

NAFMII Related

NAFMII issues notice on Information Disclosure of Micro Enterprises Loan ABS

NAFMII organized its members to work out the *Guidance on Information Disclosure of Loan-Asset-backed Securities of Micro Enterprises(trial)*. Loan asset backed securities of micro enterprises is a securitized financing instrument. In China, banking financial institutions and others certified by the regulator entrust as initiators the loan of micro enterprises whose assets are non-cyclical to institutions, which then issue asset backed securities to investors, and the cash generated in micro enterprises' loan asset pool is used to pay the principal and yields of the securities.

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

Macro & Financial

CSRC issues guidance on mainland-Hong Kong stock market interconnectivity

Market News

The CSRC issued the *Guidance on Securities Fund Institutions Engaging in Mainland and Hong Kong Stock Markets*, which integrates former regulatory documents on securities companies and public fund managers engaging in the Hong Kong stock connect. The Guidance basically includes the same regulatory requirements as those on the Shanghai-Hong Kong stock connect, and expands the applicability scope to mainland-Hong Kong stock market interconnectivity mechanisms including Shenzhen-Hong Kong stock connect. With the launch of Shenzhen-Hong Kong stock connect, there are two trading channels for Hong Kong stock, and investors may face new situations and problems when engaging in it. Therefore, the Guidance requests securities companies to earnestly carry out investor education and risk revelation in order to better protect the legitimate rights and interests of Hong Kong stock investors.

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

Statistics

PBC issues financial statistical report for 2016 Q1-3

In the first three quarters of 2016, M2 and M1 increased by 11.5% and 24.7% respectively, RMB loan increased by RMB10.16 trillion and foreign loan decreased by USD25.9 billion, and RMB deposit and foreign-currency deposit increased by RMB12.81 trillion and USD37.8 billion respectively. In the RMB market, monthly

weighted average interest rate of interbank lending is 2.25% and that of pledge-style bond repo is 2.28%. China's foreign exchange reserve balance stood at USD3.17 trillion. RMB settlement for cross-border trade totaled RMB4.03 trillion, and direct investment reached RMB1.88 trillion.

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

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