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China Property | Asia Pacific

October New Home Sales Weakened Further

PTI data show the top 100 developers' property sales decline continued to widen to 17% y-y (-2% m-m vs. increases in previous years) in Oct, marking the sharpest drop since Apr. New home sales may remain weak in the coming months amid slower project launches given uncertainty around completed sales.

Developer sales decline deepened in October: In line with our expectations, attributable property sales declines among the top 50 and top 100 developers widened to 19% and 17% y-y, respectively, in October (vs. -13% and -14% in September), despite a meaningfully low comparison base. We attribute this partly to slower project launches following the rollout of the completed-sales policy, and partly to the continued market share gain of existing homes given their more competitive pricing. For the 30 major developers we track, the sales decline widened to 24% y-y (vs. 21% in September), bringing the YTD drop to 23% y-y.

Sales performance continued to diverge: SOEs remained relatively resilient, with generally milder sales declines. CMSK, C&D, CR Land and Yuexiu saw y-y sales growth of 23%, 10%, 3% and -1%, respectively. By contrast, Agile, KWG, Midea RE, Shimao and Zhongliang saw sales fall by >55% y-y. Some semi-SOE developers also remained under pressure, with Sino-Ocean and Vanke down 64% and 60% y-y, respectively. We attribute the relative outperformance of SOEs to their stronger brand names and greater availability of new saleable resources in high-tier cities.

K-shaped trends between new and existing home sales may persist into 2027: We reiterate our view of a weaker-than-usual peak season for new home sales under the completed-sales model. Given uncertainty around potential sales declines in 2027-28, developers may continue to pace launches of higher-demand projects over the coming months to preserve pricing and facilitate a smoother transition. By contrast, existing-home sales may gain further share amid reduced primary supply, with real-time secondary-market sales across 25 major cities accelerating to ~23% y-y in October (vs. 20% in September). This shift could also provide better support for home prices, particularly in Tier 1 cities, given the increasing share of existing homes in total transactions.

Stock recommendation: We expect industry share prices to remain under pressure for the rest of the year (-14% on average in Oct) given disappointment over the impact of the mortgage subsidy, limited near-term catalysts, and stretched valuations for select SOE players despite sluggish fundamentals (e.g. CMSK). We thus continue to advocate a selective approach, favoring alpha opportunities underpinned by credible self-help initiatives, including *CR Land (1109.HK)* and *Seazen A/H (601155.SS/1030.HK)*.

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the 2027 Extel Asia Research Survey. Voting opens 10 November 2026.

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Monthly Sales Performance

Exhibit 1: Developers contracted sales performance

Company	Ticker	Developer type	Monthly (Rmb bn)															YTD (Rmb bn)		
			2025-10	2025-11	2025-12	2026-01	2026-02	2026-03	2026-04	2026-05	2026-06	2026-07	2026-08	2026-09	2026-10	YoY	MoM	2025-10	2026-10	YoY
Agile	3383 HK	POE	0.7	0.6	0.5	0.5	0.6	0.7	0.5	0.7	0.8	0.5	0.4	0.2	0.3	-59%	26%	7	5	-30%
Binjiang	002244 CH	POE	7.7	8.2	7.2	5.3	3.9	5.9	9.3	9.3	9.6	8.1	6.9	8.2	6.2	-20%	-24%	86	73	-16%
C&D International *	1908 HK	SOE	8.8	4.5	6.6	5.3	5.5	8.6	9.7	10.8	9.1	5.5	5.1	6.2	9.7	10%	56%	80	75	-6%
China SCE	1966 HK	POE	0.8	0.7	0.7	0.5	0.5	0.8	0.8	0.8	0.6	0.7	0.6	0.6	0.7	-7%	21%	7	6	-8%
CIFI	884 HK	POE	1.1	0.9	1.0	0.7	0.5	1.2	0.7	0.9	1.1	0.6	0.7	0.7	0.9	-23%	23%	14	8	-45%
CMSK	001979 CH	SOE	15.4	14.1	25.8	7.7	7.8	17.9	21.7	20.9	20.2	13.8	15.7	14.3	18.9	23%	32%	156	159	2%
COLI	688 HK	SOE	18.7	22.2	39.8	14.5	8.5	28.6	24.2	27.3	31.4	15.1	16.0	15.6	17.8	-5%	14%	189	199	5%
Country Garden *	2007 HK	POE	2.9	2.4	2.7	2.2	2.2	2.2	2.5	2.6	2.5	2.3	2.3	2.2	2.3	-21%	4%	28	23	-17%
CR Land	1109 HK	SOE	15.2	23.0	41.0	11.7	10.1	22.4	25.9	23.5	23.0	14.1	18.5	15.5	15.7	3%	1%	170	180	6%
Gemdale	600383 CH	Semi-SOE	1.9	1.5	2.4	1.2	0.6	1.5	2.5	2.0	1.7	1.5	1.0	1.6	1.8	-9%	13%	26	15	-41%
Greentown	3900 HK	Semi-SOE	12.5	12.5	20.5	6.3	4.5	14.8	10.4	12.5	11.7	5.3	7.1	9.1	8.7	-30%	-4%	120	90	-25%
GZ R&F	2777 HK	POE	1.2	1.0	1.5	0.7	0.8	1.4	1.0	1.0	2.4	0.7	0.8	0.9	0.8	-34%	-8%	12	11	-10%
Jinmao	817 HK	SOE	12.0	8.0	12.8	7.6	5.3	9.5	8.8	10.5	15.8	9.2	7.4	10.5	10.5	-12%	0%	93	95	3%
KWG	1813 HK	POE	0.6	0.5	0.4	0.3	0.3	0.4	0.4	0.4	0.3	0.2	0.2	0.2	0.2	-73%	-17%	6	3	-55%
Logan	3380 HK	POE	0.5	0.6	0.8	0.4	0.4	0.4	0.6	0.6	0.6	0.5	0.5	0.5	0.7	30%	25%	6	5	-16%
Longfor	960 HK	POE	5.0	3.6	3.8	2.5	2.0	3.0	2.9	3.3	2.9	2.1	2.2	2.3	2.6	-48%	12%	56	26	-54%
Midea RE	3990 HK	POE	2.1	1.2	1.6	1.2	0.9	1.6	1.1	1.4	1.3	0.8	0.9	0.8	0.9	-58%	9%	23	11	-52%
Poly	600048 CH	SOE	21.1	18.0	12.2	15.6	10.1	26.0	25.9	27.6	29.8	14.9	15.0	16.2	17.8	-16%	10%	223	199	-11%
Powerlong	1238 HK	POE	0.7	0.5	0.6	0.5	0.4	0.6	0.6	0.6	0.6	0.6	0.5	0.4	0.5	-26%	26%	6	5	-16%
Ronshine	3301 HK	POE	0.2	0.3	0.3	0.2	0.0	0.3	0.3	0.3	0.2	0.3	0.2	0.1	0.2	-7%	35%	3	2	-35%
Seazen	1030 HK	POE	1.4	1.4	1.4	0.7	1.2	1.1	1.0	1.4	1.0	0.9	0.9	0.7	1.0	-29%	40%	16	10	-40%
Shimao	813 HK	POE	1.7	1.5	1.5	1.5	1.3	1.7	1.2	1.2	1.3	0.8	0.7	0.8	0.7	-59%	-11%	21	11	-46%
Sino-Ocean	3377 HK	Semi-SOE	2.5	2.5	2.5	1.2	0.5	1.4	1.6	1.7	1.7	0.9	0.8	0.6	0.9	-64%	50%	21	11	-47%
Sunac	1918 HK	POE	1.0	1.1	3.0	1.1	2.6	2.2	1.2	1.1	0.9	1.3	1.4	1.3	0.9	-15%	-35%	33	14	-58%
Times	1233 HK	POE	0.4	0.5	0.6	0.4	0.1	0.4	0.3	0.3	0.3	0.2	0.2	0.3	0.2	-42%	-16%	4	3	-37%
Vanke	000002 CH	Semi-SOE	14.4	9.4	9.8	5.6	3.5	7.5	4.8	6.2	7.4	6.7	4.9	5.0	5.7	-60%	15%	115	57	-50%
Yuexiu	123 HK	SOE	12.3	5.1	9.0	4.2	2.9	10.1	8.5	11.3	13.5	5.1	5.6	6.8	12.2	-1%	79%	92	80	-13%
Yuzhou	1628 HK	POE	0.7	0.6	0.5	0.5	0.4	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	-46%	-2%	6	4	-22%
Zhenro	6158 HK	POE	0.5	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.3	0.3	0.3	-27%	10%	4	3	-8%
Zhongliang	2772 HK	POE	1.1	0.9	0.9	0.8	0.7	0.5	0.6	0.6	0.5	0.4	0.3	0.3	0.3	-74%	-3%	10	5	-53%
Aggregate			**165**	**148**	**212**	**101**	**78**	**174**	**170**	**182**	**193**	**114**	**117**	**123**	**139**	**-15%**	**14%**	**1,634**	**1,390**	**-15%**
Median																**-24%**	**11%**			**-23%**
SOE Median																**-1%**	**14%**			**2%**
Semi-SOE Median																**-45%**	**14%**			**-44%**
POE Median																**-29%**	**9%**			**-35%**
Top 30 (attributable)			156	140	209	96	50	181	159	173	183	109	109	128	130	-17%	2%	1,474	1,317	11%
Top 50 (attributable)			179	161	234	110	80	180	177	196	209	122	121	144	145	-19%				
Top 100 (attributable)			201	184	262	129	91	206	205	227	237	146	147	170	167	-17%				



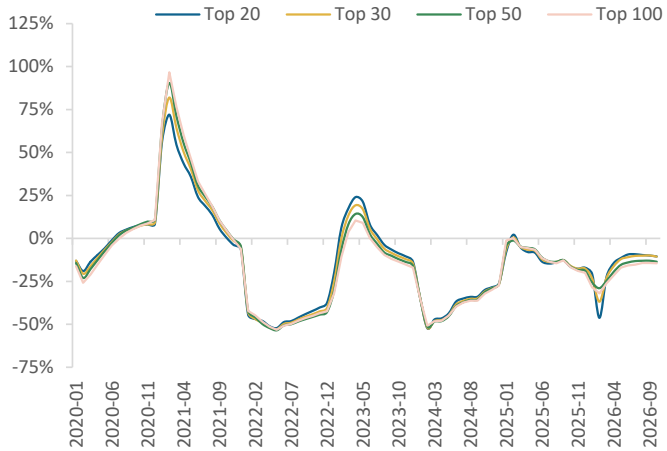
Exhibit 2: PTI Data monthly sales of top 20/30/50/100 developers

	Monthly attributable sales - y-y				Monthly attributable sales - m-m				YTD attributable sales - y-y			
Month	Top 20	Top 30	Top 50	Top 100	Top 20	Top 30	Top 50	Top 100	Top 20	Top 30	Top 50	Top 100
2020-01	-13%	-13%	-14%	-16%	-48%	-51%	-55%	-57%	-13%	-13%	-14%	-16%
2020-02	-26%	-30%	-34%	-38%	-31%	-35%	-38%	-42%	-19%	-21%	-23%	-26%
2020-03	-6%	-10%	-11%	-15%	104%	110%	121%	129%	-14%	-16%	-18%	-21%
2020-04	0%	0%	0%	-1%	8%	12%	12%	16%	-10%	-11%	-13%	-15%
2020-05	7%	9%	9%	8%	11%	13%	16%	19%	-6%	-7%	-7%	-9%
2020-06	14%	13%	13%	13%	37%	32%	30%	31%	-1%	-2%	-3%	-4%
2020-07	29%	30%	30%	24%	-23%	-21%	-21%	-22%	3%	2%	2%	0%
2020-08	19%	21%	25%	26%	-4%	-5%	-2%	0%	5%	5%	5%	3%
2020-09	16%	12%	17%	21%	26%	22%	21%	19%	7%	6%	6%	6%
2020-10	16%	21%	23%	23%	-4%	2%	2%	0%	8%	7%	8%	8%
2020-11	12%	15%	22%	19%	-6%	-5%	2%	5%	8%	8%	10%	9%
2020-12	10%	19%	20%	26%	9%	19%	16%	26%	8%	9%	11%	11%
2021-01	56%	59%	65%	67%	-27%	-35%	-37%	-43%	56%	59%	65%	67%
2021-02	95%	117%	131%	148%	-14%	-12%	-13%	-13%	72%	82%	90%	97%
2021-03	34%	43%	49%	53%	40%	38%	42%	41%	55%	64%	71%	77%
2021-04	22%	23%	25%	28%	-1%	-3%	-5%	-3%	44%	50%	56%	60%
2021-05	15%	14%	15%	15%	5%	5%	7%	6%	36%	40%	44%	47%
2021-06	-8%	-6%	-5%	-3%	10%	9%	7%	11%	24%	28%	31%	33%
2021-07	-6%	-7%	-6%	-8%	-21%	-22%	-22%	-27%	19%	22%	24%	26%
2021-08	-18%	-16%	-16%	-21%	-16%	-14%	-12%	-15%	14%	16%	19%	19%
2021-09	-39%	-35%	-35%	-36%	-7%	-5%	-7%	-4%	6%	9%	10%	10%
2021-10	-36%	-35%	-33%	-34%	1%	2%	5%	3%	0%	3%	5%	5%
2021-11	-40%	-39%	-41%	-43%	-12%	-11%	-9%	-8%	-4%	-2%	-1%	-1%
2021-12	-30%	-33%	-34%	-39%	27%	31%	29%	34%	-7%	-5%	-5%	-6%
2022-01	-44%	-43%	-42%	-42%	-42%	-45%	-45%	-47%	-44%	-43%	-42%	-42%
2022-02	-50%	-51%	-50%	-48%	-23%	-25%	-25%	-22%	-47%	-47%	-46%	-45%
2022-03	-50%	-53%	-56%	-54%	41%	35%	26%	23%	-48%	-49%	-50%	-49%
2022-04	-59%	-59%	-58%	-59%	-20%	-16%	-11%	-13%	-51%	-52%	-52%	-51%
2022-05	-56%	-56%	-58%	-59%	13%	11%	8%	6%	-52%	-53%	-54%	-53%
2022-06	-35%	-37%	-39%	-41%	62%	58%	56%	60%	-49%	-50%	-51%	-51%
2022-07	-45%	-45%	-46%	-43%	-33%	-31%	-31%	-29%	-48%	-49%	-50%	-50%
2022-08	-28%	-31%	-35%	-31%	10%	7%	6%	3%	-46%	-47%	-48%	-48%
2022-09	-23%	-29%	-33%	-30%	0%	-2%	-4%	-2%	-44%	-46%	-47%	-46%
2022-10	-21%	-28%	-32%	-31%	3%	3%	6%	1%	-42%	-44%	-46%	-45%
2022-11	-13%	-20%	-27%	-24%	-2%	0%	-2%	2%	-40%	-42%	-44%	-44%
2022-12	-7%	-20%	-27%	-30%	35%	31%	28%	24%	-38%	-41%	-43%	-42%
2023-01	-20%	-25%	-30%	-32%	-50%	-48%	-48%	-48%	-20%	-25%	-30%	-32%
2023-02	40%	33%	25%	16%	34%	34%	34%	35%	6%	0%	-7%	-11%
2023-03	36%	37%	36%	31%	38%	39%	38%	38%	18%	13%	8%	4%
2023-04	45%	38%	33%	32%	-15%	-16%	-13%	-11%	24%	19%	14%	11%
2023-05	11%	8%	5%	3%	-13%	-13%	-15%	-18%	21%	17%	12%	9%
2023-06	-32%	-30%	-29%	-28%	0%	3%	6%	12%	8%	6%	2%	0%
2023-07	-33%	-36%	-36%	-36%	-35%	-37%	-38%	-36%	2%	0%	-3%	-5%
2023-08	-40%	-42%	-42%	-40%	-1%	-3%	-3%	-3%	-4%	-6%	-8%	-10%
2023-09	-27%	-27%	-25%	-29%	22%	24%	23%	15%	-7%	-8%	-10%	-12%
2023-10	-26%	-27%	-29%	-27%	3%	3%	0%	4%	-9%	-10%	-12%	-13%
2023-11	-27%	-28%	-29%	-32%	-2%	-2%	-2%	-5%	-10%	-12%	-14%	-15%
2023-12	-37%	-35%	-35%	-32%	16%	18%	18%	23%	-14%	-15%	-16%	-17%
2024-01	-35%	-35%	-35%	-35%	-48%	-48%	-47%	-50%	-35%	-35%	-35%	-35%
2024-02	-65%	-65%	-64%	-63%	-29%	-28%	-25%	-23%	-52%	-52%	-51%	-51%
2024-03	-41%	-43%	-45%	-45%	136%	126%	110%	104%	-47%	-48%	-48%	-48%
2024-04	-45%	-46%	-47%	-47%	-21%	-20%	-17%	-15%	-47%	-47%	-48%	-48%
2024-05	-31%	-33%	-33%	-32%	8%	7%	8%	6%	-44%	-45%	-45%	-45%
2024-06	-2%	-7%	-11%	-14%	42%	44%	41%	41%	-37%	-39%	-39%	-40%
2024-07	-18%	-16%	-15%	-17%	-45%	-43%	-41%	-38%	-35%	-36%	-37%	-37%
2024-08	-24%	-21%	-21%	-24%	-8%	-9%	-11%	-11%	-34%	-35%	-36%	-36%
2024-09	-33%	-33%	-34%	-36%	8%	6%	4%	-3%	-34%	-35%	-36%	-36%
2024-10	10%	11%	15%	10%	69%	70%	74%	78%	-30%	-31%	-31%	-32%
2024-11	-10%	-5%	-1%	-3%	-20%	-17%	-16%	-16%	-28%	-29%	-29%	-30%
2024-12	-2%	-2%	2%	0%	27%	22%	22%	28%	-26%	-27%	-26%	-27%
2025-01	-8%	-6%	-4%	-1%	-52%	-50%	-51%	-51%	-8%	-6%	-4%	-1%
2025-02	16%	10%	3%	2%	-10%	-16%	-19%	-21%	2%	1%	-1%	0%
2025-03	-13%	-11%	-9%	-11%	77%	84%	87%	78%	-5%	-5%	-5%	-5%
2025-04	-15%	-11%	-8%	-7%	-22%	-20%	-16%	-11%	-8%	-7%	-5%	-6%
2025-05	-9%	-9%	-9%	-10%	15%	9%	6%	2%	-8%	-7%	-6%	-7%
2025-06	-29%	-27%	-26%	-26%	11%	15%	15%	15%	-14%	-12%	-11%	-11%
2025-07	-23%	-25%	-28%	-27%	-41%	-42%	-43%	-38%	-15%	-14%	-13%	-13%
2025-08	-8%	-13%	-16%	-22%	10%	5%	4%	-6%	-14%	-14%	-14%	-14%
2025-09	-3%	-4%	-3%	3%	14%	17%	20%	29%	-13%	-13%	-13%	-13%
2025-10	-39%	-37%	-39%	-42%	6%	11%	9%	1%	-17%	-16%	-16%	-17%
2025-11	-28%	-32%	-35%	-36%	-5%	-10%	-10%	-8%	-18%	-18%	-18%	-19%
2025-12	-12%	-17%	-22%	-29%	54%	49%	45%	42%	-17%	-18%	-19%	-20%
2026-01	-21%	-23%	-26%	-29%	-56%	-54%	-53%	-51%	-21%	-23%	-26%	-29%
2026-02	-74%	-53%	-33%	-36%	-71%	-48%	-27%	-29%	-46%	-37%	-29%	-32%
2026-03	6%	-6%	-20%	-19%	635%	265%	124%	127%	-22%	-23%	-25%	-26%
2026-04	8%	2%	-6%	-10%	-21%	-12%	-2%	-1%	-14%	-16%	-19%	-21%
2026-05	-2%	2%	-2%	-2%	5%	9%	10%	11%	-11%	-12%	-15%	-17%
2026-06	-1%	-6%	-8%	-11%	11%	6%	7%	4%	-9%	-11%	-14%	-16%
2026-07	-8%	-4%	-7%	-11%	-45%	-40%	-41%	-39%	-9%	-10%	-13%	-15%
2026-08	-14%	-9%	-11%	-4%	3%	-1%	-1%	1%	-10%	-10%	-13%	-14%
2026-09	-12%	-9%	-13%	-14%	15%	18%	18%	15%	-10%	-10%	-13%	-14%
2026-10	-15%	-17%	-19%	-17%	2%	2%	1%	-2%	-11%	-11%	-14%	-15%

Exhibit 3: Top 100 developers – Monthly attributable sales y-y change



Exhibit 4: Top 100 developers – YTD attributable sales y-y change



Valuation Methodology and Risks

Seazen Group Ltd (1030.HK)

Our HK$3.83/share 2026e NAV comprises HK$3.38 of development properties (DCF, 8.9% WACC), HK$8.31 of investment properties (cap rate 6-9%) and HK$7.86 of net debt. To this we apply a 40% discount based on our developers' scorecard, comprising landbank (with a 5/10 score), execution (7), scale (6), growth (5), profitability (6), financing (7) and leverage (7). We use 30-45% discounts in our coverage.

Risks to Upside

- Stronger-than-expected contracted sales
- Stronger-than-expected new IP launches and IP operation
- Faster-than-expected land acquisition

Risks to Downside

- Weaker-than-expected contracted sales growth
- Faster-than-expected margin compression
- Weaker rental growth

Our HK$59.88/share 2026e NAV comprises HK$24.02 of development properties (DCF, 8.0% WACC), HK$56.08 of investment properties (cap rate 5-8%) and HK$20.22 of net debt. To this we apply a 30% discount based on our developers' scorecard, comprising landbank (with a 8/10 score), execution (8), scale (9), growth (8), profitability (8), financing (10) and leverage (10). We use 30-45% discounts in our coverage.

Risks to Upside

- Stronger-than-expected contracted sales.
- Accelerated openings of new malls.

Risks to Downside

- Weaker-than-expected contracted sales.
- Slower-than-expected openings of new shopping malls.

Seazen Holdings Company Ltd. (601155.SS)

Our Rmb29.34/share 2026e NAV comprises Rmb13.81 of development properties (DCF, 8.9% WACC), Rmb36.15 of investment properties (cap rate 6-8%) and Rmb20.62 of net debt. To this we apply a 40% discount based on our developers' scorecard, comprising landbank (with a 5/10 score), execution (7), scale (6), growth (5), profitability (6), financing (7), and leverage (7). We use 30-45% discounts in our coverage.

Risks to Upside

- Stronger-than-expected contract sales
- Stronger-than-expected new IP launching and IP operation
- Faster-than-expected land acquisition

Risks to Downside

- Faster-than-expected compression of development margin
- Weaker-than-expected growth of recurring income
- Slower-than-expected divestment of shopping malls into private REITs