The People’s Republic of China issues new EUR-denominated sovereign bonds to be listed on LuxSE

During a special Ring the Bell ceremony held in Luxembourg, the People’s Republic of China and the Luxembourg Stock Exchange celebrated a new sovereign bond issuance.

Earlier today at the Luxembourg Stock Exchange (LuxSE), the Ministry of Finance of the People’s Republic of China announced the issuance of a new EUR 5 billion sovereign bond, to be listed on LuxSE’s Euro MTF.

The issuance was celebrated during a special Ring the Bell ceremony at LuxSE this morning, in the presence of the Vice Minister of Finance of the People’s Republic of China, Song Qichao, Luxembourg’s Minister of Finance, Gilles Roth, the Director for the Development of the Financial Centre at Luxembourg’s Ministry of Finance, Jennifer de Nijs, Hua Ning, Ambassador of China to Luxembourg, as well as representatives of Bank of China, Bank of Communications, Crédit Agricole CIB and Luxembourg for Finance (LFF). The issuance comes seven months after the People’s Republic of China successfully listed a EUR 4 billion bond on LuxSE’s Euro MTF.

The new issuance marks the latest chapter in the long-standing relationship between the People's Republic of China and LuxSE, which began in 1994 when China's first international sovereign bond was listed on the Exchange.

Long-standing relations

This issuance reflects the People's Republic of China's continued commitment to international capital markets and supports greater connectivity between European and Asian financial centres. It also builds on the strong partnership that has developed between China and Luxembourg over the past three decades.

"China's Ministry of Finance's decision to issue euro-denominated sovereign bonds in Luxembourg for two consecutive years stands as a compelling testament to the further deepening of financial cooperation between China and Luxembourg. Looking ahead, there is immense potential for collaborations between the two countries in the bond market. I am confident that China and Luxembourg will continue to move forward hand in hand, build bridges for dialogues between China and Europe, and jointly write a new chapter in China-Europe financial cooperation," said Mr Song Qichao, Vice Minister of Finance of the People's Republic of China.

"We are honoured to welcome the People's Republic of China back to LuxSE with this new sovereign issuance. Today's ceremony, held in the presence of Vice Minister of Finance Mr Song Qichao, marks another milestone in the long-standing relationship between China and Luxembourg. This issuance highlights China's continued engagement with international capital markets and reinforces LuxSE's position as the leading venue for sovereign issuers seeking access to global investors," said Pierre Schoonbroodt, Deputy CEO and CFO at LuxSE.

Strengthening international collaboration

The new EUR 5 billion sovereign bond issuance was jointly arranged by Bank of China, Bank of Communications and Crédit Agricole CIB. The upcoming listing will further reinforce LuxSE's position as the venue of choice for sovereign issuers when tapping international bond markets and highlights Luxembourg's role as a gateway between China and the European capital markets.

"Bank of China is honoured to have participated in this landmark transaction. As the most internationalised Chinese bank and the first major international banking group to establish its European headquarters in Luxembourg, Bank of China remains firmly committed to advancing financial cooperation between China, Luxembourg and Europe. This successful issuance further highlights Luxembourg's important role as a leading international financial centre and a key gateway for global capital. Bank of China will continue to leverage its global network and extensive European franchise to deepen connectivity between Chinese and international capital markets, broaden access to global investors, and contribute to the continued development of Luxembourg as a premier international capital markets hub," said Liu Jiandong, Chairman, Bank of China (Europe) S.A.

"In 2015, Bank of Communications set up a subsidiary in Luxembourg and has since served the European market for over a decade. As a global systemically important bank and an official listing agent at the Luxembourg Stock Exchange, BOCOM has provided quality financial services to Chinese and European firms while promoting the listing of Chinese bonds in Luxembourg. Following last November's issuance, the Ministry of Finance has again chosen Luxembourg for this euro sovereign bond offering – a decision that deepens bilateral ties, advances Belt and Road cooperation, and gives new impetus to the China-Luxembourg partnership," said Yin Jiuyong, Executive Vice President, Bank of Communications Co., Ltd.

"From an international market perspective, this issuance is viewed as a strategic development in China-Europe financial connectivity. By choosing Luxembourg – Europe's premier listing venue for international bonds – and maintaining Hong Kong as the clearing centre, China is reinforcing its commitment to both European and Asian financial markets. This dual-listing approach is seen as a sophisticated strategy to deepen cross-continental capital markets integration and signals China's long-term commitment to European capital markets," said Olivier Bélorgey, Deputy Chief Executive Officer and Finance Director, Crédit Agricole CIB.

Deep-rooted cooperation

China's partnership with Luxembourg has expanded significantly in recent years. Today, LuxSE lists a broad range of bonds from Chinese issuers, reflecting the depth of the relationship between China's capital markets and Luxembourg's international financial centre.

Beyond debt capital markets, LuxSE continues to serve as a bridge for sustainable and green finance between Europe and China, supporting enhanced international cooperation in sustainable investment.

Today's issuance further deepens the financial ties between China and Luxembourg and underscores the long-term collaboration between the two markets. It also reaffirms Luxembourg's role as a preferred European hub for Chinese issuers seeking access to international investors.