

Macro & Financial

CSRC and MOF issue Regulations on Futures Investors Protection Fund and related rules

Market News

The CSRC and MOF recently issued the revised Regulations on Futures Investors Protection Fund and related rules, which will come into force 30 days later. The revisions mainly concern three aspects. First, specific standards on the scale of the protection fund are deleted, and "the total sum of protection fund is enough to cover market risks" is taken as one of the preconditions for payment suspension. Second, only one principle is laid down on the payment ratio for the protection fund. The related rules jointly issued with the MOF specifically reduce the ratio of payment for futures exchanges (from 3% of handling fee to 2%) and companies (from 0.5-1ppm of transaction volume to 0.05-0.1ppm). Third, the protection fund will be paid annually instead of quarterly.

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

CSRC releases main regulatory indicators in 2016Q3

Statistics

The CSRC recently released main regulatory indicators in 2016Q3, which revealed the following characteristics. First, the banking industry's assets and liabilities increased steadily. At the end of 2016Q3, Chinese banking financial institutions had RMB222.9 trillion total assets, at home and abroad, Chinese and foreign currencies, a YOY increase of 15.7%, and their total liabilities stood at RMB205.9 trillion, a YOY increase of 15.5%. Second, the banking industry continued to enhance financial services. Third, the quality of credit assets remained stable in general. Fourth, the banking industry's profit growth continued to slow down. Fifth, the banking industry had steady capability of compensating for the losses arising from risky assets. Sixth, liquidity remained sufficient.

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

PBC releases financial statistics of Oct, 2016.

According to the financial statistics released by PBC, M2 and M1 in October increased by 11.6% and 23.9% respectively; RMB loan increased by RMB651.3 billion and foreign currency loan decreased by USD4.1 billion; RMB deposit increased by RMB1.21 trillion and foreign currency deposit increased by USD17 billion. The monthly weighted average interest rate of interbank lending in the interbank RMB

market was 2.3% and that of collateral bond repo was 2.35%; RMB settlement for cross-border trade totaled RMB368.1 billion and that for direct investment was RMB195.2 billion.

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

Disclaimer: NAFMII does not guarantee the accuracy of the information contained in the newsletter. Materials and data provided here are intended for general informational purposes only, and are not intended to provide specific investing, tax, business or legal advice to any individual or entity. Certain contents of this newsletter are copyrighted by NAFMII. You agree that information provided on this newsletter will be used solely for your own personal, noncommercial use and benefit, and this information is not to be distributed, sold, transferred or otherwise made available to third parties. You may not copy, recompile or create derivative works from the information provided on this newsletter. Readers are urged to consult with their own advisors before taking action based on any information appearing on this newsletter.