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China Property

Positive View: Position for a Stronger Volume Growth in Core Cities

CITI'S TAKE

Position for sales growth and pickup in launches from Sep; look through weak 1H earnings — Our constructive sector view is backed by (1) likely accelerating sales growth in Jul-Sep on resilient transaction volumes in core cities and a favorable low base; (2) a stronger new launch pipeline from Sep; (3) expectation for a supportive tone from July's Politburo meeting. Despite the recent sector share price retreat, physical market activity remains firm, with primary/secondary transaction units in key cities increasing 18%/12% yoy in the first week of July. We believe 1H26 earnings weakness is widely

more positive on C&D from Jun after its product upgrades & accelerated landbanking.

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Primary & secondary volume gaining strength in July — Secondary volume in the first week of July rose 12%yoy across 18 cities (WIND), led by tier-1 cities +21%yoy, and listings down 0.1%wow. The weekly volume of 25.3k units is healthy (6% above 2025 avg) during a typically slow summer season. In the first half of July, volume +13%yoy at 15 cities (Real Estate Market Calendar), with more than 20%yoy growth for FS/ NB/ SH/ Suzhou and 10-20% growth for CD/ SZ/ BJ/ DG. Secondary prices in the 6 core cities continued the mom stabilization trend. New home volume in 34 cities was +18%yoy (CREIS) in the first week of July, driven chiefly by improved sell-through for ongoing sales, especially luxury units & the smaller entry-level units. For listed names, we expect more could turn to positive sales growth in Jul–Aug, partly aided by a low comparison base. Sales growth for leaders should also accelerate. In 1H26, five names already delivered positive sales growth: COLI +12%yoy, Jinmao +8%, CMSK +8%, CRL +6%, COGO +15%.

Land: reduced supply pushed up prices for quality plots; awaiting 2H window — — 1H26 land sales in 300 cities were -22%yoy by GFA (20-year low), and land purchase from top-100 players was -25%, per CRIC. Constrained supply has pushed the avg land premium to 13.7% in Jun (+8pts mom; e.g., SZ, HZ, SH). Leaders by land acq cost were CRL (strong in SZ), Poly Dev & Yuexiu. Elsewhere, COLI/ Jinmao/ C&D/ Greentown plan to acquire in 2H26 when supply pickup could offer more attractive land prices, after strong 2025. C&D paced up in Jun (SZ/ SH/ HZ/ Wuxi/ Suzhou/ Fuzhou etc.).

Policy: renewal progressing; supportive to the recovery momentum — [1] Qiushi Journal (18-Jun) called for efforts to boost consumption, accelerate repair of household balance sheets and stabilize the property market to prevent negative impacts to confidence. [2] Renewal investment in 2026: central budget is Rmb97bn (+Rmb17bn or +21% yoy) and another Rmb160bn ultra-long-term special CGB (+Rmb25bn or +18.5% yoy). [3] We expect a supportive tone at the July Politburo meeting. Locally, easing on HPF/ trade-in programs etc. are expected amid market recovery to reinforce the upturn and household expectations.



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

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Foreign Institutional Investors.

Figure 1. Weekly Primary Transaction in 34 Cities (by # units registered)

Average Weekly Primary Transaction Volumn (by registration of units sold 网签新房销售套数)												
	Weekly Transaction (units)				YoY Change (%)				Sequential Change (%)			
	34 cities	Tier-1	Tier-2	Tier-3/4	34 cities	Tier-1	Tier-2	Tier-3/4	34 cities	Tier-1	Tier-2	Tier-3/4
Single Week					YoY Change				WoW Change			
7/5/2026	27,716	5,389	19,094	3,233	18.2%	-2.1%	32.7%	-9.1%	7.0%	-11.4%	16.2%	-4.7%
6/28/2026	25,907	6,084	16,432	3,391	-26.2%	-22.6%	-22.2%	-44.5%	38.6%	34.6%	42.9%	27.1%
6/21/2026	18,687	4,521	11,498	2,669	-16.2%	-13.5%	-14.1%	-27.9%	0.5%	-7.2%	7.0%	-10.2%
6/14/2026	18,595	4,872	10,750	2,973	-3.3%	-8.6%	0.8%	-8.3%	-14.0%	-3.2%	-18.4%	-12.8%
6/7/2026	21,621	5,035	13,174	3,411	24.4%	7.1%	37.3%	10.5%	-18.5%	-27.0%	-12.5%	-25.6%
5/31/2026	26,539	6,898	15,057	4,584	10.5%	26.2%	3.0%	16.3%	16.5%	4.7%	20.9%	22.5%
Single Month					YoY Change				MoM Change			
Jun-26	21,203	5,128	12,964	3,111	-9.8%	-11.3%	-5.3%	-22.9%	-5.1%	-13.4%	2.5%	-17.3%
May-26	22,334	5,922	12,651	3,761	2.3%	12.4%	-1.4%	1.0%	3.0%	2.8%	3.1%	2.9%
Apr-26	21,684	5,759	12,270	3,655	7.7%	17.9%	5.4%	1.6%	-4.2%	8.2%	-6.0%	-14.2%
Mar-26	22,635	5,325	13,052	4,259	-11.2%	-7.1%	-13.9%	-7.5%	99.6%	137.3%	104.4%	57.1%
Feb-26	11,339	2,244	6,384	2,711	-37.1%	-39.5%	-38.6%	-30.6%	-28.4%	-43.5%	-29.4%	-3.9%
Jan-26	15,831	3,969	9,043	2,819	-16.1%	-14.8%	-19.5%	-5.4%	-15.2%	-20.0%	-16.1%	-3.4%
Dec-25	18,661	4,962	10,781	2,919	-44.0%	-39.9%	-46.9%	-38.3%	0.1%	0.9%	-2.2%	8.5%
Nov-25	18,634	4,918	11,024	2,692	-44.6%	-41.3%	-47.0%	-39.8%	-10.9%	1.2%	-11.4%	-25.3%
Oct-25	20,902	4,859	12,439	3,604	-33.7%	-41.7%	-29.2%	-35.7%	20.6%	20.2%	18.0%	31.4%
Sep-25	17,327	4,043	10,540	2,744	-7.2%	4.6%	-7.3%	-19.8%	2.1%	0.2%	1.8%	5.7%
Aug-25	16,979	4,034	10,349	2,596	-20.0%	-23.1%	-17.4%	-24.4%	-9.0%	-10.7%	-6.8%	-14.6%
Jul-25	18,666	4,520	11,106	3,040	-12.8%	-12.3%	-17.1%	5.9%	-20.9%	-20.9%	-20.0%	-24.3%
Jun-25	23,608	5,718	13,875	4,015	-23.3%	-4.3%	-29.1%	-23.0%	11.0%	9.5%	12.0%	9.5%
YTD2026 Avg	**19,481**	**4,765**	**11,342**	**3,373**	**-8.6%**	**-5.1%**	**-9.5%**	**-10.4%**				

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Note: *34 cities include:4 Tier-1 cities: Beijing, Shanghai, Shenzhen, Guangzhou; 15 Tier-2 cities: Chongqing, Hangzhou, Nanjing, Wuhan, Chengdu, Suzhou, Dalian, Xi'an, Changsha, Fuzhou, Shenyang, Qingdao, Jinan, Changchun, Nanning; 15 Tier-3/4 cities: Wenzhou, Dongguan, Zhenjiang, Yangzhou, Shantou, Shaoguan, Zhoushan, Taian, Jiangyin, Huaian, Wuhu, Shaoxing, Zhaoqing, Suzhou (Anhui), Haimen

Source: CREIS, Citi Research

Figure 2. Weekly Secondary Transactions in 18 Cities (by # units registered)

Average Weekly Secondary Transaction Volume (by registration of units sold 网签二手房交易套数)												
	Weekly Transaction (units)				YoY Change (%)				Sequential Change (%)			
	18 cities	Tier-1	Tier-2	Tier-3/4	18 cities	Tier-1	Tier-2	Tier-3/4	18 cities	Tier-1	Tier-2	Tier-3/4
Single Week					YoY Change				WoW Change			
7/5/2026	25,278	10,692	11,893	2,693	12.2%	20.9%	4.6%	15.8%	-13.5%	-12.5%	-16.6%	-1.4%
6/28/2026	29,209	12,225	14,254	2,730	10.9%	14.5%	8.6%	7.6%	27.9%	31.7%	27.2%	16.1%
6/21/2026	22,844	9,283	11,209	2,352	-12.8%	-7.1%	-17.4%	-11.4%	-18.6%	-21.6%	-16.0%	-18.1%
6/14/2026	28,054	11,837	13,345	2,872	8.7%	17.9%	1.3%	10.9%	1.4%	5.8%	-1.4%	-2.0%
6/7/2026	27,655	11,187	13,536	2,932	25.5%	25.5%	21.5%	47.8%	-11.2%	-15.7%	-8.3%	-6.1%
5/31/2026	31,158	13,267	14,767	3,124	38.3%	59.6%	21.5%	51.7%	-2.8%	2.5%	-7.8%	0.6%
Single Month					YoY Change				MoM Change			
Jun-26	26,941	11,133	13,086	2,722	7.3%	12.4%	2.6%	11.5%	-7.5%	-7.1%	-8.3%	-5.0%
May-26	29,117	11,988	14,265	2,865	23.1%	30.3%	16.7%	27.8%	-8.3%	-6.3%	-11.0%	-1.9%
Apr-26	31,741	12,791	16,031	2,919	9.5%	15.6%	6.4%	1.9%	9.0%	-1.4%	18.1%	12.8%
Mar-26	29,132	12,972	13,572	2,588	-8.7%	1.3%	-15.8%	-13.5%	95.9%	126.8%	78.1%	69.2%
Feb-26	14,869	5,721	7,619	1,529	-30.4%	-36.1%	-27.3%	-20.5%	-38.9%	-45.1%	-32.1%	-43.0%
Jan-26	24,327	10,424	11,218	2,685	16.4%	25.6%	5.7%	34.5%	-0.7%	1.0%	-2.2%	-0.7%
Dec-25	24,500	10,324	11,471	2,705	-29.8%	-26.1%	-35.4%	-14.3%	-0.6%	-1.4%	-1.0%	3.8%
Nov-25	24,660	10,474	11,581	2,606	-21.1%	-20.3%	-24.7%	-4.7%	13.2%	15.8%	9.4%	20.6%
Oct-25	21,790	9,043	10,587	2,160	-27.1%	-30.2%	-25.8%	-19.3%	-3.9%	-4.1%	-6.0%	9.4%
Sep-25	22,669	9,427	11,268	1,975	7.5%	19.7%	1.7%	-7.2%	4.3%	7.9%	3.1%	-8.5%
Aug-25	21,739	8,739	10,925	2,158	-3.6%	0.8%	-7.2%	2.6%	-5.4%	-1.3%	-7.0%	-9.5%
Jul-25	22,991	8,853	11,752	2,386	-10.7%	-5.5%	-16.2%	0.9%	-6.5%	-7.7%	-7.0%	0.9%
Jun-25	24,585	9,588	12,633	2,364	-11.4%	-14.5%	-9.9%	-5.8%	2.7%	1.8%	3.2%	3.4%
2026 YTD Avg	**26,046**	**10,860**	**12,613**	**2,573**	**4.2%**	**9.7%**	**-0.8%**	**7.9%**				
FY2025 Avg	**23,818**	**9,688**	**11,971**	**2,346**	**-1.0%**	**3.5%**	**-3.5%**	**2.1%**				

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Note: We only included 18 cities for high-frequency weekly analysis due to data availability. 18 cities include 3 Tier-1 cities: Beijing, Shanghai, Shenzhen; 9 Tier-2 cities: Chengdu, Dalian, Hangzhou, Nanjing, Nanning, Qingdao, Suzhou, Wuxi, Xiamen; 6 Tier-3/4 cities: Dongguan, Foshan, Jiangmen, Jinhua, Quzhou, Yangzhou; Note 2: *excl. May Holiday week when calculating May monthly avg

Source: WIND, Citi Research

Figure 3. Weekly Secondary Transactions in 18 Cities (by # units registered)

Secondary Housing Market — July 2025 vs. July 2026

Updated: 2026-07-09 | 14 Cities

YoY Transaction Volume Ranking

July 2025 vs. July 2026 Secondary Home Transactions — 14 Cities

Jul 2025 | Jul 2026 | YoY %

#	CITY	JUL 2025	JUL 2026	YOY GROWTH
1	佛山 Foshan	1,048	1,509	+43%
2	宁波 Ningbo	1,318	1,736	+31%
3	上海 Shanghai	4,616	5,881	+27%
4	苏州 Suzhou	1,334	1,683	+26%
5	成都 Chengdu	4,910	5,738	+16%
6	深圳 Shenzhen	1,186	1,365	+15%
7	北京 Beijing	2,625	2,980	+13%
8	东莞 Dongguan	751	826	+10%
9	青岛 Qingdao	1,502	1,526	+1.6%
10	南京 Nanjing	1,902	1,918	+0.8%
11	无锡 Wuxi	935	935	0%
12	杭州 Hangzhou	1,518	1,513	-0.3%
13	厦门 Xiamen	528	508	-3.8%
14	广州 Guangzhou	1,466	1,387	-5.4%
总计	Total — All 14 Cities	25,639	29,505	+15.1%

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

Figure 4. China Property Sector — Valuations (9 Jul 2026 close) Citi Rating: 1 – Buy; 2 – Neutral; 3 – Sell; H – High Risk

Stock	RIC	9-Jul-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	13.79	3,939	1	24.72	-44%	18.80	7.3	7.1	6.8	0.5	0.6	0.6	7.1%	7.3%	7.6%
CIFI	0884.HK	0.04	86	3H	0.31	-88%	0.06	N/A	N/A	N/A	0.0	0.0	0.0	-	-	-
COGO	0081.HK	2.17	985	1	6.93	-69%	2.68	7.7	7.3	6.7	0.2	0.2	0.2	4.5%	4.7%	5.1%
COLI	0688.HK	12.54	17,499	1	34.32	-63%	18.20	9.2	9.4	9.1	0.3	0.3	0.3	3.8%	3.7%	3.8%
Country Garden	2007.HK	0.19	1,129	3H	0.83	-77%	0.25	N/A	N/A	N/A	-0.3	-0.2	-0.1	-	-	-
CR Land	1109.HK	31.64	28,767	1	71.70	-56%	43.00	8.6	8.4	8.1	0.6	0.6	0.6	4.3%	4.4%	4.6%
Greentow n	3900.HK	6.72	2,176	1	18.60	-64%	11.80	4.9	4.5	4.5	0.4	0.4	0.3	7.7%	8.2%	8.3%
Jinmao Group	0817.HK	1.29	2,222	1	3.80	-66%	1.90	10.5	9.8	8.7	0.2	0.2	0.2	2.4%	2.4%	2.9%
Longfor	0960.HK	6.04	5,466	1	22.25	-73%	11.10	NM	7.8	7.0	0.2	0.2	0.2	-	-	-
Midea Real Estate	3990.HK	2.89	529	1	3.51	-18%	4.30	5.6	5.3	5.2	0.7	0.7	0.7	12.0%	12.1%	12.4%
Poly Prop	0119.HK	1.46	711	1	10.14	-86%	2.80	11.9	3.4	2.9	0.1	0.1	0.1	3.4%	11.7%	14.0%
Seazen	1030.HK	1.34	1,241	1	10.68	-87%	3.20	9.6	6.9	4.9	0.2	0.2	0.2	-	-	-
Shenzhen Inv	0604.HK	0.64	726	1	3.00	-79%	0.90	9.6	8.5	12.0	0.2	0.2	0.2	4.2%	4.7%	5.3%
Sunac	1918.HK	0.58	1,476	2H	4.00	-86%	1.20	N/A	N/A	N/A	0.1	0.2	0.2	-	-	-
Vanke	2202.HK	2.26	4,917	3	18.02	-87%	2.20	N/A	N/A	N/A	0.2	0.3	0.4	-	-	-
Yuexiu	0123.HK	3.46	1,776	1	16.68	-79%	5.00	15.1	12.0	8.8	0.2	0.2	0.2	3.0%	3.7%	5.1%
Average for H-share						**-61%**		**8.1**	**7.8**	**7.4**	**0.5**	**0.5**	**0.5**	**4.0%**	**4.1%**	**4.3%**
China Property Names (A-share)																
CMSK	001979.SZ	6.39	8,511	1	18.29	-65%	11.00	24.5	25.1	25.4	0.6	0.6	0.6	1.6%	1.6%	1.6%
Gemdale	600383.SS	2.12	1,414	3H	8.68	-76%	2.60	N/A	N/A	33.7	0.2	0.2	0.2	-	-	-
Hangzhou Binjiang	002244.SZ	7.65	3,516	1	NA	NA	11.00	12.5	12.8	12.6	0.8	0.7	0.7	0.8%	0.8%	0.8%
Poly Dev & Hldgs	600048.SS	4.60	8,134	1	13.06	-65%	7.00	76.9	14.4	7.9	0.3	0.3	0.3	0.5%	2.8%	5.1%
Vanke	000002.SZ	2.98	4,917	3	10.00	-70%	3.00	N/A	N/A	N/A	0.4	0.5	0.5	-	-	-
Average for A-share						**-58%**		**43.5**	**18.6**	**10.0**	**0.5**	**0.5**	**0.5**	**0.8%**	**1.5%**	**2.2%**
Overall Avg. for China Property Names						**-60%**		**15.3**	**9.6**	**7.6**	**0.5**	**0.5**	**0.5**	**3.1%**	**3.4%**	**3.7%**
Brokerage platform																
Beike	BEKE.N	15.24	17,595	1	NA	NA	26.40	16.6	15.7	14.1	1.7	1.6	1.6	2.7%	2.9%	3.2%
Beike	2423.HK	39.80	17,570	1	NA	NA	73.60	16.6	15.7	14.1	1.7	1.6	1.6	2.7%	2.9%	3.2%
Average for brokerage platform						**NA**		**16.6**	**15.7**	**14.1**	**1.7**	**1.6**	**1.6**	**2.7%**	**2.9%**	**3.2%**
Project Mgmt																
Greentow n Mgmt	9979.HK	1.70	434	1	NA	NA	2.65	7.0	6.7	6.5	0.8	0.8	0.7	11.4%	11.9%	12.2%

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Source: DataCentral, Citi Research estimates