

Asian Credit Strategy

China HY property weekly: What has happened and what to watch

Emerging Markets

Where we are now: valuation

China HY property widened 36bp WoW to 2,644bp as of Feb 7th, relatively stable in the past week without much headline news. The current spread implies a breakeven default rate of 38% in China HY property, assuming a 70% loss on default. For defaulted HY developers, the WoW average price change was -US\$0.1 and +2.8%, in absolute value and percentage (Exhibit 8). In the rest of Asia HY space, China HY non-prop (corp) tightened 57bp WoW to 668bp, and Asia non-China HY -29bp WoW to 464bp. Meanwhile, US HY tightened 16bp WoW to 343bp. In Asia IG space, Asia non-China IG tightened 8bp WoW to 107bp, and China IG non-prop -11bp WoW to 106bp, while China IG property widened 15bp WoW to 496bp. Meanwhile, US IG tightened 2bp to 100bp.

Where we are now: defaults

We did not see any defaults in China property this week. As a result, the LTM default rate by amount/count remained unchanged at 20.8%/7.5% for Asia HY, 36.3%/14.6% for China HY and 56%/28.6% for China HY property, respectively.

What has happened

Policy: A total of 3,218 projects have been included in the project white-list nationally, of which 84% are POE or mixed-ownership developers' projects. NFRA has required commercial banks to meet the reasonable financial needs more quickly for property projects listed in the white-list. So far, commercial banks have granted RMB18bn loans to 83 projects across 27 cities in the white-list. Special-purpose loans totaling over RMB800bn in quotas for 19 cities have been granted to support the urban village renewal. Shenzhen gov't is turning cautious on offering monetary support to Vanke and Gemdale via venue such as SOE purchasing their assets or equity injections per REDD. Beijing has relaxed home purchase restrictions in Tongzhou district. **Bond repayment:** Longfor has repaid RMB2.7bn onshore debt due in Jan. **Fund raising:** Yuexiu proposed to issue 3 onshore short-term notes totaling RMB3bn. **Others:** Guangzhou R&F announced to sell the shares of its London project for HKD1 in cash and assign a sale loan to the buyer London One Limited. The consideration for the sale loan will primarily comprise the '25, '27 & '28 notes in a min. principal amount of US\$800mn, and the buyer intends to conduct an exchange offer to the eligible bondholders to tender the notes in exchange for new perpetual instruments issued by it. An ad hoc group of China SCE has selected Moelis & Co and Sullivan & Cromwell as its financial & legal advisors.

What to watch for

Performing HY developers' principal/coupon due by end-Apr'24 are US\$3.8/0.7bn, incl. Yanlord (US\$379mn) due Feb 27 and Radiance (US\$300mn) due Mar 20. Key things to watch are policy support, sales, state-backed bond issuance and restructuring.

The China HY Property Weekly publication will be merged into Asia Credit Weekly from Mar 1st. To continue to get weekly update on China HY property sector, please subscribe to the Asia Credit Weekly publication. Here is the link:

[Asian Credit Strategy: Asia credit weekly spotlight.](#) We will not have the publication for next week (16th Feb) due to CNY holiday and will resume on 23rd Feb 2024.

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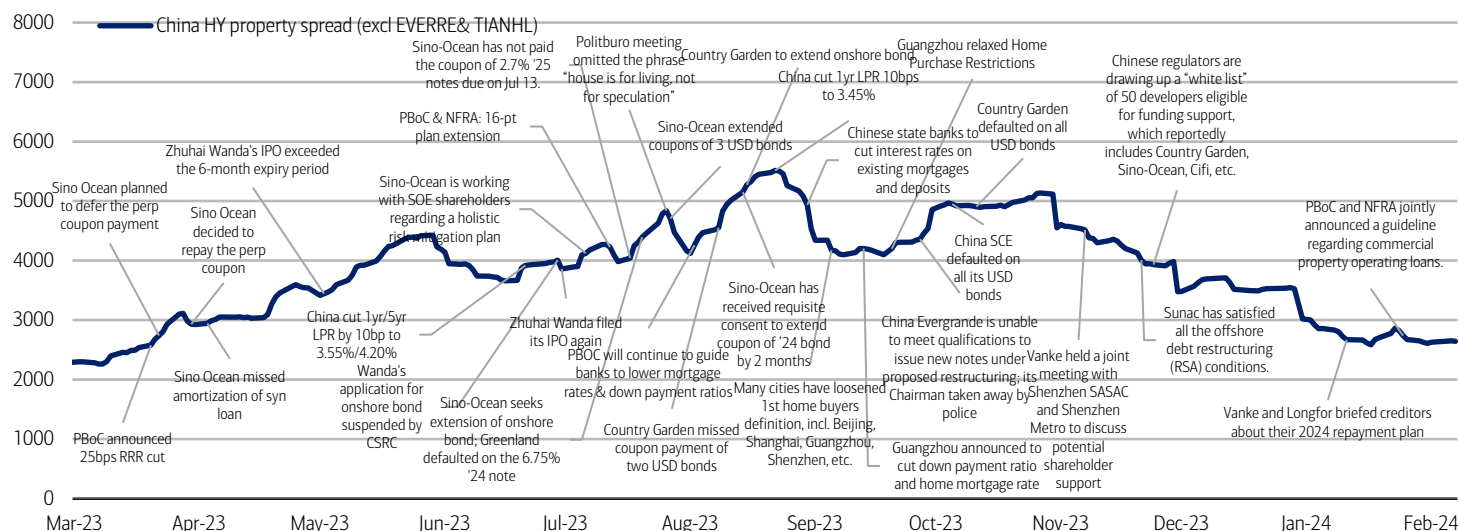
Abbreviations & Terminology

NFRA: National Financial Regulatory Administration
RRR: required reserve ratio
CMB: China Merchant Bank
LTV: loan-to-value ratio
CSRC: China Securities Regulatory Commission
HY: High Yield
IG: Investment Grade
LPR: Loan Prime Rate
LTM: last 12 months
MOHURD: Ministry of Housing and Urban-Rural Development
NAFMII: National Association of Financial Market Institutional Investors
PBoC: People's Bank of China
POE: privately owned enterprise
SASAC: State-owned Assets Supervision and Administration Commission
WoW: week on week

China HY property valuation in charts

Exhibit 1: China HY property (excluding Evergrande) spread movement year to date

China HY property spread retraced more than 4,500bp from the peak of around 6,700bp in early Nov'22 to the low of 2,100bp by Jan'23; it then widened again but tightened following policy easing in late Aug'23; the spread widened again from mid-Sep to end-Oct'23, and then tightened since Nov'23; in the past week, spread widened 36bp WoW to 2,644bp

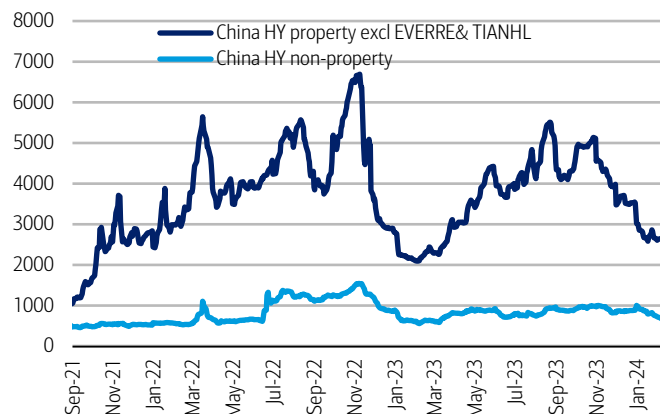


Source: ICE Data Indices, LLC

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Exhibit 2: China HY property (excluding Evergrande) versus non-property spread movement since Sep-2021

WoW, China HY property widened 36bp to 2,644bp; China HY non-property (corp) tightened 57bp to 668bp



Source: ICE Data Indices, LLC

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Exhibit 3: China HY property (excluding Evergrande) spread movement since Sep-2021

WoW, China BB property widened 3bp to 1,184bp, and China B property +124bp to 4,550bp



Source: ICE Data Indices, LLC

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Exhibit 4: China HY property (ex. Evergrande) spread movement since 2012

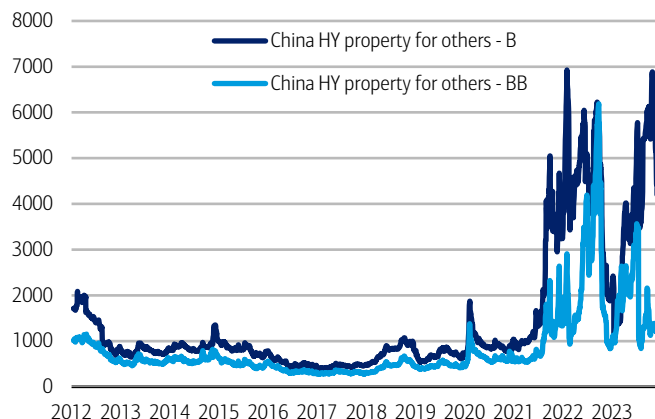
China HY property is now trading at 2,644bp



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Exhibit 5: China HY property (ex. Evergrande) spread movement since 2012 – BB vs B

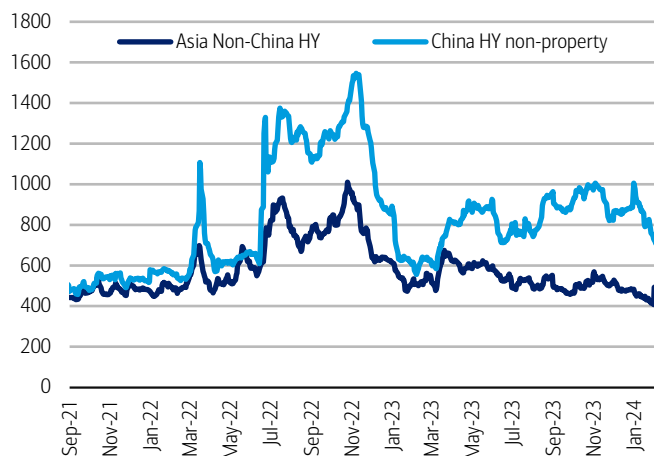
China BB property and B property tightened after policy easing in late Aug'23, but then widened from mid-Sep to end-Oct'23; spreads tightened since Nov'23



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Exhibit 6: China non-property HY vs Asia non-China HY spread movement since Sep-2021

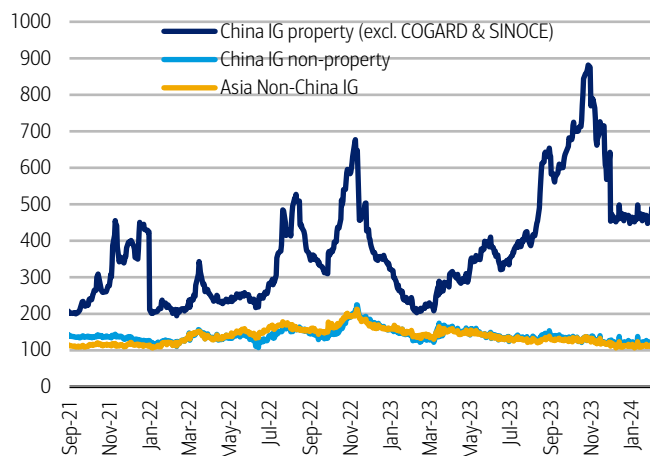
WoW, Asia non-China HY tightened 29bp to 464bp; and China HY non-property (corp) tightened 57bp to 668bp



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Exhibit 7: China IG vs Asia non-China IG spread movement since Sep-2021

WoW, Asia non-China IG tightened 8bp to 107bp, China IG non-prop - 11bp to 106bp, but China IG prop widened 15bp to 496bp



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Performance of defaulted HY developers

Exhibit 8: Weekly performance of defaulted Chinese developers

WoW on average, the price change of defaulted Chinese developers was +US\$0.1 and +2.8% in absolute value and percentage, respectively

Bond	Ticker	Maturity	Amount outstanding (USD mn)	Price (US\$)					WoW Price change		YTD 2024 Price change	
				30-Dec-22	30-Nov-23	29-Dec-23	31-Jan-24	7-Feb-24	in US\$	%	in US\$	%
CHFOTN 8.75% 2022	CHFOTN	9/28/2022	330	9.8	0.7	0.2	0.1	0.1	-	-	(0.1)	(52.4)
EVERRE 8.25% 2022	EVERRE	3/23/2022	2,025	7.0	1.7	1.6	1.1	1.2	0.1	9.3	(0.3)	(21.0)
EVERRE 9.5% 2022	EVERRE	4/11/2022	1,450	7.0	NA	NA	0.9	2.1	1.3	142.9	NA	NA
EVERRE 11.5% 2023	EVERRE	1/22/2023	1,000	7.0	1.7	1.6	1.1	1.2	0.1	12.7	(0.3)	(21.9)
EVERRE 10% 2023	EVERRE	4/11/2023	850	7.0	1.7	1.7	1.1	1.2	0.1	12.7	(0.4)	(25.8)
EVERRE 7.5% 2023	EVERRE	6/28/2023	1,345	7.0	1.7	1.6	1.1	1.2	0.1	12.7	(0.3)	(21.9)
EVERRE 12% 2024	EVERRE	1/22/2024	1,000	7.0	1.7	1.6	1.1	1.2	0.0	3.1	(0.5)	(28.1)



Exhibit 8: Weekly performance of defaulted Chinese developers

WoW on average, the price change of defaulted Chinese developers was +US\$0.1 and +2.8% in absolute value and percentage, respectively

Bond	Ticker	Maturity	Amount outstanding (USD mn)	Price (US\$)					WoW Price change		YTD 2024 Price change	
				30-Dec-22	30-Nov-23	29-Dec-23	31-Jan-24	7-Feb-24	in US\$	%	in US\$	%
EVERRE 9.5% 2024	EVERRE	3/29/2024	951	7.0	1.7	1.6	1.1	1.2	0.2	15.8	(0.3)	(20.5)
EVERRE 10.5% 2024	EVERRE	4/11/2024	700	7.0	1.8	1.5	1.1	1.2	0.2	14.9	(0.3)	(18.9)
EVERRE 8.75% 2025	EVERRE	6/28/2025	4,680	7.0	1.7	1.5	1.0	1.2	0.2	19.9	(0.3)	(18.3)
FTHDGR 7.375% 2021	FTHDGR	10/4/2021	206	8.0	3.7	2.8	3.0	2.7	(0.2)	(7.8)	(0.1)	(3.3)
FTHDGR 15% 2021	FTHDGR	12/18/2021	291	8.0	3.7	2.9	2.9	2.7	(0.2)	(5.8)	(0.2)	(7.1)
FTHDGR 6.95% 2021	FTHDGR	12/17/2021	249	8.0	3.7	2.9	2.9	2.7	(0.2)	(5.2)	(0.2)	(5.6)
FTHDGR 11.75% 2022	FTHDGR	4/17/2022	297	8.0	3.6	2.7	2.6	2.6	(0.0)	(1.5)	(0.2)	(6.2)
FTHDGR 7.95% 2022	FTHDGR	7/5/2022	499	8.0	3.8	2.8	2.9	2.7	(0.3)	(9.0)	(0.1)	(3.2)
FTHDGR 12.25% 2022	FTHDGR	10/18/2022	350	8.0	3.8	2.8	2.7	2.5	(0.1)	(5.5)	(0.2)	(8.1)
FTHDGR 11.875% 2023	FTHDGR	6/1/2023	541	8.0	3.9	2.8	2.9	2.9	-	-	0.1	3.6
FTHDGR 9.875% 2023	FTHDGR	10/19/2023	303	8.0	3.8	2.8	2.8	2.8	-	-	-	-
FTHDGR 10.875% 2024	FTHDGR	3/2/2024	230	8.0	3.8	3.3	3.2	2.9	(0.3)	(8.4)	(0.3)	(10.4)
FTHDGR 14.5% 2024	FTHDGR	6/25/2024	200	8.0	3.8	2.8	3.0	2.8	(0.2)	(7.6)	(0.1)	(1.8)
KAISAG 6.5% 2021	KAISAG	12/7/2021	400	13.5	4.4	3.8	3.6	3.6	0.0	1.3	(0.1)	(3.0)
KAISAG 11.25% 2022	KAISAG	4/9/2022	550	13.5	4.5	3.9	3.6	3.6	-	-	(0.3)	(8.0)
KAISAG 8.5% 2022	KAISAG	6/30/2022	1,147	13.5	4.4	3.8	3.6	3.6	(0.0)	(0.7)	(0.2)	(6.2)
KAISAG 8.65% 2022	KAISAG	7/22/2022	200	13.5	4.4	3.9	3.6	3.6	0.0	1.3	(0.3)	(6.9)
KAISAG 10.5% 2022	KAISAG	9/7/2022	300	NA	4.1	3.8	3.6	3.6	0.0	1.3	(0.2)	(4.3)
KAISAG 11.95% 2022	KAISAG	10/22/2022	600	13.5	4.6	4.1	3.7	3.6	(0.1)	(1.7)	(0.4)	(10.9)
KAISAG 11.95% 2022	KAISAG	10/22/2022	600	14.3	4.3	3.8	3.5	3.4	(0.0)	(1.0)	(0.4)	(9.6)
KAISAG 11.5% 2023	KAISAG	1/30/2023	700	13.5	4.2	3.8	3.4	3.5	0.0	1.2	(0.4)	(9.9)
KAISAG 10.875% 2023	KAISAG	7/23/2023	750	13.5	4.4	3.9	3.6	3.6	-	-	(0.3)	(7.2)
KAISAG 9.75% 2023	KAISAG	9/28/2023	980	13.5	4.3	3.9	3.8	3.7	(0.1)	(1.7)	(0.2)	(5.0)
KAISAG 11.95% 2023	KAISAG	11/12/2023	500	13.5	4.1	3.5	3.6	3.6	(0.0)	(0.6)	0.1	3.0
KAISAG 9.375% 2024	KAISAG	6/30/2024	2,247	13.5	4.4	3.8	3.7	3.6	(0.1)	(3.2)	(0.2)	(5.7)
KAISAG 10.5% 2025	KAISAG	1/15/2025	500	13.5	4.4	3.7	3.7	3.6	(0.1)	(3.0)	(0.1)	(2.9)
KAISAG 11.25% 2025	KAISAG	4/16/2025	700	13.5	4.4	3.5	3.6	3.6	0.0	0.7	0.1	1.5
KAISAG 9.95% 2025	KAISAG	7/23/2025	500	13.5	4.4	3.6	3.6	3.6	(0.0)	(0.6)	(0.1)	(1.6)
KAISAG 11.7% 2025	KAISAG	11/11/2025	1,000	13.5	4.4	3.5	3.6	3.6	0.0	0.7	0.1	1.5
KAISAG 11.65% 2026	KAISAG	6/1/2026	300	13.5	4.4	3.5	3.5	3.5	0.0	0.9	(0.0)	(0.7)
KAISAG 10.875% perp	KAISAG	Perpetual	200	8.5	4.7	3.7	3.6	3.7	0.1	2.7	(0.0)	(0.3)
LOGPH 7.5% 2022	LOGPH	8/25/2022	279	NA	7.8	7.0	10.1	10.8	0.7	6.8	3.8	54.7
LOGPH 5.25% 2023	LOGPH	2/23/2023	450	22.0	8.0	6.7	10.2	10.8	0.6	6.1	4.1	61.2
LOGPH 6.5% 2023	LOGPH	7/16/2023	400	22.0	7.8	6.7	10.2	10.7	0.6	5.5	4.1	60.6
LOGPH 6.9% 2024	LOGPH	6/9/2024	280	22.0	8.1	6.4	10.3	10.7	0.5	4.7	4.3	67.1
LOGPH 4.25% 2024	LOGPH	9/17/2024	100	22.0	8.0	6.4	10.2	10.8	0.6	5.5	4.4	68.9
LOGPH 5.75% 2025	LOGPH	1/14/2025	300	22.0	8.1	6.4	10.3	10.7	0.5	4.7	4.3	67.1
LOGPH 4.25% 2025	LOGPH	7/12/2025	300	22.0	8.1	6.4	10.2	10.7	0.5	5.3	4.3	66.9
LOGPH 5.25% 2025	LOGPH	10/19/2025	300	22.0	8.1	6.4	10.3	10.7	0.5	4.7	4.3	67.1
LOGPH 4.7% 2026	LOGPH	7/6/2026	300	22.0	8.1	6.4	10.2	10.7	0.6	5.6	4.3	67.1
LOGPH 4.85% 2026	LOGPH	12/14/2026	300	22.0	8.1	6.4	10.2	10.7	0.6	5.6	4.3	67.1
LOGPH 4.5% 2028	LOGPH	1/13/2028	300	22.0	7.3	6.3	10.2	10.7	0.6	5.6	4.5	71.1
LOGPH 7% perp	LOGPH	Perpetual	350	NA	4.1	3.5	5.3	5.8	0.4	8.2	2.3	67.0
SHIMAO 4.75% 2022	SHIMAO	7/3/2022	1,000	18.0	4.3	4.2	5.0	4.7	(0.3)	(7.0)	0.5	11.0
SHIMAO 3.975% 2023	SHIMAO	9/16/2023	300	18.0	4.5	4.2	5.1	4.7	(0.4)	(7.3)	0.5	11.5
SHIMAO 6.125% 2024	SHIMAO	2/21/2024	1,000	18.0	4.3	4.2	5.1	4.7	(0.3)	(6.1)	0.6	14.1
SHIMAO 5.2% 2025	SHIMAO	1/30/2025	500	18.0	4.3	4.1	5.0	4.7	(0.3)	(6.1)	0.6	14.3
SHIMAO 5.6% 2026	SHIMAO	7/15/2026	1,000	18.0	4.3	4.1	4.8	4.6	(0.2)	(4.3)	0.5	11.7
SHIMAO 5.2% 2027	SHIMAO	1/16/2027	748	18.0	4.3	4.1	5.1	4.7	(0.4)	(7.3)	0.7	15.9
SHIMAO 4.6% 2030	SHIMAO	7/13/2030	300	18.0	4.1	4.0	5.2	4.7	(0.5)	(9.2)	0.7	16.7
SHIMAO 3.45% 2031	SHIMAO	1/11/2031	872	18.0	4.0	4.0	5.2	4.6	(0.5)	(10.4)	0.6	15.1
TIANHL 11.5% 2022	TIANHL	10/24/2022	2,000	6.0	NA	1.6	1.4	1.3	(0.1)	(9.3)	(0.3)	(19.0)
TIANHL 13% 2022	TIANHL	11/6/2022	645	6.0	NA	1.6	1.4	1.3	(0.1)	(5.5)	(0.3)	(17.4)
TIANHL 12% 2023	TIANHL	10/24/2023	2,000	6.0	NA	1.6	1.4	1.3	(0.1)	(6.3)	(0.3)	(18.1)
TIANHL 13.75% 2023	TIANHL	11/6/2023	590	6.0	NA	1.6	1.4	1.3	(0.1)	(5.5)	(0.3)	(17.3)
Average				13.0	4.5	3.7	4.3	4.4	0.1	2.8	0.7	7.8

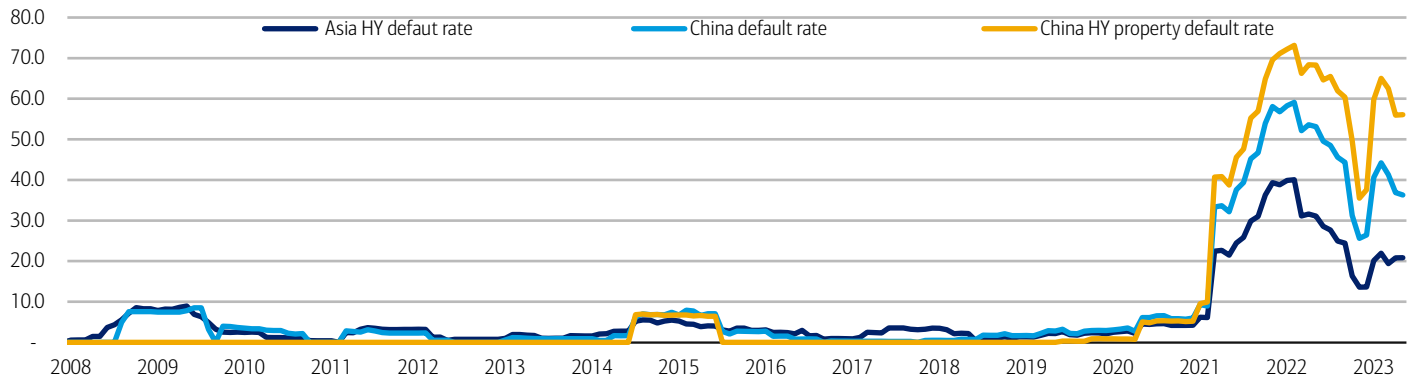
Source: Bloomberg



HY Defaults: Asia vs China vs China Property

Exhibit 9: LTM default rate by amount: Asia HY versus China HY versus China HY property

As of 9 February, the LTM default rate by amount was 20.8% for Asia HY, 36.3% for China HY, and 56.1% for China HY property

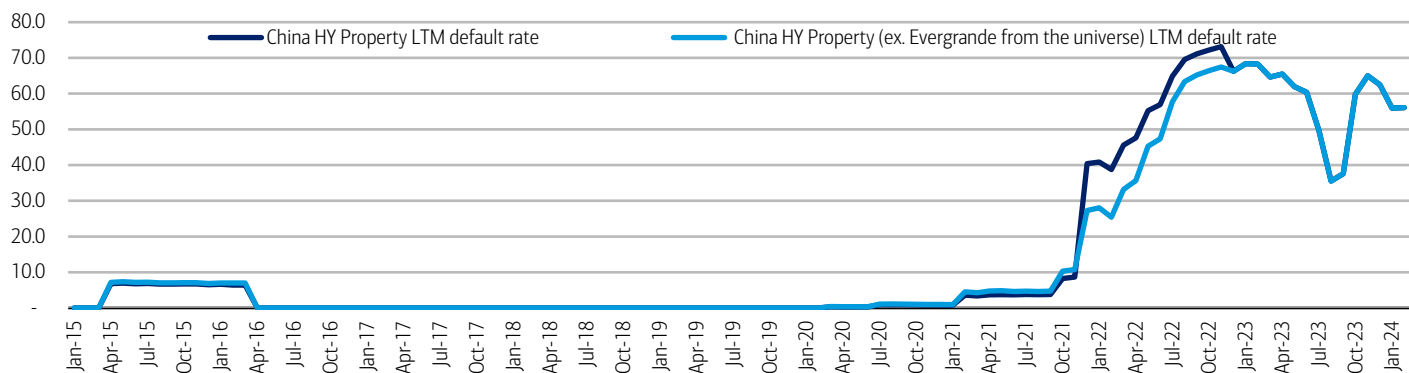


Source: BofA Global Research

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Exhibit 10: LTM default rate by amount: China HY property vs China HY property (excluding Evergrande)

As of 9 February, LTM default rate by amount was 56.1% for China HY property; as Evergrande (defaulted in December 2021) has been removed from the universe denominator, the LTM default rate excluding Evergrande is the same

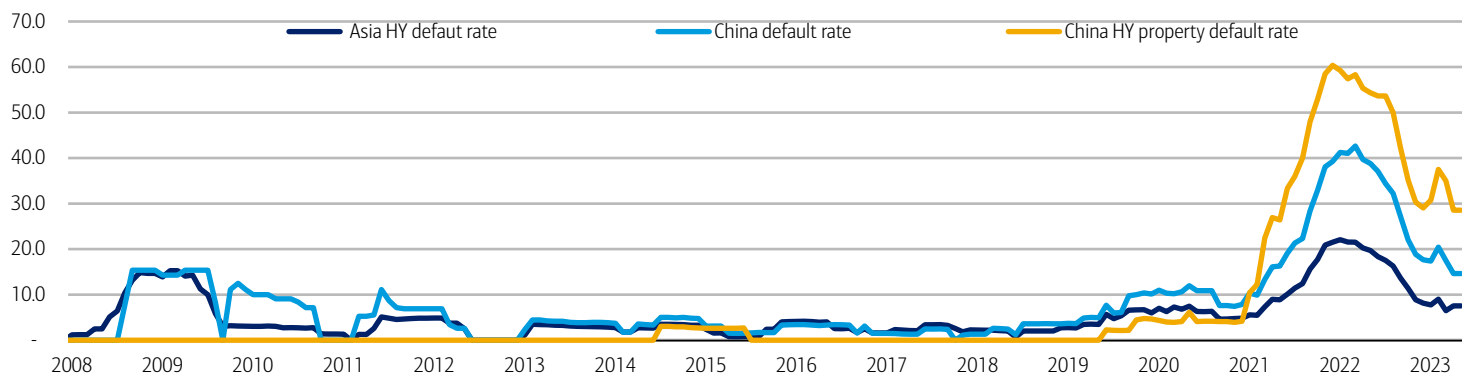


Source: BofA Global Research

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Exhibit 11: LTM default rate by count of issuers: Asia HY versus China HY versus China HY property

As of 9 February, LTM default rate by count was 7.5% for Asia HY, 14.6% for China HY, and 28.6% for China HY property

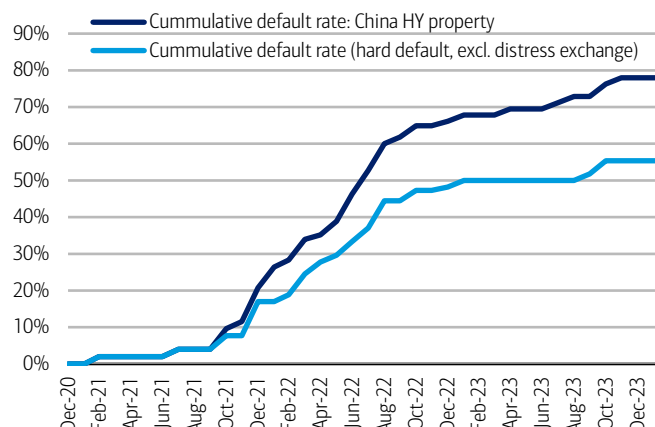


Source: BofA Global Research

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Exhibit 12: Cumulative default rate by count

The cumulative default rate by count is 78.0%, or 55.4% excluding distress exchange (i.e., hard default only)



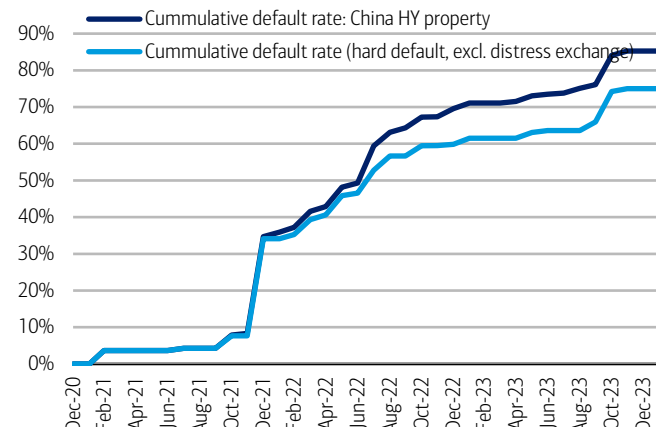
Source: BofA Global Research

Note: based on Dec 2020 universe; adding Shima, Sino Ocean, County Garden into the universe denominator

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Exhibit 13: Cumulative default rate by amount

The cumulative default rate by amount is 85.3%, or 75.0% excluding distress exchange (i.e., hard default only)



Source: BofA Global Research

Note: based on Dec 2020 universe; adding Shima, Sino Ocean, County Garden into the universe denominator

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Exhibit 14: China property default list since 2015

70 issuers have defaulted on the USD bond market since 2015

Month	Ticker	Issuer Name	Type Of Default	# of Bonds	Amt (US\$m)	Included in index or not
Apr-15	KAISAG	Kaisa Group Holdings	Missed interest payment	4	1,950	Y
Jul-18	WUINL	Wuzhou International Holdings	Cross Default triggered by onshore bond default	1	300	Y
Mar-20	YIDCHL	Yida China Holdings	Distressed exchange	1	225	Y
Jul-20	THHTGP	Tahoe Group	Cross Default triggered by onshore bond default	1	530	Y
Feb-21	CHFOTN	China Fortune Land Development	Missed principal payment and cross default	8	4,360	Y
May-21	FANHAI	Oceanwide	Missed principal payment	2	344	N
Jul-21	LGUANG	Sichuan Languang	Cross Default triggered by onshore bond default	2	750	Y
Aug-21	SUNCHN	Sunshine 100 China	Missed interest payment and principal; Cross Default	4	561	N
Oct-21	FTHDGR	Fantasia	Missed principal payment and cross default	9	3,276	Y
Oct-21	MOLAND	Modern Land	Missed principal payment and cross default	3	898	Y
Oct-21	XIN	Xinyuan	Distressed exchange	1	229	Y
Oct-21	CHINPR	China properties	Missed interest payment and principal	1	226	N
Oct-21	SINHLD	Sinic Holdings	Missed principal payment and cross default	3	694	N
Nov-21	SUNSHI	Yango Group	Distressed Exchange	2	550	Y
Dec-21	KAISAG	KAISA Group Holdings	Missed interest payment and principal	13	10,474	Y
Dec-21	CAPG	China Aoyuan	Missed private bond principal payment and cross default	6	2,385	Y
Dec-21	EVERRE & TIANHL	Evergrande	Missed interest payment and cross default	13	19,236	Y
Dec-21	YANGOG	Fujian Yango	Missed interest payment and cross default	2	600	Y
Jan-22	SHXREG	Xiang Sheng Overseas Ltd	Distressed Exchange	1	275	N
Jan-22	RISSUN	RiseSun Real Estate	Distressed Exchange	1	500	Y
Jan-22	GZRFPR	Guangzhou R&F	Distressed Exchange	1	725	Y
Jan-22	DAFAPG	Dafa property	Distressed Exchange	1	185	N
Jan-22	YUZHOU	Yuzhou Group	Distressed Exchange	2	582	Y
Feb-22	YIDCHL	Yida China Holdings	Distressed exchange	1	191	N
Feb-22	SUNSHI	Yango Group	Missed interest payment and cross default	5	1,497	Y
Feb-22	GUOPRO	Glory Land	Distressed Exchange	1	324	Y
Mar-22	DAFAPG	Dafa property	Missed interest payment	1	360	Y
Mar-22	YUZHOU	Yuzhou Group	Missed interest payment and cross default	10	4,854	Y
Mar-22	GUOPRO	Glory Land	Missed interest payment	1	5	Y
Mar-22	JINGRU	Jingrui Holdings	Distressed exchange	1	190	N
Mar-22	ZHPRHK	Zhenro property	Distressed Exchange	1	300	Y
Mar-22	YANGOG	Fujian Yango	Missed interest payment (cross defaulted earlier)	2	406	Y
Mar-22	SHNSUN	Shinsun Holdings	Missed interest payment and cross default	3	486	N
Mar-22	REDPRO	Redco Group	Distressed Exchange	1	321	Y
Apr-22	ZHPRHK	Zhenro property	Missed interest payment and cross default	6	1,963	Y

Exhibit 14: China property default list since 2015

70 issuers have defaulted on the USD bond market since 2015

Month	Ticker	Issuer Name	Type Of Default	# of Bonds	Amt (US\$m)	Included in index or not
Apr-22	GWTH	Golden Wheel	Completed debt restructuring	1	178	Y
May-22	BJHKWY	Beijing Hongkun Weiye Real Estate	Missed interest payment	1	193	N
May-22	SUNAC	Sunac China	Missed interest payment and cross default	12	7,762	Y
May-22	ZHLGHD	Zhongliang Holdings	Distressed Exchange	1	450	Y
May-22	DTGRHD	Datang Group	Distressed Exchange	1	300	N
Jun-22	LEAHOL	Leading Holdings Group Ltd	Distressed Exchange	1	119	N
Jun-22	JIAZHO	Zhongnan Construction	Distressed Exchange	1	73	Y
Jun-22	GRNLGR	Greenland	Distressed Exchange	1	500	Y
Jun-22	JINGRU	Jingrui Holdings	Missed interest payment and cross default	2	610	Y
Jun-22	SKYFAM	Skyfame Realty	cross default	2	566	Y
Jul-22	SHIMAO	Shimao Group	Missed interest and principal payment and cross default	8	5,720	Y
Jul-22	RONXIN	Roshine China	Missed interest payment and cross default	5	2,072	Y
Jul-22	PWRLNG	Powerlong	Distressed Exchange	1	300	Y
Jul-22	GZRFPR	Guangzhou R&F	Distressed Exchange	9	4,360	Y
Jul-22	Xin	Xinyuan	Missed interest and principal payment and cross default	2	531	Y
Jul-22	SUNKWP	Sunkwan Properties Group	Distressed Exchange	1	210	N
Jul-22	HKJFPC	Junfa Property	Missed interest payment	1	237	N
Jul-22	HUIJHK	Huijing Holdings Co Ltd	Distressed Exchange	1	107	N
Jul-22	SHXREG	Xiang Sheng Overseas Ltd	Distressed Exchange	1	134	N
Jul-22	CSCHCN	China South City	Distressed Exchange	3	1,341	N
Aug-22	LOGPH	Logan Group	Missed interest payment and cross default	10	3,209	Y
Aug-22	REDSUN	Redsun property	Missed interest payment and cross default	3	1,055	Y
Aug-22	JIAUYA	Jiayuan International Group Ltd	Missed interest/put payment and cross default	3	776	Y
Aug-22	HONGSL	Hong Seng Ltd	Missed interest payment and principal	1	275	Y
Sep-22	YCINTL	Yincheng International Holding	Distressed Exchange	1	115	N
Sep-22	KWGPRO	KWG Group Holding	Distressed Exchange	3	1,600	Y
Oct-22	GZFYRE	Guangzhou Fineland Real Estate	Missed interest payment	1	340	Y
Oct-22	CIFIHG	CIFI Holdings Group	Cross default	8	3,680	Y
Oct-22	HLBCNH	Helenbergh China Holding	Distressed Exchange	1	350	Y
Oct-22	SINOCL	Sino-Ocean Capital	Distressed Exchange	1	282	N
Oct-22	LSEAGN	Landsea Green Management Ltd	Distressed Exchange	1	119	N
Oct-22	GNGLNG	Ganglong China Property	Distressed Exchange	1	158	N
Nov-22	SUNKWP	Sunkwan Properties Group	Missed payment and cross default	2	362	N
Nov-22	RISSUN	RiseSun Real Estate	Distressed Exchange	2	741	N
Nov-22	JIAZHO	Jiangsu Zhongnan Construction Group	Missed interest payment	1	250	Y
Nov-22	GWTH	Golden Wheel	Missed interest payment	1	470	N
Nov-22	ZHLGHD	Zhongliang Holdings	Distressed Exchange	3	898	N
Dec-22	GRNLGR	Greenland	Distressed Exchange	8	2,702	Y
Dec-22	DEXICN	Dexin China Holdings	Distressed Exchange	1	348	Y
Dec-22	JINKE	Jinke Properties	Missed interest payment	1	325	Y
Dec-22	REDPRO	Redco Properties	Suspend payment	1	252	Y
Dec-22	JYGMHD	JY Grandmark	Distressed Exchange	1	152	N
Jan-23	TPHL	Times China	Suspend payment	6	2,650	Y
Jan-23	HUIJHK	Huijing Holdings Co Ltd	Missed interest payment	1	108	N
Mar-23	YCINTL	Yincheng International Holding	Missed interest payment and principal, and cross default	2	211	N
Apr-23	CENCHI	Central China	Distressed Exchange	2	630	Y
Apr-23	HYDOO	Guangdong-Hongkong Greater Bay Area Holding	Distressed Exchange	2	379	N
May-23	KWGPRO	KWG Group Holding	Missed interest payment and principal, and cross default	7	2,525	Y
May-23	DTGRHD	Datang Group	Missed interest payment and principal	1	284	N
Jun-23	CENCHI	Central China	Suspend payment	3	849	Y
Jun-23	LEAHOL	Leading Holdings Group Ltd	Missed interest payment and principal	1	119	N
Jul-23	PWRLNG	Powerlong	Distressed Exchange	1	420	Y
Aug-23	SINOCE	Sino Ocean Group	Distressed Exchange (coupon extension)	3	1,798	Y
Sep-23	SINOCE	Sino Ocean Group	Suspend payment	3	1,320	Y
Oct-23	CHINSC	China SCE Group	Cross default triggered by missed payment of a syn loan	4	1,800	Y
Oct-23	COGARD	Country Garden	Cross default triggered by missed payment of HKD 470mn debt	15	9,913	Y
Nov-23	DALWAN	Wanda properties	Distressed Exchange	1	600	Y
Nov-23	PWRLNG	Powerlong	Missed interest payment and cross default	2	1,035	Y
Dec-23	MOLAND	Modern Land China	Distressed Exchange	5	1,606	N

Source: Company data

Note: For companies included in the index, the number only accounts for the No. of bond, and outstanding amounts which are index-eligible.

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Exhibit 15: Distressed exchange offers

Recently proposed exchange offer/ extension and summary of key features

							Amt of Bond subject to exchange	
Completion Date	Ticker	Terms	Incentive	Coupon Cut	Upfront Payment	New bond	/extension (USD mn)	Status
Oct-21	XIN	Exchange offer	1.0%	N	Option 1: 5% Option 2: 0%	Option 1: 95% Option 2: 100%	229	Completed
Oct-21	MOLAND	Maturity Extension	0.10%	N	35%	N/A	250	Terminated
Nov-21	SUNSHI	Exchange offer	2.50%	N	0%	100%	747	Completed
Nov-21	KAISAG	Exchange offer	2.50%	N	0%	100%	400	Terminated
Jan-22	GZRFPR	Maturity Extension	0.10%	N	Option 1: 83%; Option 2: half of bonds tendered to be purchased at par	N/A	725	Completed
Jan-22	RISSUN	Exchange offer	2.5%/1.5%*	N	5%	95%	780	Terminated
Jan-22	DAFAPG	Exchange offer	1%	N	4%	96%	185	Completed
Jan-22	YUZHOU	Exchange offer	1%	N/Y**	5%	95%	582	Completed
Mar-22	YIDCHL	Maturity Extension	US\$4.6mn***	Y	0%	N/A	191	Completed
Feb-22	GUOPRO	Exchange offer	2.0%	N	0%	105.13%	324	Completed
Mar-22	ZHPRHK	Consent Solicitation on perp	1.75%	N	0%	N/A	200	Completed
Mar-22	ZHPRHK	Exchange offer	1%/ 0.5% *	N/Y**	0%	100%	1050	Completed
Mar-22	JINGRU	Exchange offer	Option 1: 0% Option 2: 1%	N	Option 1: 0% Option 2: 5%	Option 1: 100% Option 2: 95%	190	Completed
Mar-22	REDPRO	Exchange offer	1.0%	N	0%	100%	652	Completed
May-22	ZHLGHD	Exchange offer	1.0%	N	0%	100%	729	Completed
Jun-22	DTGRHD	Exchange offer	0.0%	N	0%	100%	300	Completed
Jun-22	JIAZHO	Exchange offer	1.0%	N/Y**	5%	95%	223	Completed
Jun-22	GRNLGR	Maturity Extension	1%/ 0.5%*	N	10%	N/A	500	Completed
Jun-22	LEAHOL	Exchange offer	0.0%	N	0%	100%	150	Completed
Jul-22	GZRFPR	Exchange offer	0.5%	N/Y**	0%	100%	5060	Completed
Jul-22	HUIJHK	Exchange offer	0.0%	N	0%	100%	107	Completed
Jul-22	PWRLNG	Exchange offer	1.0%	N	5%/0%	95%/100%	450	Completed
Jul-22	SUNKWP	Exchange offer	0.0%	N	0%	100%	210	Completed
Jul-22	CSCHCN	Maturity Extension	1%/ 0.5%*	N	0%	N/A	1566	Completed
Aug-22	JIAUYA	Exchange offer	0.25%	Y	0%	100%	1305	Terminated
Sep-22	YCINTL	Exchange offer	0.0%	N	0%	100%	110	Completed
Sep-22	KWGPRO	Exchange offer	0.5%	N	5% for '22 notes, 0% for the '23 note	95% for '22 notes, 100% for the '23 note	1600	Completed
Oct-22	LSEAGN	Exchange offer	0.5%	N	10%	90%	169	Completed
Oct-22	SINOCL	Maturity Extension	0.0%	N	0%	100%	247	Completed
Oct-22	HLBCNH	Exchange offer	0.25%	Y	0%	100%	350	Completed
Oct-22	GNLNG	Exchange offer	0.0%	N	0%	100%	158	Completed
Nov-22	HLBCNH	Exchange offer	0.0%	Y	0%	100%	270	Completed
Nov-22	GRNLGR	Maturity Extension	0.5%/ 0.25%*	Y	5%	N/A	3182	Completed
Nov-22	DEXICN	Exchange offer	0.5%	Y	2.5%	97.5%	348	Completed
Dec-22	JYGMHD	Exchange offer	0.0%	N	0%	100%	152	Completed
Feb-23	YCINTL	Exchange offer	0.0%	N	0%	100%	96	Terminated
Apr-23	CENCHI	Exchange offer	0.5%	N	0%	100%	897	Completed
Apr-23	HYDOO	Exchange offer	0.0%	Y	0%	101%/ 100%	379	Completed
Jun-23	XIN	Exchange offer	0.5%/0.3%*	Y	0%	100%	660	Completed
Jun-23	PWRLNG	Exchange offer	0.25%	N	0%	100%	479	Completed
Jun-23	SINOCL	Maturity Extension	0.0%	Y	0%	100%	497	Completed
Aug-23	GZFYRE	Exchange offer	0.2%	Y	0%	100%	340	Terminated
Aug-23	ZENSUN	Exchange offer	0.0%	Y	0%	100%	113	Completed
Sept-23	GRNLGR	Maturity Extension	0.1%/0.05%*	Y	0%	100%	2989	Completed
Oct-23	RISSUN	Maturity Extension	0.1%	Y	0%	100%	731	Completed
Oct-23	HYDOO	Maturity Extension	0.0%	Y	0.1%	99.9%	440	Completed
Nov-23	DALWAN	Maturity Extension	1%/0.25%*	N	0%	100%	600	Completed
Nov-23	MOLAND	Consent Solicitation	0.2%/ 0.002%	N/A	0%	N/A	1610	Completed
Dec-23	CSCHCN	Maturity Extension	0.5%/0.15%	Y	0%	100%	1347	Completed

Note

*before/after early expiration date

** coupon cut different for different bonds in exchange

***:US\$1.15 in 10 business days after the Effective Time and US\$3.45mn on 6/30/2022

Source: Company announcements

Exhibit 16: A-Share placement plans & status after CSRC relaxed equity financing

A-share placement plans after CSRC relaxed equity financing for property sector

Company	Related Ticker	Amount	Placement size	Status	CSRC approved?
CCCC Real Estate	000736.SZ	Up to RMB3.5bn	Up to 30% of current share capital	Not Completed	Yes
China Merchants Shekou Industrial Zone Holdings	001979.SZ	Up to RMB8.5bn	Up to 30% of current share capital	Not Completed	Yes
China Vanke	000002.SZ	N/A	Up to 1.1bn shares	Terminated	
Greattown Holdings	900940.SH	Up to RMB2.55bn	Up to 510mn shares	Not Completed	Yes
Greenland Holdings	600606.SH	N/A	Up to 30% of current share capital	Not Completed	Not yet
Huafa Holding	600325.SH	Up to RMB60bn	Up to 6.35bn shares	Not Completed	Not yet
Jiangsu Zhongnan Construction	000961.SZ	Up to RMB2.8bn	Up to 1.1bn shares	Not Completed	Not yet
Jinke Property	000656.SZ	N/A	Up to 30% of current share capital	Not Completed	Not yet
Poly Development	600048.SH	Up to RMB12.5bn	Up to 819.14mn shares	Not Completed	Yes
Risesun Real Estate	002146.SZ	Up to RMB3bn	Up to 30% of current share capital	Not Completed	Not yet
Seazen Holdings	601155.SH	Downsized from up to RMB8bn to up to RMB4.5bn	Downsized from up to 677mn to up to 451mn shares	Not Completed	Not yet
Shimao Group	600823.SH	N/A	Up to 30% of current share capital	Not Completed	Not yet
Xinhu Zhongbao	600208.SH	N/A	Up to 20% of current share capital	Not Completed	Not yet

Source: Company announcement

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Repayment schedule for Chinese HY developers

Exhibit 17: Bond repayment & coupon schedule from performing Chinese HY developers by April 2024

Total principal (including put) repayment and coupon payment by performing Chinese HY developers by April 2024 is US\$4.5bn

Company Name	Bond	Offshore Bond Ticker	Currency	Payment date	Coupon or Principal	Payment (USD mn)
Dalian Wanda Commercial Management Group	DALWAN 11 '26	DALWAN	USD	13-Feb-2024	Coupon	22
Road King Infrastructure	ROADKG 7.95 Perp	ROADKG	USD	17-Feb-2024	Coupon	12
Greentown China Holdings	GRNCH 3.28'27	GRNCH	CNY	21-Feb-2024	Coupon	5
EXCELLENCE COM MGMT	EXCECP 4.69'26	EXCECP	CNY	22-Feb-2024	Coupon	3
Gemdale Ever Prosperity Investment	GEMDAL 3.58'25	GEMDAL	CNY	23-Feb-2024	Coupon	8
GLORY LAND	GUOPRO 14.25 '24	GUOPRO	USD	23-Feb-2024	Coupon	24
Shui On Land Development	SHUION 6.15 '24	SHUION	USD	24-Feb-2024	Coupon	15
Greentown China Holdings	GRNCH 3.86'25	GRNCH	CNY	27-Feb-2024	Coupon	3
Yanlord Land	YLLGSP 6.8 '24	YLLGSP	USD	27-Feb-2024	Maturity	400
Yanlord Land	YLLGSP 6.8 '24	YLLGSP	USD	27-Feb-2024	Coupon	14
Gemdale Ever Prosperity Investment	GEMDAL 3.93'26	GEMDAL	CNY	1-Mar-2024	Put	278
Gemdale Ever Prosperity Investment	GEMDAL 3.93'26	GEMDAL	CNY	1-Mar-2024	Coupon	11
Greenland	GRNLGR 7.75 '30	GRNLGR	USD	3-Mar-2024	Coupon	12
Shui On Land Development	SHUION 5.5 '25	SHUION	USD	3-Mar-2024	Coupon	13
Road King Infrastructure	ROADKG 6 '25	ROADKG	USD	4-Mar-2024	Coupon	9
Road King Infrastructure	ROADKG 5.9 '25	ROADKG	USD	5-Mar-2024	Coupon	6
Agile Property Holding	AGILE 13.476 Perp	AGILE	USD	7-Mar-2024	Coupon	34
CHINA SOUTH CITY HOLDING	CSCHCN 9 '24	CSCHCN	USD	9-Mar-2024	Coupon	9
Gemdale Ever Prosperity Investment	GEMDAL 3.96'24	GEMDAL	CNY	10-Mar-2024	Maturity	208
Gemdale Ever Prosperity Investment	GEMDAL 3.96'24	GEMDAL	CNY	10-Mar-2024	Coupon	8
PERFECT POINT VENTURES	CCLAND 5.2 '25	CCLAND	USD	20-Mar-2024	Coupon	8
Radianc Holding Group	RDHGCL 7.8 '24	RDHGCL	USD	20-Mar-2024	Maturity	300
Radianc Holding Group	RDHGCL 7.8 '24	RDHGCL	USD	20-Mar-2024	Coupon	12
Dalian Wanda Commercial Management Group	DALWAN 6.8'24	DALWAN	CNY	22-Mar-2024	Coupon	14
Gemdale Ever Prosperity Investment	GEMDAL 3.5'24	GEMDAL	CNY	22-Mar-2024	Maturity	153
Gemdale Ever Prosperity Investment	GEMDAL 3.5'24	GEMDAL	CNY	22-Mar-2024	Coupon	5
Greentown China Holdings	GRNCH 4.07'26	GRNCH	CNY	23-Mar-2024	Coupon	9
EXCELLENCE COM MGMT	EXCECP 2.91 '25	EXCECP	USD	24-Mar-2024	Coupon	1
Gemdale Ever Prosperity Investment	GEMDAL 3.98'24	GEMDAL	CNY	24-Mar-2024	Maturity	208
Gemdale Ever Prosperity Investment	GEMDAL 3.98'24	GEMDAL	CNY	24-Mar-2024	Coupon	8
Greentown China Holdings	GRNCH 4'25	GRNCH	CNY	24-Mar-2024	Coupon	6
Dalian Wanda Commercial Management Group	DALWAN 6.6'24	DALWAN	CNY	25-Mar-2024	Maturity	36
Dalian Wanda Commercial Management Group	DALWAN 6.6'24	DALWAN	CNY	25-Mar-2024	Coupon	2
Greentown China Holdings	GRNCH 4.07'26	GRNCH	CNY	25-Mar-2024	Put	229
Greentown China Holdings	GRNCH 4'25	GRNCH	CNY	25-Mar-2024	Put	139
Greenland	GRNLGR 7.75 '29	GRNLGR	USD	26-Mar-2024	Coupon	20
Agile Property Holding	AGILE 7.5'25	AGILE	CNY	28-Mar-2024	Put	69

Exhibit 17: Bond repayment & coupon schedule from performing Chinese HY developers by April 2024

Total principal (including put) repayment and coupon payment by performing Chinese HY developers by April 2024 is US\$4.5bn

Company Name	Bond	Offshore Bond Ticker	Currency	Payment date	Coupon or Principal	Payment (USD mn)
Agile Property Holding	AGILE 5'25	AGILE	CNY	28-Mar-2024	Put	28
Agile Property Holding	AGILE 7.5'25	AGILE	CNY	28-Mar-2024	Coupon	5
Agile Property Holding	AGILE 5'25	AGILE	CNY	28-Mar-2024	Coupon	1
Greentown China Holdings	GRNCH 3.7'25	GRNCH	CNY	28-Mar-2024	Coupon	10
Sunac China Holdings Ltd.	SUNAC 4.78'24	SUNAC	CNY	28-Mar-2024	Coupon	19
Xinhu Zhongbao Co	XINHUZ 11 '24	XINHUZ	USD	28-Mar-2024	Coupon	28
Risesun Real Estate Development	RISSUN 3 '28	RISSUN	USD	29-Mar-2024	Coupon	3
Risesun Real Estate Development	RISSUN 3 '28	RISSUN	USD	29-Mar-2024	Coupon	9
Road King Infrastructure	ROADKG 6.7 '24	ROADKG	USD	30-Mar-2024	Coupon	12
Sunac China Holdings Ltd.	SUNAC 6 '25	SUNAC	USD	30-Mar-2024	Coupon	15
Sunac China Holdings Ltd.	SUNAC 6.25 '26	SUNAC	USD	30-Mar-2024	Coupon	16
Sunac China Holdings Ltd.	SUNAC 6.5 '27	SUNAC	USD	30-Mar-2024	Coupon	33
Sunac China Holdings Ltd.	SUNAC 6.75 '28	SUNAC	USD	30-Mar-2024	Coupon	51
Sunac China Holdings Ltd.	SUNAC 7 '29	SUNAC	USD	30-Mar-2024	Coupon	53
Sunac China Holdings Ltd.	SUNAC 7.25 '30	SUNAC	USD	30-Mar-2024	Coupon	26
Sunac China Holdings Ltd.	SUNAC 1 '32	SUNAC	USD	30-Mar-2024	Coupon	4
Greentown China Holdings	GRNCH 3.87'27	GRNCH	CNY	31-Mar-2024	Coupon	3
Sunac China Holdings Ltd.	SUNAC 4.78'24	SUNAC	CNY	1-Apr-2024	Maturity	400
Gemdale Ever Prosperity Investment	GEMDAL 3.55'25	GEMDAL	CNY	3-Apr-2024	Coupon	2
Gemdale Ever Prosperity Investment	GEMDAL 4.3'26	GEMDAL	CNY	7-Apr-2024	Coupon	3
Gemdale Ever Prosperity Investment	GEMDAL 3.91'26	GEMDAL	CNY	7-Apr-2024	Coupon	14
Gemdale Ever Prosperity Investment	GEMDAL 3.91'26	GEMDAL	CNY	8-Apr-2024	Put	347
Agile Property Holding	AGILE 6.5'24	AGILE	CNY	9-Apr-2024	Maturity	202
Agile Property Holding	AGILE 6.5'24	AGILE	CNY	9-Apr-2024	Coupon	13
CHINA SOUTH CITY HOLDING	CSCHCN 9 '24	CSCHCN	USD	11-Apr-2024	Coupon	15
CHINA SOUTH CITY HOLDING	CSCHCN 9 '24	CSCHCN	USD	12-Apr-2024	Maturity	291
CHINA SOUTH CITY HOLDING	CSCHCN 9 '24	CSCHCN	USD	12-Apr-2024	Coupon	4
Dalian Wanda Commercial Management Group	DALWAN 6.6'24	DALWAN	CNY	12-Apr-2024	Maturity	69
Dalian Wanda Commercial Management Group	DALWAN 6.6'24	DALWAN	CNY	12-Apr-2024	Coupon	5
Agile Property Holding	AGILE 6.05 '25	AGILE	USD	13-Apr-2024	Coupon	15
LANDSEA GREEN MANAGEMENT	LSEAGN 10.75 '24	LSEAGN	USD	20-Apr-2024	Coupon	5
Agile Property Holding	AGILE 5.5 '25	AGILE	USD	21-Apr-2024	Coupon	9
New Metro Global Ltd.	FTLNHD 6.6'24	FTLNHD	CNY	21-Apr-2024	Maturity	33
New Metro Global Ltd.	FTLNHD 6.6'24	FTLNHD	CNY	21-Apr-2024	Coupon	2
Greenland	GRNLGR 7.125 '29	GRNLGR	USD	22-Apr-2024	Coupon	13
Guangzhou R&F	GZRFPR 6.3'24	GZRFPR	CNY	23-Apr-2024	Maturity	139
Guangzhou R&F	GZRFPR 6.3'24	GZRFPR	CNY	23-Apr-2024	Coupon	9
Zensun Enterprise Holdings	ZENENT 12.5 '24	ZENENT	USD	23-Apr-2024	Maturity	160
Zensun Enterprise Holdings	ZENENT 12.5 '24	ZENENT	USD	23-Apr-2024	Coupon	10
Greentown China Holdings	GRNCH 3.8'25	GRNCH	CNY	27-Apr-2024	Coupon	5
Greentown China Holdings	GRNCH 3.29'25	GRNCH	CNY	27-Apr-2024	Coupon	2
Greentown China Holdings	GRNCH 3.29'25	GRNCH	CNY	28-Apr-2024	Put	69
Greentown China Holdings	GRNCH 3.55'25	GRNCH	CNY	28-Apr-2024	Coupon	7
Greentown China Holdings	GRNCH 4.7 '25	GRNCH	USD	29-Apr-2024	Coupon	10

*This excludes the amortization payment from exchange offers or consent solicitations

Source: BofA Global Research, Bloomberg, Wind

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Top and bottom ten performers

Exhibit 18: Top 10 performers in China property over the last week & YTD on total return basis

Bottom 10 performers in China property in this week & YTD

Issuer	Total Return (1-week)	Issuer	Total Return (YTD)
Investment Grade China property			
CRHZCH 4.125% 2029	1.09%	COGO 2.45% 2026	3.23%
COGO 2.45% 2026	1.00%	CHJMAO 3.2% 2026	2.75%
CHJMAO 3.2% 2026	0.64%	CRHZCH 4.125% 2029	1.43%
CHIOLI 4.75% 2028	0.51%	CHIOLI 4.75% 2028	0.91%
CHIOLI 2.375% 2025	0.15%	CHIOLI 3.45% 2029	0.78%
YUEXIU 2.8% 2026	-0.21%	CHIOLI 2.375% 2025	0.62%
CHIOLI 3.05% 2029	-0.42%	YUEXIU 2.8% 2026	0.31%
CHIOLI 6.375% 2043	-0.53%	CHIOLI 6.45% 2034	-0.05%
CHIOLI 5.35% 2042	-0.54%	CHIOLI 2.75% 2030	-0.56%
CHIOLI 6.45% 2034	-0.72%	CHIOLI 3.05% 2029	-0.56%
High Yield China property			
GRNCH 5.65% 2025	0.77%	ROADKG 6% 2025	23.75%
PINGRE 3.25% 2025	0.63%	ROADKG 5.9% 2025	22.33%
GRNCH 4.7% 2025	0.41%	YLLGSP 5.125% 2026	21.19%
CHJMAO 6% 2026	-0.20%	ROADKG 5.125% 2026	18.13%
CHJMAO 4.25% 2029	-0.69%	AGILE 6.05% 2025	16.02%
PINGRE 3.45% 2026	-1.03%	ROADKG 5.2% 2026	15.10%
YLLGSP 5.125% 2026	-1.40%	DALWAN 11% 2026	14.32%
ROADKG 6% 2025	-1.54%	AGILE 5.5% 2025	12.06%
ROADKG 5.9% 2025	-1.56%	PINGRE 3.25% 2025	6.74%
FTLNHD 4.5% 2026	-1.57%	PINGRE 3.45% 2026	5.89%

Source: ICE Data Indices, LLC. (Data as of 7 February)

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Exhibit 19: Bottom 10 performers in China property over the last week & YTD on total return basis

Top 10 performers in China property in this week & YTD

Issuer	Total Return (1-week)	Issuer	Total Return (YTD)
Investment Grade China property			
VNKRLE 3.5% 2029	-8.41%	VNKRLE 3.5% 2029	-11.40%
VNKRLE 3.975% 2027	-4.98%	VNKRLE 3.975% 2027	-9.01%
VNKRLE 3.15% 2025	-4.13%	VNKRLE 3.15% 2025	-4.40%
CHIOLI 2.75% 2030	-0.99%	CHIOLI 6.375% 2043	-1.17%
CHIOLI 3.45% 2029	-0.79%	CHIOLI 5.35% 2042	-0.66%
CHIOLI 6.45% 2034	-0.72%	CHIOLI 3.05% 2029	-0.56%
CHIOLI 5.35% 2042	-0.54%	CHIOLI 2.75% 2030	-0.56%
CHIOLI 6.375% 2043	-0.53%	CHIOLI 6.45% 2034	-0.05%
CHIOLI 3.05% 2029	-0.42%	YUEXIU 2.8% 2026	0.31%
YUEXIU 2.8% 2026	-0.21%	CHIOLI 2.375% 2025	0.62%
High Yield China property			
AGILE 6.05% 2025	-7.10%	LNGFOR 3.85% 2032	-5.30%
AGILE 5.5% 2025	-5.58%	LNGFOR 3.95% 2029	-3.60%
LNGFOR 3.85% 2032	-5.04%	FTLNHD 4.625% 2025	-1.22%
ROADKG 5.2% 2026	-4.09%	FTLNHD 4.5% 2026	-0.20%
FTLNHD 4.625% 2025	-4.04%	CHJMAO 6% 2026	1.43%
ROADKG 5.125% 2026	-3.18%	LNGFOR 4.5% 2028	4.48%
LNGFOR 4.5% 2028	-2.61%	GRNCH 4.7% 2025	4.49%
LNGFOR 3.95% 2029	-2.14%	CHJMAO 4.25% 2029	4.70%
DALWAN 11% 2026	-2.11%	GRNCH 5.65% 2025	5.52%
FTLNHD 4.5% 2026	-1.57%	PINGRE 3.45% 2026	5.89%

Source: ICE Data Indices, LLC. (Data as of 7 February)

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Exhibit 20: Summary of key events and policy

Key events and policy that drive China HY property spread performance

Date	Key credit events and policy that drive spread performance
1-Feb-21	China Fortune Land defaulted.
21-Mar-21	Yuzhou announced unexpected profit warning.
26-May-21	Regulator investigated Evergrande for related transactions with Shengjing Bank.
25-Jul-21	Announcement of the education policy; ban companies that teach school curriculums from making profits, raising capital or going public.
31-Aug-21	Evergrande announced 1H21 results, concerns of default risk.
End of Sep' 21	Evergrande missed coupon payment, Sinic down from 90 to 45pts in a day.
4-Oct-21	Fantasia defaulted on USD bonds.
Mid Oct' 21	Policy on mortgage easing.
23-Oct-21	Announcement of expansion of property tax pilot project.
Early Nov' 21	Trust loan defaulted by Kaisa, distressed exchange offer of Yango.
22-Nov-21	China Aoyuan appointed financial advisor to assess capital structure.
25-Nov-21	Kaisa proposed distressed exchange offer.
6-Dec-21	Universal RRR cut announced; effective on 12/15/2021.
20-Dec-21	5bps 1yr LPR (loan prime rate) cut.
31-Dec-21	Rebalancing of HY index, removal of defaulted issuers (FTHDGR, MOLAND, KAISA, TIANHL/EVERRE).
mid-Dec'21 to mid-Jan '22	More developers proposed exchange offers; growing concerns on Shimao; equity/debt raising news of Sunac and Country Garden.
17-Jan-22	PBoC cut the 1-year MLF (medium-term lending facility) rate by 10bps.
19-Jan-22	News on easing of presale funds rule.
20-Jan-22	10bps 1-year LPR (loan prime rate) cut; 5bps 5-year LPR (loan prime rate) cut.
26-Jan-22	News: China financial regulators met several AMCs to discuss about their roles in developers' asset disposal and M&A.
27-Jan-22	Evergrande aims to release its restructuring plan within six months.
28-Jan-22	Hopson announced that PricewaterhouseCoopers (PwC) resigned as the auditor of the company.
9-Feb-22	PBoC and CBIRC announced that loans related to subsidized rental housing constructions will not be subject to real estate loan caps.
10-Feb-22	Nationwide presale funds rule has been established: funds beyond the escrow threshold can be accessible to developers and fund release schedule depends on local government.
Since mid-Feb' 22	More easing measures rolled out in the property market, incl. lower down payment ratio, lower mortgage rate, relaxation of land auction rules.
Since mid-Feb' 22	More developers proposed exchange offers, such as Yida, Guorui, Zhenro, Jingrui.
16-Feb-22	Shimao is in discussion with CITIC Trust to extend CNY6bn loans.
23-Feb-22	Shimao has not reached agreement with CITIC Trust on loan extension and may fail to repay its onshore ABN due on May 17.
28-Feb-22	Modern Land proposed offshore bond restructuring plan.
2-Mar-22	Dafa and Shimao appointed financial advisors for the debt restructuring.
7-Mar-22	Yuzhou defaulted on US\$5.7bn due to missed interest payment and cross default.
17-Mar-22	Minister of Finance (MoF), China Banking and Insurance Regulatory Commission (CBIRC), China Securities Regulatory Commission, PBoC and State Administration of Foreign Exchange set out positive tones to support property market in response to State Council's call on March 16.
Late Mar' 22	Several developers announced to delay the audited FY21 results publication.
25-Mar-22	PwC plans to gradually exit auditing Chinese private property developers per REDD.
15-Apr-22	The People's Bank of China (PBoC) announced on April 15 that it would lower the reserve requirement ratio (RRR) by 25bp, effective on April 25.
12-May-22	Sunac failed to pay coupon on one of its USD bonds and triggered cross defaults.
20-May-22	5Y LPR (loan prime rate) cut by 15bp to 4.45%; with the lower bound of the mortgage rate cut by 20bp.
22-Jun-22	Country Garden was downgraded to Ba1 from Baa3, negative outlook, by Moody's.
4-Jul-22	Shimao default on one of its 2022 note, and triggered cross defaults of all its offshore bonds, totaling US\$5.72bn.
11-Jul-22	Homebuyers of >35 projects in various cities have announced termination of mortgage repayments due to construction suspension and delay.
15-Aug-22	Chinese regulators plan to provide liquidity support to selected developers via state-guaranteed RMB bonds; the list includes Longfor, Gemdale, Country Garden, and CIFI, Seazen, and Sino-Ocean, according to REDD.
22-Aug-22	5-year/1-year LPR is lowered by 15/5bp to 4.3/3.65%.
22-Sep-22	Fed increased policy rate by 75bp, and projects a terminal rate close to 5.0% by early 2023
27-Sep-22	Media reported that CIFI missed payment on a trust product
10-Oct-22	CIFI defaulted on missing CB coupon
8-Nov-22	NAFMII & PBoC announced plans to grant RMB250bn financial support to China POE

Exhibit 20: Summary of key events and policy

Key events and policy that drive China HY property spread performance

Date	Key credit events and policy that drive spread performance
11-Nov-22	China cut the quarantine requirement to 8 days
14-Nov-22	China eased the presale regulation: allowing developers to retrieve up to 30% of escrow account fund with bank letter of guarantee.
15-Nov-22	PBoC and CBIRC co-announced 16-point to support property sector
27-Nov-22	Chinese banks start to offer credit lines to developers
29-Nov-22	CSRC relaxed A/H share equity financing for property sector
7-Dec-22	China has further eased Covid restrictions, announcing 10 new measures on Dec 7.
9-Dec-22	CSRC expands C-REIT pilot to include commercial real estate and regular rental apartments.
13-Dec-22	ICBC provides US\$300mn offshore loan to COGARD
19-Dec-22	State Council calls for support for cash-strapped developers to boost economic growth
26-Dec-22	China downgraded COVID management from Class A to Class B infection, a major COVID policy change; quarantine requirements for inbound travelers will be scrapped from Jan 8
5-Jan-23	PBoC loosens mortgage rates for cities with home price declines
10-Jan-23	China PBoC and CBIRC urged banks to help high-quality & systemically important developers reduce risks and improve their balance sheets
20-Feb-23	CSRC launched a pilot program for real estate private equity investment funds
17-Mar-23	The People's Bank of China (PBoC) announced 25bp RRR cut, effective on Mar 27
21-Mar-23	Sino-Ocean planned to defer the perp coupon payment
29-Mar-23	Sino-Ocean decided to repay the perp coupon
31-Mar-23	Sino-Ocean missed amortization of syn loan
30-Apr-23	Zhuhai Wanda's IPO exceeded the 6-month expiry period
20-Jun-23	China cut 1yr/5yr LPR by 10bp to 3.55%/4.20%
28-Jun-23	Dalian Wanda's application for registration of public onshore bonds got suspended by CSRC
29-Jun-23	Zhuhai Wanda filed its IPO again
5-Jul-23	Sino-Ocean is working with its two SOE shareholders (China Life & Dajia Life) regarding a holistic risk mitigation plan
11-Jul-23	PBoC & NFRA have announced: (1) existing loans provided to developers maturing before end-'24 (previously May'23) can be extended for 1 year; (2) banks will not adjust downward the risk classification of loans provided to developers before end-'24 (previously May'23)
14-Jul-23	Sino-Ocean has not paid the coupon of 2.7% '25 notes due on Jul 13.
19-Jul-23	Sino-Ocean seeks a 1-year extension for the RMB2bn onshore bond due Aug 2
19-Jul-23	Greenland defaulted on the 6.75% '24 note amortization payment due on June 25
20-Jul-23	Dalian Wanda reportedly has a shortfall of US\$200mn on the 6.875% notes (US\$400mn) maturing on Jun 25
25-Jul-23	Politburo meeting omitted the phrase "house is for living, not for speculation", and stressed to 1) optimize and adjust property policies; 2) revitalize the outstanding stocks; 3) refurbishment of urban villages in large cities
26-Jul-23	Sino-Ocean proposed to extend coupons of 3 USD bonds, and has engaged advisers to explore options for offshore debt
1-Aug-23	PBOC said that it will continue to guide banks to lower mortgage rates & down payment ratios for housing purchases in 2H23
7-Aug-23	Country Garden missed the coupons of two offshore bonds due on Aug 6 (4.2% '26 & 4.8% '30), and the company is reportedly optimizing its capital arrangements
11-Aug-23	Sino-Ocean has received requisite consent to extend coupon of '24 bond by 2 months
14-Aug-23	Country Garden plans to extend the RMB3.9bn onshore bond by 3yrs with amortization payment according to Bloomberg
21-Aug-23	China cut 1-year LPR by 10bps to 3.45%
30-Aug-23	Chinese state banks are proposing to cut interest rates on existing mortgages and deposits
4-Aug-23	Many cities have announced loosening of definition of 1st home buyers, following Beijing, Shanghai, Guangzhou, Shenzhen, etc.
12-Sept-23	Guangzhou announced to cut the min. down payment ratio to 30% (from 50%)/40% (from 70%) for 2nd home buyers have/ haven't paid off mortgages, and also cut the 1st/2nd home mortgage rate to LPR-10bps (from LPR)/LPR+30bps (from LPR+60bps).
19-Sept-23	Guangzhou relaxed Home Purchase Restrictions
26-Sept-23	China Evergrande is unable to meet qualifications to issue new notes under the proposed restructuring of its offshore debt, and its Chairman has been taken away by police and is currently under police control
04-Oct-23	China SCE unable to repay an instalment of its syndicated loan, which had resulted in an event of default under its USD bonds.

Exhibit 20: Summary of key events and policy

Key events and policy that drive China HY property spread performance

Date	Key credit events and policy that drive spread performance
10-Oct-23	Country Garden failed to make a HKD470mn due payment, and it expects not to be able to meet all of its offshore payment obligations when due/ within the grace periods.
6-Nov-23	Vanke held a call with Shenzhen SASAC and Shenzhen Metro to discuss potential support to Vanke.
15-Nov-23	Moody's downgraded Longfor to Ba1 from Baa3, and downgraded Longfor's senior unsecured debt rating to Ba2 from Baa3, with negative outlook
20-Nov-23	Sunac has satisfied all the offshore debt restructuring (RSA) conditions.
23-Nov-23	Chinese regulators are drawing up a "white list" of 50 developers eligible for funding support, which reportedly includes Country Garden, Sino-Ocean, Cifi, etc.
04-Jan-24	Shenzhen rolled out its drafted guidelines on urban village revitalization (UVR) - the second major city following Guangzhou to publish such guidelines
05-Jan-24	PBoC and NFRA called for financial support for construction and operation of long-term rental housing
10-Jan-24	Vanke briefed creditors about its 2024 repayment plan, and Longfor announced to repay two syndicated loan due in 2025 ahead of schedule
12-Jan-24	MoHURD and the NFRA made a joint announcement to support developers' financing, and local government will draw up a list of projects eligible for financing support to be sent to financial institutions per media reports.
12-Jan-24	Guangzhou approved the urban village refurbishment plan, aiming to redevelop 165 urban villages by end-2035
24-Jan-24	China to cut RRR by 50bps effective on Feb 5, while 1yr/5yr LPR will keep unchanged at 3.45%/4.2%
25-Jan-24	Regulators allow bank loans pledged by developers' commercial properties to be used to repay developers' other loans and bonds. Also, the LTV ratio cannot exceed 70% (vs.50% before) and the tenor of such debt is at most 15 years
31-Jan-24	Several cities have filed while-list projects and sent to commercial banks, incl Chongqing filled 304 projects, Nanning filed 107 projects, etc.
31-Jan-24	The first batch of specialized loan (about RMB9.1bn) for urban village refurbishment has been issued to 100 projects in Guangzhou, Zhengzhou and some other cities.
6-Feb-24	A total of 3,218 projects have been included in the project white-list nationally, of which 84% are POE or mixed-ownership developers' projects.
6-Feb-24	Commercial banks have granted RMB18tn loans to 83 projects across 27 cities in the white-list

Source: Bloomberg, Media news

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