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China Property

Strong 5.1 Golden Week Sales Suggest Sales Momentum Reinforced

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CITI'S TAKE

Secondary volume +31%yoy in 25 key cities during the 5.1 Golden Week Holiday, per Ice Mountain Data. Cities with secondary volume increases of >60%yoy include: Dongguan, Ningbo, Nanchang, Suzhou, Xuzhou; those with >50% growth include: Guangzhou, Xiamen, Foshan; cities with >30% growth include: Wuxi, Xian, Hefei, Wuhan. CRIC data suggests a similar trend after 16 cities announced series of property policy easing amid a market recovery. New home sales in Tianjin +10%yoy, Wuhan +120%yoy, Hefei +70%yoy but Chengdu, Xian, Jinan were weak in terms of 5.1 new sales. Given a high base in 1H25 and a low base in 2H25 for developers' sales, we expect the strong momentum in yoy sales growth to be sustained into 2H26.

More broad-based recovery — We see the property market heat extending: i) from T1 cities of Shanghai & Shenzhen to more T2 cities, driven by industrial upgrade or an ample working population; ii) from secondary market to primary market since Apr-26; iii) from small-sized old units & luxury projects to mass-market projects from Apr-26; and iv) more developers reported sales growth in 4M26 (five names: Jinmao, COLI, COGO, CMSK, CRL) than in 1Q26 (two names: Jinmao & COLI).

One more difference from the previous cycle — i) A few cities (SZ, GZ) announced local property-sector easing after the Apr Politburo meeting. This round of local easing was announced amid a recovering property market, while previous local support mainly reflected a reaction to market weakness; ii) The increase in secondary listings seen in 1H25, after the relaxation of resales restrictions in 4Q24-1Q25, was largely driven by pent-up investor supply and is unlikely to repeat in 2026 (except in SH since Mar-26). Our previous analysis (link) suggested investment units in '17-21 have been largely absorbed by end-users in '21-25 in 8 cities (BJ, HZ, SH, NJ, CD, etc.). iii) Social media influence: positive news has been exerting growing influence on household expectations since Nov-25, driving improving sentiment. We expect the so-called HPF loans easing to assist sales as homebuyers shift to more positive expectations (but unlikely a key market driver).

Position for recovery; more positive signals in key cities since Mar-26 — We upgraded to a positive sector view (link) after more encouraging market data in Mar-Apr. In short, new home & secondary volumes in key cities turned to yoy growth in Apr with fewer sellers. The positive newsflow has exerted growing influence on household expectations since Nov-25, with improving sentiment. We see a slow recovery in key cities as an optimal scenario for property names amid policy support. We pick stocks based on '25 land purchase growth and ample '26E resources. Top picks: COLI & Jinmao (both achieved sales increases in 4M26), CRL, Poly Property, Seazen. We also like Beike on secondary volume growth from Apr.

See Appendix A-1 for Analyst Certification, Important Disclosures and Research Analyst Affiliations.

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Secondary Volume Growth Spread to More Cities

Figure 1. Secondary Volume: Growth Spread to More Cities in Apr-26

Apr 2025 Volume Apr 2026 Volume YoY Growth Rate

#	CITY	APR 2025	APR 2026	YOY	GROWTH INDICATOR
1	东莞 Dongguan	2,516	4,390	▲ 74%	
2	徐州 Xuzhou	1,411	2,430	▲ 72%	
3	无锡 Wuxi	3,478	5,914	▲ 70%	
4	宁波 Ningbo	5,118	8,187	▲ 59%	
5	南昌 Nanchang	2,427	3,811	▲ 57%	
6	佛山 Foshan	4,063	6,245	▲ 53%	
7	合肥 Hefei	6,961	10,241	▲ 47%	
8	西安 Xi'an	7,756	11,324	▲ 46%	
9	珠海 Zhuhai	1,926	2,794	▲ 45%	
10	大连 Dalian	3,059	4,392	▲ 43%	
11	南通 Nantong	1,661	2,391	▲ 43%	
12	苏州 Suzhou	5,630	7,963	▲ 41%	

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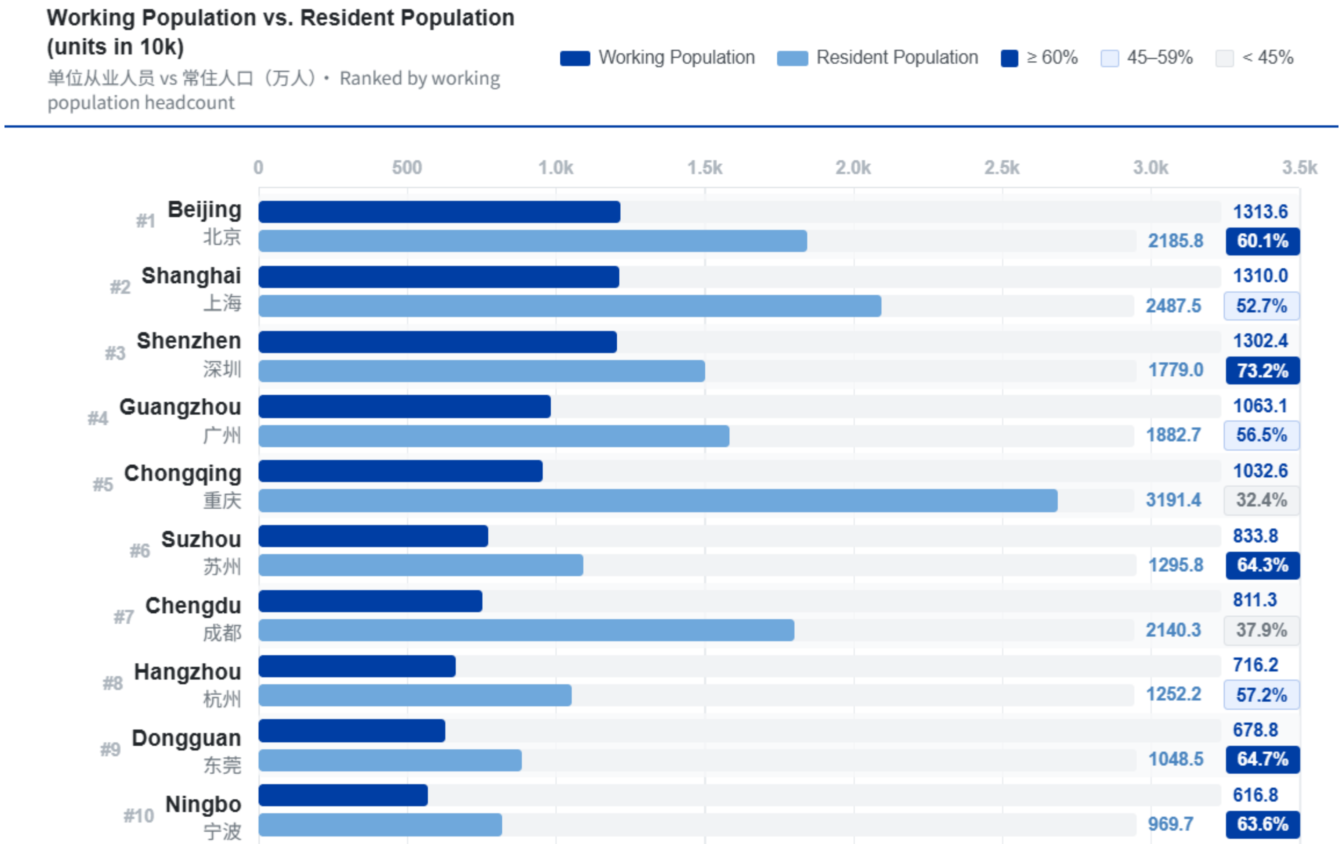
Data as of May 3, 2026

Source: 楼市日历 (Real Estate Market Calendar) , Citi Research

人在草木间

Figure 2. China Property – Key City Working Population vs. Resident Population (units in 10k persons)



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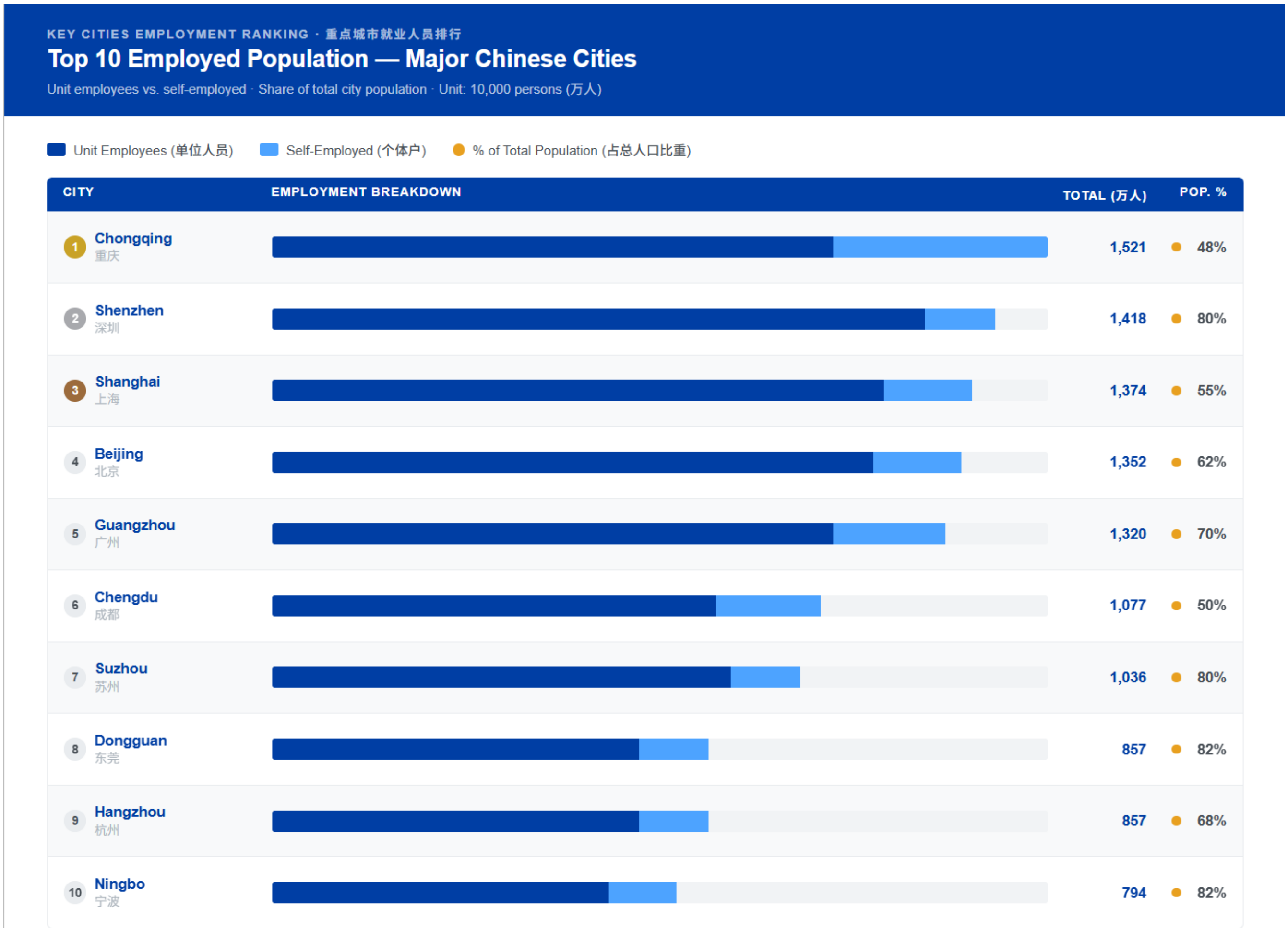
Source: NBS (Fifth National Economic Census), Citi Research

Figure 3. China Property – Top 10 Employed Population in Major Cities



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Source: NBS (Fifth National Economic Census), Citi Research. Note: Unit employees=secondary & tertiary industry legal entity employees.

Sector Valuations

Figure 4. China Property Sector — Valuations (6 May 2026 close) Citi Rating: 1 – Buy; 2 – Neutral; 3 – Sell; H – High Risk

Stock	RIC	6-May-26 Price	Mkt Cap (USDm)	Citi Rating	Est. NAV	NAV Disc	Target Price	P/E FY26E	P/E FY27E	P/E FY28E	P/B FY26E	P/B FY27E	P/B FY28E	Yield FY26E	Yield FY27E	Yield FY28E
China Property Names (H-share)																
C&D int'l	1908.HK	16.10	4,603	1	24.72	-35%	16.90	8.6	8.4	8.0	0.6	0.7	0.7	6.1%	6.2%	6.5%
CIFI	0884.HK	0.07	161	3H	0.32	-78%	0.06	N/A	N/A	NA	0.1	0.1	NA	-	-	-
COGO	0081.HK	3.06	1,390	1	6.93	-56%	2.68	10.9	10.4	9.6	0.3	0.3	0.3	3.1%	3.3%	3.6%
COLI	0688.HK	14.97	20,909	1	34.07	-56%	14.20	11.1	11.3	11.0	0.4	0.4	0.3	3.1%	3.1%	3.2%
Country Garden	2007.HK	0.27	1,522	3H	0.96	-72%	0.29	N/A	N/A	NA	-0.2	-0.1	NA	-	-	-
CR Land	1109.HK	35.34	32,160	1	71.60	-51%	35.80	9.7	9.5	9.1	0.7	0.7	0.7	3.8%	3.9%	4.1%
Greentow n	3900.HK	10.22	3,312	1	18.60	-45%	11.80	7.5	6.9	6.8	0.6	0.5	0.5	5.0%	5.4%	5.4%
Jinmao Group	0817.HK	1.81	3,121	1	3.80	-52%	1.90	14.9	13.8	12.4	0.3	0.3	0.3	1.7%	1.7%	2.1%
Longfor	0960.HK	8.46	7,663	1	22.25	-62%	11.10	NM	11.1	9.9	0.3	0.3	0.3	-	-	-
Midea Real Estate	3990.HK	3.31	606	1	3.68	-10%	5.90	5.4	4.9	NA	0.8	0.7	NA	12.3%	13.6%	0.0%
Poly Prop	0119.HK	2.07	1,009	1	10.14	-80%	2.80	17.0	4.9	4.1	0.2	0.2	0.2	2.3%	8.2%	9.7%
Seazen	1030.HK	2.28	2,113	1	10.68	-79%	3.20	16.4	11.9	8.4	0.3	0.3	0.3	-	-	-
Shenzhen Inv	0604.HK	0.85	965	1	3.00	-72%	0.90	12.7	11.2	12.0	0.2	0.2	0.2	3.1%	3.6%	4.0%
Sunac	1918.HK	1.17	2,487	2H	5.66	-79%	1.59	N/A	N/A	NA	0.4	0.5	NA	-	-	-
Vanke	2202.HK	3.15	6,596	3	18.02	-83%	2.20	N/A	N/A	N/A	0.3	0.4	0.5	-	-	-
Yuexiu	0123.HK	4.18	2,147	1	16.68	-75%	5.00	18.4	14.6	10.7	0.3	0.3	0.3	2.4%	3.1%	4.2%
Average for H-share						**-54%**		**9.7**	**9.2**	**8.6**	**0.6**	**0.6**	**0.5**	**3.3%**	**3.4%**	**3.5%**
China Property Names (A-share)																
CMSK	001979.SZ	9.05	11,946	1	18.29	-51%	11.00	34.7	35.5	36.0	0.8	0.8	0.8	1.1%	1.1%	1.1%
Gemdale	600383.SS	2.97	1,963	3H	10.00	-70%	3.00	NA	31.1	NA	0.2	0.2	NA	-	-	-
Hangzhou Binjiang	002244.SZ	10.03	4,569	1	NA	NA	11.00	16.4	16.7	16.5	1.0	0.9	0.9	0.6%	0.6%	0.6%
Poly Dev & Hldgs	600048.SS	6.40	11,216	1	13.06	-51%	7.00	106.9	20.0	11.0	0.4	0.4	0.4	0.4%	2.0%	3.7%
Vanke	000002.SZ	4.01	6,596	3	10.00	-60%	3.00	N/A	N/A	N/A	0.5	0.6	0.7	-	-	-
Average for A-share						**-47%**		**60.9**	**26.2**	**14.5**	**0.6**	**0.6**	**0.6**	**0.6%**	**1.1%**	**1.6%**
Overall Avg. for China Property Names						**-52%**		**21.2**	**12.5**	**9.6**	**0.6**	**0.6**	**0.6**	**2.4%**	**2.7%**	**2.9%**
Brokerage platform																
Beike	BEKE.N	18.13	21,114	1	NA	NA	24.40	21.3	20.0	19.0	2.1	2.0	2.0	2.1%	2.3%	2.4%
Beike	2423.HK	47.94	21,375	1	NA	NA	68.00	21.6	20.2	19.2	2.1	2.1	2.0	2.1%	2.2%	2.3%
Average for brokerage platform						**NA**		**21.3**	**20.0**	**19.0**	**2.1**	**2.0**	**2.0**	**2.1%**	**2.3%**	**2.4%**
Project Mgmt																
Greentow n Mgmt	9979.HK	2.26	577	1	NA	NA	2.65	9.4	9.0	8.8	1.1	1.0	1.0	8.5%	8.8%	9.1%
Average for Project Mgmt						**NA**		**9.4**	**9.0**	**8.8**	**1.1**	**1.0**	**1.0**	**8.5%**	**8.8%**	**9.1%**

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Source: dataCentral, Citi Research estimates