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China

Industry  
**China Property**

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Property  
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**Industry Update**

## Hohhot property tour takeaways

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### A relatively healthy property market in a Tier-3 city

We recently visited the property market in Hohhot, a Tier-3 city in Inner Mongolia. Overall, the scenario in Hohhot is very different from Erdos, another city in Inner Mongolia, which some bearish market participants tend to refer to as a "ghost town" in China. The property market in Hohhot is driven more by end-user demand from city dwellers and those living in other parts of Inner Mongolia. There have not been significant rises in ASPs in the past, so there is now also less downward pressure on property prices.

### Adequate land supply in the city has had limited ASP growth in the past

Compared with the Tier-1 and bigger Tier-2 cities, where new land supply in the city-center areas is more limited, there is still adequate new land supply in Hohhot's city center, especially as city center areas continue to expand on the back of the city's economic growth. With this adequate new land supply, there has been less drastic property price appreciation in Hohhot than in Tier-1/2 cities, and, consequently, we now expect there to be much less pressure for ASPs in the city to decline compared with Tier-1/2 cities.

### Around 40% of homebuyers pay completely in cash when buying properties

According to property consultants and the sales managements of developers, about 40% of homebuyers pay completely in cash when buying homes in Hohhot. For low- to mid-end projects, the buyers are mainly domestic citizens in Hohhot, while, for higher-end projects, about 50% of the buyers tend to be from other parts of Inner Mongolia, and these people like to have homes in Hohhot because it has more pleasant city living conditions, especially as it can be very cold in Inner Mongolia during winter.

### COGO's quality products set new standards in Hohhot

Given the adequate supply in Hohhot and, hence, potential competition, to achieve premium pricing and higher margins, a developer would need to have strong execution ability, differentiated property products and flexible pricing. We believe COGO is one such developer that can achieve this. Given COLI's (COGO's parent) expertise, COGO is able to develop quality properties that set new standards in Hohhot's property market, and it has achieved strong sales responses. According to Hopefluent, a property consultant in Inner Mongolia, homebuyers in Hohhot regard COGO as one of the top developers in the city.

### Our top picks: COLI, CR Land, CSCI, COGO, Longfor, Evergrande and R&F

Given the rising risks of an economic slowdown and the growing pressure for deeper ASP cuts, we expect more monetary loosening by the central government and partial relaxation by local governments in 1H12. If our expected 10-20% ASP declines in Tier-1/2 cities are realized, we expect a greater likelihood of some adjustments to property market tightening in 2H12. Our top picks among the bigger caps are COLI, CR Land, COGO, CSCI, R&F, Longfor and Evergrande.

### Selected smaller-cap, longer-term growth ideas are also interesting

For smaller-cap, longer-term growth stories, we highlight Central China Real Estate, C C Land and Kaisa, given their prime location projects in lower Tier-2 and Tier-3/4 cities, and Sunac, given its strong sales momentum. We value China property shares based on NAV and DCF methods. Key risks: widespread financial distress and changes in the government's policy responses.

### Top Picks

(0081.HK),HKD6.83	Buy
COLI (0688.HK),HKD14.84	Buy
(3311.HK),HKD5.96	Buy
(1109.HK),HKD13.74	Buy
Longfor (0960.HK),HKD9.90	Buy

### Companies Featured

(0081.HK),HKD6.83	Buy
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	2010A	2011E	2012E
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P/E(x)	3.5	5.3	4.3
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EV/EBITDA(x)	1.4	3.7	0.0
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Price/book(x)	1.0	2.0	1.4
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COLI (0688.HK),HKD14.84	Buy
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	2010A	2011E	2012E
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P/E (x)	10.4	9.6	8.1
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EV/EBITDA (x)	7.3	5.9	4.3
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Price/book (x)	2.1	1.9	1.6
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(3311.HK),HKD5.96	Buy
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	2010A	2011E	2012E
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P/E(x)	11.2	13.9	11.0
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EV/EBITDA(x)	12.7	12.9	7.7
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Price/book(x)	4.6	2.3	2.0
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(1109.HK),HKD13.74	Buy
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	2010A	2011E	2012E
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P/E (x)	19.4	12.9	10.1
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EV/EBITDA (x)	11.9	10.6	7.2
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Price/book (x)	1.7	1.4	1.3
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Longfor (0960.HK),HKD9.90	Buy
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	2010A	2011E	2012E
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P/E(x)	15.0	9.7	6.7
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EV/EBITDA(x)	10.2	6.6	4.6
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Price/book(x)	3.0	2.1	1.7
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Evergrande (3333.HK),HKD3.78	Buy
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	2010A	2011E	2012E
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P/E(x)	7.3	4.9	3.6
--------	-----	-----	-----

EV/EBITDA(x)	5.6	4.3	3.2
--------------	-----	-----	-----

Price/book(x)	2.4	1.4	1.1
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Guangzhou R&F Prop (2777.HK),HKD7.15	Buy
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	2010A	2011E	2012E
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P/E(x)	9.4	3.7	3.1
--------	-----	-----	-----

EV/EBITDA(x)	5.9	3.6	2.7
--------------	-----	-----	-----

Price/book(x)	1.6	0.8	0.7
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Deutsche Bank AG/Hong Kong

All prices are those current at the end of the previous trading session unless otherwise indicated. Prices are sourced from local exchanges via Reuters, Bloomberg and other vendors. Data is sourced from Deutsche Bank and subject companies. Deutsche Bank does and seeks to do business with companies covered in its research reports. Thus, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision. DISCLOSURES AND ANALYST CERTIFICATIONS ARE LOCATED IN APPENDIX 1. MICA(P) 146/04/2011.



# A relatively healthy property market

## Adequate land supply in the city center

Hohhot has a population of about 4mn. As compared to the Tier-1 and bigger Tier-2 cities where new land supply in the city-center areas are more limited, there are still adequate new land supply in the city-center areas of Hohhot, especially that the city-center areas would continue to expand on the back of the economic growth in the city. With this adequate new land supply, there have been less drastic property prices appreciation in Hohhot than the Tier-1/2 cities, and consequently, we now also see much less pressures for ASPs in the city to come down when compared to the Tier-1/2 cities.

## Strong growth in residential sales volume in 2011

As another reference, while there were decreases in sales volume in the Tier-1/2 cities in 2011, there was a positive 42% YoY growth in residential sales volume in the first 11 months of 2012.

## Roughly about 40% of the homebuyers pay all cash when buying properties

According to the property consultants and the sales managements of the developers, roughly about 40% of the homebuyers pay all cash when buying homes in Hohhot. For low-mid-end projects, the buyers are mainly domestic citizens in Hohhot, while for higher-end projects, about 50% of the buyers could be from the other parts of Inner Mongolia and these people like to have homes in Hohhot because of the more pleasant city living conditions in Hohhot, especially that it could be very cold in Inner Mongolia during winter. As a reference, on the day of our visit, it was -20 degree Celsius in Hohhot, and we did not see that many people on the streets given the cold weather.

## COGO is regarded by Hohhot homebuyers as one of the top developers

With the adequate supply in Hohhot and hence the potential competition, to achieve premium pricing and higher margins, a developer would need to have strong execution ability, differentiated property products, and flexible pricing. COGO is one of such developers that can achieve this. With the expertise from COLI (COGO's parent), COGO is able to develop quality properties that set new standards in the Hohhot property market and achieved strong sales responses. According to Hopefluent, a property consultant with presence in Inner Mongolia, homebuyers in Hohhot regard COGO as one of the top developers in the city.

As a reference, COGO currently has 5 projects in Hohhot. Two of the projects have been launched and sold already, and COGO is launching the third project, The Arch, and the fourth project, Dragon Cove, in 2012. The Arch consists mainly of low-rise and high-rise apartments, while Dragon Cove has villa and low-rises. The target price for The Arch is about RMB6,000-7,000psm, while the target price for the villas at Dragon Cove is about RMB20,000psm.

As it is typically very cold during the winter in Hohhot, property sales activities would normally start to heat up only in April, so COGO is planning to have the major pushes for The Arch and Dragon Cover only starting April. Given the success of COGO's first two projects in Hohhot and the strong brand name of COGO among the homebuyers in



the city, the project manager of COGO expect sales to be strong when the two projects are launched.

### High-quality, mid-market retail mall also doing very well

In addition to the residential projects in Hohhot, we have also visited the shopping malls in Hohhot. Our finding is that while the high-end retail malls have relatively low traffic, Wanda Plaza, a newly open, mid-market shopping mall, has very strong traffic.

Wanda Plaza is a mixed-use development located in Xinhudong Street in the Saihan District in Hohhot. It has a GFA of about 1.2msm, including about a shopping mall of 168,000msm kept by Wanda as its investment properties. During our visit, the shopping mall is pretty much 100% leased, and we saw quite a lot of shoppers and visitors in the mall. There are various different types of retailers, including fashion brands like ZARA and fast food chains like Yoshinoya, KFC, McDonalds and Pizza Huts, and a cinema IMAX. For all these we see very strong traffic flows. For example, we have to wait in the queue at cinema for about 10 minutes for tickets.

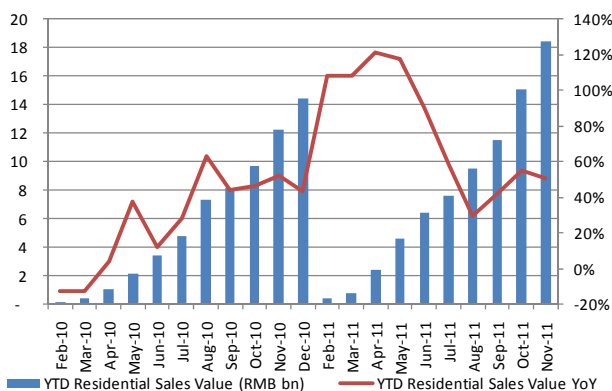
In our view, this strong retail scene in the Wanda Plaza reaffirms our view that the demand for good-quality in China is very strong, not only in the Tier-1/2 cities but also the Tier-3 cities. In addition, this demand should continue to grow on the back of continued economic growth in China. In addition, while the supply of shopping malls could be abundant in the Tier-2, Tier-3 cities in China, a good shopping mall could still differentiate itself against its competitors with good location, good building quality and design, and the right tenant mix.

Figure 1: Deutsche Bank Jan 2012 Hohhot property tour – key projects visited

Project	Developer	Type	GFA	ASP (RMB/sqm)	Price cuts / Discount
Purple Manor	COGO	mid-rise/high-rise/retail	224k	7,500	N/A
The Arch	COGO	mid-rise/high-rise/retail	210k	6,500	N/A
Times City (Phase II)	BBMG	mid-rise/high-rise/retail	320k	12,500	N/A
Xinli Saien Residence	Greenland	mid-rise/high-rise/retail	1.1m	TBD	N/A
Wanda Plaza	Wanda	mixed-use development	1.3m	7,300	5%

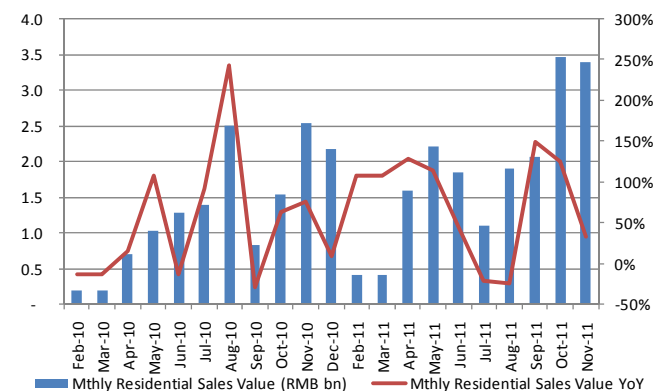
Source: Soufun, Deutsche Bank

Figure 2: Hohhot YTD Sales Value



Source: NBS, Deutsche Bank

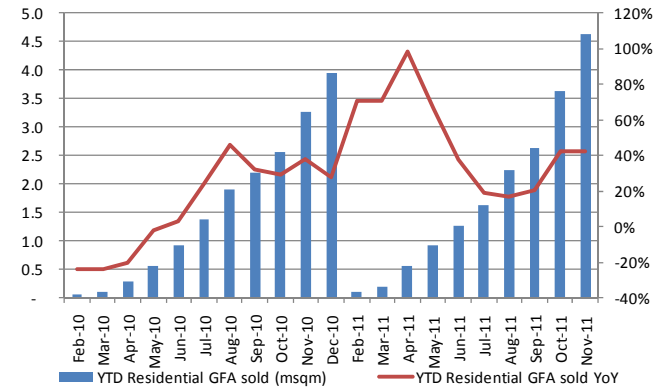
Figure 3: Hohhot Monthly Sales Value



Source: NBS, Deutsche Bank

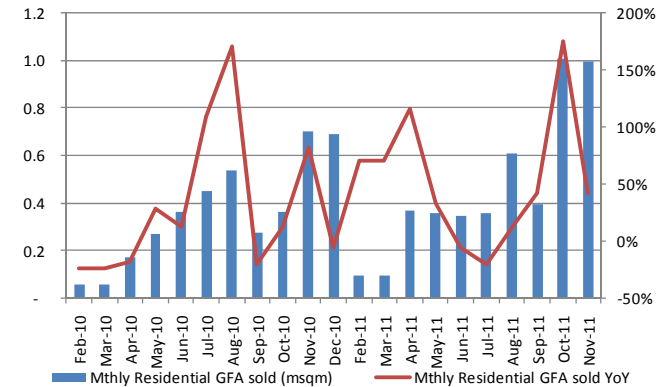


Figure 4: Hohhot YTD Sales Volume



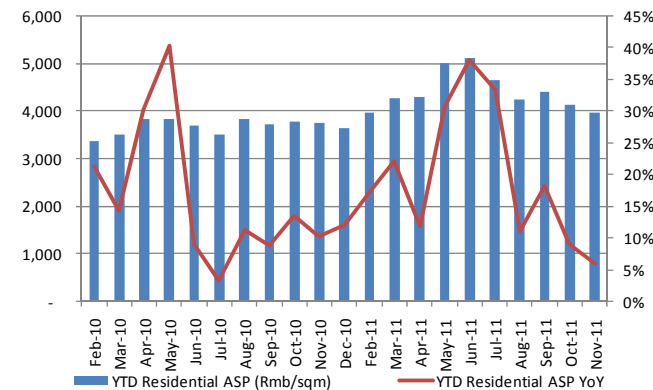
Source: NBS, Deutsche Bank

Figure 5: Hohhot Monthly Sales Volume



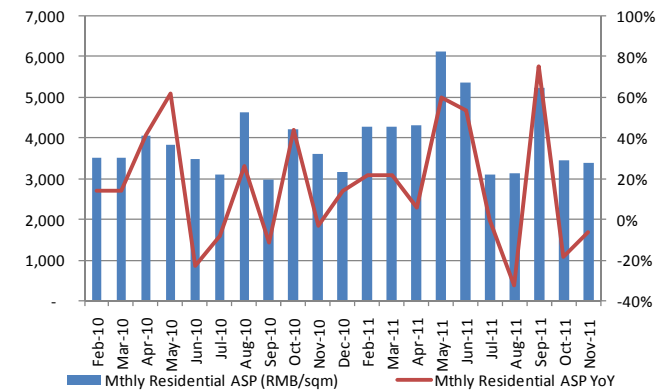
Source: NBS, Deutsche Bank

Figure 6: Hohhot YTD Sales Price



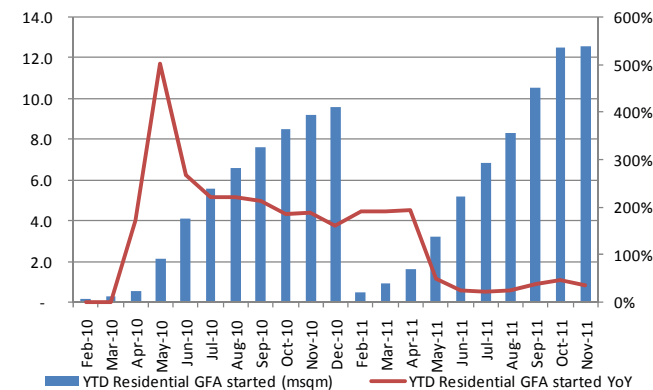
Source: NBS, Deutsche Bank

Figure 7: Hohhot Monthly Sales Price



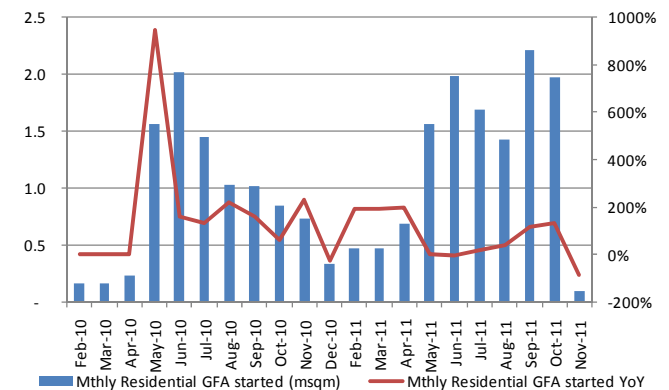
Source: NBS, Deutsche Bank

Figure 8: Hohhot YTD GFA Started



Source: NBS, Deutsche Bank

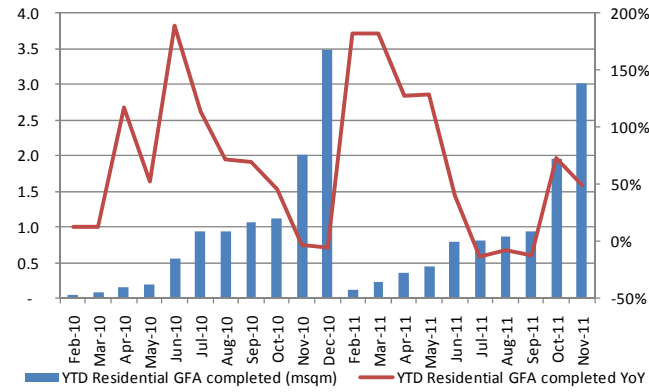
Figure 9: Hohhot Monthly GFA Started



Source: NBS, Deutsche Bank

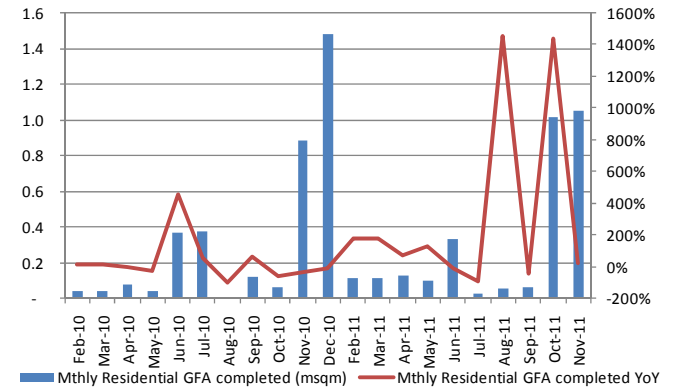


Figure 10: Hohhot YTD GFA Completed



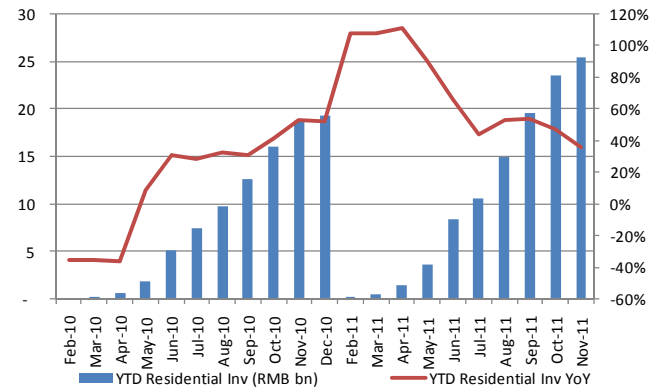
Source: NBS, Deutsche Bank

Figure 11: Hohhot Monthly GFA Completed



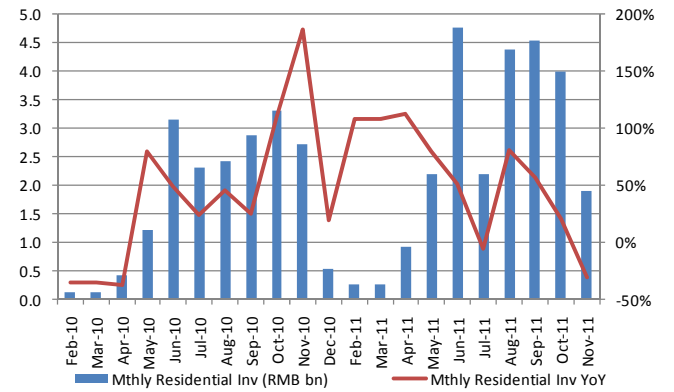
Source: NBS, Deutsche Bank

Figure 12: Hohhot YTD Property Investment



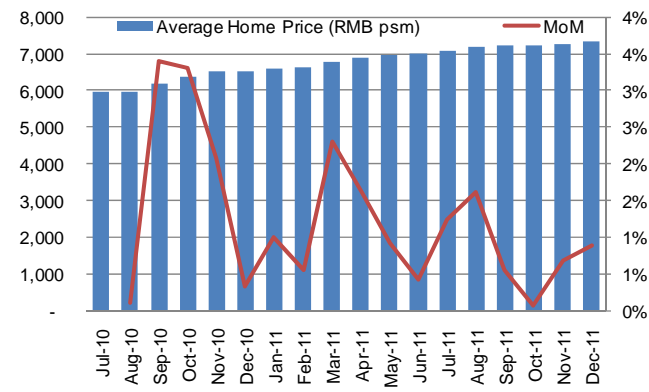
Source: NBS, Deutsche Bank

Figure 13: Hohhot Monthly Property Investment



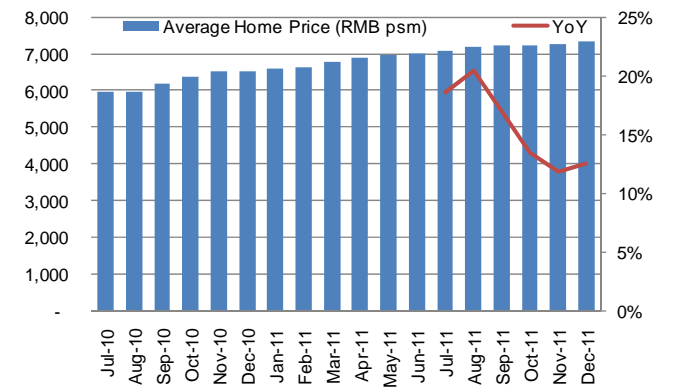
Source: NBS, Deutsche Bank

Figure 14: Home Price in Hohhot (downtown focus) MoM



Source: Soufun, Deutsche Bank

Figure 15: Home Price in Hohhot (downtown focus) YoY



Source: Soufun, Deutsche Bank



Figure 16: China property – valuation table

Company	Ticker	DB Rating	Trade Ccy	Report Ccy	Mkt Cap USDm	12M Daily T/O USDm	Jan 19 Price	Target Price	Implied Upside	Est. NAV	NAV Disc	EPS FY10A	EPS FY11F	EPS FY12F	PE(x) FY10A	PE(x) FY11F	PE(x) FY12F
<b>Covered</b>																	
COLI	688 HK	Buy	HKD	HKD	15,621	56.45	14.84	23.43	58%	26.0	-43%	1.20	1.55	1.83	12.3	9.6	8.1
China Vanke - A	000002 CH	Buy	CNY	CNY	13,313	70.94	7.79	12.33	58%	13.7	-43%	0.66	0.90	0.91	11.8	8.7	8.6
China Vanke - B	200002 CH	Buy	HKD	CNY	13,313	2.94	8.11	13.18	63%	14.7	-45%	0.66	0.90	0.91	10.0	7.3	7.2
CR Land	1109 HK	Buy	HKD	HKD	10,311	23.88	13.74	19.22	40%	24.0	-43%	0.85	1.07	1.36	16.2	12.9	10.1
Country Garden	2007 HK	Sell	HKD	CNY	7,614	6.51	3.54	1.78	-50%	4.5	-21%	0.16	0.32	0.39	18.4	9.1	7.5
Evergrande	3333 HK	Buy	HKD	CNY	7,251	44.39	3.78	8.30	120%	10.4	-64%	0.51	0.63	0.86	6.1	4.9	3.6
Longfor	960 HK	Buy	HKD	CNY	6,573	8.11	9.90	15.40	56%	19.2	-49%	0.80	0.84	1.22	10.0	9.6	6.6
Agile	3383 HK	Buy	HKD	CNY	3,905	18.60	8.79	12.50	42%	17.8	-51%	1.03	1.22	1.56	6.9	5.9	4.6
SOHO China	410 HK	Buy	HKD	CNY	3,869	5.99	5.79	7.31	26%	9.8	-41%	0.68	0.24	0.56	6.9	19.6	8.4
R&F	2777 HK	Buy	HKD	CNY	2,968	12.31	7.15	16.86	136%	28.1	-75%	1.05	1.55	1.86	5.5	3.7	3.1
Hui Xian REIT	87001 HK	Buy	CNY	CNY	2,895	7.29	3.65	4.23	16%	6.0	-40%	0.21	0.13	0.23	17.7	28.1	15.6
China State Con	3311 HK	Buy	HKD	HKD	2,753	10.23	5.96	10.03	68%	10.0	NA	0.35	0.44	0.56	17.0	13.5	10.6
Sino-Ocean	3377 HK	Hold	HKD	CNY	2,807	5.40	3.85	5.10	32%	8.6	-55%	0.33	0.46	0.64	9.5	6.9	4.9
Renhe	1387 HK	Buy	HKD	CNY	2,560	10.84	0.94	2.55	171%	3.9	-76%	0.17	0.23	0.31	4.4	3.3	2.5
Franshion	817 HK	Buy	HKD	HKD	1,947	2.03	1.65	3.39	105%	4.8	-66%	0.13	0.18	0.26	13.0	9.2	6.3
Shui On	272 HK	Buy	HKD	CNY	1,839	2.75	2.74	5.01	83%	8.4	-67%	0.15	0.18	0.36	14.9	12.5	6.1
Poly HK Inv	119 HK	Buy	HKD	HKD	1,757	10.27	3.78	10.95	190%	13.7	-72%	0.56	0.68	0.94	6.8	5.5	4.0
Yanlord	YLLG SP	Buy	SGD	CNY	1,719	5.45	1.13	2.10	87%	3.0	-62%	0.64	0.68	0.78	8.8	8.2	7.1
Yuexiu	123 HK	Buy	HKD	CNY	1,483	3.56	1.24	3.33	169%	4.8	-74%	0.13	0.17	0.32	7.5	5.8	3.1
COGO	81 HK	Buy	HKD	HKD	1,338	2.27	6.83	11.79	73%	14.7	-54%	0.97	1.28	1.60	7.1	5.3	4.3
Glorious	845 HK	Buy	HKD	CNY	1,235	3.61	1.23	4.51	267%	7.5	-84%	0.20	0.32	0.43	5.0	3.1	2.3
KWG	1813 HK	Buy	HKD	CNY	1,211	4.74	3.25	7.26	123%	10.4	-69%	0.42	0.69	0.86	6.3	3.8	3.1
Kaisa	1638 HK	Buy	HKD	CNY	954	2.65	1.51	4.00	165%	6.7	-78%	0.29	0.32	0.45	4.3	3.8	2.8
Sunac	1918 HK	Buy	HKD	CNY	885	0.83	2.29	5.37	134%	9.0	-74%	0.50	0.82	1.28	3.7	2.3	1.4
China SCE	1966 HK	Buy	HKD	CNY	584	0.36	1.59	2.98	87%	5.0	-68%	0.31	0.33	0.44	4.1	3.9	3.0
C C Land	1224 HK	Buy	HKD	HKD	567	1.57	1.73	4.62	167%	9.2	-81%	(0.02)	0.18	0.28	NA	9.4	6.2
Central China	832 HK	Buy	HKD	CNY	522	0.32	1.67	4.05	143%	6.7	-75%	0.24	0.42	0.57	5.5	3.3	2.4
E-House	EJ US	Buy	USD	USD	470	3.64	5.84	9.50	63%	NA	NA	0.82	(0.10)	0.50	7.1	NA	11.7
Minmetals	230 HK	Buy	HKD	HKD	374	0.52	0.87	2.68	208%	3.6	-76%	0.09	0.14	0.36	9.7	6.0	2.4
<b>Not Rated</b>																	
Shimao	813 HK	NR	HKD	CNY	3,518	16.83	7.88	NA	NA	NA	NA	1.32	1.21	1.30	4.9	5.3	4.9
NWCL	917 HK	NR	HKD	HKD	2,171	1.17	1.95	NA	NA	NA	NA	0.49	0.22	0.27	4.0	8.9	7.2
Mingfa	846 HK	NR	HKD	CNY	1,968	0.81	2.52	NA	NA	NA	NA	0.20	0.16	0.21	10.5	13.2	10.0
Hopson	754 HK	NR	HKD	HKD	1,096	1.84	4.90	NA	NA	NA	NA	3.43	1.21	1.25	1.4	4.0	3.9
Shenzhen Inv	604 HK	NR	HKD	HKD	715	1.25	1.53	NA	NA	NA	NA	0.37	0.30	0.28	4.1	5.2	5.5
Greentown	3900 HK	NR	HKD	CNY	706	1.26	3.34	NA	NA	NA	NA	0.93	1.27	1.60	2.9	2.1	1.7
Yuzhou	1628 HK	NR	HKD	CNY	594	0.13	1.92	NA	NA	NA	NA	0.40			3.9	NA	NA
BJ North Star	588 HK	NR	HKD	CNY	542	0.15	1.25	NA	NA	NA	NA	0.33	0.13		3.1	7.8	NA
Powerlong	1238 HK	NR	HKD	CNY	532	0.37	1.02	NA	NA	NA	NA	0.73	0.45	0.40	1.1	1.8	2.1
Fantasia	1777 HK	NR	HKD	CNY	530	0.62	0.79	NA	NA	NA	NA	0.17	0.18	0.21	3.8	3.5	3.1
Aoyuan	3883 HK	NR	HKD	CNY	334	0.20	0.99	NA	NA	NA	NA	0.12			6.5	NA	NA
Zhong An	672 HK	NR	HKD	CNY	327	0.12	1.07	NA	NA	NA	NA	0.16	0.07	0.07	5.4	12.4	12.4
BC Land	2868 HK	NR	HKD	CNY	199	0.58	1.51	NA	NA	NA	NA	0.45	0.54	0.57	2.7	2.3	2.1
SPG Land	337 HK	NR	HKD	CNY	185	0.15	1.37	NA	NA	NA	NA	0.85	0.68	0.46	1.3	1.6	2.4
<b>Overall average</b>											<b>-61%</b>		<b>7.4 7.3 5.6</b>				

Source: Deutsche Bank, Company, Bloomberg Finance LP



Figure 17: China property – valuation table (cont'd)

Company	Ticker	EPS growth %			BVPS			PB(x)			DPS			Dividends yield %			Net gearing %		
		10A	11F	12F	10A	11F	12F	10A	11F	12F	10A	11F	12F	10A	11F	12F	10A	11F	12F
<b>Covered</b>																			
COLI	688 HK	50.8	28.8	18.2	6.7	7.8	9.3	2.2	1.9	1.6	0.27	0.33	0.36	1.8	2.2	2.4	0.0	22.9	40.2
China Vanke - A	000002 CH	49.0	36.4	1.1	4.0	4.8	5.5	1.9	1.6	1.4	0.10	0.15	0.17	1.3	1.9	2.2	0.0	21.7	30.1
China Vanke - B	200002 CH	49.0	36.4	1.1	4.0	4.8	5.5	1.6	1.4	1.2	0.10	0.15	0.17	1.5	2.3	2.6	0.0	21.7	30.1
CR Land	1109 HK	40.4	25.7	27.0	8.5	9.6	10.6	1.6	1.4	1.3	0.31	0.31	0.31	2.3	2.3	2.3	0.0	46.8	34.4
Country Garden	2007 HK	16.9	102.9	21.1	1.4	1.7	2.0	2.1	1.7	1.4	0.10	0.11	0.13	3.3	3.8	4.5	0.0	74.0	107.9
Evergrande	3333 HK	NA	25.2	36.5	1.4	2.2	2.8	2.2	1.4	1.1	0.13	0.16	0.22	4.1	5.1	7.0	0.0	88.0	86.9
Longfor	960 HK	49.9	4.2	45.4	3.1	3.8	4.8	2.6	2.1	1.7	0.10	0.13	0.18	1.2	1.6	2.3	0.0	43.0	51.0
Agile	3383 HK	85.3	18.4	27.9	5.4	6.4	7.7	1.3	1.1	0.9	0.29	0.24	0.31	4.1	3.4	4.4	0.0	53.9	38.1
SOHO China	410 HK	106.1	-64.7	133.3	3.7	4.3	4.6	1.3	1.1	1.0	0.26	0.26	0.26	5.5	5.5	5.5	0.0	-3.0	-13.0
R&F	2777 HK	67.0	48.0	19.6	6.1	7.3	8.6	0.9	0.8	0.7	0.50	0.55	0.65	8.6	9.5	11.2	0.0	94.4	75.1
Hui Xian REIT	87001 HK	-3.2	-37.2	79.9	2.7	5.1	5.1	1.4	0.7	0.7		0.16	0.27	0.0	4.4	7.4	0.0	0.0	-0.6
China State Con	3311 HK	40.6	25.7	27.3	1.5	2.7	3.0	3.9	2.2	2.0	0.11	0.12	0.13	1.8	2.0	2.2	0.0	35.0	49.2
Sino-Ocean	3377 HK	43.5	38.3	40.4	5.5	6.3	6.8	0.6	0.5	0.5	0.13	0.15	0.17	4.2	4.8	5.5	0.0	45.9	59.1
Renhe	1387 HK	-8.1	33.0	31.3	0.6	0.8	1.0	1.2	0.9	0.7	0.07	0.08	0.09	9.4	10.6	12.0	0.0	-25.12	-2.56
Franshion	817 HK	6.1	41.4	44.4	2.4	2.6	2.8	0.7	0.6	0.6	0.03	0.04	0.05	1.8	2.4	3.0	0.0	26.0	13.0
Shui On	272 HK	0.0	19.1	104.0	4.8	5.1	5.7	0.5	0.4	0.4	0.11	0.13	0.13	4.9	5.8	5.8	0.0	51.5	63.9
Poly HK Inv	119 HK	86.0	22.5	37.5	6.1	6.8	7.9	0.6	0.6	0.5	0.16	-	-	4.1	0.0	0.0	0.0	64.2	59.1
Yanlord	YLLG SP	3.5	6.8	15.2	6.7	7.4	8.1	0.8	0.8	0.7	0.02	0.07	0.09	0.3	1.3	1.5	0.0	32.6	15.2
Yuexiu	123 HK	NA	29.7	83.8	1.9	2.0	2.3	0.5	0.5	0.4	0.05	0.07	0.08	5.0	6.9	7.9	0.0	42.3	33.3
COGO	81 HK	NA	32.6	24.7	3.5	3.5	5.0	2.0	2.0	1.4	0.10	0.10	0.20	1.5	1.5	2.9	0.0	0.7	1.8
Glorious	845 HK	-21.9	59.4	35.6	1.9	2.2	2.6	0.5	0.5	0.4	-	0.05	0.07	0.0	5.0	6.8	0.0	65.2	32.9
KWG	1813 HK	18.9	65.7	24.8	4.0	4.6	5.4	0.7	0.6	0.5	0.06	0.06	0.06	2.3	2.3	2.3	0.0	32.2	2.3
Kaisa	1638 HK	184.7	11.2	39.6	2.0	2.4	2.8	0.6	0.5	0.4	-	-	-	0.0	0.0	0.0	0.0	30.6	28.5
Sunac	1918 HK	81.2	64.8	56.4	1.8	2.6	3.9	1.1	0.7	0.5	-	-	-	0.0	0.0	0.0	0.0	40.6	-0.6
China SCE	1966 HK	74.6	5.3	31.6	1.3	1.5	1.9	1.0	0.8	0.7	0.09	0.07	0.07	7.0	5.4	5.4	0.0	36.9	37.2
C C Land	1224 HK	-83.3	NA	51.7	4.8	5.0	5.2	0.4	0.3	0.3	0.04	0.04	0.05	2.3	2.3	2.9	0.0	-3.5	32.6
Central China	832 HK	30.0	69.6	37.4	3.6	3.7	3.9	0.4	0.4	0.3	0.10	0.12	0.14	7.4	8.8	10.3	0.0	47.1	48.2
E-House	EJ US	-35.6	NA		11.2	7.9	7.9	0.5	0.7	0.7	-	-	0.02	0.0	0.0	0.3	0.0	-61.2	-57.0
Minmetals	230 HK	52.5	60.0	147.9	1.8	1.9	2.3	0.5	0.5	0.4	0.01	0.01	0.01	1.1	1.1	1.1	0.0	13.8	-54.2
<b>Not Rated</b>																			
Shimao	813 HK	29.6	-8.5	8.0	7.5	8.4	9.3	0.9	0.8	0.7	0.33	0.37	0.38	5.2	5.8	5.9	5.9	82.1	92.5
NWCL	917 HK	60.3	-55.0	22.7	6.3	6.5	5.3	0.3	0.3	0.4	0.07	0.06	0.06	3.5	3.2	3.2	3.2	25.1	NA
Mingfa	846 HK	3.2	-20.5	32.3	0.9	1.0	1.2	2.2	2.0	1.8	0.06	0.08	0.09	3.1	3.8	4.5	4.5	47.0	NA
Hopson	754 HK	-9.0	-64.6	2.6	21.8	20.2	21.4	0.2	0.2	0.2	0.17	0.15	0.17	3.5	3.1	3.4	3.4	55.3	69.2
Shenzhen Inv	604 HK	26.6	-21.3	-5.8	3.8	4.0	4.1	0.4	0.4	0.4	0.14	0.14	0.13	9.2	9.0	8.5	8.5	48.4	NA
Greentown	3900 HK	45.3	36.0	26.2	6.2	7.2	8.4	0.4	0.4	0.3	0.46	0.28	0.35	16.9	10.4	12.7	12.7	212.2	259.3
Yuzhou	1628 HK	-31.0	NA	NA	1.9			0.8	NA	NA	0.09			5.9	NA	NA	NA	45.1	NA
BJ North Star	588 HK	-27.2	-60.2	NA	3.8			0.3	NA	NA	0.02			2.0	NA	NA	NA	60.4	NA
Powerlong	1238 HK	-22.8	-37.5	-11.7	2.7	3.6	3.8	0.3	0.2	0.2	0.06	0.07	0.09	7.2	8.6	10.8	10.8	31.9	NA
Fantasia	1777 HK	70.0	8.2	13.0	0.9	1.1	1.3	0.7	0.6	0.5	0.03	0.04	0.05	5.2	6.8	7.6	7.6	73.1	112.1
Aoyuan	3883 HK	-7.0	NA	NA	2.3			0.4	NA	NA	0.03			4.1	NA	NA	NA	21.4	NA
Zhong An	672 HK	-8.8	-56.3	0.0	2.0	2.5	1.8	0.4	0.3	0.5	-			0.0	NA	NA	NA	38.1	NA
BC Land	2868 HK	70.5	19.9	5.5	2.6	3.0	3.6	0.5	0.4	0.3	0.18	0.17	0.18	14.7	13.6	14.9	14.9	27.0	76.6
SPG Land	337 HK	31.5	-20.0	-31.7	4.2	5.2	5.6	0.3	0.2	0.2	0.07	0.05	0.04	5.8	4.1	3.1	3.1	98.5	NA
<b>Overall average</b>		<b>30.4</b>	<b>13.6</b>	<b>33.5</b>				<b>1.0</b>	<b>0.9</b>	<b>0.7</b>				<b>4.0</b>	<b>4.4</b>	<b>5.0</b>	<b>1.9</b>	<b>42.0</b>	<b>42.7</b>

Source: Deutsche Bank, Company, Bloomberg Finance LP





# Appendix 1

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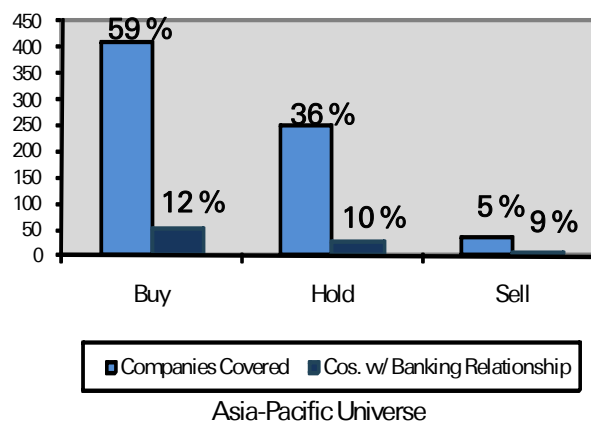
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