



Development and Opening-up of Shanghai Stock Exchange Bond Market



June 2021

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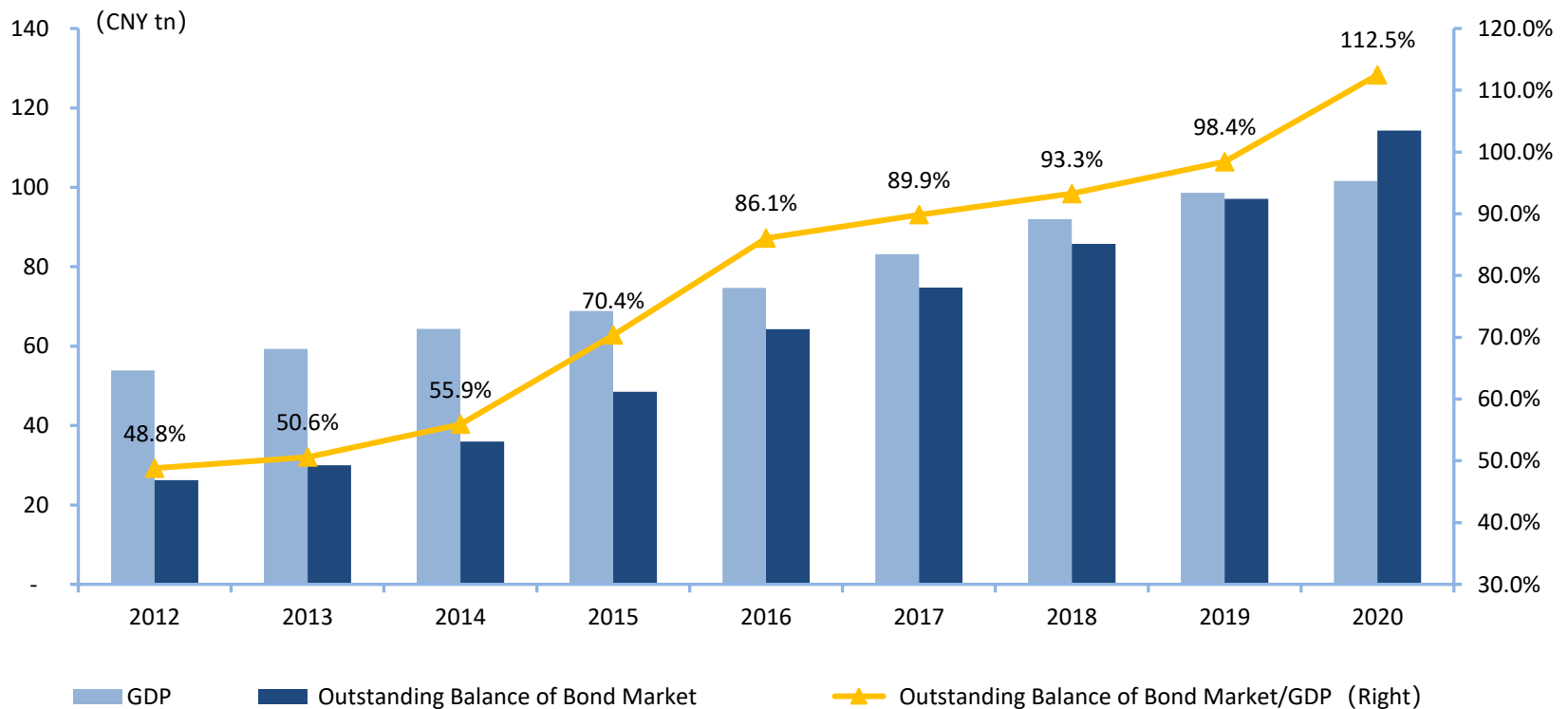
01

Overview of China Bond Market

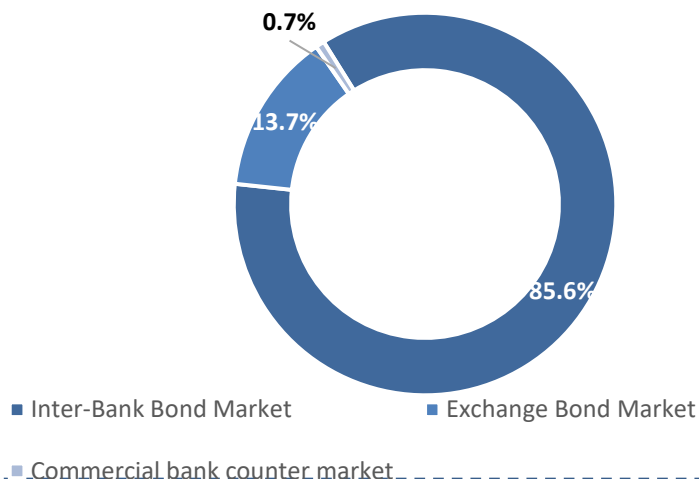
China: the 2nd Largest Bond Market

- Outstanding Balance of China Bond Market: **CNY 114.3 trillion (USD 17.9tn)**
- GDP: **CNY 101.6 trillion (YoY growth: +2.3%)**
- Debt to GDP Ratio: **112.5%**

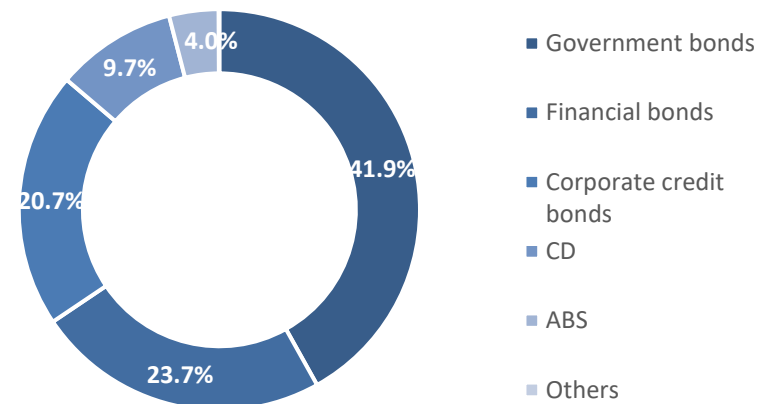
Outstanding Balance of China Bond Market and % of GDP



Outstanding Balance by Segments



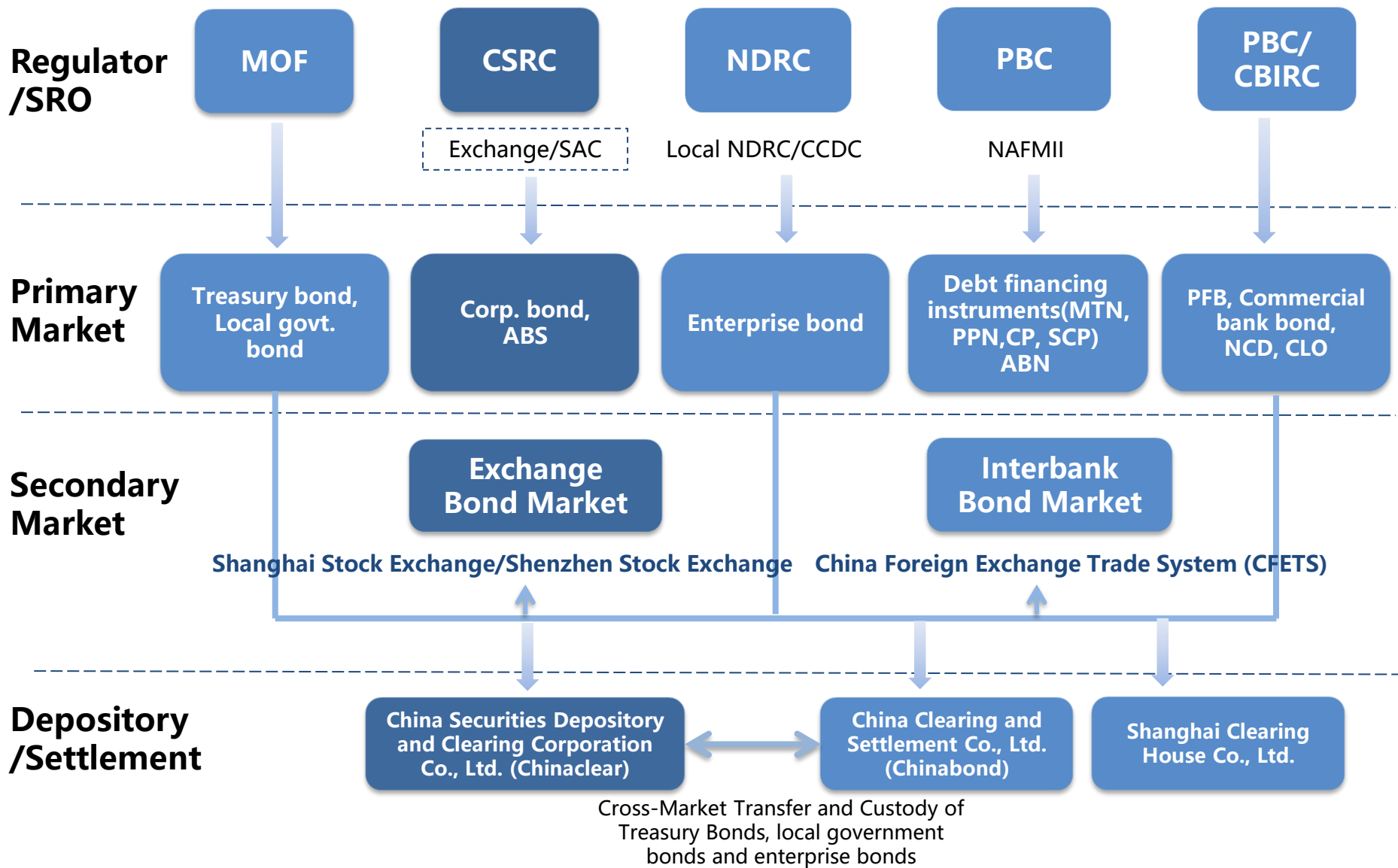
Outstanding Balance by Issuers



Outstanding Balance by Bond Varieties

		Bond Varieties	Shares
Government bonds		Treasury bonds	18.1%
		Local government bonds	22.3%
		Government-backed agency bonds	1.5%
Financial bonds		Policy bank bonds	16.0%
		Financial bonds excluding policy bank bonds	7.7%
Corporate Credit bonds		Enterprise bonds	2.0%
		Corporate bonds	8.4%
		Short-term commercial paper	1.8%
		Medium-term notes	6.5%
		Private placement notes	1.9%
Interbank negotiable certificates of deposits (CD)		Interbank negotiable certificates of deposits	9.7%
ABS		ABS	4.0%
Others		Others	0.1%

Regulatory Framework



02

**Development of SSE
Bond Market**

Overview of SSE Bond Market

2020

The Securities Law went into effect;
Main Business Rules for REITs

2016

The first local government
bond issued in SSE

2015

Administrative Measures for
the Issuance and Trading of
Corporate Bonds

2007

The first corporate bond
listed in SSE

2005

The first ABS
listed in SSE

1990

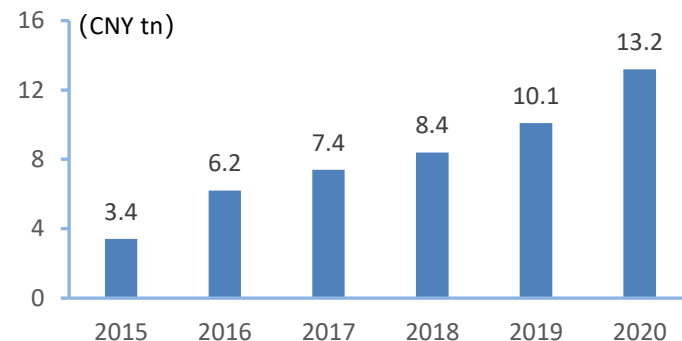
SSE was established and
provided products of
stocks and bonds etc.

13.2TN
Outstanding
Balance

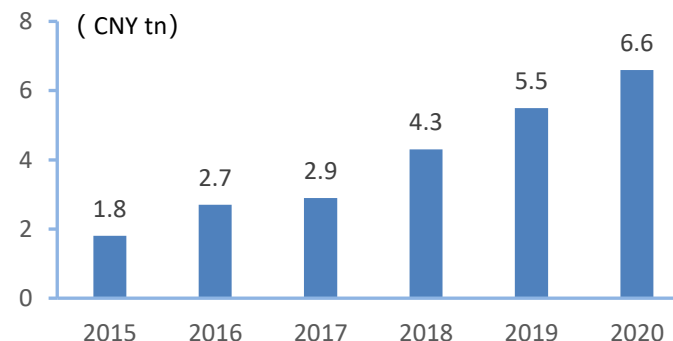
6.6TN
Bond
Issuance

271TN
Bond
Transactions

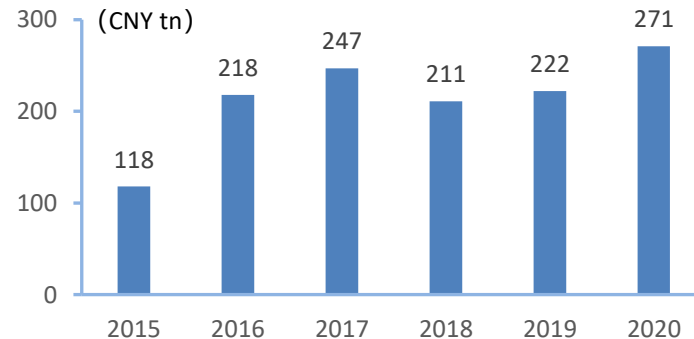
Outstanding Balance of SSE Bond Market



Issuance Volume of SSE Bond Market

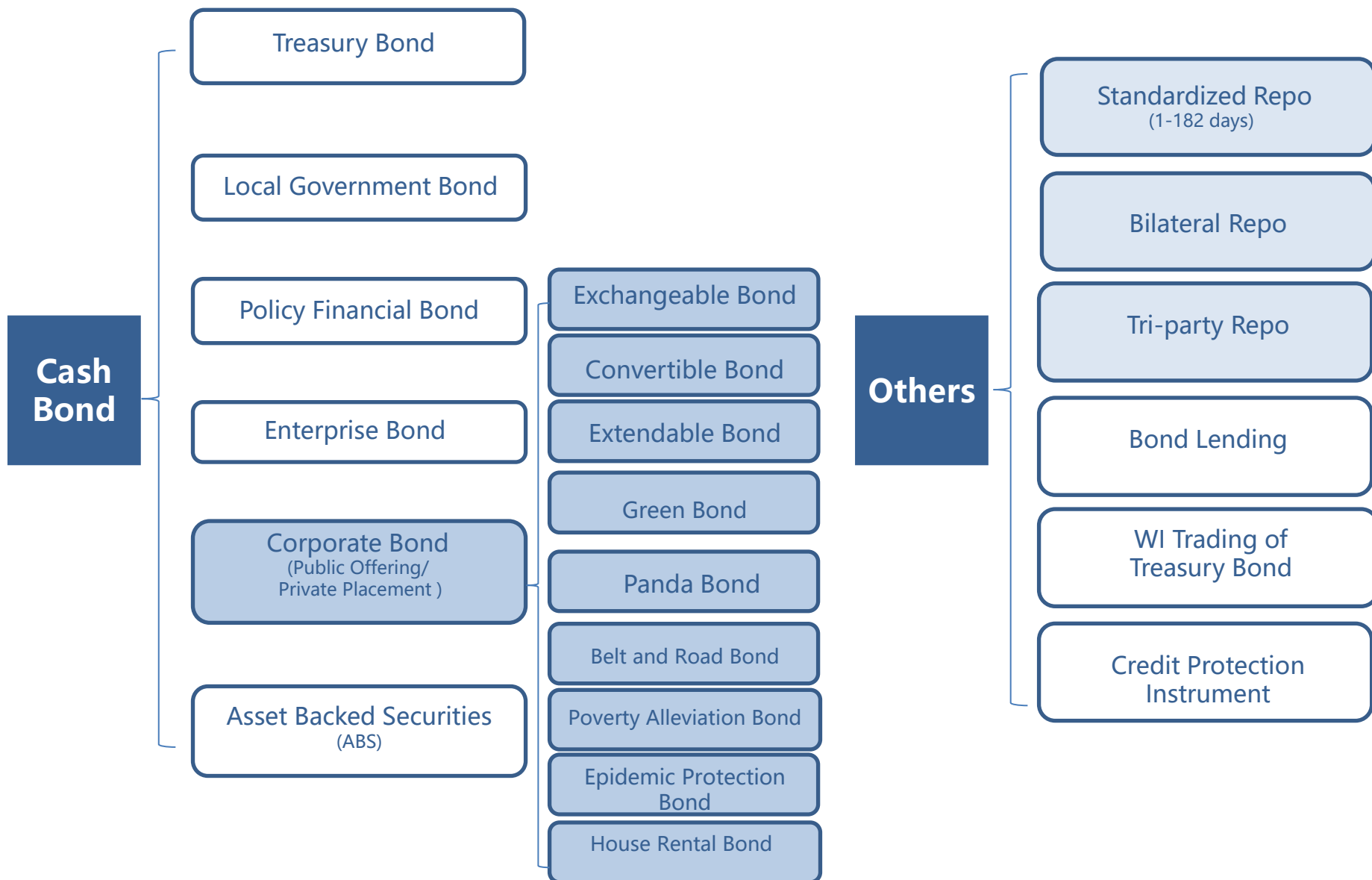


Bond Transactions of SSE Bond Market



Source: SSE, as of end 2020

Products of SSE Bond Market



As of end 2020

27%

Total issuance of local government bonds: CNY 1.72tn

- 30 provinces/autonomous regions/municipalities;
- 71 batches issued

46%

Total issuance of corporate bonds: CNY 3.77tn

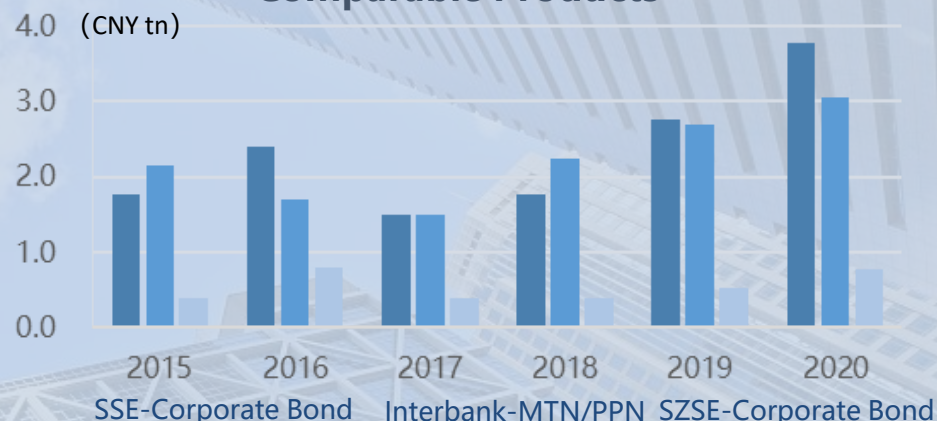
- AAA/AA+ issuers took up 80%;
- Ensure a swift issuance process

52%

Total issuance of ABS: CNY 1.06tn

- Diversified portfolio of underlying assets;
- Optimization of projects/assets' credit;
- A cost effective issuance process

Issuance of Corporate Bonds and Comparable Products



Issuance of Enterprise ABS and Comparable Products



2020 Trading Volume :

• **CNY 354trillion**

(Repo CNY 259tn, 73%; Stock CNY 84tn, 24%)

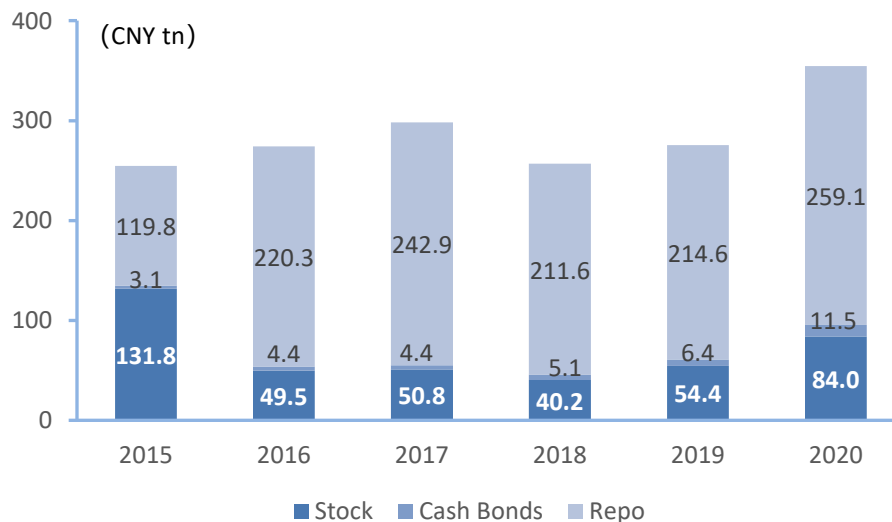
• The trading volume in the exchange bond market increased rapidly and has exceeded equity trading volume since **2016**

Diversified Investor Composition:

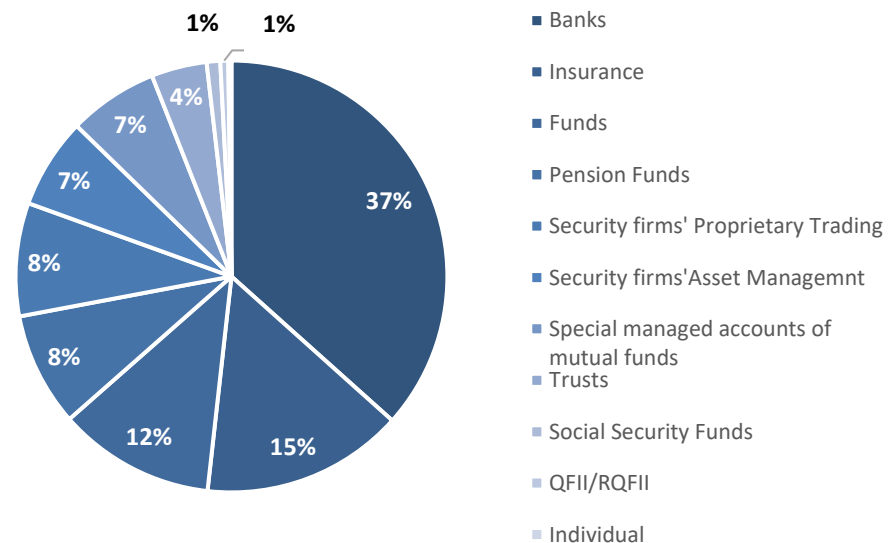
• **CSRC:** Measures for the Suitability Management of Securities and Futures Investors, 2016

• **SSE/SZSE (respectively):** Measures for the Suitability Management of Investors in the Bond Market , 2017

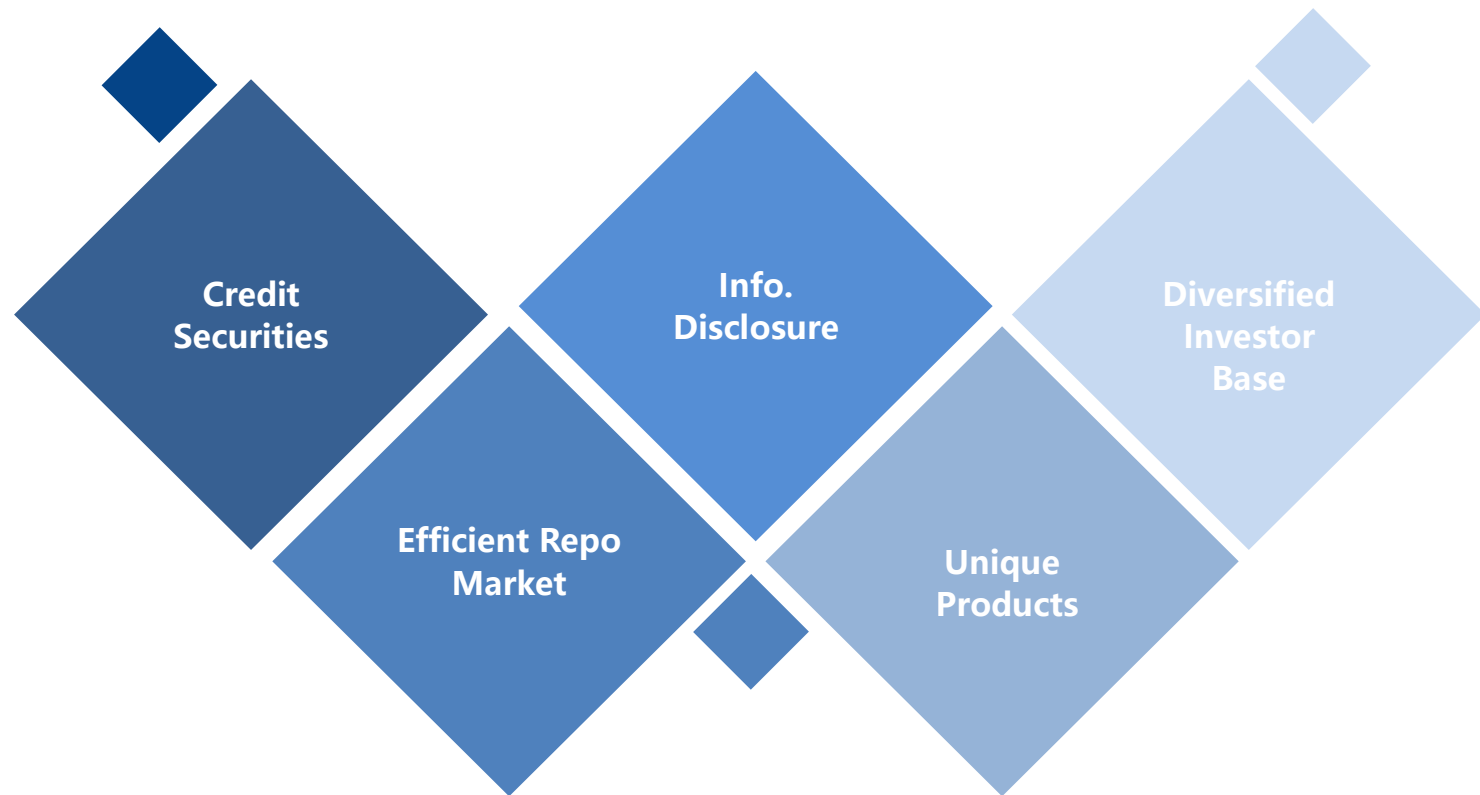
SSE Equity / Bond Trading Volume



Outstanding Balance by Investor Structure



Features of the Exchange Bond Market



03

**Opening-up of SSE
Bond Market**

Panda Bonds



- Up to end of 2020, the total issuance of Panda Bonds in SSE: **CNY109.3 bn**
- Public offering: **CNY 41.3 bn**
- Private placement: **CNY 67.9 bn**

Belt and Road Bonds



- One Belt One Road (OBOR), is a project that focuses on improving connectivity and cooperation among multiple countries spread across the continents of Asia, Africa, and Europe.
- Up to end of 2020:
 - the total approved issuing volume: **CNY 33.3 bn**
 - the total issuance of Belt and Road in SSE: **CNY 19.1bn**

Green Bonds



- Up to end of 2020, SSE green bonds outstanding: **CNY 242.5 bn**
- 263 Green bonds: **217.9 bn**
- 172 Green ABS: **22.0 bn**
- 3 Green ETFs
- 57 Green Indices
- Local Govt. supports the sustainable development.

Pilot Program for Green Corporate Bond

- Funds raised for projects with environmentally sustainable benefits
- Green projects defined by Green Bond Endorsed Project Catalogue
- Encourage third party verification/certification



Energy Saving



Pollution Prevention & Control



Resource Conservation & Recycling



Clean Transportation



Clean Energy

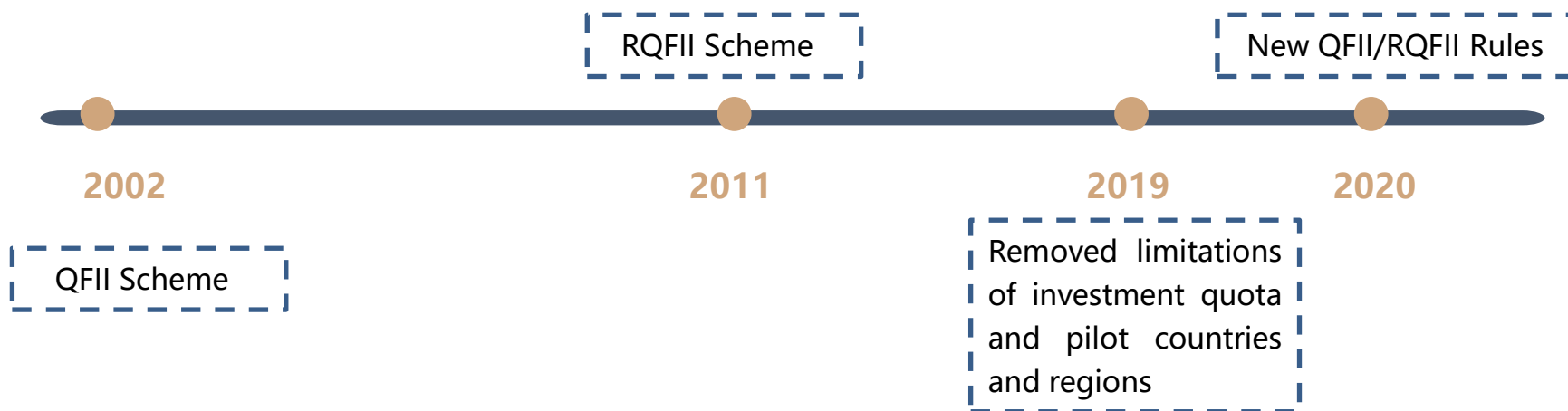


Ecological Protection & Climate Change Adaption

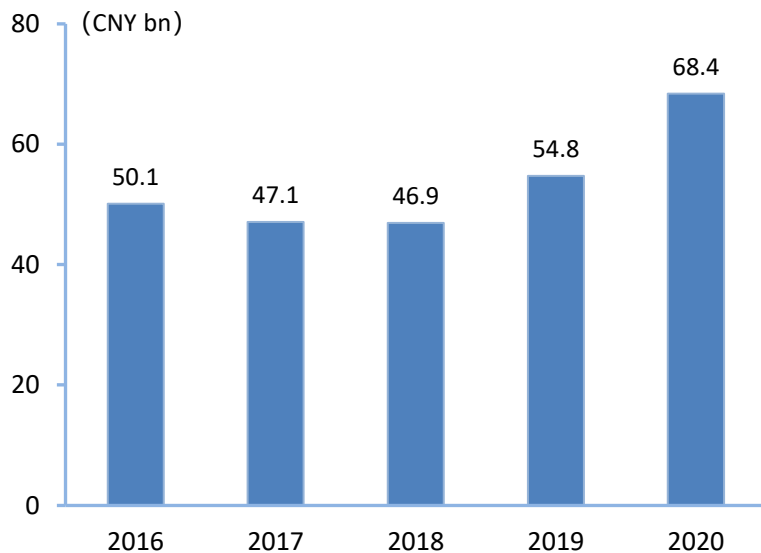
Key Efforts on Green Finance

- Release rules on green bonds, set up green finance infrastructure.
- Offer convenient financing channels for green securities, improve review process efficiency.
- In June 2017, SSE and the Luxembourg Stock Exchange(LuxSE) jointly launched the Green Bond Index
- In Sep. 2017, SSE became China' s first exchange to join the United Nations' Sustainable Stock Exchanges initiative.
- In June 2018, SSE and LuxSE launched the Green Bond Channel to display detailed information of SSE green bond in LuxSE.

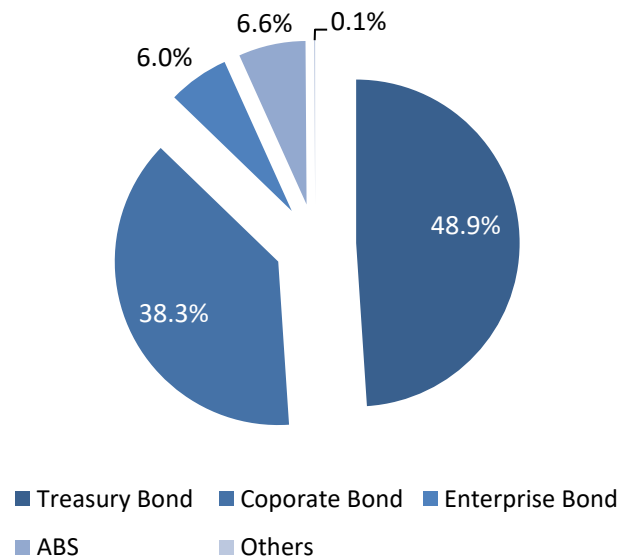




Outstanding Balance Held by QFII



Bond Portfolio Held by QFII



Measures for the Administration of Domestic Securities and Futures Investment by Qualified Foreign Institutional Investors and RMB Qualified Foreign Institutional Investors was officially released by the CSRC, PBC and SAFE on September 25th, 2020.

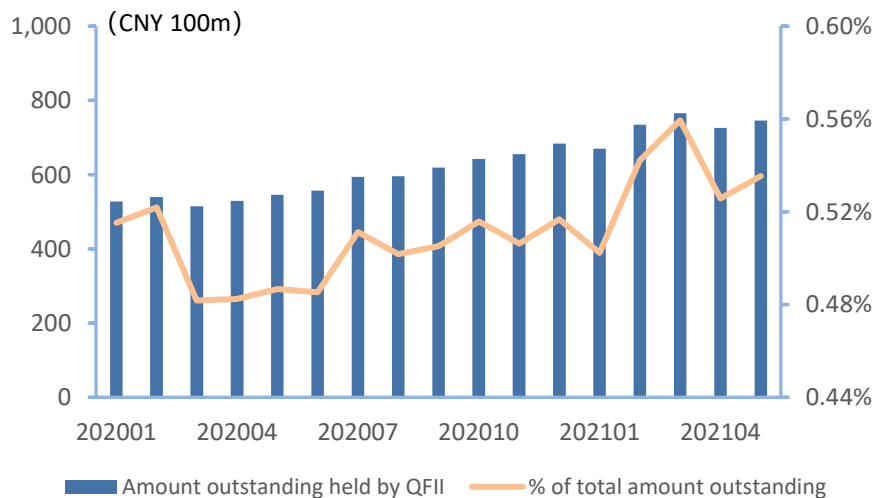
Major revisions to previous QFII and RQFII rules are as follows:

- Relaxing qualification requirements and facilitating investment and operations of QFIIs and RQFIIs.
- The previously separate regimes for QFII and RQFII qualifications and rules are integrated
- Qualification requirements are relaxed
- Application documents are streamlined
- Review cycle is cut short
- A simplified reviewing procedure is applied
- The restriction on the number of intermediaries servicing a QFII or RQFII is removed
- Supervision over the reporting and filing of QFIIs and RQFIIs is improved
- Requirements for data submission are reduced

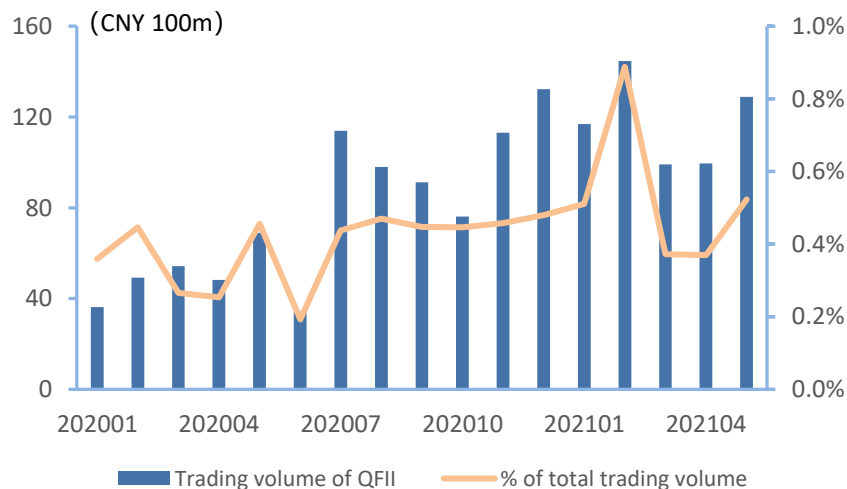
The Effect of the policy since implementation

- The total bond outstanding held by QFII increased from **52.6 billion yuan** in Jan. 2020 to **74.8 billion yuan** in May 2021.
- The monthly trading volume of QFII increased from **3.6 billion yuan** in Jan. 2020 to **12.9 billion yuan** in May 2021.

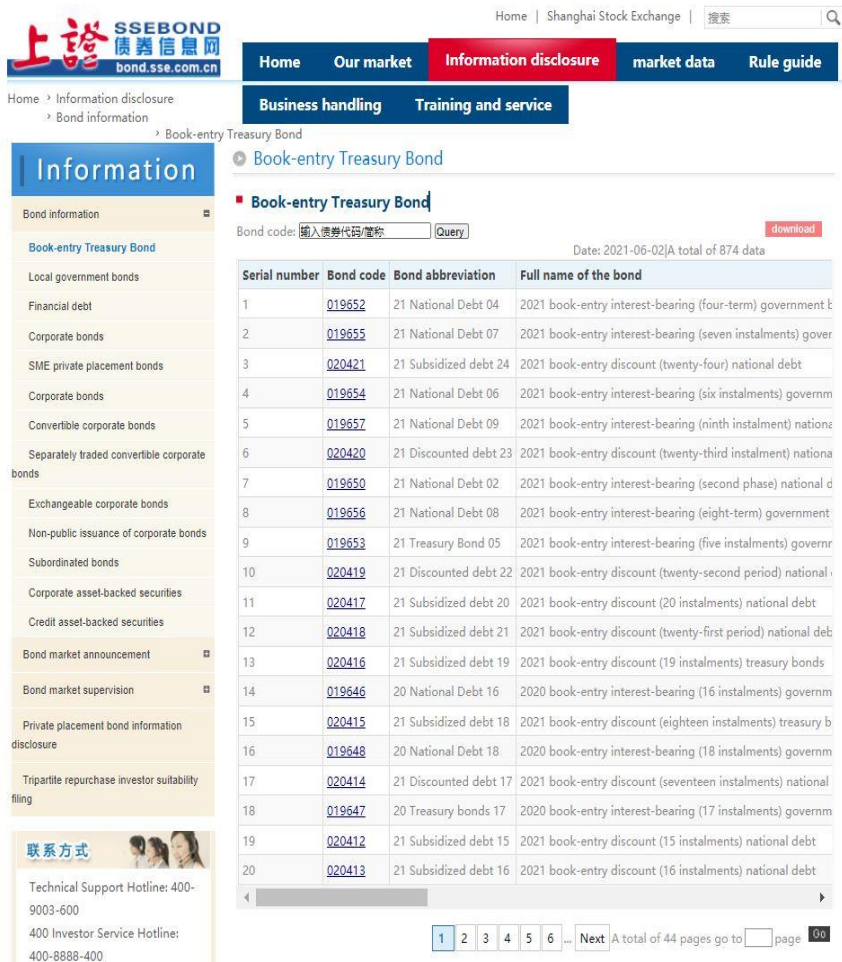
Amount outstanding held by QFII



Monthly trading volume by QFII



- Foreign investors can access bond.sse.com.cn for information disclosure



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Subordinated bonds

Corporate asset-backed securities

Credit asset-backed securities

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Bond market supervision

Private placement bond information disclosure

Tripartite repurchase investor suitability filing

联系方式

Technical Support Hotline: 400-9003-600
400 Investor Service Hotline: 400-8888-400

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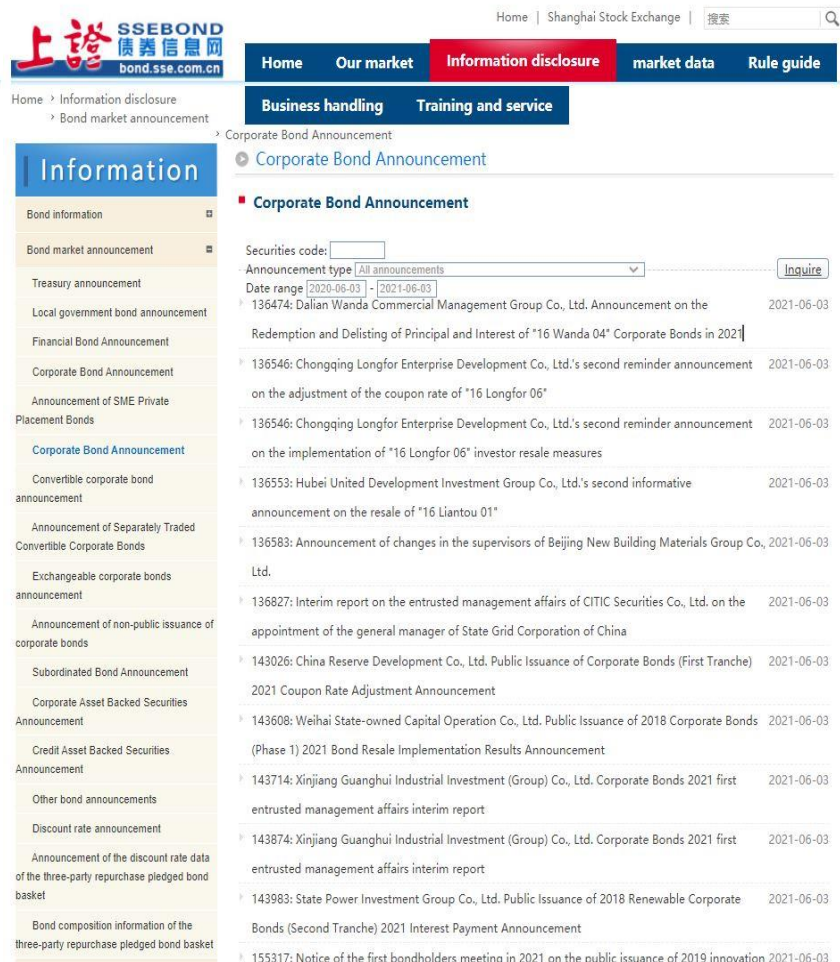
Book-entry Treasury Bond

Bond code: 输入债券代码/简称

Date: 2021-06-02 | A total of 874 data

Serial number	Bond code	Bond abbreviation	Full name of the bond
1	019652	21 National Debt 04	2021 book-entry interest-bearing (four-term) government L
2	019655	21 National Debt 07	2021 book-entry interest-bearing (seven instalments) gover
3	020421	21 Subsidized debt 24	2021 book-entry discount (twenty-four) national debt
4	019654	21 National Debt 06	2021 book-entry interest-bearing (six instalments) governm
5	019657	21 National Debt 09	2021 book-entry interest-bearing (ninth instalment) nation
6	020420	21 Discounted debt 23	2021 book-entry discount (twenty-third instalment) nationa
7	019650	21 National Debt 02	2021 book-entry interest-bearing (second phase) national d
8	019656	21 National Debt 08	2021 book-entry interest-bearing (eight-term) government
9	019653	21 Treasury Bond 05	2021 book-entry interest-bearing (five instalments) governr
10	020419	21 Discounted debt 22	2021 book-entry discount (twenty-second period) national
11	020417	21 Subsidized debt 20	2021 book-entry discount (20 instalments) national debt
12	020418	21 Subsidized debt 21	2021 book-entry discount (twenty-first period) national deb
13	020416	21 Subsidized debt 19	2021 book-entry discount (19 instalments) treasury bonds
14	019646	20 National Debt 16	2020 book-entry interest-bearing (16 instalments) governm
15	020415	21 Subsidized debt 18	2021 book-entry discount (eighteen instalments) treasury b
16	019648	20 National Debt 18	2020 book-entry interest-bearing (18 instalments) governm
17	020414	21 Discounted debt 17	2021 book-entry discount (seventeen instalments) national
18	019647	20 Treasury bonds 17	2020 book-entry interest-bearing (17 instalments) governm
19	020412	21 Subsidized debt 15	2021 book-entry discount (15 instalments) national debt
20	020413	21 Subsidized debt 16	2021 book-entry discount (16 instalments) national debt

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Corporate Bond Announcement

Announcement of SME Private Placement Bonds

Corporate Bond Announcement

Convertible corporate bond announcement

Announcement of Separately Traded Convertible Corporate Bonds

Exchangeable corporate bonds announcement

Announcement of non-public issuance of corporate bonds

Subordinated Bond Announcement

Corporate Asset Backed Securities Announcement

Credit Asset Backed Securities Announcement

Other bond announcements

Discount rate announcement

Announcement of the discount rate data of the three-party repurchase pledged bond basket

Bond composition information of the three-party repurchase pledged bond basket

Securities code:

Announcement type: All announcements

Date range: 2020-06-03 | 2021-06-03

136474: Dalian Wanda Commercial Management Group Co., Ltd. Announcement on the Redemption and Delisting of Principal and Interest of "16 Wanda 04" Corporate Bonds in 2021 2021-06-03

136546: Chongqing Longfor Enterprise Development Co., Ltd.'s second reminder announcement on the adjustment of the coupon rate of "16 Longfor 06" 2021-06-03

136546: Chongqing Longfor Enterprise Development Co., Ltd.'s second reminder announcement on the implementation of "16 Longfor 06" investor resale measures 2021-06-03

136553: Hubei United Development Investment Group Co., Ltd.'s second informative announcement on the resale of "16 Liantou 01" 2021-06-03

136583: Announcement of changes in the supervisors of Beijing New Building Materials Group Co., Ltd. 2021-06-03

136827: Interim report on the entrusted management affairs of CITIC Securities Co., Ltd. on the appointment of the general manager of State Grid Corporation of China 2021-06-03

143026: China Reserve Development Co., Ltd. Public Issuance of Corporate Bonds (First Tranche) 2021-06-03

143608: Weihai State-owned Capital Operation Co., Ltd. Public Issuance of 2018 Corporate Bonds (Phase 1) 2021 Bond Resale Implementation Results Announcement 2021-06-03

143714: Xinjiang Guanghui Industrial Investment (Group) Co., Ltd. Corporate Bonds 2021 first entrusted management affairs interim report 2021-06-03

143874: Xinjiang Guanghui Industrial Investment (Group) Co., Ltd. Corporate Bonds 2021 first entrusted management affairs interim report 2021-06-03

143983: State Power Investment Group Co., Ltd. Public Issuance of 2018 Renewable Corporate Bonds (Second Tranche) 2021 Interest Payment Announcement 2021-06-03

153171: Notice of the first bondholders meeting in 2021 on the public issuance of 2019 innovation 2021-06-03



Contact us

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