

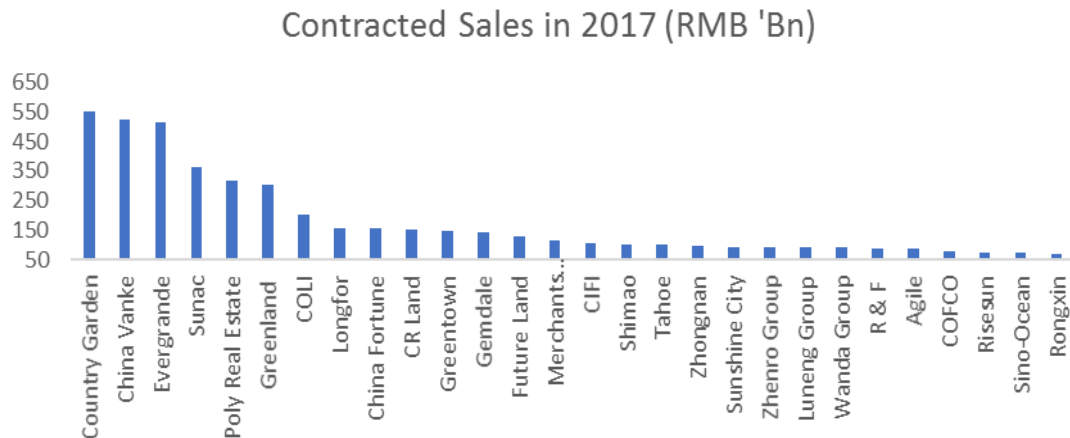
## AMTD Property Weekly

Date: 1 Jan 2018 - 7 Jan 2018

### China Property News

#### Property Sales Tracker

Contracted sales above RMB 70 billion



Source: CRIC

#### Top 25 GFA sold in 2017



Source: CRIC

#### AMTD Outlook:

The majority of China property companies have gained significant rise on contracted sales in 2017. Three giants, **Country Garden [2007:HK]**, **China Vanke [2202:HK]** and **Evergrande [3333:HK]** achieved contracted sales more than 500 billion yuan. **Sunac [1918:HK]** came at the forth place with more than 300 billion yuan contracted sales, more than double of last year's. Most of the developers have achieved their sales target, especially **China Aoyuan [3883:HK]** achieved 137% of its year's target. China Aoyuan also achieved contracted sales more than 10 billion yuan in December.

## China Property Market and Policy Dynamics

### 1 China's Northwestern Lanzhou City Loosens Home-Purchase Curbs

Lanzhou to remove home-purchase restrictions in three remote districts in a bid to more “precisely” manage the property market in accordance with city’s conditions, according to statement put out by local housing bureau on Jan. 5th. The three districts include Xigu District, Jiuzhou Development Zone and Gaoping remote areas. Purchase restrictions remain in other three districts but social-security and tax documents no longer needed. Homes in four districts bought after new policy can’t be resold for three years. The new measures are to take effect on Jan. 8

**AMTD Outlook:** Inventory level is the key to measure the adjustment. We believe some cities with high inventory months will loosen their measures; core 1<sup>st</sup> tier and 2<sup>nd</sup> tier cities will maintain its measure to prevent home price surge in 2018.

According to CRIC only 5 out of 35 monitored cities have over 20 month of inventory level.

Source: Wind; Guandian Property

[Link: http://www.quandian.cn/article/20180105/195975.html](http://www.quandian.cn/article/20180105/195975.html)

### 2 Chinese real estate bond overdue this year

China's real estate enterprises will usher in the peak of bond maturities this year. According to the data from Bloomberg, top 10 developer with most finance needs include Sunshine City, China Fortune, Dalian Wanda, Evergrande Group, Country Garden, Yuzhou Real Estate, Greenland Holdings, Fosun International, China Construction and Overseas Chinese Town. In 2018, these developers need to refinance and repurchase a total of nearly 95.5 billion yuan worth of bonds.

Source: Bloomberg {NSN P226706K50YK <GO>}

### 3 Wuhan's land transaction in 2017 increased 37% yoy to 153.1 billion yuan, ranking the fourth in the country

Regarding transaction value of land, Wuhan amounted to 153.1 billion yuan in 2017, with an increase of 37% yoy, ranking the fourth only after Beijing, Hangzhou and Nanjing. In terms of land area, in 2017, a total of 180 transactions were completed in Wuhan, with an increase of 19 lands from 2016. The transaction area reached 11.2 million square meters, reaching a new high in recent five years.

Source: Guandian Property

[Link: http://www.quandian.cn/article/20180107/195994.html](http://www.quandian.cn/article/20180107/195994.html)

### 4 Nanjing introduced housing purchase policies for working talents

The new policy states that talents above a certain level can purchase housing without restrictions on household registration . Housing purchase subsidies are up to RMB 3 million.

Source: Guandian Property

[Link: http://www.quandian.cn/article/20180107/195991.html](http://www.quandian.cn/article/20180107/195991.html)

### 5 Beijing to see record high residential land sale

The city will sell 23 land lots for residential use to property developers from Jan 4 to Feb 6, according to data from Centaline Property Research Center. The total construction area of the land will exceed 3 million square meters, larger than the same period in any previous year.

Source: China Daily

[Link: http://www.chinadaily.com.cn/a/201801/05/WS5a4ee6aea31008cf16da5451.html](http://www.chinadaily.com.cn/a/201801/05/WS5a4ee6aea31008cf16da5451.html)

## Property Company News

### 1 Vanke [2202:HK] in US\$1.3 billion deal for CapitaLand stakes in China malls

**China Vanke Co. [2202:HK]** and its commercial property unit SCPG are part of a group buying stakes in 20 malls in China from Singapore's CapitaLand Ltd. in a \$1.3 billion deal. The net proceeds may be about S\$660 million (\$500 million), with a net gain of about S\$75 million, CapitaLand said in a statement Friday. Vanke said it teamed up with an entity called Triwater, in a deal that includes equity and shareholder loans.

Source: Bloomberg, {NSN P22IX06S972A <GO>}

### 2 Wanda Commercial cut to 'BB+' at Fitch; Remains watch negative

**Dalian Wanda Commercial Property** long-term foreign-currency issuer default rating cut to BB+ from BBB at Fitch Ratings; maintains rating watch negative. Rating watch negative reflects continued lack of definitive funding channels in place to boost Wanda's offshore liquidity

Source: Bloomberg {NSN P1Z40R6VDKHS <GO>}

### 3 China Aoyuan [3883:HK] unaudited Dec contract sales rise 230% YoY

**China Aoyuan Property [3883:HK]** said the Group achieved unaudited contracted sales of about Rmb11.2 billion in December, an increase of 230% from a year earlier. Accumulated unaudited contracted sales for January to December 2017 were about Rmb 45.59 billion, an increase of 78% over the corresponding period of 2016, and it is 137% of 2017's target.

Source: Company announcement, Guandian Property

Link: <http://www.guandian.cn/article/20180103/195805.html>

### 4 Logan Property [3380:HK] 2017 contracted sales up 51%

**Logan Property [3380:HK]** said the contract sales of the Group amounted to about Rmb5.28 billion in December, an increase of 1.9 times from a year earlier. The gross floor area of contract sales was about 267,000 square metres with ASP of Rmb 19,393. The contract sales for the twelve months ended 31 December 2017 amounted to about Rmb43.42 billion, representing a year-on-year increase of 51.2%.

Source: Company announcement; Guandian Property

Link: <http://www.guandian.cn/article/20180103/195865.html>

### 5 China major giants 2017 sales

**Country Garden [2007:HK]** came with the first place for total 2017 contracted sales with an amount of 550.8 billion, up 73.37% yoy. **China Vanke [2202:HK]** came as the second, with 529.9 billion contracted sales, up 45% yoy. **Evergrande [3333:HK]** achieved contract sales in 2017 of 500.96b yuan, up 34% yoy with ASP of 9,960 yuan/sqm, up 12.6%. Sunac contracted sales were 362.01 billion yuan in 2017.

Source: Company announcement

### 6 Big giants dominated China's property market in 2017.

According to CRIC, 3 developers had achieved contracted sales above 500 billion yuan in 2017. Besides, totally 17 developers achieved contracted sales above 100 billion yuan. The big and strong giants have dominated the market and this trend is going to continue in the year of 2018.

Source: CRIC

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