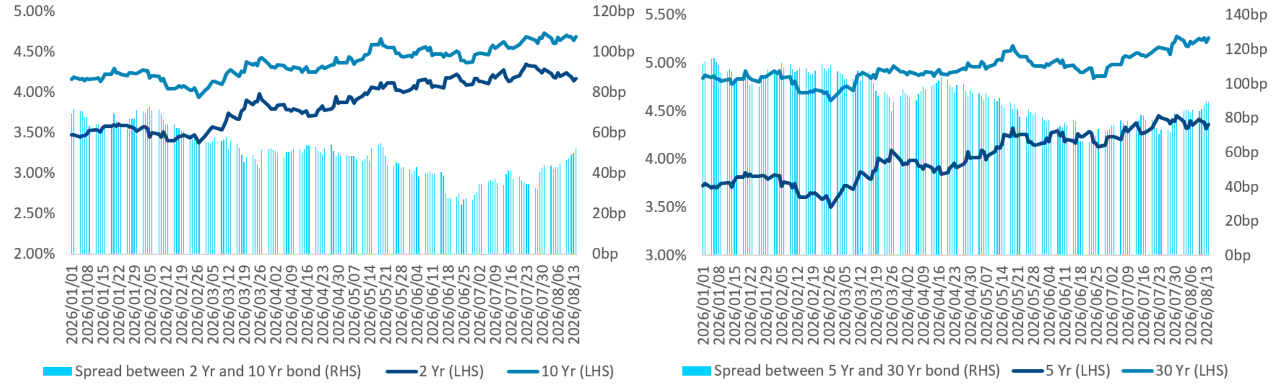
Figure 2: China Government Bond yields



Sources: CCXAP research

Driven by the widening US fiscal deficit, US Treasury yields generally increased. As of August 14, the 2-year, 5-year, 10-year, and 30-year US treasury yields were 4.1691%, 4.3639%, 4.6922%, and 5.2593%, respectively. Compared to last Friday, the 2-year yield decreased by 2.61bp, the 5-year yield increased by 1.21bp, the 10-year yield increased by 4.68bp, and the 30-year yield increased by 5.85bp. For US Treasury yield spreads, the spread between the 2-year and 10-year Treasury notes widened by 7.29bp to 52.31bp compared to last Friday, and the spread between the 5-year and 30-year Treasury bonds widened by 4.64bp to 89.54bp compared to last Friday.

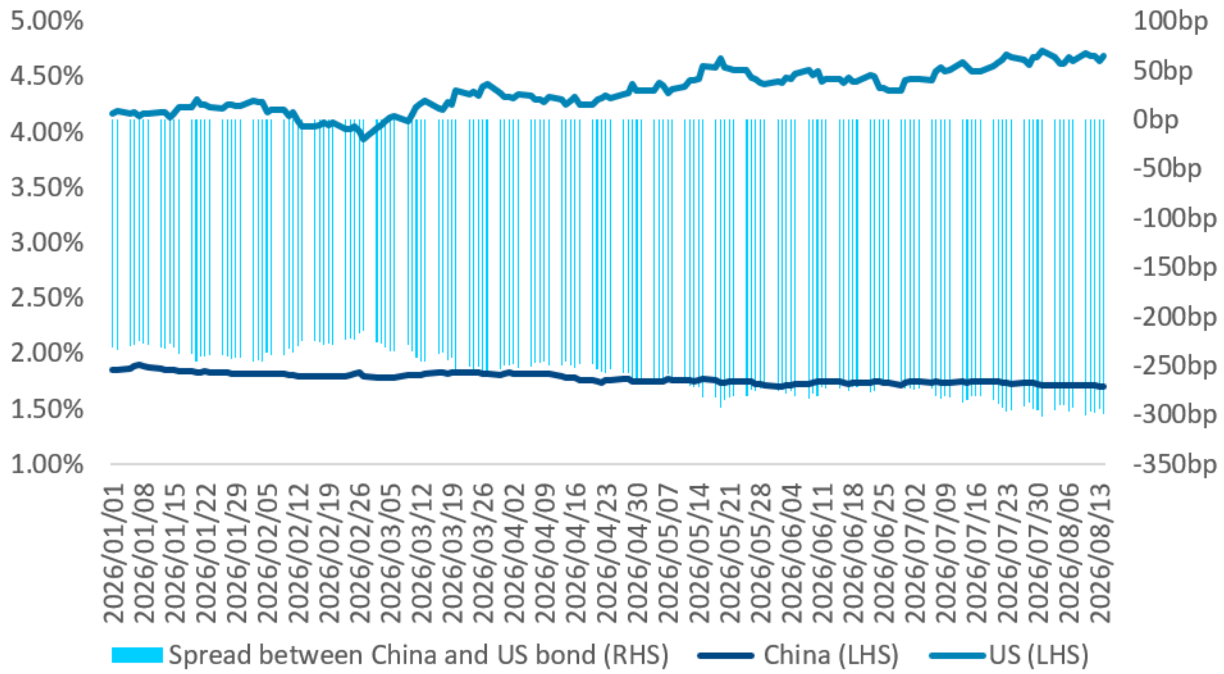
Figure 3: US Treasury yields and yield spreads



Sources: CCXAP research

As of August 14, the 10-year Treasury bond interest rate gap between China and the US was -299.6bp, narrowing by 6.2bp from last Friday and widening by 67.6bp from the beginning of the year.

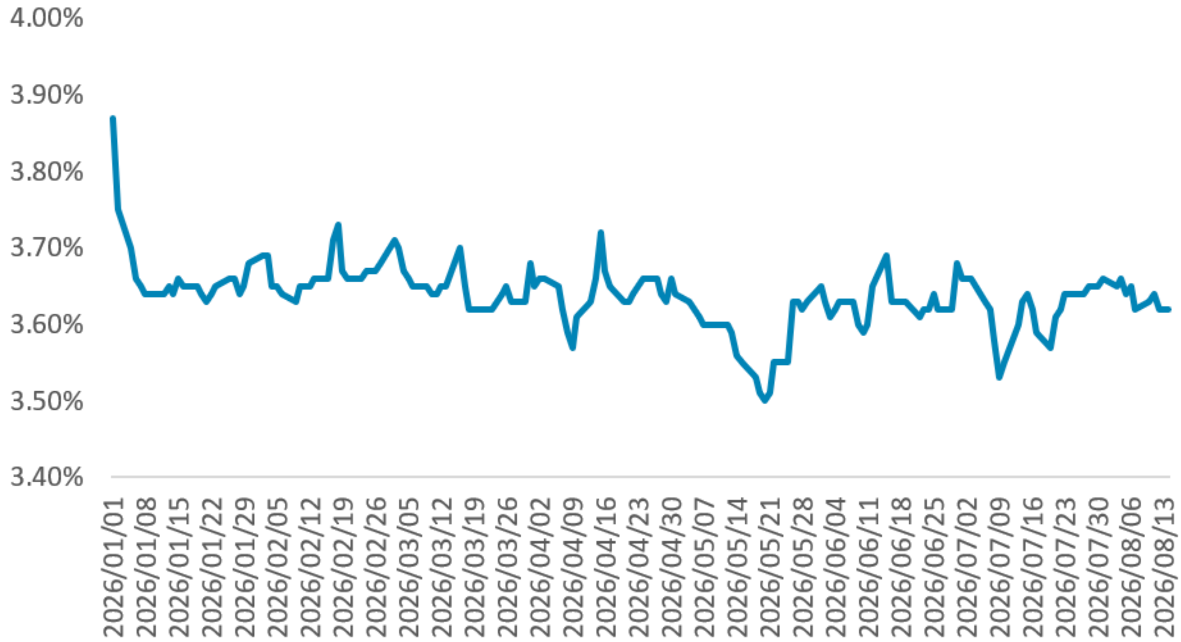
Figure 4: Yield spread between 10-year note of China and US



Sources: CCXAP research

As of August 14, the US benchmark rate SOFR (Secured Overnight Financing Rate) was 3.62%, unchanged 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 August 10 to August 14, Chinese enterprises issued 26 new bonds in the offshore market, totaling about USD3.752 billion, an increase of 12.82% from last week. Among them, industrial enterprises were the main issuers, issuing a total of USD2.810 billion in bonds.

Table 1: New issuance of Chinese offshore bonds (20260810-20260814)

Announcement date	Obligor	Currency	Amount	Coupon (%)	Maturity	Tenor	Industry	Issuer Rating	Issue Rating
2026/8/10	CITIC Securities International Co Ltd	CNY	700	0	2032/8/9	6	Financials	-/BBB+/A-	-/-/-
2026/8/10	CSI Financial Products Ltd	HKD	2	0	2027/2/19	186D	Financials	-/-/-	-/-/-
2026/8/10	CSI Financial Products Ltd	HKD	1	0	2027/2/19	186D	Financials	-/-/-	-/-/-
2026/8/10	Guotai Haitong Financial Holdings Ltd	CNY	500	0	2027/2/12	179D	Financials	-/BBB+/-	-/-/-
2026/8/10	Industrial & Commercial Bank of China Ltd/Dubai DIFC	HKD	200	3.5	2029/8/16	3	Banks	A1/-/-	-/-/-
2026/8/10	Shandong Commercial Group Co Ltd	CNY	500	2.2	2029/8/19	3	Consumer Discretionary	-/-/-	-/-/-
2026/8/10	Shandong Gold Group Co Ltd	CNY	2,035	1.8	2029/8/17	3	Materials	-/BBB-/-	-/-/-
2026/8/11	China Overseas Land & Investment Ltd	CNY	3,191	2.2	2031/8/18	5	Real Estate	Baa2/A-/A-	-/A-/-
2026/8/11	CITIC Securities International Co Ltd	USD	4	0	2026/8/28	11D	Financials	-/BBB+/A-	-/-/-
2026/8/11	CSI Financial Products Ltd	HKD	1	0	2026/11/20	94D	Financials	-/-/-	-/-/-

2026/8/11	Industrial & Commercial Bank of China Ltd/Dubai DIFC	HKD	500	3.45	2029/8/20	3	Banks	A1/-/-	-/-/-
2026/8/12	CCB International Holdings Ltd	USD	42	3.93	2026/9/18	31D	Financials	A2/-/A	-/-/-
2026/8/12	CCB International Holdings Ltd	CNY	50	1.81	2027/2/18	184D	Financials	A2/-/A	-/-/-
2026/8/12	CSI Financial Products Ltd	HKD	2	0	2027/2/23	188D	Financials	-/-/-	-/-/-
2026/8/12	GF Holdings Hong Kong Corp Ltd	USD	23	4.16	2026/12/18	120D	Financials	-/BBB/BBB	-/-/-
2026/8/12	GF Holdings Hong Kong Corp Ltd	HKD	200	3.02	2026/12/18	120D	Financials	-/BBB/BBB	-/-/-
2026/8/12	Shanghai Electric Group Company Limited	CNY	1,500	1.8	2029/8/19	3	Industrials	A3/BBB+/-	A3/-/-
2026/8/13	GF Holdings Hong Kong Corp Ltd	HKD	45	3.35	2027/2/3	170D	Financials	-/BBB/BBB	-/-/-
2026/8/13	GF Holdings Hong Kong Corp Ltd	USD	10	4.35	2027/2/16	180D	Financials	-/BBB/BBB	-/-/-
2026/8/13	GF Holdings Hong Kong Corp Ltd	USD	20	4.35	2027/2/16	180D	Financials	-/BBB/BBB	-/-/-
2026/8/13	Kunming Industrial Development & Investment Co Ltd	CNY	1,420	4	2028/2/18	2	Chengtou	-/-/-	-/-/-
2026/8/13	State Grid Corp of China	CNY	7,000	2.18	2036/8/20	10	Utilities	A1/A+/A	A1/-/-
2026/8/13	State Grid Corp of China	CNY	4,000	2.46	2046/8/20	20	Utilities	A1/A+/A	A1/-/-
2026/8/13	State Grid Corp of China	CNY	3,900	1.86	2031/8/20	5	Utilities	A1/A+/A	A1/-/-
2026/8/14	BOC International Holdings Ltd	CNY	80	1.93	2029/11/22	3	Financials	A2/-/A	-/-/-
2026/8/14	Wuhan Jiangxia Agriculture Group Co Ltd	CNY	345	3.3	2029/8/20	3	Chengtou	-/-/-	-/-/-

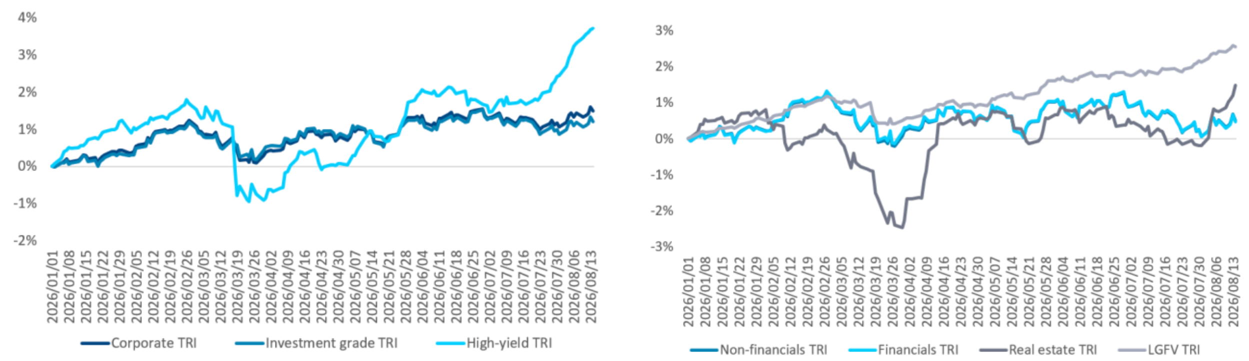
Sources: CCXAP research

Secondary Market: return on Chinese USD bonds increased

As of August 14, the year-to-date return[1] of Chinese USD bonds increased by 5.0bp to 1.49% compared to last Friday, among which the return rate of investment-grade bonds increased by 1.0bp to 1.21%, while the return rate of high-yield bonds increased by 38.0bp to 3.7%. By industry, the return rate of non-financial bonds was 0.5%, down 2.0bp from last Friday. The return rate of financial bonds was 0.47%, down 4.0bp. The return rate of real estate was 1.48%, up 74.0bp. The return rate of Chengtou was 2.56%, up 13.0bp.

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

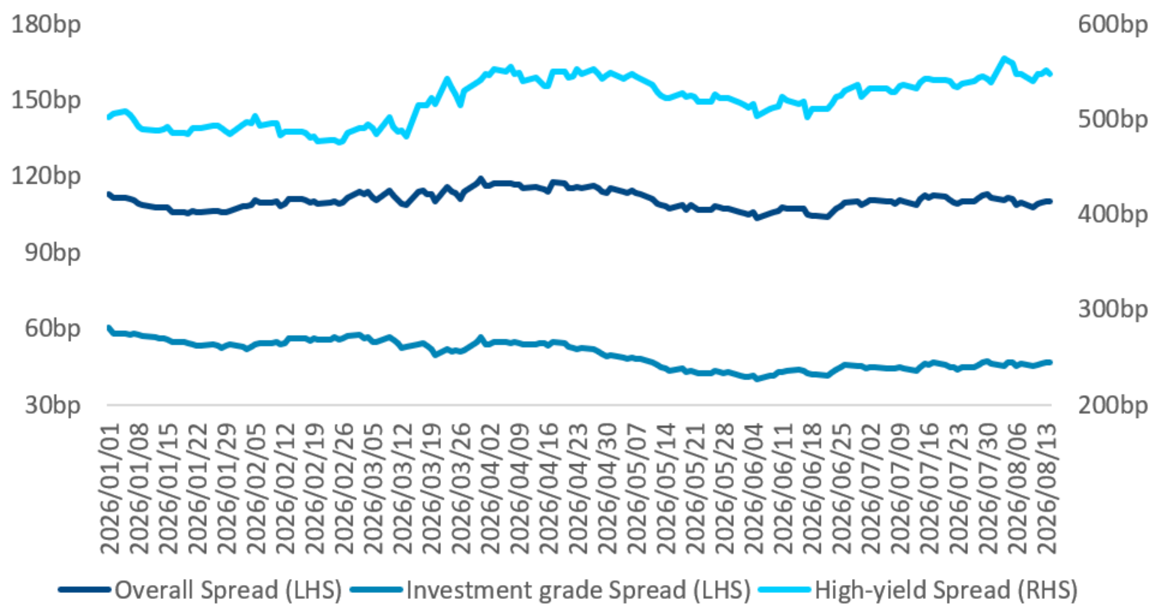
Figure 6: YTD return on Markit iBoxx Chinese USD bond index



Sources: CCXAP research

As of August 14, the spread of Chinese USD bonds widened by 0.7bp to 110.21bp from last Friday, among which the spread of investment-grade bonds widened by 0.6bp to 46.96bp, and the spread of high-yield bonds widened by 0.2bp to 547.49bp.

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



Sources: CCXAP research

From August 10 to August 14, 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 (20260810-20260814)

Security Name	Obligor	Last Price （USD）	Years to Maturity	Yield to Convention	Yield Change
EHICAR 12 09/26/27	eHi Car Services Limited	42.6	1.11	116.708	237.4
ZHOSHK 5.98 01/30/28	Zhongsheng Group Holdings Limited	93.501	1.46	10.952	62.3
QDJZWD 6 06/26/27	Qingdao Jiaozhou Bay Development Group Co., Ltd.	100.26	0.86	5.673	43.3

EHICAR 10 10/14/29	eHi Car Services Limited	40.195	3.16	59.702	37.9
CDECST 6 ½ 11/18/27	Chengdu Economic and Technological Development Zone State-owned Assets Investment Co., Ltd.	99.687	1.26	6.754	36
GUAMET 1.579 09/23/26	Guangzhou Metro Group Co., Ltd.	99.711	0.10	4.623	35.1
TSIVMG 1.55 12/17/29	Tianjin State-owned Capital Investment and Management Co., Ltd. （	72.75	3.34	11.662	29.9
GDCOMM 2.358 01/25/27	Guangdong Provincial Communications Group Co., Ltd.	98.916	0.44	4.905	28.9
JNCCIH 7 ½ 02/02/27	Ji'An Chengtou Holding Group Co., Ltd	101.539	0.47	4.025	27.4
CHDXCH 2 ⅜ 10/08/26	Chengdu Xingcheng Investment Group Co., Ltd.	99.652	0.15	4.906	25.5

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

Sources: CCXAP research

Rating Actions: CCXAP assigned credit ratings to 3 entities

On August 10, CCXAP assigned first-time long-term credit rating of BBB_g to China Chunlai Education Group Co., Ltd. (“China Chunlai”), with stable outlook.

On August 11, CCXAP assigned first-time long-term credit rating of BBB_g to Tianjin Jinrui Xinyuan Industrial Investment Co., Ltd. (“JRXY”), with stable outlook.

On August 22, CCXAP assigned first-time long-term credit rating of A_g- to Zhuhai Jingkai Investment Holding Group Co., Ltd. (“Zhuhai Jingkai”), with stable outlook.

Table 3: CCXAP’s rating actions of cross-border issuer (20260810-20260814)

Rating Date	Obligor	Entity Rating	Rating Rational
8/10	China Chunlai	BBB_g	The rating reflects the Company’s (1) status as a leading private higher education institution in Central China, with geographic and brand advantages; (2) increasing revenue and good profitability; and (3) manageable debt burden and improving credit metrics. However, the rating is constrained by (1) risks from policy shift and intensifying competition; (2) uncertainties regarding the conversion of Tianping College; and (3) high reliance on tuition fees.
8/11	JRXY	BBB_g	The rating reflects the Company’s (1) important position in industrial development and operation in Jinnan District; and (2) manageable financial leverage with balanced debt structure. However, the rating is constrained by the Company’s (1) concentrated revenue structure and park operations vulnerable to investment promotion; (2) relatively weak profitability with low return on assets; and (3) constrained credit profile.
8/13	Zhuhai Jingkai	A_g-	The rating reflects the Company’s (1) status as the sole state-owned capital investment and operation platform in Zhuhai Economic Development Zone; and (2) moderately diversified business mix. However, the rating is constrained by the Company’s (1) small revenue scale with weak profitability; (2) moderate debt burden with high short-term repayment pressure; and (3) prepayment risks in the supply chain business, with high supplier concentration and significant exposure to private-owned counterparties.

Source: CCXAP research6

From August 10 to August 14, rating agencies took positive rating actions on 6 Chinese issuers and negative rating action on 1 Chinese issuer.

Table 4: Rating actions of cross-border issuer (20260810-20260814)

	Entity	Sector	Latest Rating			Last Rating			Rating Agency	Reason of Change Outlook
			Entity Rating	Outlook	Date	Entity Rating	Outlook	Date		
Offshore Rating：										
Upgrade	Zhangzhou City Longhai District State-owned Assets Investment Management Co., Ltd.	Chengtou	BBB	Stable	2026/08/10	BBB-	Stable	2025/08/07	Pengyuan	Enhanced external support
Upgrade	Kunlun Energy Company Limited	Energy	A1	Stable	2026/08/10	A2	Stable	2024/04/30	Moody's	The company's financial profile will remain robust in the next three years
Upgrade	Guotai Junan International Holdings Limited	Financials	Baa2	Review for Upgrade	2026/08/12	Baa2	Stable	2025/09/23	Moody's	The parent company's proposed privatization is credit positive for the company
Upgrade	Baoding Guokong Group Co., Ltd.	Chengtou	BBB+	Stable	2026/08/12	BBB	Stable	2025/08/08	Pengyuan	Enhanced external support
Upgrade	Qingdao West Coast New Area Ronghe Holding Group Co., Ltd.	Chengtou	A	Stable	2026/08/14	A-	Stable	2025/09/03	Lianhe	Strategic importance in West Coast New Area continues to rise
Upgrade	China National Chemical Corporation Limited	Industrials	Baa2	Stable	2026/08/14	Baa2	Neg	2025/09/11	Moody's	The company will strengthen its financial profile through continued earnings improvement and disciplined debt management
Downgrade	Baidu, Inc.	Technology	A-	Stable	2026/08/13	A	Neg	2026/02/06	Fitch	Decline in EBITDA generation capacity

Source: CCXAP research

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