

**Regulatory
Developments**

Five underwriters become new members of NAFMII (financial companies)

NAFMII recently absorbed five new financial company underwriters as its member, namely China Southern Power Grid Finance, China Petroleum Finance, Sinopec Finance, Guodian Finance Corporation and China Power Investment Finance. With this status, they can underwrite bond financing instruments of non-financial institutions.

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

Overseas central banks can directly enter interbank currency market

On September 10, Premier Li Keqiang said in his speech at the opening ceremony of Summer Davos Forum that China will steadily make the RMB convertible under the capital account. He noted that China has opened its interbank bond market to overseas central banks lately, and will allow them to enter the interbank foreign currency market in the future. The spokesperson of the People's Bank of China made further explanations on September 14 that "overseas central banks will be allowed to directly carry out spot, forward and swap exchange transactions as well as exchange option transactions in China's interbank foreign currency market", and moreover, "overseas central banks and their trading counterparts don't have to deposit exchange risk reserve for such transactions".

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

SAFE: pressure on RMB devaluation all released

Wang Yungui, director of the General Affairs Department of State Administration of Foreign Exchange (SAFE) said at a regular press conference on the morning of September 17 that the RMB has depreciated notably against the US dollar since August this year, and the pressure for devaluation has all been released. On the other hand, the real economy doesn't support large-scale capital outflow either. With a basic surplus of about USD50 billion every month and an economic growth rate of around 7%, China features a high growth rate among global economies, which indicates high return on investment.

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

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