

Macro & Financial

Shanghai Commercial Paper Exchange Corp Ltd opened for business

Market News

The inauguration ceremony of Shanghai Commercial Paper Exchange was held in Shanghai on December 8. As a national unified platform integrating such functions as commercial paper trading, registration and deposit, clearing and settlement, and information service. The new platform will make the commercial paper market much more transparent, efficient and vibrant, and better prevent risks. Also, it helps improve the central bank's macro-control in financial industry, optimize the transmitting mechanism of monetary policies and make financial industry better serve the real economy.

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

Shenzhen-Hong Kong Stock Connect program officially launched

The launch ceremony for the Shenzhen-Hong Kong Stock Connect program was held in Shenzhen and Hong Kong simultaneously on December 5. CSRC Chairman Liu Shiyu said at the ceremony that the launch of the stock connect program will inject positive energy, confidence and trust into the international and domestic financial markets. Like two rivers, Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect will gather capital, technology, information, wisdom and culture from Chinese mainland, Hong Kong and the world at large to benefit their economic development. Mr. Liu said financial regulators in the mainland and Hong Kong will work more closely together to enhance market regulation, strengthen cross-market enforcement coordination, and rigorously crack down market violations including cross-border market manipulation, so as to protect the legitimate rights and interests of investors from the mainland, Hong Kong and in the rest of the world.

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

Statistics

RMB exchange rate indices remained generally stable in November 2016

On November 30, 2016, the CFETS RMB exchange rate index closed at 94.68, gaining 0.49 percent from the end of October; the RMB exchange rate index based on the BIS basket and the RMB exchange rate index based on the SDR basket closed at 95.95 and 95.26 respectively, gaining 0.93% and losing 0.27% from the end of October. The monthly trend shows that, most of November, the CFETS RMB exchange rate index moved above 94 with relative small fluctuations. Generally, two

of the three indices appreciated and one depreciated since the end of October. RMB appreciated against a basket of currencies.

Since the beginning of November, affected by a number of factors such as further recovering US economy and the optimistic atmosphere resulted by Donald Trump winning the US 2016 election, market expectation of Fed raising interest rate in December was strengthened. What is more, market participants also adjusted their estimates of the extent and frequency of Fed's future rate-hike. Influenced by the changes of external environment, RMB also depreciated 1.69% against US dollar in November. However, this depreciation is relatively small compared with other major currencies. RMB kept appreciating slightly against a basket of currencies, which indicates its stable characteristics of a strong currency in the international monetary system.

[PBC News](#) (Currently Available in English)

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