

**Regulatory
Developments**

PBC Publishes China Monetary Policy Report Quarter Three, 2015

According to China Monetary Policy Report Quarter Three, 2015, published by the People's Bank of China (PBC) on November 6, the PBC will further advance interest rate liberalization reform, continuously foster benchmark interest rate and yield curve, and keep optimizing the interest rate formation mechanism. It is also required to optimize the central bank's policy rate system to enhance interest rate regulation and rationalize the mechanism for the transmission of policy rate of People's Bank of China to the financial market and even real economy.

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

CSRC to Optimize IPO System and Restart IPO

China Securities Regulatory Commission (CSRC) announced on November 6 that it will optimize Initial Public Offering System and restart initial public offering. Based on opinions and suggestions from all market players on further improvement of IPO System mechanism, the CSRC has come up with policy measures to further reform and perfect IPO System, with focus on addressing the problem of subscription for new stocks with huge funds, simplifying IPO verifying conditions, enhancing responsibility of intermediaries, and intensifying efforts to protect investors' legitimate rights and interests.

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

NAFMII Related

NAFMII Introduces Special Institutional Investor System for Private Placement

On November 6, the 8th session of the 4th executive committee meeting of National Association of Financial Market Institutional Investors (NAFMII) adopted the Detailed Rules on Selection of Special Institutional Investors for Private Placement Note and 2015 List of Special Institutional Investors for Private Placement Note, introducing Special Institutional Investor System for private placement. After the introduction of the Special Institutional Investor System (N+X), the private placement investors will be classified into special institutional investors (N) and specific institutional investors (X). The introduction of the N+X system will make it easier for issuers to find investors, help investors greatly save the time cost for investing in private placement note (PPN), and help substantially improve the liquidity of PPN secondary market and reduce corporate financing cost.

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