

Financial Market Report (September 2025)

1. Bond Issuance

In September, the bond market saw a total issuance of RMB8102.78 billion. The issuances of treasury bonds, local government bonds, financial bonds, corporate credit bonds,¹ credit-asset-backed securities, and interbank certificates of deposit (CDs) reached RMB1490.49 billion, RMB851.91 billion, RMB1174.10 billion, RMB1340.73 billion, RMB36.57 billion, and RMB3162.78 billion, respectively.

As of end-September, outstanding bonds held in custody amounted to RMB193.1 trillion, including RMB170.5 trillion in the interbank bond market and RMB22.6 trillion in the exchange bond market. By bond type, treasury bonds, local government bonds, financial bonds, corporate credit bonds, credit-asset-backed securities, and interbank CDs in custody recorded outstanding amounts of RMB39.2 trillion, RMB53.5 trillion, RMB44.1 trillion, RMB34.2 trillion, RMB1.0 trillion, and RMB20.0 trillion, respectively. Commercial bank over-the-counter (OTC) bonds in custody recorded an outstanding amount of RMB233.59 billion.

2. Bond Market

In September, cash bond trading in the interbank bond market saw a turnover of RMB32.7 trillion, with the daily average standing at RMB1.4

¹ Including debt-financing instruments issued by non-financial institutions, asset-backed notes, enterprise bonds, corporate bonds, and exchange-traded asset-backed securities.

trillion, up by 7.3 percent year on year but down by 9.7 percent month on month. Of the total turnover, transactions with each trade between RMB5 million and RMB50 million accounted for 50.13 percent, while those with each trade above RMB90 million made up 43.82 percent. The average value per trade was RMB40.293 million. The turnover of cash bond trading in the exchange bond market was RMB4.8 trillion, averaging RMB215.95 billion per day. A total of 103,000 transactions were done in the commercial bank OTC bond market, registering a turnover of RMB69.5 billion.

3. Bond Market Opening-up

As of end-September, overseas institutions held RMB3.8 trillion, or 2.0 percent, of the outstanding bonds in custody in China's bond market. Specifically, their holdings in the interbank bond market amounted to RMB3.8 trillion. By bond type, overseas institutions held RMB2.0 trillion, or 52.9 percent, of treasury bonds, RMB0.9 trillion, or 22.8 percent, of interbank CDs, and RMB0.8 trillion, or 20.4 percent, of policy bank bonds.

4. Money Market

In September, transactions in the interbank lending market totaled RMB9.3 trillion, rising by 21.8 percent year on year and by 5.3 percent month on month. Bond repo transactions totaled RMB159.0 trillion, representing a year-on-year increase of 25.6 percent and a month-on-month decrease of 0.6 percent. Repo transactions of exchange-traded standardized bonds reached RMB56.9 trillion, up by 39.8 percent year on year and by 7.6 percent month on month.

In September, the monthly weighted average interest rate on interbank lending and that on pledged repos stood at 1.45 percent and 1.46 percent, respectively, increasing both by 5 bps month on month.

5. Bill Market

In September, commercial drafts that were accepted totaled RMB3.5 trillion while those discounted amounted to RMB2.6 trillion. As of end-September, the outstanding amounts of accepted commercial drafts and those discounted stood at RMB20.1 trillion and RMB15.5 trillion, respectively.

In September, a total of 114,000 micro, small, and medium-sized enterprises (MSMEs) issued bills, accounting for 93.5 percent of all the issuing enterprises. Bills issued by MSMEs reached RMB2.6 trillion, making up 72.6 percent of the total bill issuance. Of all the enterprises that discounted bills, 132,000, or 96.6 percent, were MSMEs. The bills they discounted registered RMB2.0 trillion, accounting for 74.7 percent of the total amount of discounted bills.

6. Stock Market

At end-September, the SSE Composite Index closed at 3882.8, up by 24.9 points, or 0.6 percent, month on month, while the SZSE Component Index closed at 13526.5, up by 830.4 points, or 6.5 percent, month on month. In September, the average daily turnover on the Shanghai Stock Exchange increased by 7.9 percent month on month to RMB1032.21 billion, while that on the Shenzhen Stock Exchange rose by 2.8 percent month on month to RMB1360.49 billion.

7. Structure of Bond Holders in the Interbank Bond Market

As of end-September, there were 3,988 institutional investors in the interbank bond market in terms of incorporated entities, all of which were financial institutions. By the size of bond holdings, the top 50 investors in corporate credit bonds,² mainly including publicly offered funds (asset management), large state-owned commercial banks (proprietary), and insurance financial institutions (asset management), accounted for 53.3 percent of such holdings, while the top 200 investors held 84.0 percent. The biggest, smallest, average, and median numbers of holders for a corporate credit bond were 113, 1, 12 and 12, respectively. Of the total number of such credit bonds, 88.7 percent were held by no more than 20 investors.

In September, based on the trading volume of corporate credit bonds by incorporated entities, the top 50 investors, mainly including securities companies (proprietary), fund companies (asset management), and wealth management subsidiaries of banks (proprietary), conducted 61.49 percent of such transactions, while the transactions by the top 200 investors accounted for 91.59 percent.

(Sources: China Securities Regulatory Commission, China Central Depository & Clearing Co., Ltd., National Interbank Funding Center, Shanghai Clearing House, Shanghai Commercial Paper Exchange, Shanghai Stock Exchange, Shenzhen Stock Exchange, and Beijing Financial Assets Exchange)

² Statistics are reported separately for proprietary investors and agent investors, same below.