

**Regulatory  
Developments**

**HSBC and BOCHK Approved to Issue RMB Bonds in Interbank Bond Market**

On September 22, the People's Bank of China (PBC) approved the applications of Hong Kong and Shanghai Banking Corporation Limited (HSBC) and Bank of China (Hong Kong) Limited (BOCHK) to issue RMB financial bonds worth RMB1 billion and RMB10 billion, respectively, in China's interbank bond market. It is the first time international commercial banks have won the green light to issue RMB bonds in the interbank bond market.

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

**Central Bank Publishes Financial Market Operation Report for August**

On September 23, the People's Bank of China (PBC) published the financial market operation report for August 2015. In January-August, RMB12.6 trillion worth of bonds was issued accumulatively in the bond market, a rise of 62.8% year on year, including RMB12 trillion worth of bonds issued in the interbank bond market, a rise of 57.8% year on year. In January-August 2015, the interbank bond market saw an accumulative spot bond trading of RMB50.1 trillion, with a daily average trading volume of RMB302.07 billion, up 102.5% year on year. In August, RMB8.2 trillion worth of spot bonds was traded in the interbank bond market, with a daily average trading volume of RMB388.8 billion, a rise of 138.9% year on year and a fall of 0.9% month on month. At the end of August, the total index of the interbank bond market came at 166.05 points, a rise of 1.09 points or 0.7% over the end of the previous month.

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

**Chinese Central Bank to Offer RMB-denominated Central Bank Note**

The seventh China-Britain Economic and Financial Dialogue was held in Beijing on September 21. Both parties announced the Chinese central bank will soon issue RMB-denominated central bank notes in London.

Both parties believe the move will be very important to provide more liquidity management tools, investment products with high credit level and collaterals for financial institutions in the offshore market, and help deepen the RMB market, consolidate London's position as an important global offshore RMB center and support the use of RMB in Europe and worldwide over a broader range.

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