

**NAFMII News**

**Latest NAFMII Data as of 29 March, 2013**

- The newly issued non-financial enterprises debt financing instruments through NAFMII in 2013 reached 735.65 billion yuan (private placement product reached 143.95 billion yuan), accounting for 71.7% of the total volume of corporate bonds issued this year; the accumulated issuance volume of the instruments reached 9.05 trillion yuan, accounting for 71.1% of the accumulated volume of corporate bonds; the outstanding volume of the debt financing instruments amounted to 4.72 trillion yuan, accounting for 57.8% of the total corporate bonds outstanding.
- 3,682 market participants had joined NAFMII membership, including 170 banking institutions like policy banks, commercial banks and credit unions; 168 non-bank financial institutions like securities, insurance and finance companies; 7 financial intermediaries; 694 intermediaries like rating agencies, accounting firms and law firms; 2631 enterprises; 2 institutions of other areas; and 10 individual members.
- A total of 478 institutions (including 346 non-financial institutions and 1 investment entity with non-legal person status) completed the filing procedures for the signing of 1,944 copies of the Master Agreement on Trading Financial Derivatives in China's Interbank Market (NAFMII Master Agreement); 23 market institutions signed the Master Agreement on Bond Repurchase Transactions; 54 market institutions signed the Master Agreement on Loan Transfer; 21 market institutions signed the Master Agreement (Warranty); 55 institutions registered for Forward Rate Agreement (FRA) qualification and 96 institutions registered for Interest Rate Swap (IRS) qualification; and there were 45 Credit Risk Mitigation (CRM) traders, 26 core traders and 29 CRMW creation institutions.

**Regulatory  
Developments**

**China Foreign Exchange Trade System Starts Direct Trading between RMB and Australian Dollar**

On April 9, 2013, with the authorization of the People's Bank of China, the China Foreign Exchange Trade System (CFETS) announced to start direct currency trading between RMB and Australian Dollar (AUD) in compliance with market principles so

as to improve means of trading between RMB and AUD on the interbank foreign exchange market. This is an important initiative China and Australia take to promote further development of bilateral economic and trade relations.

[PBC news release](#)

### **SAFE Releases Statistics on QFII Approval Quota for Q1 2013**

According to the statistics of the State Administration of Foreign Exchange (SAFE), SAFE granted an additional \$1.36 billion QFII quota in January and \$850 million in February. In March, it has approved investment quotas of \$910 million to 11 Qualified Foreign Institutional Investors, while the investment quota for QDIIs did not increase.

In the first quarter of this year, QFII quota increased by \$3.12 billion, a moderate rise compared to the same period last year. SAFE approved \$2.853 billion in the first quarter of last year.

[News report](#) (currently only available in Chinese)

### **China's External Debt Balance by the End of Last Year Hit \$736.9 Billion, with Short-term Foreign Debt Accounting for 73%**

Recent data released by the State Administration of Foreign Exchange (SAFE) show that by the end of December 2012, China's foreign debt balance stood at \$736.986 billion, compared to \$770.83 billion at the end of September 2012, among which registered foreign debt balance was \$445.486 billion and intra-enterprise trade credit balance was \$291.5 billion. According to SAFE's preliminary calculation, in 2012, China's foreign debt liability ratio was 8.96%, debt ratio 32.78%, debt service coverage ratio 1.62%, and the ratio of short-term foreign debt and foreign exchange reserves 16.33%, all within internationally recognized safety line.

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[News report](#) (currently only available in Chinese)

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