国泰君安证券 GUOTAI JUNAN SECURITIES

Flash Note: Banking Sector
快讯：银行行业

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October M2 YoY Growth Missed Expectations; Liquidity Conditions for the Rest of 2020 Expected to Remain Loose, but Will Be Fine-Tuned

10月M2同比增速差于预期，2020年余下时间流动性环境预计维持宽松，但有所微调

- **October M2 YoY growth missed expectations.** The 10.5% YoY growth rate of M2 in October 2020 missed expectations, down 0.4 pts MoM. The M1 YoY growth rate increased by 1.0 pts MoM to 9.1%. The difference between M2 and M1 narrowed 1.4 pts MoM to 1.4%. Overall, we think 1) the continuous MoM increase of M1 YoY growth partially reflects the rise in economic activity; and 2) although M2 YoY growth declined MoM, M2 YoY growth remained relatively high, which shows that in order to reduce the negative impact from the novel coronavirus outbreak and support economic growth, liquidity remained reasonably abundant. Given that liquidity conditions are expected to remain loose, we project YoY growth of M2 to remain relatively high in the near future.

- **New RMB loans missed expectations.** The 63.6% YoY increase in new TSF in October 2020 was mainly due to the YoY increase in new RMB loans to the real economy, new entrusted loans, new corporate bond financing, new equity financing and new local government special bonds. RMB loans remain as the main channel through which the government supports financing of the real economy. New RMB loans missed expectations in October. New RMB loans increased by 4.3% YoY while decreased by 63.7% MoM. Medium-term and long-term RMB loans increased by 40.8% YoY while decreased by 52.0% MoM, of which personal medium-term and long-term RMB loans increased by 13.2% YoY while decreased by 36.2% MoM, and non-financial corporate medium-term and long-term RMB loans increased by 85.6% YoY while decreased by 61.5% MoM. The MoM decrease in medium-term and long-term RMB loans was primarily due to seasonal factors. We think that the YoY rise in medium-term and long-term RMB loans was mainly a result of increased investment from enterprises and individuals and relatively strong financing demand in the field of infrastructure. The proportion of new RMB loans to real economy in new TSF was 46.9% in October 2020.

- **Our views on liquidity:** In October 2020, the PBOC extended RMB0.7 bn in loans via standing lending facility and RMB500.0 bn in loans via medium-term lending facility. The CPI for October 2020 was 0.5%. In the "China Monetary Policy Report, The Second Quarter 2020", the PBOC again emphasized major directions of monetary policy: 1) to make prudent monetary policy more flexible and appropriate, and precisely directed, and maintain an appropriate increase in the money supply and the scale of social financing; 2) to comprehensively utilize and innovate a variety of monetary policy tools to maintain reasonably abundant liquidity; 3) to keep the price level basically stable; 4) to promote the reform of LPR and the obvious decline of the comprehensive financing cost; and 5) to prevent and defuse major financial risks. Given that the U.S. Federal Reserve is expected to keep interest rates at zero, and increasing declining pressure on the global economy from the novel coronavirus outbreak, in order to stabilize economic growth, decrease the negative impact from the novel coronavirus outbreak, support financing of small and micro enterprises and private enterprises, and control economic exposure, we expect that the PBOC's monetary policies will be maintained and that China's liquidity conditions will remain loose in the rest of 2020. However, as the negative impact from the novel coronavirus outbreak has decreased and the economic conditions have improved compared with those in 1H20 in China, we expect that the PBOC's monetary policies and China's liquidity conditions will both be fine-tuned in the rest of 2020.

- **Sector view:** We expect the asset quality of the Chinese banking sector to still be in control in the near future, and we maintain "Outperform" rating for the banking sector. Our top pick is CMB (03968 HK) with "Buy" rating and TP of HK$48.56.

- **10 月 M2 同比增速差于预期。**2020 年 10 月 10.5% M2 同比增速差于预期，环比下降 0.4 个百分点。M1 的同比增速环比上升 1.0 个百分点至 9.1%。M2 与 M1 的剪刀差环比收缩 1.4 个百分点至 1.4%。整体上，我们认为 1) M1 同比增速的持续环比增长部分反映了经济活跃度的上升；2) 尽管 M2 同比增速环比下降，但 M2 同比增速仍维持较高，显示为了降低新冠疫情负面影响及支持经

济增长，流动性维持合理充裕。在流动性状况预计将维持宽松的背景下，我们预计 M2 同比增速未来一段时间将维持相对高位。

- **新增人民币贷款差于预期。**2020 年 10 月 63.6%的新增社会融资同比上升主要是由于新增对实体经济的人民币贷款、新增委托贷款、新增企业债券融资、新增股票融资、新增地方政府专项债券同比上升。人民币贷款仍是政府支持实体经济融资的主要渠道。10 月新增人民币贷款差于预期。新增人民币贷款同比增长 4.3%、环比下滑 63.7%。中长期人民币贷款同比上升 40.8%、环比下降 52.0%。其中，个人中长期人民币贷款同比上升 13.2%、环比下降 36.2%；非金融企业中长期人民币贷款同比上升 85.6%、环比下降 61.5%。中长期人民币贷款环比下滑主要是由于季节性因素的影响。我们认为中长期人民币贷款同比上涨主要由于企业及个人投资增加、基建领域融资需求较强。2020 年 10 月，新增对实体经济的人民币贷款占新增社会融资的比重达 46.9%。

- **我们对流动性的观点：**2020 年 10 月，中国人民银行分别开展了 7 亿元人民币的常备借贷便利及 5,000 亿元人民币的中期借贷便利。2020 年 10 月 CPI 达 0.5%。在 2020 年第二季度的《中国货币政策执行报告》中，央行再强调货币政策方向：1）稳健的货币政策更加灵活适度、精准导向，保持货币供应量和社会融资规模合理增长；2）综合运用并创新多种货币政策工具，保持流动性合理充裕；3）保持物价水平基本稳定；4）推动贷款市场报价利率改革，推动综合融资成本明显下降；5）防范化解重大金融风险。在预期美联储继续维持零利率不变、全球经济受新冠疫情影响下滑压力加大的情况下，为了稳定经济增长、降低新冠疫情的负面影响、支持小微企业和民营企业融资、控制经济风险，我们预计 2020 年余下时间中国人民银行的货币政策将维持，并且中国的流动性状况将维持宽松。然而，由于与 2020 年上半年相比中国新冠疫情的负面影响已经下降及经济环境已经改善，我们预计 2020 年余下时间中国人民银行的货币政策及中国的流动性环境均将有所微调。

- **行业观点：**未来一段时间，我们认为中国银行业的资产质量仍可控，我们维持银行业"跑赢大市"投资评级。我们的首选股为招商银行(03968 HK)，我们对公司的投资评级以及目标价分别为"买入"与 48.56 港元。

Exhibit 1: China's main M1 and M2 indicators

	M1 YoY growth (%)	M2 YoY growth (%)	YoY difference of M1 YoY growth (ppts)	MoM difference of M1 YoY growth (ppts)	YoY difference of M2 YoY growth (ppts)	MoM difference of M2 YoY growth (ppts)	Difference between M2 (YoY) and M1 (YoY) (ppts)
2020-10	9.1	10.5	5.8	1.0	2.1	(0.4)	1.4
2020-09	8.1	10.9	4.7	0.1	2.5	0.5	2.8
2020-08	8.0	10.4	4.6	1.1	2.2	(0.3)	2.4
2020-07	6.9	10.7	3.8	0.4	2.6	(0.4)	3.8
2020-06	6.5	11.1	2.1	(0.3)	2.6	0.0	4.6
2020-05	6.8	11.1	3.4	1.3	2.6	0.0	4.3
2020-04	5.5	11.1	2.6	0.5	2.6	1.0	5.6
2020-03	5.0	10.1	0.4	0.2	1.5	1.3	5.1
2020-02	4.8	8.8	2.8	4.8	0.8	0.4	4.0
2020-01	0.0	8.4	(0.4)	(4.4)	0.0	(0.3)	8.4
2019-12	4.4	8.7	2.9	0.9	0.6	0.5	4.3
2019-11	3.5	8.2	2.0	0.2	0.2	(0.2)	4.7
2019-10	3.3	8.4	0.6	(0.1)	0.4	0.0	5.1
2019-09	3.4	8.4	(0.6)	0.0	0.1	0.2	5.0
2019-08	3.4	8.2	(0.5)	0.3	0.0	0.1	4.8
2019-07	3.1	8.1	(2.0)	(1.3)	(0.4)	(0.4)	5.0
2019-06	4.4	8.5	(2.2)	1.0	0.5	0.0	4.1
2019-05	3.4	8.5	(2.6)	0.5	0.2	0.0	5.1
2019-04	2.9	8.5	(4.3)	(1.7)	0.2	(0.1)	5.6
2019-03	4.6	8.6	(2.5)	2.6	0.4	0.6	4.0
2019-02	2.0	8.0	(6.5)	1.6	(0.8)	(0.4)	6.0
2019-01	0.4	8.4	(14.6)	(1.1)	(0.2)	0.3	8.0
2018-12	1.5	8.1	(10.3)	0.0	0.0	0.1	6.6
2018-11	1.5	8.0	(11.2)	(1.2)	(1.1)	0.0	6.5
2018-10	2.7	8.0	(10.3)	(1.3)	(0.9)	(0.3)	5.3

Source: the People's Bank of China, Guotai Junan International.

Exhibit 2: Breakdown of new total social financing (TSF) in RMB '000 mn

	New TSF	RMB Loans	Foreign currency loans	Entrusted loans	Trust loans	Undiscounted bills	Corporate bonds	Equity financing	Local government special bonds	Asset backed securities	Written-off loans
2020-10	14,200	6,663	(175)	(174)	(875)	(1,089)	2,522	927	4,931	0	0
2020-09	34,772	19,171	(302)	(317)	(1,159)	1,503	1,412	1,121	10,116	440	1,790
2020-08	35,873	14,201	397	(415)	(316)	1,441	3,659	1,302	13,788	308	643
2020-07	16,918	10,221	(524)	(152)	(1,367)	(1,130)	2,348	1,215	5,459	(742)	748
2020-06	34,342	19,029	204	(484)	(852)	2,190	3,383	538	7,450	(15)	2,044
2020-05	31,866	15,502	457	(273)	(337)	836	2,879	353	11,362	(88)	413
2020-04	30,900	16,200	910	(579)	23	577	9,015	315	3,357	(202)	460
2020-03	51,492	30,375	1,145	(588)	(21)	2,818	9,819	198	6,344	(161)	1,117
2020-02	8,554	7,202	252	(356)	(540)	(3,961)	3,860	449	1,824	(549)	263
2020-01	50,674	34,924	513	(26)	432	1,403	3,865	609	7,613	478	166
2019-12	21,030	10,770	(205)	(1,316)	(1,092)	951	2,625	432	3,738	865	3,018
2019-11	19,937	13,633	(249)	(959)	(673)	570	3,330	524	1,716	693	639
2019-10	8,680	5,470	(10)	(667)	(624)	(1,053)	2,032	180	1,871	623	416
2019-09	25,142	17,612	(440)	(22)	(672)	(431)	2,431	289	3,777	284	1,692
2019-08	21,956	13,045	(247)	(513)	(658)	157	3,384	256	5,059	269	351
2019-07	12,872	8,086	(221)	(987)	(676)	(4,562)	2,944	593	6,427	286	244
2019-06	26,243	16,737	(4)	(827)	15	(1,311)	1,439	153	6,867	607	1,806
2019-05	17,124	11,855	191	(631)	(52)	(768)	1,033	259	3,857	383	392
2019-04	16,710	8,733	(330)	(1,197)	129	(357)	3,949	262	4,433	243	316
2019-03	29,602	19,584	3	(1,070)	528	1,365	3,546	122	3,412	261	1,227
2019-02	9,665	7,641	(105)	(508)	(37)	(3,103)	875	119	4,347	(14)	201
2019-01	46,184	35,668	343	(699)	345	3,787	4,834	289	1,088	(466)	249
2018-12	15,898	9,269	(701)	(2,244)	(509)	1,023	3,703	131	362	1,503	2,518
2018-11	15,191	12,302	(787)	(1,310)	(467)	(127)	3,163	200	(332)	1,157	729
2018-10	7,430	7,141	(800)	(949)	(1,273)	(453)	1,486	176	868	188	446

Source: the People's Bank of China, Guotai Junan International.

Exhibit 3: Breakdown of YoY change of new TSF in RMB '000 mn

	New TSF	RMB Loans	Foreign currency loans	Entrusted loans	Trust loans	Undiscounted bills	Corporate bonds	Equity financing	Local government special bonds	Asset backed securities	Written-off loans
2020-10	5,520	1,193	(165)	493	(251)	(36)	490	747	3,060	(623)	(416)
2020-09	9,630	1,559	138	(295)	(487)	1,934	(1,019)	832	6,339	156	98
2020-08	13,917	1,156	644	98	342	1,284	275	1,046	8,729	39	292
2020-07	4,046	2,135	(303)	835	(691)	3,432	(596)	622	(968)	(1,028)	504
2020-06	8,099	2,292	208	343	(867)	3,501	1,944	385	583	(622)	238
2020-05	14,742	3,647	266	358	(285)	1,604	1,846	94	7,505	(471)	21
2020-04	14,314	7,506	1,240	618	(106)	934	5,285	53	(1,076)	(445)	144
2020-03	22,025	10,790	1,142	482	(550)	1,453	6,407	75	2,951	(261)	(1,227)
2020-02	(1,111)	(439)	357	152	(503)	(858)	2,985	330	(2,523)	14	(201)
2020-01	3,883	(744)	170	673	87	(2,384)	(964)	320	5,913	944	(83)
2019-12	4,809	1,488	497	895	(583)	(72)	(1,270)	302	3,376	(638)	496
2019-11	1,505	1,298	538	351	(206)	698	(1,222)	324	331	(464)	(90)
2019-10	(1,185)	(1,671)	790	282	649	(600)	99	4	(1,068)	435	(30)
2019-09	1,383	3,271	230	1,410	237	117	1,596	17	(5,195)	(612)	71
2019-08	642	(95)	97	694	30	936	(92)	115	(893)	(232)	(26)
2019-07	(1,395)	(4,775)	552	(37)	516	(1,818)	765	418	2,534	163	69
2019-06	8,116	(50)	360	815	1,638	2,338	209	(105)	2,526	336	68
2019-05	5,010	459	419	939	852	973	1,392	(179)	239	6	(86)
2019-04	(3,673)	(2,254)	(304)	284	223	(1,811)	26	(271)	871	(578)	57
2019-03	12,828	8,159	(136)	780	885	1,688	(22)	(282)	1,870	(126)	(8)

2019-02	(4,907)	(2,558)	(191)	242	(697)	(3,209)	141	(260)	1,663	132	(60)
2019-01	14,772	8,818	77	15	(110)	2,350	2,940	(211)	1,088	(329)	(71)
2018-12	29	3,512	(871)	(2,812)	(2,754)	347	3,207	(662)	(487)	27	463
2018-11	(3,948)	874	(985)	(1,591)	(1,901)	(142)	2,242	(1,124)	(2,614)	909	248
2018-10	(4,574)	506	(756)	(992)	(2,292)	(465)	4	(426)	(447)	127	175

Source: the People's Bank of China, Guotai Junan International.

Exhibit 4: China's main financing readings

	New RMB loans (RMB '000 mn)	New RMB deposits (RMB '000 mn)	YoY growth of new RMB loans (%)	MoM growth of new RMB loans (%)	YoY growth of new RMB deposits (%)	MoM growth of new RMB deposits (%)	YoY growth of new TSF (%)	MoM growth of new TSF (%)
2020-10	6,898	(3,971)	4.3	(63.7)	(267.4)	(125.1)	63.6	(59.2)
2020-09	19,000	15,800	12.4	48.4	119.7	(18.6)	38.3	(3.1)
2020-08	12,800	19,400	5.8	28.9	7.8	2,315.9	63.4	112.0
2020-07	9,927	803	(6.3)	(45.2)	(87.5)	(97.2)	31.4	(51.2)
2020-06	18,100	29,000	9.0	22.3	27.8	25.5	30.7	7.5
2020-05	14,800	23,100	25.4	(12.9)	89.3	81.9	86.3	3.1
2020-04	17,000	12,700	66.7	(40.4)	387.3	(69.5)	84.9	(40.0)
2020-03	28,500	41,600	68.6	214.7	141.9	307.8	74.4	503.5
2020-02	9,057	10,200	2.2	(72.9)	(22.1)	(64.6)	(11.5)	(83.1)
2020-01	33,400	28,800	3.4	193.0	(11.9)	380.4	8.4	141.1
2019-12	11,400	5,995	5.6	(18.0)	554.5	(54.2)	29.6	19.9
2019-11	13,900	13,100	11.2	110.2	37.8	452.3	9.4	183.5
2019-10	6,613	2,372	(5.1)	(60.9)	(32.9)	(67.0)	(16.1)	(72.8)
2019-09	16,900	7,193	22.5	39.7	(19.2)	(60.0)	4.7	14.8
2019-08	12,100	18,000	(5.5)	14.2	65.1	180.4	2.1	95.8
2019-07	10,600	6,420	(26.9)	(36.1)	(37.7)	(71.7)	(17.6)	(55.4)
2019-06	16,600	22,700	(9.8)	40.7	8.1	86.1	51.9	62.0
2019-05	11,800	12,200	2.6	15.7	(6.2)	368.2	47.1	3.0
2019-04	10,200	2,606	(13.6)	(39.6)	(51.3)	(84.8)	(23.4)	(52.4)
2019-03	16,900	17,200	50.9	90.8	13.9%	31.3%	80.4	306.7
2019-02	8,858	13,100	5.5	(72.6)	n.a.	(59.9)	(40.9)	(84.8)
2019-01	32,300	32,700	11.4	199.1	(15.3)	3,469.9	50.7	191.9
2018-12	10,800	916	84.8	(13.6)	(111.6)	(90.4)	0.2	4.7
2018-11	12,500	9,507	11.6	79.3	(39.4)	168.9	(20.6)	108.4
2018-10	6,970	3,535	5.1	(49.5)	(66.7)	(60.3)	(39.3)	(67.0)

Source: the People's Bank of China, Guotai Junan International.