

Macro& Financial

Market News

1. Announcement on Releasing the 2018 Marketization Evaluation Results of Credit Rating Agencies for Debt Financing Instruments of Non-financial Enterprises

National Association of Financial Market Institutional Investors (NAFMII) organized the 2018 marketization evaluation of credit rating agencies for debt financing instruments of non-financial enterprises.

This evaluation, based on the Market Evaluation Rules for Credit Rating Agencies for Debt Financing Instruments of Non-financial Enterprise (Evaluation Rules), has four categories of indicators: professional competence and operation evaluation, evaluation by investors, evaluation by other market players and evaluation by experts, and sets deductions. The evaluated are five rating agencies engaged in credit rating for debt financing instruments of non-financial enterprises in the inter-bank market. NAFMII organized 120 market players and 43 market experts, including 82 investors and experts from investment institutions, to evaluate various aspects of the five rating agencies, such as professional competence, rating result quality, rating report quality, and rating service quality, with evaluation index weight amounting to 70%. In the evaluation period, any rating agency that has received administrative punishment or disciplinary punishment, or whose up-rating rate and cumulative default rate are significantly higher than the industry average will get a mark-down correspondingly according to the Evaluation Rules.

According to the results of this evaluation, the rating agencies are ranked in the following order: **China Chengxin International Credit Rating Co., Shanghai Brilliance Credit Rating & Investors Service Co., Golden Credit Rating International Co. Ltd., China Lianhe Credit Rating Co. and the fifth Dagong Global Credit Rating Co..**

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

2. Financial markets operations in August 2018

In August, RMB 4.4 trillion worth of various types of bonds were issued in the bank market, including RMB 369.5 billion government bond, RMB 883 billion local government bonds, RMB 420.4 billion financial bonds, RMB 771.2 billion corporate bonds, RMB 112.8 billion and RMB 1.8 trillion asset-backed securities and interbank deposit, respectively. Interbank money market transactions totaled RMB 92.2 trillion, up 42.10% year on year and up 19.35% month on month. Cash

bond transactions in the interbank bond market amounted to RMB 16.6 trillion, with a daily average volume of RMB 720.9 billion, up 69.24% year on year and 14.38% month on month. Cash bond transaction in the exchange bond market was RMB 519 billion, with an average daily volume of RMB 22.6 billion, an increase of 5.18% year on year and decrease of 7.00% month on month. By the end of August, the China Interbank Bond Index was at 183.61, up 0.08 points from the end of the previous month. At the end of August, Shanghai Composite Index closed at 2725.25 points, down 151.15 points, or 5.25% from the end of July; Shenzhen Composite Index closed at 8465.47 points, down 713.31 points, or 7.77% from the end of July. In August, the average daily trading volume of the Shanghai stock market was RMB 125.6 billion, down 15.67% month on month, while the daily average trading volume of the Shenzhen stock market was RMB 160.7 billion, down 21.62% month on month.

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

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