

**Regulatory  
Developments**

### **China improves exchange rate formation system**

For the purpose of enhancing the market-orientation and benchmark status of central parity, the People's Bank of China (PBC) has decided to improve quotation of the central parity of RMB against US dollar. Effective from 11 August 2015, the quotes of central parity that market makers report to the CFETS daily before market opens should refer to the closing rate of the inter-bank foreign exchange market on the previous day, in conjunction with demand and supply condition in the foreign exchange market and exchange rate movement of the major currencies.

In the future, the PBC will strive to further improve market-based formation mechanism of RMB exchange rate, maintain a normal fluctuation of RMB, and keep the exchange rate basically stable at an adaptive and equilibrium level.

[PBC News1](#)[PBC News2](#)(Available in English)

**Statistics**

### **Central Bank Releases Statistics on All-system Financing Aggregate for July 2015**

On August 11, the People's Bank of China (PBC) released the statistics on all-system financing aggregate for July 2015. The report shows that in July 2015 the aggregate financing was RMB 718.8 billion, RMB 1.11 trillion less than the previous month and RMB 532.7 billion more than the same period last year. Among them, new RMB loans increased by RMB 589 billion in July, a year-on-year increase of RMB 213.6 billion; net bond financing was RMB 247.9 billion, a year-on-year increase of RMB 104.4 billion, financing via the domestic stock market by non-financial enterprises was RMB 61.5 billion, which was RMB 28.3 billion more than same period last year.

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

### **Central Bank Releases July Financial Statistics Report**

On August 11, the People's Bank of China (PBC) released financial statistics report for July. The statistics show that by the end of July broad measure of money supply (M2) was RMB 135.32 trillion, an increase of 13.3% from a year earlier, up 1.5 percent than the previous month, 0.2 percentage points lower than the same period last year. RMB loans went up by RMB 1.48 trillion in July, with a year-on-year increase of more than 1.61 trillion.

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

## **CBRC Issues Regulatory Indicators for Q2**

On August 10, China Banking Regulatory Commission (CBRC) released the main supervisory indicators for the second quarter of 2015. Data show that the assets and liabilities of the banking industry maintained steady growth, the banking sector continued efforts to strengthen financial services in key economic field and livelihood projects, credit risks were controllable as a whole, impairment reserves for credit risks in the banking industry were adequate, the overall ability for risk prevention maintained stable and the liquidity was relatively sufficient.

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

## **NBS: Consumer Prices for July 2015**

In July, the consumer price index (CPI) went up by 1.6 percent year-on-year. On average from January to July, the overall consumer prices were up by 1.3 percent over the same period of the previous year.

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

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