

NAFMII Related

Shanghai Commercial Paper Exchange Corp, NAFMII document

Shanghai Commercial Paper Exchange Corp and NAFMII organized their members, to formulate the Master Agreement on Commercial Paper Exchange (2016). A notice is hereby issued on relevant matters.

I. Market participants should prepare for the signing of the Master Agreement according to relevant requirements.

II. The Master Agreement is an open agreement signed by multiple parties. After one party effectively signed it, the Master Agreement will come into force immediately between the said party and other signatories.

III. Market participants should file the signed Master Agreement and Supplementary Agreement (if any) with the Shanghai Commercial Paper Exchange Corp and NAFMII in a timely manner.

IV. Asset managers should sign the Master Agreement for the unincorporated products they manage that deal in commercial papers, and submit the agreement to the commercial paper exchange and NAFMII for file.

V. When conducting commercial paper transaction, market participants should observe the principle of fairness, honesty and self-discipline, and should not manipulate the market or mislead or deceive the counterparty or potential counterparty.

VI. When any disputes or breaches in connection with the Main Agreement arise, both parties should report to Shanghai Commercial Paper Exchange Corp and NAFMII in a timely manner.

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

Macro & Financial

Market News

PBC monetary policy committee holds 2016Q4 meeting

PBC's monetary policy committee recently held the 2016Q4 meeting in Beijing, at which the attendees analyzed the current economic and financial situations at home and abroad. All attendees were asked to pay close attention to the latest movements in domestic and international economic and financial circles and the changes in international capital flow, continue to implement the prudent monetary policy and keep it appropriate and neutral. The meeting called for efforts to achieve reasonable growth in monetary credit and social financing, improve the financing structure and credit structure, and raise the ratio of direct financing. According to

the requirement for intensifying supply-side structural reform, it called to continue deepening the financial system reform, make financial operation more efficient and capable in serving the real economy, and reinforce and improve risk management. The meeting also pushed for market-based interest rate reform and reform of the RMB exchange rate forming mechanism, and vowed to keep the RMB exchange rate basically stable at a reasonable equilibrium.

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

Regulatory Developments

CSRC demands implementation of new audit rules

The CSRC recently issued a notice that demanded relevant entities in the capital market to implement new rules in their audit report. The notice specified the time and scope of implementing the new rules, and asked qualified accounting firms to carry out securities and futures business to make preparations and strictly implement the new rules, and market players including listed companies to cooperate in the implementation, strengthen corporate governance and reinforce information disclosure.

Companies listed at Shanghai and Shenzhen stock exchanges (namely main board companies, SMEs and ChiNext companies), IPO companies, innovation companies of non-listed public companies whose stocks are publicly transferred at the National Equities Exchange and Quotations (NEEQ), and companies issuing bonds to public investors should all implement the new rules on audit report starting from January 1, 2018.

For companies listed in the mainland and Hong Kong (A+H shares) at the same time, the audit of financial statement of the mainland-listed part should implement the new rules from January 1, 2017.

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

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