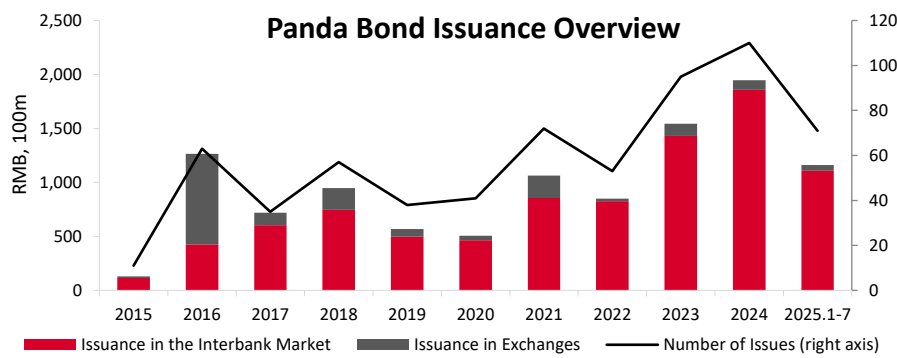# Navigating China's Panda Bonds
with S&P Global (China) Ratings

Panda bonds, which are **RMB-denominated bonds issued in China** by foreign entities, experienced explosive growth in 2024, reaching a record-high issuance scale that surpassed Japan's Samurai bonds. Issuers benefit from markedly lower RMB funding costs (3-4%) compared to USD or EUR bonds (5-7%), a disparity driven by China's low-interest-rate environment.

Thriving Market with Global Participation (2024)

Panda Bond Issuance Overview

Legend:
- Issuance in the Interbank Market
- Issuance in Exchanges
- Number of Issues (right axis)

Note: Excluding bank counter bonds.
Source: iFinD, compiled by S&P Global (China) Ratings.

36%
Foreign Issuers Participation in 2024.

Introducing S&P Global (China) Ratings

As China's first and only wholly foreign-owned credit rating agency, we provide a unique combination of global expertise and local presence to deliver unparalleled value for Panda Bond issuers.

Unique Position: The only full licensed, wholly-owned foreign CRA in China's interbank and exchange markets.

Transparent & Efficient: Transparent Panda Bond mapping methodology; Efficient rating process; Globally understood, high-transparency approach.

Global Network, Local Execution: One-stop service leveraging S&P Global Ratings' global opinion and surveillance; Simple interface with global and domestic teams.

Bilingual Communication: Webcasts, rating reports, and publications available in English & Chinese.

Unlock Global Investor Demand: Supports diversification of the investor base by attracting foreign investors.

Mitigate Reputation Risk: Domestically and globally recognized reputation and creditworthiness; Helps issuers refrain from potential reputation risks associated with local CRAs.

Sample Report: BMW AG

Credit Rating Report

BMW AG

Issuer Credit Rating*: AAAspc; Outlook: Stable

Rating Date: July 2, 2025
Date of Expiry: July 1, 2026

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Engaged Ratings for Panda Bond Issuers

Issuer	Rating	Outlook
Crédit Agricole S.A (Also with Bond Issuance)	AAAspc	Stable
BMW AG	AAAspc	Stable
BMW China Capital B.V.	AAAspc	Stable
Africa Finance Corporation	AAAspc	Stable
Sumitomo Mitsui Banking Corp (Matured)	AAAspc	Stable