CHINA PROPERTY WEEKLY WRAP

Week 44 Wrap - Primary sales improved; land market premium dropped to new low level in Oct

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Key highlights for the week:

Policy update: Five more tier-2 cities issued implementation details for 8.28 reform over the past week, bringing the cumulative total to 17 cities. Most rules mirror those of earlier cities, except **1) Nanjing** introduced the first "completed-home sale with existing mortgage" mechanism, and **2) Jinan** provided more demand-side support for purchasing completed homes: specifically, buyers could have one housing unit count deducted when evaluating Housing Provision Funds (HPF) eligibility for completed homes, which, after adding other preferential treatments (such as multi-child families, etc.), bring the max HPF loan cap to Rmb1.7/2.4mn for single/joint-contributor families.

Land market update: per CREIS data, Oct residential land sales volume/value in 300 cities expanded both by ~90% yoy, likely driven by increased supply in Sep (more than doubled yoy) and base effect; on the other hand, 1) average land auction premium ratio dropped to 1.5%, the lowest monthly level in recent years, and 2) Oct land supply dropped 46% yoy.

Market performance: Primary transaction volumes rebounded 12% wow, despite a 1.5% wow drop in new home search activity. Secondary transaction volume softened 7% wow, with secondary subscription sales (which lead registration-based sales by 1-2 weeks) down 3% wow and new listing supply among monitored cities up 3% wow. On the brighter side, secondary visitation recovered by 4% wow, and price appreciation expectations edged higher for agents, although still trending lower for home sellers.

- At city-level, Shanghai recorded an encouraging 24.7k secondary registration-based transaction units in the "Silver October", up 33% yoy and 5% mom, marking a six-year high for the same period (Oct). Monthly trends show that transaction volumes have stayed above 23k units for eight consecutive months since March, which itself peaked at over 31k units.

Key data points:

- **New homes** sales volume was +12% wow and -11% yoy, with new home search activity declining 1.5% wow.
- **Secondary** transactions were -7% wow and +7% yoy, with price appreciation expectations edging higher for

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agents while lower for home sellers.

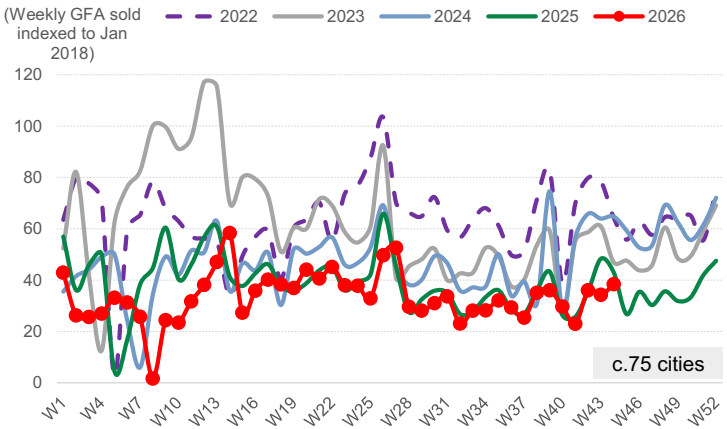
- **Oct: Primary GFA** sold on median was up 19% mom and was -14% yoy; **Secondary GFA** sold on median was -4% mom and +20% yoy.
- **YTD: Primary GFA** sold on average was -9% yoy and was -18%/-33% vs. the 2024/2023 level; **secondary GFA** sold on average was +2% yoy and was +10%/+13% vs. the 2024/2023 level.
- **Inventory** balance was -0.4% wow, with inventory months at 26.4 (vs. average 27.3/27.2 in Aug-/Sep-26).
- **Valuation:** Over week 44, our covered **stronger SOE developers** saw share prices -3% wow on average, with CR Land (1109.HK, Buy) and COLI (0688.HK, Buy) declining the least at -0.1%/-0.4% wow; meanwhile, **other developers** saw share prices on average -4% wow. Our offshore/onshore coverage now trades at an average 44%/20% discount to end-2027E NAV and at 0.4X/0.6X 2027E P/Bs.

Implications:

- **Property sales** in c.75 cities suggest top-100 developers' contract sales are likely to decline 9% yoy in Oct, vs. 17% by PTI.
- **Completions:** GSPC tracker indicates **high-twenties % yoy decline** in Oct (vs. -36%/high-twenties % yoy decline in Sep by NBS/GSe).
- **New starts:** New starts to record **high-twenties % yoy decline** in Oct (vs. -26%/ high-twenties % yoy decline in Sep per NBS/GSe), based on the land sales trends in 300 cities and nationwide cement shipment ratio (-0.2pp wow).
- **GTV for BEKE** (new and existing) is likely +5% yoy (-8%/+10% for new/existing) for 3Q26E, vs. internet team's estimate of +1% yoy (flat/+1%).

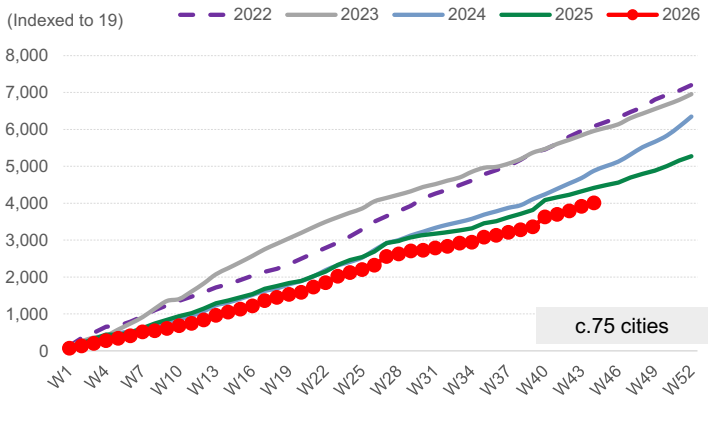
Primary market Week 44: GFA +12% wow and was -11% yoy, sending YTD to -9% yoy

Exhibit 1: Primary GFA sold last week was +12% wow and -11% yoy in c.75 cities



Source: CREIS, Goldman Sachs Global Investment Research

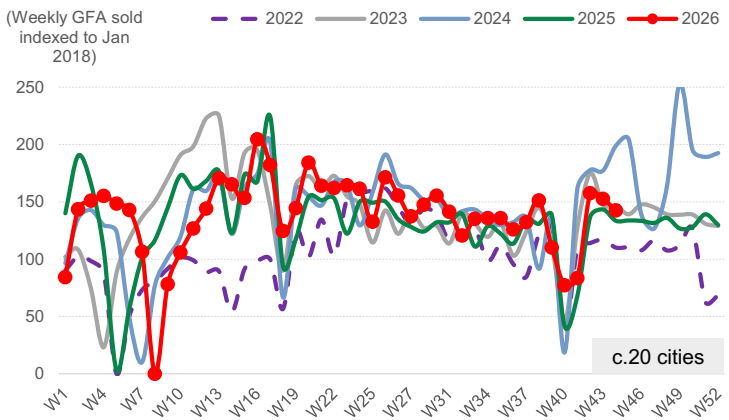
Exhibit 2: Primary GFA sold YTD on average was -9% yoy in c.75 cities, and -18%/-33% vs. 2024/2023 level



Source: CREIS, Goldman Sachs Global Investment Research

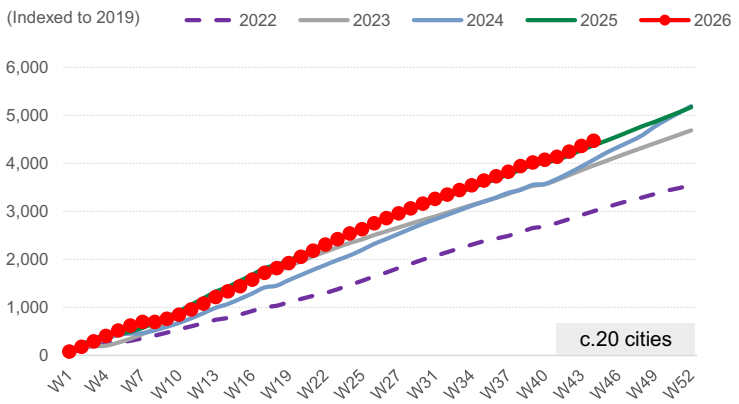
Secondary market: Week 44/YTD volumes were +7%/+2% yoy, with price appreciation expectations edging higher for agents while lower for home sellers

Exhibit 3: Secondary GFA sold last week was -7% wow and +7% yoy in c.20 cities
Average weekly volume of secondary property sales



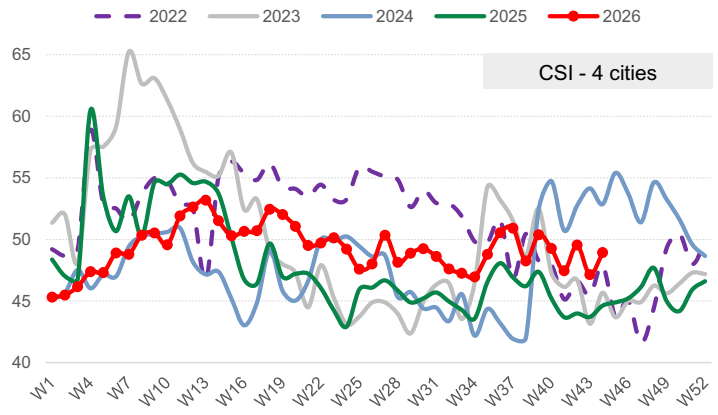
Source: Wind, Goldman Sachs Global Investment Research

Exhibit 4: Secondary GFA sold YTD was +2% yoy in c.20 cities, while +10%/+13% vs. 2024/2023
2026 secondary volume sold vs. 2022-25



Source: Wind, Goldman Sachs Global Investment Research

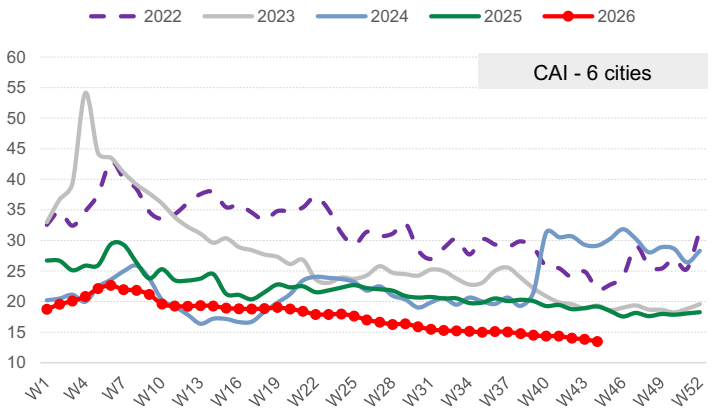
Exhibit 5: Average CSI was +1.8pp wow and +4.3pp yoy
Weekly Centaline Salesman Index (CSI) tracker in 4 cities



CSI refers to agents' view on property price, >50 means positive views on price increases, and vice versa.

Source: Centaline

Exhibit 6: Average CAI was -0.4pp wow and -5.7pp yoy
Weekly Centaline Seller Asking Index (CAI) tracker in 6 cities

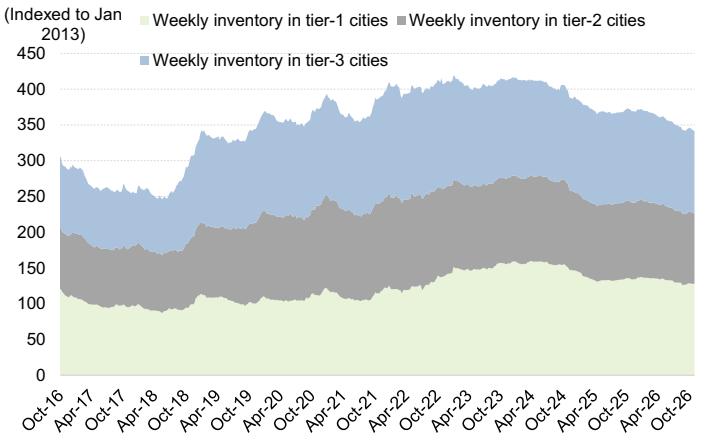


CAI refers to sellers' quoted price.

Source: Centaline

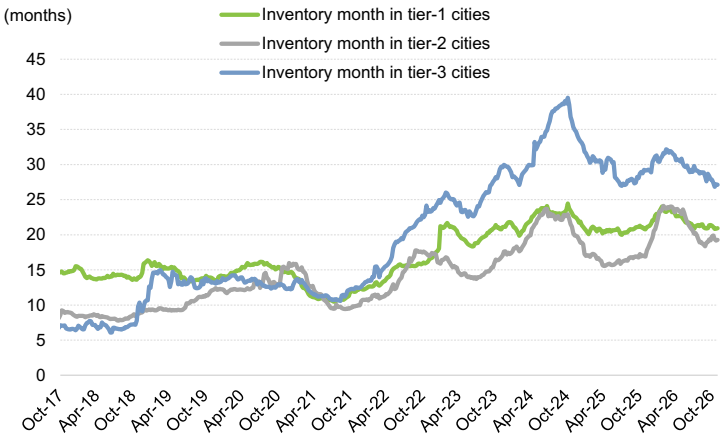
Inventory Week 44: Inventory -0.4% wow and -8.7% from end-25 level, with inventory months at 26.4 (vs. average 27.2 in Sep-26)

Exhibit 7: Inventory balance was -0.4% wow, -8.7% from end-25 levels
c.20 cities' total inventory breakdown by city tier



Source: CREIS, Goldman Sachs Global Investment Research

Exhibit 8: Inventory month was -0.2% wow, representing -5.4% from end-25 levels
c.20 cities' inventory months (12mth rolling) breakdown by city tier

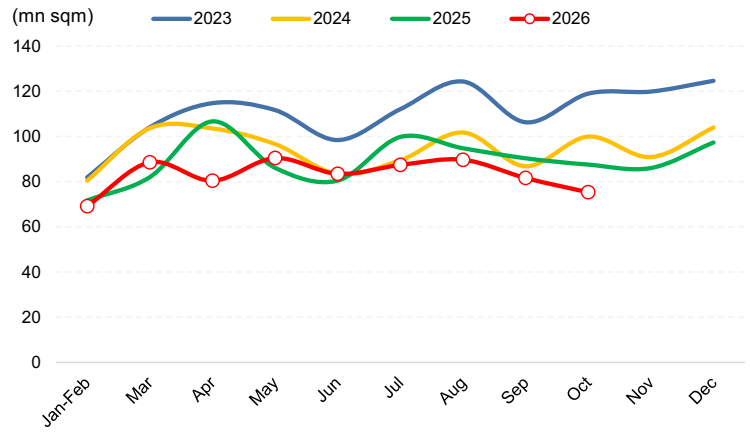


Source: CREIS, Goldman Sachs Global Investment Research

GSPC implies high-twenties % yoy decline/-15% yoy in completions for Oct-26/FY26E per GSe

GS Property Completion (GSPC) tracker indicates **a high-twenties % yoy decline in Oct-26** (vs. -36%/high-twenties % yoy decline in Oct by NBS/GSe) and **-15% yoy for FY26E per GSe**, based on downstream supply/demand implied from our China float glass industry outlook and proprietary weekly float glass demand model.

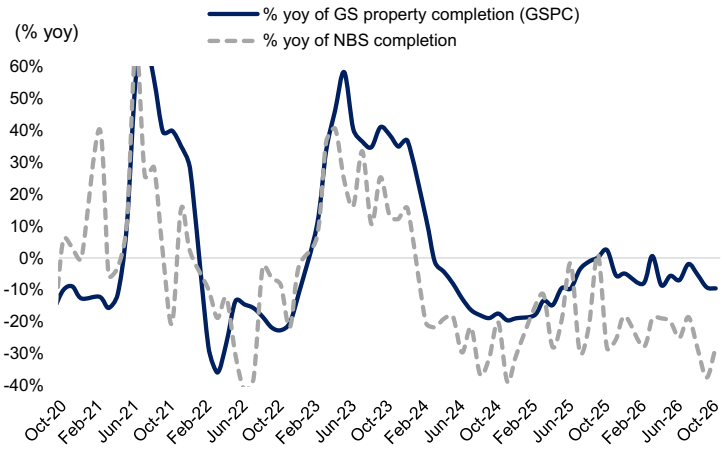
Exhibit 9: GSPC tracker implied monthly completions...
GSPC tracker implied monthly GFA completion - based on GS float glass S-D model



Jan-Feb refers to average level in Jan and Feb.

Source: Sublime China Information, Wind, NBS, Goldman Sachs Global Investment Research

Exhibit 10: ...suggesting completions at a high-twenties % yoy decline for Oct-26
% yoy change of GSPC - based on GS float glass S-D model



Source: Sublime China Information, Wind, NBS, Goldman Sachs Global Investment Research



Valuations: P/B valuation at downturn trough

- Over week 44, our covered **stronger SOE developers** saw share prices -3% wow on average, with CR Land (1109.HK, Buy) and COLI (0688.HK, Buy) declining the least at -0.1%/-0.4% wow; meanwhile, **other developers** saw share prices on average -4% wow.
- Our offshore coverage developers on average saw share prices -3% wow (vs. -1% for MSCI China); our onshore coverage developers averaged -5% wow (vs. -2% for CSI 300).
- Our offshore coverage now trades at an average 44% discount to end-2027E NAV and 0.4X 2027E P/B vs. 2H2008, 2H2011 and 1H2014 troughs of 44%, 0.7X; 73%, 0.9X; 58%, 0.9X.
- Our onshore coverage trades at an average 20% discount to end-2027E NAV and 0.6X 2027E P/B vs. 2H2008, 2H2011 and 1H2014 troughs of 67%, 1.6X; 64%, 1.5X; 61%, 1.2X.

Exhibit 11: Over week 44, our covered stronger SOE developers saw share prices -3% wow on average, with CR Land (1109.HK, Buy) and COLI (0688.HK, Buy) declining the least at -0.1%/-0.4% wow; meanwhile, other developers saw share prices on average -4% wow. Our offshore coverage developers on average saw share prices -3% wow (vs. -1% for MSCI China); our onshore coverage developers averaged -5% wow (vs. -2% for CSI 300).

Company	Ticker	Type	Price as of 11/2/2026	Share price performance		
				Past week	MTD	YTD
Stronger SOE developers			(LCY)			
CMSK	001979.SZ	Central SOE	7.8	-4%	-4%	-9%
COLI	0688.HK	Central SOE	12.6	0%	-1%	3%
CR Land	1109.HK	Central SOE	30.3	0%	-1%	11%
Greentown	3900.HK	Mixed ownership	5.5	-5%	-1%	-35%
Jinmao	0817.HK	Central SOE	1.1	-3%	0%	-7%
Poly	600048.SS	Central SOE	5.4	-4%	0%	-11%
Average				**-3%**	**-1%**	**-8%**
Other developers			(LCY)			
Longfor	0960.HK	POE	4.5	-8%	0%	-47%
Seazen	1030.HK	POE	1.4	3%	0%	-32%
Vanke (A)	000002.SZ	Mixed ownership	3.2	-7%	0%	-31%
Vanke (H)	2202.HK	Mixed ownership	2.2	-5%	2%	-33%
Average				**-4%**	**1%**	**-36%**
H-share average				**-3%**	**0%**	**-20%**
MSCI China Index				**-1%**	**0%**	**-20%**
A-share average				**-5%**	**-1%**	**-17%**
CSI 300 Index				**-2%**	**1%**	**-13%**
Value chain Index						
Construction materials				-5%	2%	-10%
Construction companies				-3%	1%	-18%
Building products				-5%	2%	-23%
Home appliances				1%	0%	-9%
Home furnishing				-4%	2%	-25%

Construction Materials Index (801710.SI), Construction Companies Index (801720.SI), Building Products Index (801713.SI), Decoration Companies Index (801722.SI), Home Appliances Index (801110.SI) and Home Furnishing Index (801144.SI) as compiled by Wind.

Source: Datastream, Wind, Data compiled by Goldman Sachs Global Investment Research

Exhibit 12: China developers' valuation comparisons

Company	Ticker	Mkt Cap (US$ bn)	Daily liquidity (US$ mn) 1 mth trailing	Type	Rating	Price as of 2/Nov/26	12 mth Price target	Potential upside/ downside (%)	Target price disc. to NAV	End-27E NAV	Shr price (disc)/ prem to NAV	FD Core P/E (x) 26E	27E	28E	29E	P/B (x) (excl. revaluation gain) 26E	27E	28E	29E	Dividend yield (%) 26E	27E	28E	29E
Developers																							
Stronger SOE developers																							
CMSK	001979.SZ	10.6	101	Central SOE	Buy	7.84 (Rmb)	**9.80**	25	-15%	**11.50**	(32)	853.1	30.8	24.1	18.0	0.7	0.7	0.7	0.7	0.1	1.5	1.9	2.5
COLI	0688.HK	17.6	34	Central SOE	Buy	12.60 (HK$)	**17.20**	37	-10%	**19.16**	(34)	9.5	9.3	8.1	6.6	0.4	0.4	0.4	0.4	4.2	4.4	5.1	6.2
CR Land	1109.HK	27.5	61	Central SOE	Buy	30.28 (HK$)	**41.00**	35	-10%	**45.57**	(34)	9.9	9.5	8.3	6.8	0.9	0.8	0.8	0.8	4.0	4.2	4.8	5.9
Greentown	3900.HK	1.8	6	Mixed ownership	Neutral	5.47 (HK$)	**7.20**	32	-25%	**9.61**	(43)	40.3	17.1	15.8	14.3	0.4	0.4	0.3	0.4	1.1	3.2	3.4	3.8
Jinmao	0817.HK	1.9	5	Central SOE	Buy	1.13 (HK$)	**1.70**	50	-20%	**2.12**	(47)	19.1	9.1	7.4	6.5	0.5	0.5	0.4	0.5	2.6	4.7	5.8	6.6
Poly	600048.SS	9.7	125	Central SOE	Neutral	5.41 (Rmb)	**6.10**	13	-10%	**6.78**	(20)	n.m.	n.m.	n.m.	n.m.	0.3	0.3	0.3	0.3	-	-	-	1.2
Average								**32**	**-15%**		**(35)**	**19.1**	**9.5**	**8.3**	**6.8**	**0.5**	**0.5**	**0.5**	**0.5**	**2.0**	**3.0**	**3.5**	**4.4**
Other developers																							
Longfor	0960.HK	4.1	23	POE	Neutral	4.55 (HK$)	**6.30**	39	-35%	**9.75**	(53)	n.m.	45.3	14.8	7.3	0.2	0.2	0.2	0.2	-	0.7	2.2	4.5
Seazen	1030.HK	1.3	3	POE	Sell	1.40 (HK$)	**1.22**	(13)	-60%	**3.04**	(54)	37.0	65.5	24.1	31.1	0.3	0.3	0.3	0.3	-	-	-	-
Vanke (A)	000002.SZ	4.7	181	Mixed ownership	Sell	3.20 (Rmb)	**2.80**	(13)	-20%	**3.50**	(9)	n.m.	n.m.	n.m.	n.m.	0.5	0.8	1.3	0.8	-	-	-	-
Vanke (H)	2202.HK	0.6	8	Mixed ownership	Sell	2.19 (HK$)	**2.10**	(4)	-45%	**3.82**	(43)	n.m.	n.m.	n.m.	n.m.	0.3	0.5	0.7	0.5	-	-	-	-
Average								**2**	**-40%**		**(40)**	**n.m.**	**n.m.**	**n.m.**	**n.m.**	**0.3**	**0.4**	**0.6**	**0.4**	**-**	**0.2**	**0.5**	**1.1**
Coverage average								**20**			**(37)**	**161.5**	**26.7**	**14.7**	**12.9**	**0.4**	**0.5**	**0.5**	**0.5**	**1.2**	**1.9**	**2.3**	**3.1**
H-share average								**25**			**(44)**	**23.1**	**26.0**	**13.1**	**12.1**	**0.4**	**0.4**	**0.4**	**0.4**	**1.7**	**2.5**	**3.0**	**3.9**
A-share average								**8**			**(20)**	**853.1**	**30.8**	**24.1**	**18.0**	**0.5**	**0.6**	**0.8**	**0.6**	**0.0**	**0.5**	**0.6**	**1.2**

Source: Datastream, Goldman Sachs Global Investment Research