

China Power Successfully Issues 2 Billion Three-year Term Panda Bonds

On 12 October, China Power successfully issued the panda bonds in an amount of RMB2 billion for a term of three years in the inter-bank market. The bonds have a term of three years with a coupon rate of 4.15%, down 10% compared with the benchmark rate for three-year term loans.

The bond issuance received enthusiastic response from banks, securities companies and other institutional investors. Capitalising on the implementation of the reserve ratio reduction policy announced by the central bank on 7 October, the bonds were issued with limited subscription by investors. The comprehensive cost of the issuance is lower than that of the issuance initiated by those AAA-rated stated-owned enterprises during the same period. Favoured by the capital market, the issuance helps promote the corporate brand of China Power, enhance the company's reputation, lower its financing level and further optimise the structure of the short and long-term debts.