

# Charting the Growth of Kungfu Bonds

## Kungfu Bonds take up the fight



An offshore USD-denominated bond issued by Chinese financial institutions and corporations



Tight regulations and rising funding costs in China have pushed many Chinese firms to shift their fund-raising activities from the onshore to offshore market in the past year



Chinese issuance of dollar bonds make up nearly 70% of corporate dollar bonds in Asia ex-Japan

## 2018 Kungfu Bond Issuances by Industry



56%  
Financials



18%  
Technology



8%  
Materials

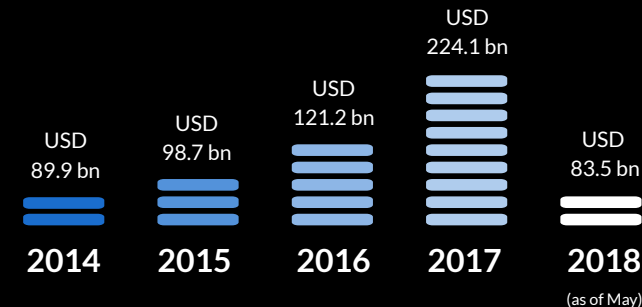


5%  
Utilities



3%  
Energy

## Market volume of Kungfu Bond Issuances



## Other Foreign Currency Bonds in Asia



Kungfu

An offshore USD-denominated bond issued by Chinese financial institutions and corporations



Domicile of issuance

Chinese companies

Type of issuers

USD

Denominating currency

USD 224.1 bn

Issuance volume in 2017

Total Issuance volume from 2015 to 2017

USD 443.4 bn



Dim Sum

A Chinese renminbi-denominated bond issued in offshore China markets



Domicile of issuance

Chinese and foreign companies, MNCs

Type of issuers

RMB

Denominating currency

USD 6.4 bn

Issuance volume in 2017

USD 38.9 bn

Total Issuance volume from 2015 to 2017



Panda

A Chinese renminbi-denominated bond issued by a non-Chinese entity in the People's Republic of China market



Domicile of issuance

Foreign issuer

Type of issuers

RMB

Denominating currency

USD 9.7 bn

Issuance volume in 2017

USD 28.5 bn

Total Issuance volume from 2015 to 2017



Samurai

A yen-denominated debt instrument traded in the Japanese domestic market but issued by a non-Japanese entity



Domicile of issuance

Non-Japanese corporates

Type of issuers

JPY

Denominating currency

USD 12.4 bn

Issuance volume in 2017

USD 40.9 bn

Total Issuance volume from 2015 to 2017



Kimchi

A non-won denominated bond issued in the South Korean market



Domicile of issuance

Foreign or domestic issuers

Type of issuers

Non-KRW

Denominating currency

USD 46.8 bn

Issuance volume in 2017

USD 137.2 bn

Total Issuance volume from 2015 to 2017

## Top Recent Issuers of Kungfu Bonds

Rank	Company	2018 (as of May)		2017	
		Total Issuance (MM USD)	Company	Total Issuance (MM USD)	
1	Tencent Holdings	10,000	China Petrochemical Corp	13,300	
2	Industrial & Commercial Bank	5,090	People's Republic of China	13,050	
3	China National Chemical Corp	4,950	Industrial & Commercial Bank	12,715	
4	Bank of China	3,823	State Grid Corp of China	10,000	
5	State Grid Corp of China	3,500	China Evergrande Group	9,124	

\*Special Drawing Rights (SDRs); RMB is the settlement currency