

**Regulatory
Developments**

PBC issues RMB Central Bank Notes in London

To deliver on the results of the seventh Sino-UK Economic and Financial Dialogue, the People's Bank of China (PBC) issued 5 billion RMB central bank notes in London on October 20 in the form of book building, with the term of one year and an interest rate of 3.1 percent.

It is the first time that China's central bank issued RMB-denominated central bank notes outside China. It will not only diversify RMB-denominated financial products with high credit level in the offshore market, but will also push the development of the offshore RMB market and facilitate cross-border trade and investment.

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

Chinese and British central banks extend currency swap agreement on larger scale

Approved by the State Council, the PBC extended an agreement on reciprocal a currency swap scheme with the Bank of England on October 20, 2015. The maximum value of the swap was expanded from 200 billion yuan (GBP20 billion) to 350 billion yuan (GBP35 billion), valid for three years and can be further extended when agreed.

The London market has seen rapidly growing RMB business in recent years. Extending the reciprocal currency swap agreement with the Bank of England on a larger scale will provide more liquidity for the RMB market in London, boost local yuan-denominated asset transactions and management, as well as facilitate trade and investment. The extension of the agreement with a larger volume reflects deepened cooperation between PBC and the Bank of England in the monetary and financial sector.

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NAFMII releases notice on evaluation of prospective underwriter member (banking)

NAFMII released a notice on its website on October 20 that according to market evaluation and upon the approval of the PBC, Standard Chartered Bank (China) Limited can underwrite debt financing instruments of non-financial enterprises.

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