

**Regulatory  
Developments**

**CBRC Solicits Opinions on the Guidelines for Supervision Rating & Classified Supervision of Trust Companies**

China Banking Regulatory Commission (CBRC) recently distributed the exposure drafts of the Guidelines for Supervision Rating & Classified Supervision of Trust Companies and the Operating Rules of Supervision Rating of Trust Companies to trust companies. According to the rating guidelines, CBRC will score trust companies on three aspects, namely risk management, asset management and compliance management, and classify scoring results into six levels. The rating results will constitute the major foundation for making supervision planning and rational allocation of supervision resources, and for taking corresponding supervision actions and measures against trust companies.

[Media News](#) (Currently Only Available in Chinese)

**State Council Issues Several Opinions on Accelerating Development of Modern Insurance Service Industry**

On August 10, the State Council issued Several Opinions of the State Council on Accelerating Modern Insurance Service Industry. According to analysts, the document is innovative mainly in that it proposes to “take pilot on income tax-deferred pension at an appropriate time”; asks to “study and establish catastrophe insurance fund system, catastrophe reinsurance system and other relevant institutions, and gradually build a multilevel catastrophe risk decentralization mechanism backed with fiscal support”; expand and encourage innovative usages of insurance funds, and asks to “fully exert unique advantages of insurance funds in long-term investment” and “the function of insurance companies as institutional investors”.

[Gov News](#) (Currently Only Available in Chinese)

**Macro & Financial  
Market News**

**Financial Statistical Data Report for July 2014**

PBC’s financial statistical data report for July 2014 show M2 grew 13.5% and M1 grew 6.7% at the end of the month. In the month, Renminbi loans grew by RMB385.2 billion, while foreign currency loans contracted by USD2.7 billion; Renminbi deposits declined by RMB 1.98 trillion, while foreign currency loans rose by USD15 billion; monthly weighted average interest rate was 3.41% on interbank borrowing and pledged bond repurchases; Renminbi settlement business related to cross-border trade reached RMB498.4 billion and Renminbi settlement business

related to direct investment reached RMB104.3 billion.

[PBC News](#) (Currently Only Available in Chinese)

#### **Statistical Data Report on All-system Financing Aggregate Size in July 2014**

Preliminary data show that the all-system financing aggregate came at RMB273.4 billion in July 2014, representing a decrease of RMB1.69 trillion from the prior month and RMB546 billion y-o-y. Specifically, in July, RMB loans increased by RMB385.2 billion; foreign currency loans converted into Renminbi fell by RMB16.9 billion; entrusted loans increased by RMB121.9 billion; trust loans rose by RMB15.8 billion; undiscounted bank's acceptance dropped by RMB416 billion; the net financing amount of corporate bonds came at RMB142.7 billion, with an increment of RMB95.1 billion y-o-y; domestic equity financing amount of non-financial enterprises arrived at RMB33.2 billion, with an increase of RMB20.4 billion y-o-y. In January - July 2014, the all-system financing aggregate reached RMB10.81 trillion, representing a decrease of RMB157.7 billion compared to the same period of the previous year.

[PBC News](#) (Currently Only Available in Chinese)

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