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From December 6 to December 10

Fed doubles pace of tapering; Chinese USD bonds rebound on primary and secondary markets

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Headline: US inflation hits highest level for nearly 40 years; Fed doubles pace of tapering

As of December 10, the US department of Labor's report mentioned the US's CPI in November has increased by 6.8% from a month earlier, hitting the highest level since June 1982. Purchasing cost of food, housing, cars and energy are the major drivers of the rise in inflation. On December 15, the Federal Reserve announced about the interest rate decision, which mentioned they will double pace of tapering since Jan 2022 and reduce the size of bond purchases by \$30 billion a month. At the same time, the Federal Reserve is expecting a 5.5% economic growth in US in 2021 and 4% in 2022. Inflation rate is expected to be raised to 5.3%, 4.4% after excluding core factors. The growth rate is greatly exceeded than the original target, 2%.

Exchange Rate: RMB exchange rate fluctuated

The RMB exchange rate fluctuated slightly. As of December 10, the RMB mid-point rate closed at 6.3702.

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

The Chinese Government Bond yields generally declined during the week. The market has more confidence due to the decrease worrying about the Omicron. US Treasury yields generally increased. As of December 10, the yield spread between China and US 10-year note was 135.9bp, narrowing by 16.8bp from last Friday and narrowing by 90.6bp from the beginning of the year.

Chinese Offshore Bond Market**Primary Market: Chinese offshore bond issuance increased**

There were 28 off-shore Chinese bonds with a volume of \$3.46 billion between 6th Dec and 10th Dec, which was 46.6% higher than the previous week.

Secondary Market: Return on Chinese USD bond increased; Real estate bond had the biggest leap

As of December 10, the YTD return on Chinese USD corporate bond index increased by 81bp from last Friday to -5.27%. The return on investment-grade bond rose by 1bp to 0.52%, and the return on high-yield bond fell by 238bp to -20.22%. In terms of sector indices, real estate bonds had the biggest leap, which increased by 396 from last Friday to -24.71%.

Rating Action: Chinese real estate issuers being downgraded**Risk Event: China Evergrande and Kaisa Group defaulted on USD bonds****Panda Bond Market: BOCGI issued a MTN this week****Issuer Analysis: ANTA Sports Products Limited**

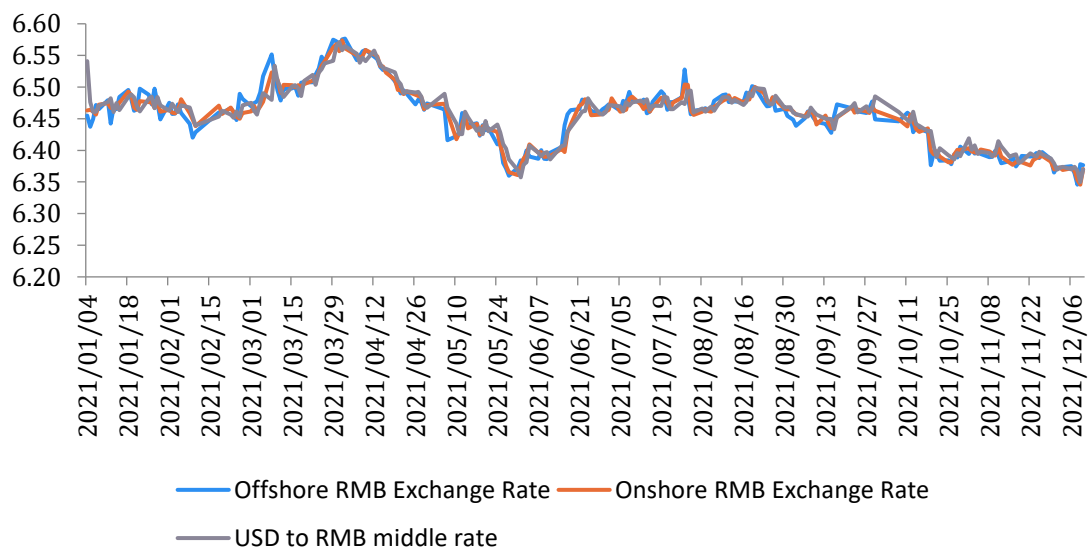
Headline: US inflation hits highest level for nearly 40 years; Fed doubles pace of tapering

As of December 10, the US department of Labor's report mentioned, the US's CPI in November has increased by 6.8% from a month earlier, hitting the highest level since June 1982. Purchasing cost of food, housing, cars and energy are the major drivers of the leap in inflation. On December 15, the Federal Reserve announced about the interest rate decision, which mentioned they will double pace of tapering since Jan 2022 and reduce the size of bond purchases by \$30 billion a month. At the same time, the Federal Reserve is expecting a 5.5% economic growth in US in 2021 and 4% in 2022. Inflation rate is expected to be raised to 5.3%, 4.4% after excluding core factors. The growth rate is greatly exceeded than the original target, 2%.

Exchange Rate: RMB exchange rate fluctuated

The RMB exchange rate fluctuated slightly. As of December 10, the RMB mid-point rate closed at 6.3702, decreased by 36bp from last Friday; the onshore RMB exchange rate went up by 14bp to 6.3704; the offshore RMB exchange rate increased by 31bp to 6.3765. Since 2021, the fluctuation of US dollar index has basically dominated the two-way fluctuation trend of RMB exchange rate. At present, export prospects, China-US interest rate spread and financial risks are important factors affecting the trend of the RMB exchange rate.

Figure 1 : RMB exchange rate

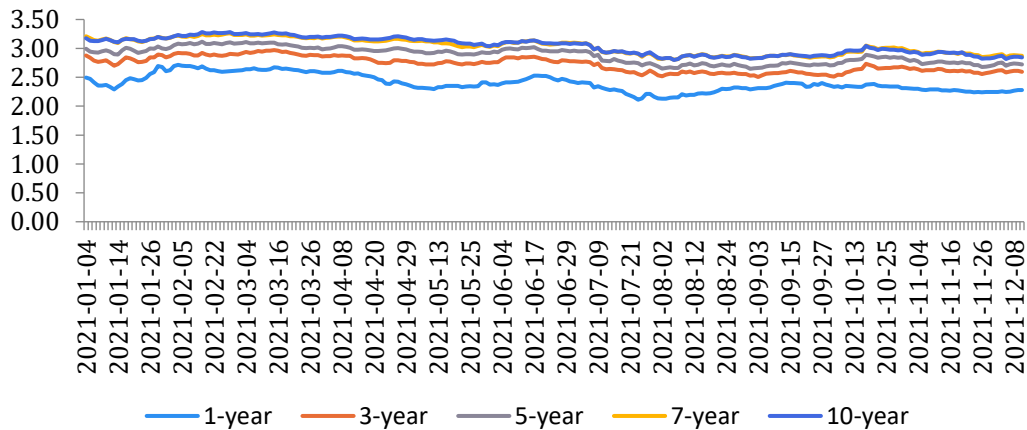


Sources: Wind, CCX research

Interest Rate: Chinese Government Bond yields decreased

The Chinese Government Bond yields generally declined, while 1-year Chinese Government Bond yield increased. As of December 10, the 3-year, 5-year, 7-year and 10-year Chinese Government Bond yields fluctuated downward comparing to last Friday, closed at 2.5956%, 2.7236%, 2.8723% and 2.8426%, respectively; 1-year Chinese Government Bond yields fluctuated upward, closed at 2.2767%.

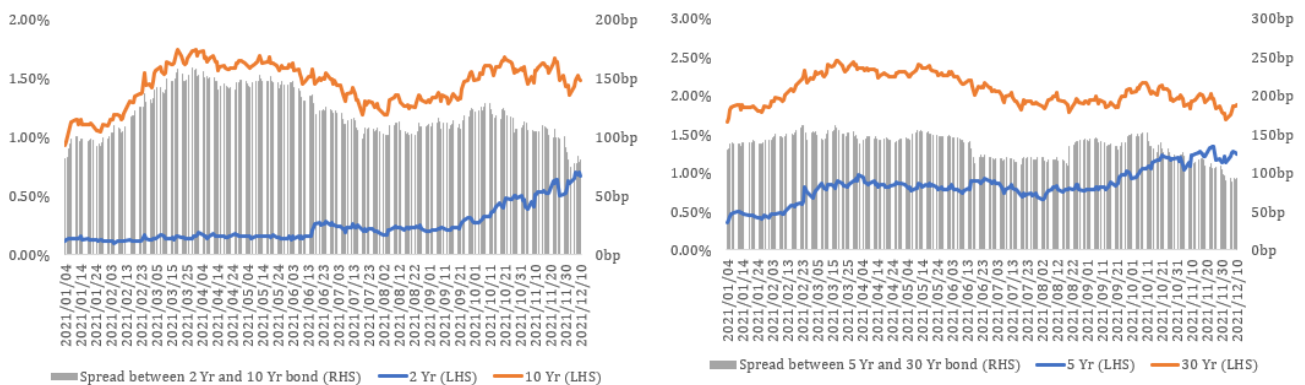
Figure 2 : China Government Bond yields



Sources: ChinaBond.com.cn, CCX research

The US stock market had been performing outstanding during the week as the investors from the capital market are less worrying about the impact of Omicron. 2-year Treasury yield increased by 7bp to 0.67%; 5-year, 10-year, and 30-year Treasury yields closed at 0.67%, 1.25%, and 1.88%, decreasing by 12bp, 13bp and 19bp from last Friday, respectively. In terms of Treasury yield spreads, the spread between the 2-year and 10-year narrowed by 23bp to 75bp, while the spread between the 5-year and 30-year widening by 2bp to 93bp.

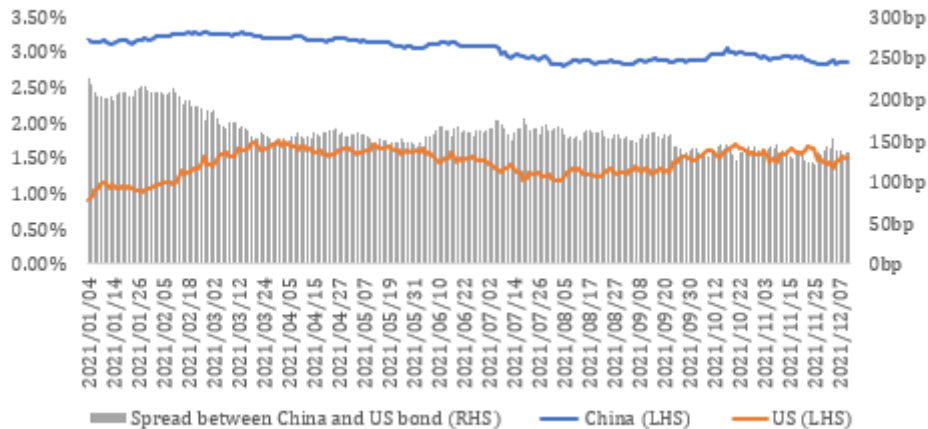
Figure 3 : US Treasury yields and yield spreads



Sources: US Department of the Treasury, CCX research

As of December 10, the yield spread between China and US 10-year note was 135.9bp, narrowing by 16.8bp from last Friday and narrowing by 90.6bp from the beginning of the year.

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



Sources: Bloomberg, ChinaBond.com.cn, CCX research

Chinese Offshore Bond Market

Primary Market: Chinese offshore bond issuance increased

From December 6 to December 10, there were 28 new issues with a total issued volume of USD3.46 billion, soaring by 46.6% from last Friday.

Table 1 : New issuance of Chinese offshore bonds (20211206-20211210)

Pricing Date	Obligor	Currency	Amount (million)	Coupon (%)	Maturity	Tenor	Industry	Issuer Rating (Moody's/S&P/Fitch)	Issue Rating (Moody's/S&P/Fitch)
2021/12/6	Bank of Communications Co Ltd/Hong Kong	CNY	1,000	3.15	2024/12/13	3	Banks	A2/A-/A	-A/-
2021/12/6	Bank of Communications Co Ltd/Hong Kong	HKD	1,200	0.95	2023/12/13	2	Banks	A2/A-/A	-A/-
2021/12/6	Baoji Investment Group Co Ltd	USD	60	3.35	2024/12/9	3	Utilities	-/-/BB	-/-
2021/12/6	CITIC Securities Co Ltd	HKD	750	0.75	2022/12/13	364D	Financials	Baa1/BBB+/-	-/-
2021/12/6	Yantai Guofeng Investment Holding Group Co Ltd	USD	250	2.2	2024/12/9	3	Materials	-/-/BBB+	-/-/BBB+
2021/12/6	Ming Yang Smart Energy Group Ltd	USD	200	1.6	2024/12/14	3	Energy	-/-	-/-
2021/12/7	Bank of China Ltd/Macau	USD	120	2	2022/12/12	364D	Banks	A1/A/A	A1/A/A
2021/12/7	Greenland Holding Group Co Ltd	USD	350	7.974	2022/8/10	243D	Real Estate	Ba2/-/-	-/-
2021/12/7	Huatai International Financial Holdings Co Ltd	HKD	300	0.55	2022/3/10	90D	Financials	-/-	-/-
2021/12/7	Jinan Rail Transit Group Co Ltd	USD	100	2	2022/12/12	364D	Chengtou	-/-/A-	-/-/A-
2021/12/7	Weifang Binhai Investment Development Co Ltd	EUR	80	5.1	2022/12/12	364D	Chengtou	-/-	-/-
2021/12/7	Wuxi Construction and Development Investment Co Ltd	USD	300	1.95	2024/12/14	3	Chengtou	-/-/BBB+	-/-/BBB+
2021/12/8	CEB International Investment Corp Ltd	USD	300	2	2024/12/15	3	Financials	-/-/BBB	-/-/BBB
2021/12/8	CMB International Leasing Management Ltd	USD	60	3ML+55	2022/12/12	364D	Financials	Baa1/BBB+/-	-/-

2021/12/8	Hopson Development Holdings Ltd	USD	250	8	2022/12/20	363D	Real Estate	B2-/B/B+	-/-
2021/12/8	LVGEM China Real Estate Investment Co Ltd	CNY	1	6	2022/12/7	364D	Real Estate	-/-/B	-/-
2021/12/8	LVGEM China Real Estate Investment Co Ltd	HKD	223	6	2022/12/7	364D	Real Estate	-/-/B	-/-
2021/12/8	LVGEM China Real Estate Investment Co Ltd	USD	12	6	2022/12/7	364D	Real Estate	-/-/B	-/-
2021/12/8	Shandong Mingshui Guokai Industrial Development Co Ltd	USD	13	1.98	2024/12/13	3	Financials	-/-	-/-
2021/12/8	Yuyao Shuncai Investment Holding Co Ltd	USD	100	2.5	2024/12/13	3	Chengtou	Baa3-/BBB-	Baa3-/BBB-
2021/12/9	Haitong International Securities Group Ltd	USD	100	0.75	2022/12/15	364D	Financials	Baa2/BBB/-	-/-
2021/12/9	Huatai International Financial Holdings Co Ltd	USD	5	0	2025/5/20	3	Financials	-/-	-/-
2021/12/9	Pingdu Construction Investment Development Co Ltd	USD	200	5	2024/12/16	3	Chengtou	-/-	-/-
2021/12/9	Qingdao Jimo District Urban Tourism Development & Investment Co Ltd	USD	165	2.9	2024/12/14	3	Chengtou	-/-/BBB-	-/-/BBB-
2021/12/10	Beijing Infrastructure Investment Co Ltd	HKD	500	1.6	2024/12/21	3	Industrials	A1-/A+	-/-
2021/12/10	Huangshi State-owned Assets Management Co Ltd	USD	98	2.8	2024/11/15	3	Chengtou	-/-	-/-
2021/12/10	Jingjiang Port Group Co Ltd	USD	98	1.95	2024/12/17	3	Chengtou	-/-	-/-
2021/12/10	Qingdao High-Speed Train Industry Development Group Co Ltd	USD	50	2.9	2024/12/15	3	Chengtou	-/-	-/-

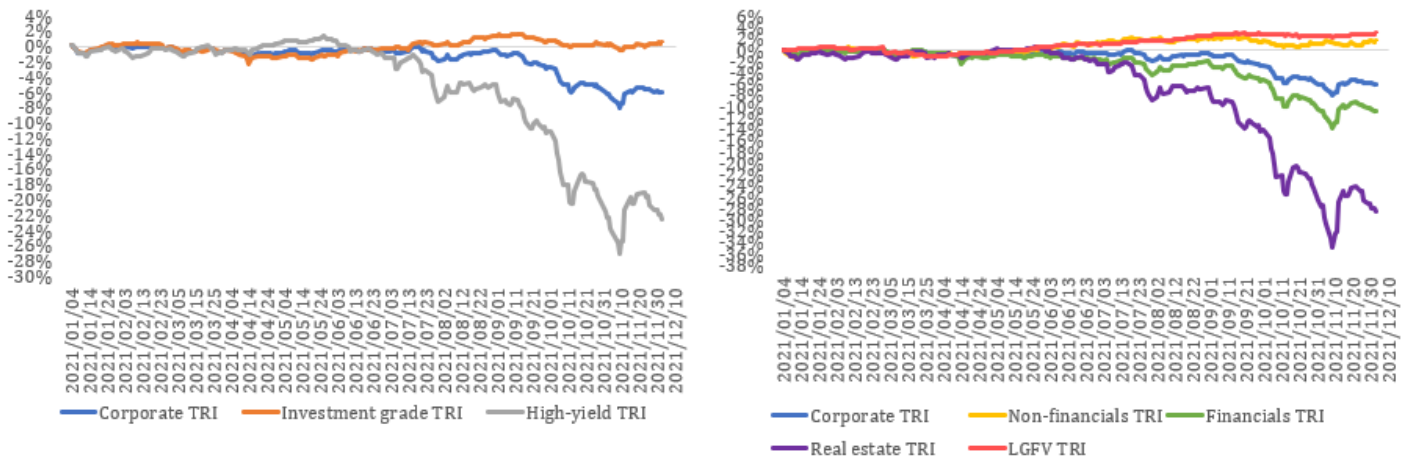
Sources: Bloomberg, CCX research

Secondary Market: Return on Chinese USD bond increased, real estate bonds had the biggest leap

As of December 10, the YTD return¹ on Chinese USD corporate bond index increased by 81bp from last Friday to -5.27%. The return on investment-grade bond rose by 1bp to 0.52%, and the return on high-yield bond fell by 238bp to -20.22%. In terms of sector indices, real estate bonds had the biggest leap, which increase by 396bp from last Friday to -24.71%; the return on financial and Chengtou bond increase by 158bp and 8bp to -9.33% and 2.93% respectively; the return on non-financial was 10.91%, decreased by 43bp comparing to last Friday.

¹ Year-to-date return measures the return since January 4, 2021

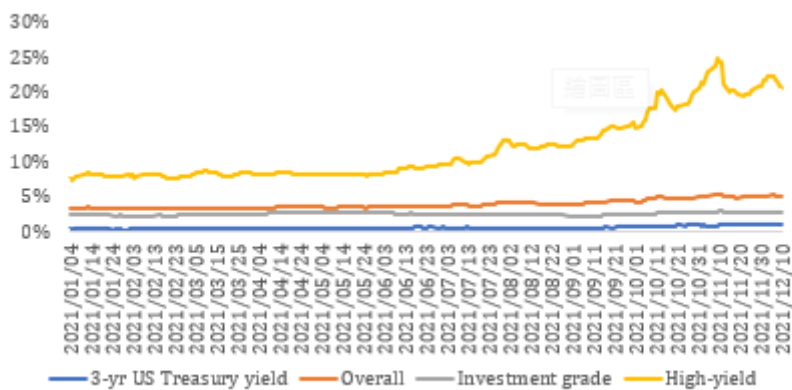
Figure 5 : YTD return on Markit IBoxx Chinese USD bond index



Sources: Bloomberg, CCX research

As of December 10, the yield-to-worst of Chinese dollar bonds decreased by 16bp to 4.88% from last Friday, of which investment grade bond index dropped by 1bp to 2.61%, and high-yield bond index increased by 176bp to 20.32%.

Figure 6 : Yield-to-worst of Bloomberg Barclays Chinese USD bond index



Sources: Bloomberg, CCX research

Rating Action: Chinese real estate issuers being downgraded

From December 6 to 10, rating agencies took positive rating actions on 7 Chinese issuers, took negative rating actions on 8 Chinese issuers.

Table 4 : Credit rating changes of cross-border bond market (20211003-20211210)

	Entity	Sector	Current Rating			Previous Rating			Rating Agency	Reason of Change
			Entity Rating	Outlook	Date	Entity Rating	Outlook	Date		
International Rating:										
Upgrade	Dongxing Securities Company Limited	Financial	Baa2	STABLE	2021/12/06	Baa2	Rating Watch Negative	2021/08/26	Moody's	Credit condition is benefited by the support of mother company
	Nanyang Commercial Bank, Limited	Banks	A3	STABLE	2021/12/06	A3	Rating Watch Negative	2021/08/26	Moody's	Credit condition is benefited by the support of mother company
	Geely Automobile Holdings Limited	Consumption Non-discretionary	BBB-	STABLE	2021/12/06	BBB-	Rating Watch Negative	2020/06/24	S&P	Improving capitalization
	ZHEJIANG GEELY HOLDING GROUP CO., LTD	Consumption Non-discretionary	BBB-	STABLE	2021/12/06	BBB-	NEG	2020/11/27	S&P	Improving capitalization
	ENN Energy Holdings Limited	Utilities	Baa1	STABLE	2021/12/08	Baa2	POS	2021/09/30	Moody's	Sustainable performance and better regulatory environment
	China Resources Gas Group Limited	Utilities	A2	STABLE	2021/12/08	A3	POS	2021/08/31	Moody's	Better business environment and lower rate of debt
	Wuxi Apttec Co.,Ltd	Health Care	Baa2	STABLE	2021/12/09	Baa3	POS	2021/03/15	Moody's	The business is supported by it's explosive growth
	China Cinda Hong Kong Holdings Limited	Financial	A3	NEG	2021/12/06	A3	Rating Watch Negative	2021/08/26	Moody's	Lower profitability and huge quantity of non-business related real estate assets
	RiseSun Real Estate Development Co.,Ltd.	Real Estate	B3	NEG	2021/12/06	B1	NEG	2021/10/15	Moody's	Increase in refinancing risk
	China Aoyuan Group Limited	Real Estate	SD	-	2021/12/06	CCC	NEG	2021/11/16	S&P	Default
Downgrade	Chongqing City Construction Investment (group) Co.,ltd	Chengtou	BB	STABLE	2021/12/06	BB+	POS	2020/12/08	Fitch	Reduction on district economic growth and bigger pressure on managing budget
	Longfor Group Holdings Limited	Real Estate	BBB	STABLE	2021/12/07	BBB	POS	2020/12/14	Fitch	Uncertainties on Chinese real estate industry
	China Aoyuan Group Limited	Real Estate	C	-	2021/12/07	CCC-	-	2021/11/24	Fitch	Company haven't paid for their overseas funding and come to an agreement with bond holders
	Kaisa Group Holdings Ltd.	Real Estate	RD	-	2021/12/09	C	-	2021/11/16	Fitch	Missing interest payments

Tianji Holding Limited	Financial	RD	-	2021/12/09	C	-	2021/09/28	Fitch	Missing interest payments
Evergrande Real Estate Group Limited	Real Estate	RD	-	2021/12/09	C	-	2021/09/28	Fitch	Missing interest payments
Evergrande Group	Real Estate	RD	-	2021/12/09	C	-	2021/09/28	Fitch	Missing interest payments
Logan Group Company Limited	Real Estate	BB	STABLE	2021/12/10	BB	POS	2021/06/18	Fitch	Uncertainties of the real estate market led to a low expectation on sales
China Cinda Hong Kong Holdings Limited	Financial	A3	NEG	2021/12/06	A3	Rating Watch Negative	2021/08/26	Moody's	Lower profitability and huge quantity of non-business related real estate assets

Sources: Bloomberg, Wind, CCX research

Risk Event: China Evergrande and Kaisa Group defaulted on their USD bonds

On December 6, China Evergrande's subsidiary, Tianji Holding Limited, missed interest payment of two offshore bonds with outstanding amount of USD82.5 million, constituting a material default.

On December 7, Kaisa Group Co. Ltd. missed the principal payment of an offshore bond with outstanding amount of USD400 million, constituting a material default.

Panda Bond Market: BOCGI issued a MTN this week

On December 8, the second series of 2021 Bank of China Group Investment Limited Medium-Term Note was issued in the China Interbank Market, raising RMB2 billion, with a tenor of 3 years at a coupon rate of 3.19%. CCXI assigned AAA to both the issuer and the bond.

Table 3 : New issuance of Panda Bond in 2021 (20210101-20211210)

Issuer	Amount (RMB billion)	Coupon (%)	Issue date	Maturity	Tenor	Bond Type	Issue Market	Local Rating Agency
Bank of China Group Investment Limited	2	3.19	2021/12/8	2024/12/8	3	MTN	China Interbank Market	China Chengxin
BMW Finance N.V.	1	2.9	2021/11/25	2022/11/25	1	CP	China Interbank Market	China Chengxin
BMW Finance N.V.	1.5	3.28	2021/11/25	2024/11/25	3	MTN	China Interbank Market	China Chengxin
Asian Development Bank	1	2.78	2021/11/25	2026/11/25	5	International Institution Bond	China Interbank Market	--
Far East Horizon Limited	0.15	4.04	2021/11/18	2023/11/18	2	MTN	China Interbank Market	China Chengxin
SIIC Environment Holdings Ltd.	1.5	3.40	2021/11/15	2026/11/15	5	Corporate Bond	Shanghai Exchange Market	China Chengxin

China Power International Development Limited	1	2.88	2021/11/2	2022/7/29	0.74	SCP	China Interbank Market	Golden Credit Rating
Shenzhen International Holdings Limited	4	3.29	2021/10/29	2027/10/29	6	Corporate Bond	Shenzhen Exchange Market	Lianhe Credit
Far East Horizon Limited	0.3	4.06	2021/10/27	2023/10/27	2	MTN	China Interbank Market	China Chengxin
China Power International Development Limited	1	3.39	2021/10/22	2024/10/22	3	MTN	China Interbank Market	Golden Credit Rating
GLP China Holdings Limited	0.7	4.3	2021/10/17	2026/10/17	5	Corporate Bond	Shanghai Exchange Market	Shanghai Brilliance Rating
Republic of Poland	3	3.20	2021/10/15	2024/10/15	3	International Institution Bond	China Interbank Market	China Chengxin
China Power International Development Limited	2	3.47	2021/10/13	2024/10/13	3	MTN	China Interbank Market	Golden Credit Rating
China Mengniu Dairy Company Limited	1.5	2.55	2021/9/28	2021/12/22	0.23	SCP	China Interbank Market	China Chengxin
Daimler International Finance BV	2	3.1	2021/9/27	2023/9/27	2	MTN	China Interbank Market	--
Daimler International Finance BV	2	3.1	2021/9/27	2024/9/27	3	MTN	China Interbank Market	--
New Development Bank	2	3.02	2021/9/17	2026/9/17	5	International Institution Bond	China Interbank Market	China Chengxin
Crédit Agricole S.A.	1	3.14	2021/9/17	2024/9/17	3	Financial Bond	China Interbank Market	S&P China
BMW Finance N.V	2	3.15	2021/9/16	2024/9/16	3	MTN	China Interbank Market	China Chengxin
BMW Finance N.V	1.5	3.1	2021/9/16	2023/9/16	2	MTN	China Interbank Market	China Chengxin
China Mengniu Dairy Company Limited	2.5	2.55	2021/8/30	2021/11/19	0.22	SCP	China Interbank Market	China Chengxin
China Mengniu Dairy Company Limited	2.5	2.55	2021/8/30	2021/11/26	0.24	SCP	China Interbank Market	China Chengxin
Far East Horizon Limited	0.7	3.78	2021/8/30	2023/8/30	2	MTN	China Interbank Market	China Chengxin
GLP China Holdings Limited	1.2	4.30	2021/8/23	2026/8/23	5	Corporate Bond	Shanghai Exchange Market	Shanghai Brilliance Rating
China Everbright Water Limited	0.8	2.40	2021/8/10	2021/12/8	0.33	SCP	China Interbank Market	Shanghai Brilliance Rating
China Mengniu Dairy Company Limited	0.5	2.50	2021/8/4	2021/10/29	0.24	SCP	China Interbank Market	China Chengxin
China Power International Development Limited	0.5	2.63	2021/8/3	2022/3/1	0.58	SCP	China Interbank Market	China Chengxin
China Everbright Greentech Limited	1	3.50	2021/7/28	2026/7/28	5	MTN	China Interbank Market	Lianhe Credit
Luso International Banking Limited	1.5	3.28	2021/7/27	2024/7/27	3	Financial Bond	China Interbank Market	Lianhe Credit

China Mengniu Dairy Company Limited	2	2.60	2021/7/27	2021/12/9	0.37	SCP	China Interbank Market	China Chengxin
Beijing Enterprises Water Group Limited	1	3.27	2021/7/14	2026/7/14	5	Corporate Bond	Shanghai Exchange Market	Shanghai Brilliance Rating
Beijing Enterprises Water Group Limited	1	3.64	2021/7/14	2026/7/14	5	Corporate Bond	Shanghai Exchange Market	Shanghai Brilliance Rating
Far East Horizon Limited	0.5	3.98	2021/7/12	2023/7/12	2	MTN	China Interbank Market	China Chengxin
Bank of China Group Investment Limited	2.5	3.64	2021/6/24	2024/6/24	3	MTN	China Interbank Market	China Chengxin / Lianhe Credit
China Mengniu Dairy Company Limited	1.2	2.50	2021/6/24	2021/9/17	0.23	SCP	China Interbank Market	China Chengxin
China Mengniu Dairy Company Limited	0.8	2.65	2021/6/22	2021/12/16	0.48	SCP	China Interbank Market	China Chengxin
China Everbright Limited	4	3.70	2021/6/18	2024/6/18	3	MTN	China Interbank Market	China Chengxin
China Everbright Environment Group Limited	2	3.60	2021/6/15	2024/6/15	3	MTN	China Interbank Market	Lianhe Credit Rating
BMW Finance N.V.	1.5	3.03	2021/6/15	2022/6/15	1	CP	China Interbank Market	China Chengxin
BMW Finance N.V.	2	3.44	2021/6/15	2024/6/15	3	MTN	China Interbank Market	China Chengxin
GLP China Holdings Limited	2	4.30	2021/6/11	2026/6/11	5	Corporate Bond	Shanghai Exchange Market	Shanghai Brilliance Rating
China Traditional Chinese Medicine Holdings Co. Limited	1	2.65	2021/5/31	2022/2/25	0.74	SCP	China Interbank Market	--
Hengan International Group Company Limited	1	2.90	2021/5/25	2021/11/23	0.5	CP	China Interbank Market	China Chengxin
Daimler International Finance BV	2	3.77	2021/5/21	2024/5/21	3	PPN	China Interbank Market	--
Daimler International Finance BV	2	3.60	2021/5/21	2023/5/21	2	PPN	China Interbank Market	--
Yuexiu Transport Infrastructure Limited	0.5	3.84	2021/5/13	2028/5/13	7	Corporate Bond	Shanghai Exchange Market	China Chengxin
Yuexiu Transport Infrastructure Limited	1	3.48	2021/5/13	2026/5/13	5	Corporate Bond	Shanghai Exchange Market	China Chengxin
Hengan International Group Company Limited	1	2.90	2021/4/26	2021/10/23	0.5	SCP	China Interbank Market	China Chengxin
Beijing Enterprises Water Group Limited	1.5	3.98	2021/4/23	2029/4/23	8	MTN	China Interbank Market	Shanghai Brilliance Rating
China Power International Development Limited	2	3.54	2021/4/23	2024/4/23	3	MTN	China Interbank Market	China Chengxin
GLP China Holdings Limited	1.5	4.40	2021/4/22	2026/4/22	5	Corporate Bond	Shanghai Exchange Market	Shanghai Brilliance Rating
China Mengniu Dairy Company Limited	1	2.50	2021/4/19	2021/6/25	0.18	SCP	China Interbank Market	China Chengxin
Hengan International Group Company Limited	1	3.00	2021/4/15	2021/10/12	0.5	SCP	China Interbank Market	China Chengxin

China Mengniu Dairy Company Limited	1	2.50	2021/4/8	2021/6/25	0.21	SCP	China Interbank Market	China Chengxin
Hengan International Group Company Limited	1	3.08	2021/3/26	2021/9/23	0.5	SCP	China Interbank Market	China Chengxin
China Mengniu Dairy Company Limited	2	2.50	2021/3/26	2021/6/24	0.25	SCP	China Interbank Market	China Chengxin
New Development Bank	5	3.22	2021/3/25	2024/3/25	3	International Institution Bond	China Interbank Market	Lianhe Credit Rating
GLP China Holdings Limited	1.5	4.40	2021/3/25	2024/3/25	3	Corporate Bond	Shanghai Exchange Market	Shanghai Brilliance Rating
Daimler International Finance BV	2	3.80	2021/3/19	2024/3/19	3	PPN	China Interbank Market	--
Daimler International Finance BV	2	3.70	2021/3/19	2023/3/19	2	PPN	China Interbank Market	--
Crédit Agricole S.A.	1	3.50	2021/3/18	2024/3/18	3	Financial Bond	China Interbank Market	S&P China
GLP China Holdings Limited	1.5	4.40	2021/3/18	2024/3/18	3	MTN	China Interbank Market	Shanghai Brilliance Rating
SIIC Environment Holdings Ltd.	1.5	3.89	2021/3/15	2026/3/15	5	Corporate Bond	Shanghai Exchange Market	China Chengxin
Asian Development Bank	2	3.20	2021/3/11	2026/3/11	5	International Institution Bond	China Interbank Market	--
GLP China Holdings Limited	1.7	4.37	2021/3/8	2024/3/8	3	Corporate Bond	Shanghai Exchange Market	Shanghai Brilliance Rating
China Power International Development Limited	0.5	3.20	2021/2/8	2021/8/6	0.5	SCP	China Interbank Market	Golden Credit Rating
Yuexiu Transport Infrastructure Limited	1	3.78	2021/1/28	2026/1/28	5	MTN	China Interbank Market	China Chengxin
Yuexiu Transport Infrastructure Limited	1	3.63	2021/1/25	2026/1/25	5	Corporate Bond	Shanghai Exchange Market	China Chengxin
GLP China Holdings Limited	0.7	3.98	2021/1/25	2024/1/25	3	Corporate Bond	Shanghai Exchange Market	Shanghai Brilliance Rating
China Everbright Water Ltd	1	3.75	2021/1/15	2024/1/15	3	MTN	China Interbank Market	Shanghai Brilliance Rating

Sources: Bloomberg, CCX research

Issuer Analysis: ANTA Sports Products Limited

Issuer profile: ANTA Sports Products Limited (hereinafter referred as "Anta Sports") was incorporated in the Cayman Islands in February 2007. In July of the same year, the company was listed on the main board of the Hong Kong Stock Exchange (stock code: 2020.HK). Anta Sports's business scope including design, development, manufacturing and sales of sports goods, product types include sports shoes, clothing and accessories. Its core brand "Anta" was founded in 1991, enjoys a high reputation. At the same time, the company implements a diversified brand strategy to expand the market positioning of the company's products from the mass market to the high-end market, further enhancing the company's market

competitiveness. Anta Sports focuses on the development of its main business which has been operating well in recent years, with the scale of business has been expanding year by year, and the profitability is relatively high. The company's asset liquidity is strong and financing channels diverse. Stable net operating cash inflows can be achieved every year. In addition, current policy environment strongly supporting the development of the sports industry, creating a good policy environment for the development of enterprises in the industry. However, at the same time, it should be noted that Anta is facing fierce competition pressure in the industry. Moreover, in 2019, Anta Sports used a large amount of funds to acquire the Finnish sporting goods group Amer Sports, which brings pressure on the company's debt level, risks regarding external guarantee, exchange rate fluctuation and the possibility that the rate of return on investment is less than expected.

Issuance history: Anta Sporting Goods Co., Ltd. entered the Panda Bond market in the year 2020 and issued a total of 1 bond. The bond was a 3-year medium-term note in the China Interbank Market. The amount raised is RMB1 billion, at a coupon rate of 3.95%, and the spread was 115. The raised funds are used to repay outstanding loans and supplement working capital.

Table 4: Historical Issuance of ANTA Sports Products Limited in the Panda Bond Market

No.	Issuer	Issue date	Maturity	Tenor	Amount (RMB billion)	Coup on (%)	Spread (BP)	Use of Proceeds	Bond Type	Issue Market
1	ANTA Sports Products Limited	2020/8/24	2023/8/24	3	1	3.95	115	For the repayment of outstanding loans and the supplement working capital	MTN	China Interbank Market

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