

January 18, 2024  
Mizuho Bank, Ltd.

## **Mizuho granted a license to underwrite Panda bonds as lead underwriter in China**

Mizuho Bank (China), Ltd., a subsidiary of Mizuho Bank, Ltd. (President & CEO: Masahiko Kato) , have obtained a license as lead underwriter from China's National Association of Financial Market Institutional Investors (NAFMII) to underwrite bond issued by non-residents in China (Mainland), which is called "Panda bond" today.

In China, under the Chinese government's initiative, the China Interbank Bond Market is opening to overseas firms and investors, and the outstanding bond amount has expanded approximately JPY 2,500 trillion (as of end of 2022, BIS) in terms of balance, the second largest size in the world after the United States. In particular, NAFMII bonds<sup>i</sup> are fast becoming a powerful funding tool, with the outstanding issuance amount equivalent to JPY 300 trillion (as of the end of September 2023, NAFMII).

Mizuho Bank (China) obtained a license to underwrite NAFMII bonds in September 2019<sup>ii</sup>. With this underwriting license, Mizuho Bank (China) will be able to support our clients' need to diversify their source of renminbi funding as the lead underwriter of Panda bonds, as well as to provide a greater variety of investment options for investors.

Leveraging this license and the insight we have obtained from bond underwriting experiences in China, we will contribute to the further development of the China capital market and provide enhanced support for clients' business and renminbi needs in China.

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<sup>i</sup> NAFMII bonds:

Commercial papers and medium- and long-term bonds, which are widely used as major sources of renminbi funding in China's direct finance market. They are mainly issued by local public entities as well as a number of foreign governments and companies.

<sup>ii</sup> September 30, 2019 News Release : Mizuho granted a license to underwrite NAFMII bonds in China

<https://www.mizuhogroup.com/bank/news/2019/09/mizuho-granted-a-license-to-underwrite-nafmii-bonds-in-china.html>