

**Regulatory  
Developments**

**PBC announces the general operation of the financial market in August 2014**

In August, the issue volume of various types of bonds in the bond market was RMB 1.15 trillion with an increase of 32.5% year-on-year and 25.9% month-on-month; transaction volume in the money market totaled RMB 22.7 trillion, an increase of 49.1% year-on-year and a decrease of 6.0% month-on-month; spot bond trading volume in the inter-bank bond market was RMB 3.4 trillion with an average daily turnover of RMB 162.75 billion, up by 149.7% year-on-year and down by 6.6% month-on-month; the Shanghai Composite Index edged up 0.71% and the Shenzhen Component Index dropped 1.45%; average daily trading volume of the Shanghai Stock Exchange was RMB 132.84 billion, up by RMB 28.95 billion compared to July, and average daily trading volume of the Shenzhen Stock Exchange was RMB 15.8 billion, up by RMB 2.55 billion compared to July.

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

**CSRC amends the “Measures for Supervision of Integrity” to further enrich means for integrity constraint**

Recently, China Securities Regulatory Commission (CSRC) formally announced the “Decision on Amending ‘Interim Measures for the Supervision of Integrity in the Securities and Futures Markets’”. The amendments are mainly to specify that CSRC will establish an Internet platform to publish illegal and dishonest information, announcing major violations and dishonesty information of market participants such as administrative penalties, and disciplinary actions against them. In order to ensure proper disclosure of illegal and dishonest information in an active and steady manner, the amendments also adjust and improve the effective period of such illegal and dishonest information in the integrity records, specifying that the effective period of general illegal and dishonest information is three years and that of major violations including administrative penalties, no-market-admission and criminal sanctions, is five years.

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

**CBRC issues “Measures for Implementation of Administrative Licensing Matters Concerning Foreign Banks”**

Recently, China Banking Regulatory Commission (CBRC) revised and improved the “Measures for Implementation of Administrative Licensing Matters Concerning Foreign Financial Institutions” and renamed it the “Measures for Implementation of

Administrative Licensing Matters Concerning Foreign Banks”. The Measures minimize the scope of administrative licensing and further unify market access standards for Chinese and foreign banks. The Measures delete some administrative approval items that had already been canceled, such as foreign banks engaging in electronic banking, debit card business, self-service banking, temporary closure, business resumption after closure, credit asset transfer from the head office or associated banks, and branches of foreign banks’ using interest-earning assets. For administrative approval items that have been canceled, the Measures clearly stipulate the implementation of a reporting system to strengthen dynamic and prudential supervision. In addition, the Measures abolish the provisions that foreign banks can only apply to set up one branch in a city at one time and the minimum working capital requirements in sub-branches.

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

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