

Lianhe Global Participated in “China Bond Market and Credit Rating System” Forum held by HKIFA

On 4 January 2023, Lianhe Ratings Global Limited (“Lianhe Global”) participated in the “China Bond Market and Credit Rating System” face-to-face forum organized by Hong Kong Investment Funds Association (“HKIFA”) at the Hong Kong Bankers Club. Mr. Ben Yau, the Senior Director of Lianhe Global, participated in a 1-hour panel discussion and Q&A session about the China bond market and Chinese credit rating framework. The session attracted about 20 financial media journalists.



As a representative from Lianhe Global, Ben firstly shared his outlook on the Chinese offshore bond capital market. In the coming two years, re-financing needs would be one of the key factors driving issuances in the market as property issuers would face maturity wall in Q1 2023, and local investment and development companies (LIDCs) would continue to contribute steadily in terms of maturity scale for each quarter. He expects that contracted sales recovery prospect of China property issuers would be one of the key drivers for the credit profiles of Chinese issuers. Next, Ben shared his views on the development of the China credit rating industry. He highlighted some challenges faced by Chinese credit rating agencies when developing overseas, such as the dominant market position of the 3 largest international rating agencies (“Big 3”), and the investment guidelines of international investors which only take reference of ratings from the Big 3. However, Hong Kong regulators such as Hong Kong Monetary Authority and Mandatory Provident Fund Schemes Authority could help tackle the challenges by also recognizing Chinese international rating agencies as external credit assessment institutions. Lastly, he expected that providing ESG services would be the new trend in the China credit rating industry.

About Lianhe Global

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