

**NAFMII Related**

**Poland Successfully Issued RMB Bonds**

On August 25, 2016, the Republic of Poland successfully issued its first RMB bond through the "Integrated business and information service platform of NAFMII. The size of this bond issuance was 3 billion RMB with a term of 3 years. The issuance of RMB sovereign bonds by Poland is one of the financial cooperation results achieved by the two countries during President Xi state visit to Poland in June this year. It will help strengthen financial cooperation between China and Poland, deepen bilateral economic and trade relations, and further the opening-up of China's bond market.

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

**Macro & Financial**

**The World Bank Issued SDR-Denominated Bonds in China's Interbank Bond Market**

**Market News**

The World Bank (International Bank for Reconstruction and Development) successfully issued its first tranche of SDR-denominated bonds in China's Interbank Bond Market. The first issuance amounts to 500 million SDR with a term of 3 years. The bonds will be payable in yuan(RMB). Over 50 domestic institutional investors including banks, security firms and insurance firms, as well as foreign monetary authorities and international institutions have submitted bids for the bonds, with a bid-to-cover ratio of 2.47.

The successful issuance of SDR-denominated bonds proved its advantages as a hedge against the interest rate and exchange rate risks stemming from financial instruments denominated in a single currency. The SDR-denominated bonds add a new product category to China's bond market, which will diversify the portfolios of domestic and international investors. The issuance will also help broaden the use of the SDR. The PBC will facilitate the trading and settlement of SDR-denominated bonds, improve its liquidity, and promote further openness and development of China's bond market.

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

**Seven Ministries Including The People's Bank of China Issued the "Guidance on Building a Green Financial System"**

Approved by the State Council, the People's Bank of China (PBC), Ministry of Finance (MOF), National Development and Reform Commission (NDRC), Ministry of

Environmental Protection (MEP), China Banking Regulatory Commission (CBRC), China Securities Regulatory Commission (CSRC), and China Insurance Regulatory Commission (CIRC) jointly issued the "Guidance on Building a Green Financial System" (*the Guidance*) on August 31.

The *Guidance* highlights that the main purpose for building a green financial system is to mobilize and encourage more social capital into the green industry, while more effectively containing investments into pollution-intensive sectors. It proposes a series of incentives to support and drive green investment and financing, and proposes to develop green insurance and environmental rights & interests trading market, and promote the formulation or revision of relevant laws and administrative regulations for mandatory environmental pollution liability insurance according to the procedure, so as to support the development of various types of carbon financial products. It specifies the important role of the securities market in supporting green investment. The *Guidance* also requires efforts to conduct extensive international cooperation in green finance, continuously promote the formation of a global philosophy in common development of green finance under the G20 framework, and actively, steadily push forward the two-way opening of the green securities market, so as to improve the green element of outbound investment.

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

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