



**Regulatory  
Developments**

**PBC Decides to Cut RMB Benchmark Loan and Deposit Interest Rates and Reduce Reserve Requirement Ratio**

The People's Bank of China (PBC) has decided to cut RMB benchmark loan and deposit interest rates for financial institutions as of August 26, 2015 to further reduce the financing cost of the corporate sector. The one-year RMB benchmark loan interest rate and deposit interest rate will both be lowered by 0.25 percentage points, to 4.6 percent and 1.75 percent, respectively. Adjustments are made correspondingly to benchmark interest rates on deposits and loans of other maturities, and to deposit and loan interest rates on personal housing provident fund. Furthermore, the upper limit of the floating range of the interest rate of time deposit with a maturity of more than one year is lifted while the upper limit of the floating range of the interest rate of time deposit with a maturity of less than one year and that of demand deposit remain unchanged.

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

**CBRC and NDRC issue “Guidelines for the Banking Sector to Support the Construction of Major Projects in Key Areas”**

China Banking Regulatory Commission (CBRC) and the National Development and Reform Commission (NDRC) have jointly issued “Guidelines for the Banking Sector to Support Major Projects in Key Areas” to guide banking institutions to improve working mechanisms and credit policies, strengthen credit management and financial innovation, take major projects in key fields as the core focus, and provide comprehensive financial services for projects covered by major national strategies.

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

**Financial Leasing on “Fast Track”**

The State Council Executive Meeting chaired by Premier Li Keqiang on August 26 listed out measures to accelerate the development of financial leasing, so that they can better serve the real economy. The State Council will increase policy support and encourage all localities to guide financing leasing to better serve the real economy by way of reward, risk compensation, and other means.

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

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