

**Regulatory  
Developments**

### **2016 Anti-Money Laundering Report Briefing Held in Beijing**

On May 19, The People's Bank of China (PBC) held 2016 anti-money laundering report briefing, which pointed out the characteristics of anti-money laundering and anti-terrorist financing campaign at home and abroad. First, anti-terrorist financing has come under the spotlight both in China and the world at large. Second, illegal fund raising and other crimes that damage the financial management and order as well as financial frauds are getting easier and more frequent. Third, upstream crimes concerning smuggling, taxation, corruption and drugs have caused serious consequences. Fourth, international standards for anti-money laundering are getting increasingly rigorous.

Financial and payment institutions must attach great importance to anti-money laundering and take potent measures to improve this work.

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

**Statistics**

### **PBC Releases Financial Market Situation for April 2016**

In April 2016, RMB 3.3 trillion worth of various bonds were issued in the bond market, including RMB 288.2 billion treasury bonds, RMB 1.1 trillion local government bonds, RMB443.8 billion financial bonds, RMB 712.34 billion corporate credit bonds, RMB 19.57 billion credit assets-backed securities, and RMB 784.96 billion interbank deposits. Transaction volume in the monetary market totaled RMB 50.9 trillion, a YOY increase of 46.3% and month-on-month decrease of 18%. Cash bond transaction in the interbank bond market stood at RMB 9.6 trillion, averaging a daily transaction volume of RMB 481.57 billion, a YOY increase of 63.7% and month-on-month decrease of 2.3%. At the end of April, interbank bond index stood at 172.12 points, Shanghai Composite Index closed at 2938.32 points and Shenzhen Component Index closed at 10141.54 points, down 1.15 points (0.66%), 65.59 points (2.18%) and 313.83 points (3%) respectively from the end of the previous month. In April, the average daily trading volume at Shanghai stock market was RMB 212.61 billion and that at Shenzhen stock market was RMB 360.4 billion, the former down 9.6% month-on-month and the latter up 3.4% month-on-month.

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

### **SOEs Saw Steady Economic Operation in First Four Months of 2016**

Data published by the Ministry of Finance on May 25 showed that in January-April this year, state-owned and state-controlled enterprises (SOEs) all saw steady economic operation with some continuously improving indicators. Although revenues and profits continued to decrease YOY, the extent of decrease contracted by 1.3 and 5.4 percentage points respectively from the previous month. By industry, transportation, petrochemicals and pharmaceuticals achieved considerable YOY profit increase; petroleum, chemical industry and building materials registered massive YOY profit reduction; and coal, steel and non-ferrous metals continued to lose money.

From January to April, SOEs achieved total operating revenues of RMB 13517.06 billion, down 1.7% YOY. Among that, central enterprises achieved RMB 8219.14 billion, down 3.9% YOY, and local SOEs achieved RMB 5297.92 billion, up 2% YOY. SOEs' total profits reached RMB 652.26 billion, including RMB 505.41 billion for central enterprises and RMB 146.85 billion for local SOEs, down 8.4%, 6.6% and 14.2% YOY respectively. SOEs' tax payables stood at RMB1229.65 billion, down 0.8% YOY. Among that, central enterprises had to pay RMB 972.23 billion taxes, down 1.2% YOY, and local SOEs RMB 257.42 billion taxes, up 0.7% YOY.

The data also showed that from January to April, SOEs' total operating cost was RMB 13167.28 billion, down 1.5% YOY. Among that, sales cost, overhead cost and financial cost increased 5.9%, 4.7% and 0.1% YOY respectively.

[Gov News](#)(Currently Available in Chinese)

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