



## Regulatory

### Developments

#### **China Banking and Insurance Regulatory Commission (CBIRC) releases Notice on Standardizing Cross-Provincial Bill Business of Banking Financial Institutions**

CBIRC released the Notice on Standardizing Cross-provincial Bill Business of Banking Financial Institutions, which defines the cross-provincial bill business of banking financial institutions and sets requirements regarding current problems. The Notice consists of five articles.

**First, it defines cross-provincial bill business.** The Notice divides the cross-provincial bill business of banking financial institutions into credit business and transaction business and defines them separately.

**Second, it sets regulatory requirements on the main risks of bill business.** The Notice requests banking financial institutions to implement the regulatory requirements, strengthen risk control in key links, enhance employee management, and foster the compliance culture.

**Third, it sets regulatory requirements on cross-provincial transaction business.** The Notice requests banking financial institutions to carry out cross-provincial bill transaction through the bill market infrastructure and restricts high-risk paper bill transaction across provinces.

**Fourth, it sets regulatory requirements on cross-provincial credit business.** The Notice requests banking financial institutions to set up internal management system for remote credit grant, conduct rigorous credit management, and form the internal coordination and control mechanism.

**Fifth, it strengthens regulation of cross-provincial bill business.** The Notice requests the regulators on all levels to intensify business monitoring and inspection, urge banking financial institutions to make corrections once problems are identified, and punish them according to relevant laws and regulations.

[\(CBIRC News\)](#) (Currently Available in Chinese)

## Statistics

#### **Financial market operation statistics in April 2018**

In April, 3.6 trillion RMB bonds of various types were issued in the bond market, including 325.1 billion RMB central government bond, 301.8 billion RMB local government bond, 566.9 billion RMB financial bond, 820 billion corporate bond RMB,

146.6 billion RMB assets-backed securities, and 1.4 trillion RMB NCD.

The interbank monetary market registered a transaction volume of RMB57.9 trillion, up 16.90% year-on-year and down 22.04% month-on-month. Among that, pledge-style repo stood at RMB48.6 trillion, up 16.50% year-on-year and down 20.68% month-on-month, buyout-style repo stood at RMB0.9 trillion, down 49.41% year-on-year and 42.71% month-on-month, and interbank lending stood at RMB8.4 trillion, up 38.97% year-on-year and down 26.45% month-on-month.

The interbank bond market registered a cash bond transaction volume of RMB9.3 trillion, averaging RMB463.9 billion per day, up 25.91% year-on-year and 3.44% month-on-month. The exchange bond market saw a cash bond transaction volume of RMB424.9 billion, averaging RMB23.6 billion per day, up 7.32% year-on-year and down 11.61% month-on-month. At the end of April, the interbank bond index stood at 180.13 points, up 2.13 points from the end of last month.

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

### **Financial Statistics Report April 2018**

Broad money and narrow money grew 8.3% and 7.2% respectively. In April, RMB loans and FX loans increased RMB 1.18 trillion and USD 4.2 billion respectively. RMB deposits increased RMB 535.2 billion while FX deposits decreased USD 22.2 billion. The monthly weighted average interest rate of interbank RMB lending was 2.81%, and the monthly weighted average of bond pledged repo rate was 3.1%. The weighted average interest rate of interbank lending was 2.81%, up 0.07 and 0.16 percentage point mom and YoY respectively; the weighted average interest rate of pledged repos was 3.1%, up 0.2 and 0.3 percentage point mom and YoY respectively. RMB settlement of cross-border trade reached RMB 375.96 billion, and RMB settlement of direct investment was RMB 165.75 billion.

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

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