

Headline news

⇒ Evergrande reaches a settlement

Evergrande's collapse in 2021, which triggered a major property slump, was a test of the robustness and interconnectedness of the Chinese capital markets ecology. Between regulators, government policy, legal rights of creditors, etc, it was unclear that any kind of acceptable outcome would be possible. There have been precedents in other countries where overseas investors found judicial systems hostile to their legal rights after a major collapse. But this week a restructuring was announced that appears to have satisfied international creditors, so a real-world hurdle has been cleared.

⇒ Rates bobbing like boats

There was little consistency across curves this week. Rates at both short and long end fell a basis point or 3, but rates in the middle moved up and the benchmark DragonX10 dropped by ¥1.2, -0.1%. It is hard to discern much of a trend at the moment.

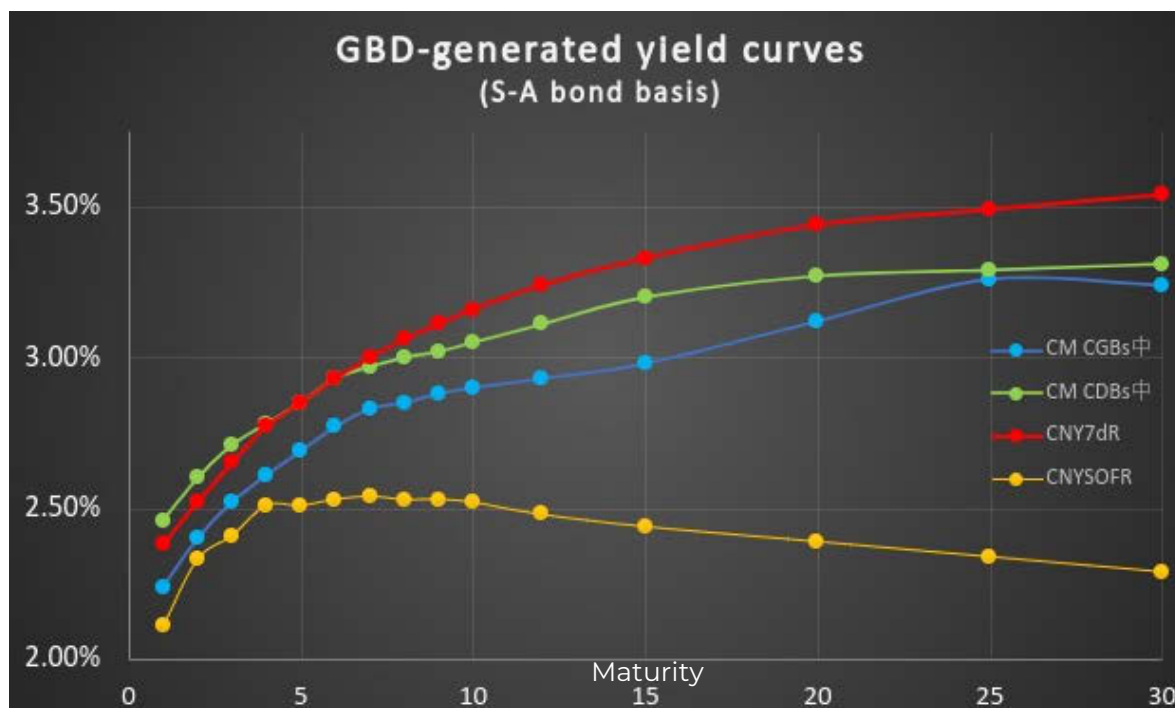
7-day repo 1.90% ▼

5Y CNY7dR 2.85% --

10Y CM CGB[#] 2.90% ▲

DragonX10[#] ¥1005.2 ▼

Arrows indicate direction v. previous week. [#] denotes a GBD product



GB Dragon's current proprietary data

- Our performance DragonX indices (1, 5, 10 and 30y) for CGBs
- 30-year curves for
 - ◊ Swaps and currency forwards in a broad range of markets
 - ◊ Par and zero-coupon interest rate swap curves
 - ◊ Constant maturity (CM) China Government and China Development Bank bonds

Click "Subscribe" to receive this newsletter weekly

Subscribe

Email us

GB-Dragon.com

Disclaimer: all information is from sources believed by GB Dragon Ltd to be reliable but we make no representation as to its accuracy. GB Dragon Ltd shall not be held liable for the consequences of reliance on anything contained herein. Use of this newsletter constitutes acceptance of this disclaimer. DragonX is a UK-registered trademark of GB Dragon Ltd.