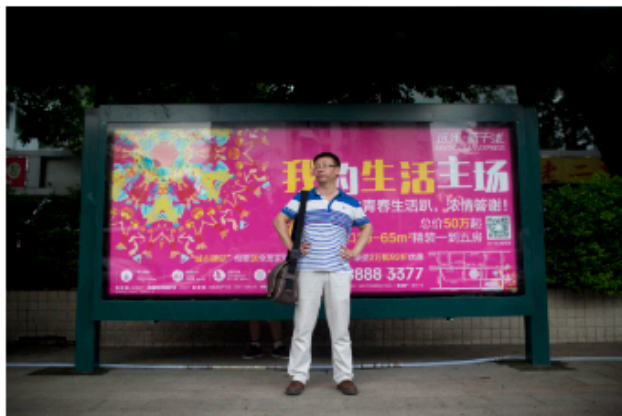


## China Property Risks: Wanda to Sino-Ocean Landlord Bonds Sinking This Week

Newsletter

### China Property Woes Deepen as Crisis Engulfs Giant Wanda

Wanda has a funding shortfall, Sino-Ocean struggles with bond payments



Advertisement for the Sino Ocean Express development project in the Luohu district of Shenzhen, China, in 2014. Photographer: Brent Lewin

By [Wei Zhou](#)

July 18, 2023 at 11:21 AM EDT

Welcome to *The Brink*. I'm [Wei Zhou](#), a reporter in Hong Kong, where I've been covering the latest on troubled Chinese landlords Wanda, Shui On, Sino-Ocean and Evergrande. We also have news on heavily indebted telecommunications giant Altice and crypto lender BlockFi. Follow [this link](#) to subscribe. Send us feedback and tips at [wzhou192@bloomberg.net](mailto:wzhou192@bloomberg.net) or Tweet/DM to [@lcasiraghi](#).

### One Question

*Giulia Morpurgo* spoke to **Matteo Cidonio**, Managing Partner of **GWM Group** and co-CIO of Real Estate Debt and Equity strategies, whose business has invested in over €4 billion of real estate and real estate distressed debt in the last economic cycle.

How do you see the real estate crisis panning out?

*The good trading volumes of the pre-pandemic years have all but disappeared. Operators are waiting for the macro-economic situation to stabilize before trying to assess where real estate assets will be priced. Some investors are expecting prime yields to retain a gap vs bond yields similar to those in the zero-interest rate environment. This is going to be proven wrong.*

*Selecting the right asset class will prove critical. For example, in Europe we are not and will not be experiencing the same destiny and fundamental shift of the office sector that we are seeing in the US. The European office sector will generally prove more resilient thanks to better transport infrastructure, lower commuting times, greater quality of the office stock, as well as typically smaller homes, and the greater propensity of employees to get back to the office.*