

**Macro & Financial**

**Market News**

**People's Bank of China Welcomes Direct Trading between RMB and Korean Won Launched by the China Foreign Exchange Trade System**

With the authorization of the People's Bank of China, the China Foreign Exchange Trade System (CFETS) has announced on 24th June, 2016 to launch direct trading between RMB and Korean Won (KRW) on the inter-bank foreign exchange market. This is an important step in strengthening bilateral economic and trade connections between China and Korea. And China and Korea will make further efforts to mutually promote the direct trading between the two currencies based on market principle. Development of direct trading between RMB and KRW will contribute to the formation of direct exchange rate between the two currencies. This will help to lower currency conversion cost for economic entities, facilitate the use of RMB and KRW in bilateral trade and investment, promote the financial cooperation and enhance economic and financial ties between the two countries. The People's Bank of China actively supports the above-mentioned measure adopted by the CFETS.

[PBC News](#)(Currently Available in English)

**PBC Statement Following UK's EU Referendum Result**

The People's Bank of China (PBC) has been closely monitoring the developments of UK's EU referendum. PBC have taken note of the reaction of financial markets after the result was announced, and have put in place contingency plans.

The PBC will continue to use a variety of monetary policy instruments to keep liquidity at reasonable and adequate volumes, and fulfill its mandate in preserving financial stability.

The market-based RMB exchange rate regime will be further improved to keep the exchange rate basically stable at an adaptive and equilibrium level.

The PBC will further enhance policy communication and coordination with the relevant central banks, monetary authorities, and major international financial organizations.

[PBC News](#)(Currently Available in English)

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