

Macro & Financial

PBC Website Releasing Daily Government Bond Yield Curve

Market News

The People's Bank of China is releasing the yield curves of Chinese Government Bonds (CGB) and other financial products on its official website starting from June 15, 2016. All the yield curves mentioned above are produced by China Central Depository and Clearing Ltd. (www.chinabond.cn), and the three-month government bond yield is used by the International Monetary Fund (IMF) as the RMB-denominated interest rate for the purpose of calculating the interest rate of the Special Drawing Right (SDR). It is an international practice to release government bond yield curve on central banks' websites. This move will make it more convenient for the investors, both at home and abroad, to familiarize themselves with and participate in China's bond market, raise their awareness and use of CGB yield curve, improve the benchmark role of the government bond yield curve, and lay a solid foundation for the market-based interest rate reform.

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

Statistics

PBC Publishes Financial Statistical Report for May 2016

According to the financial statistical report released by People's Bank of China (PBC), M2 and M1 money supply increased 11.8% and 23.7% respectively in May 2016; RMB loan increased by RMB985.5 billion and foreign-currency loan decreased by USD18.1 billion; RMB deposits increased by RMB1.83 trillion and foreign-currency deposits decreased by USD8.8 billion; monthly weighted average interest rate of interbank Renminbi lending was 2.10%, and that of bond repurchase agreement was 2.07%; RMB settlement business for cross-border trade stood at RMB438 billion, and that for direct investment was RMB160.2 billion.

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Statistical Report on Aggregate Social Financing of May 2016

The outstanding volume of social financing stood at RMB146.33 trillion at the end of May 2016 with a YOY growth of 12.6%. Among which, RMB loan balance granted to the real economy was RMB98.92 trillion, up 14.0% YOY, and foreign-currency loan to the real economy was equivalent to RMB2.70 trillion, down 21.7% YOY; the balance of entrusted loan was RMB11.88 trillion, up 22.1% YOY, and the balance of trust loan was RMB5.65 trillion, up 6.1% YOY; the balance of undiscounted bank acceptance

was RMB4.85 trillion, down 31.2% YOY, corporate bond balance was RMB16.26 trillion, up 29.9% YOY, and domestic stock balance of non-financial enterprises was RMB5.01 trillion, up 23.6% YOY.

The incremental of aggregate financing to the real economy from January to May 2016 totaled RMB8.10 trillion accumulatively, a YOY increase of RMB1.15 trillion. The increment in May was RMB659.9 billion, a decrease of RMB579.8 billion from the same period last year. Among that, RMB loan granted to the real economy increased by RMB937.4 billion, a YOY increase of RMB86.4 billion, and foreign-currency loan to the real economy decreased by RMB52.4 billion equivalent, a YOY growth reduction of RMB60.5 billion; entrusted loan increased by RMB156.6 billion, a YOY increase of RMB124.2 billion, and trust loan increased by RMB12.1 billion, a YOY increase of RMB31.6 billion; undiscounted bank acceptance decreased by RMB506.6 billion, a YOY growth reduction of RMB602.7 billion, net financing of corporate bonds decreased by RMB39.7 billion, a YOY decrease of RMB210.7 billion, and domestic stock financing of non-financial enterprises was RMB107.3 billion, a YOY increase of RMB48.9 billion.

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