

**NAFMII related**

**NAFMII sets up Certification Expert Committee**

On 29 July, 2014, Certification Expert Committee of NAFMII was established in Beijing. The Committee will conduct in-depth research and provide expert advice concerning certifications for inter-bank market practitioners, specify quality criteria of the practitioners, promote the establishment of certification systems, optimize talent cultivation, and promote the communication and exchanges of various market participants in the field of certification.

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

**Self-disciplinary Actions Taken by NAFMII**

From 2013 to Q1 of 2014, 24 enterprises and credit enhancement institutions failed to timely disclose relevant financial information and a lead underwriter failed to ensure an enterprise underwritten by it to timely disclose the 2013 Annual Report and 2014 Q1 Report due to operational negligence. NAFMII, in accordance with relevant provisions, circulated notices of criticism to the above-mentioned 24 non-compliant enterprises and credit enhancement institutions as well as their officers in charge. And the aforesaid lead underwriter was punished with admonishing talks.

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

**Regulatory  
Developments**

**The SAFE Conducted Pilot Reform in Some Regions on Management Method for Foreign Capital Settlement of Foreign-invested Enterprises**

Recently, State Administration of Foreign Exchange (SAFE) decided to conduct pilot reform on management method for foreign capital settlement of foreign-invested enterprises in some regions (such as Tianjin Binhai New Area, Shenyang Economic Zone, etc.). Aside from the option of using foreign capital under current payment and settlement system, foreign-invested enterprises can choose to settle their foreign capital at will, that is, foreign-invested enterprises can apply for settlement of foreign capitals in their capital accounts with banks according to the actual operating needs of enterprises, and the RMB funds received thereby shall be put into accounts and managed as settled-but-yet-to-be-paid funds. This reform can provide better service and convenience for foreign-invested enterprises in terms of their working capital needs.

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

### **PBC releases China Monetary Policy Report of Q2 2014**

By the end of June 2014, China's broad money supply (M2) increased by 14.7% year on year. RMB loan balances increased by 14.0% y-o-y, up by more than RMB 659 billion, and RMB 5.74 trillion compared with the beginning of this year. All-system financing aggregate stood at RMB 10.57 trillion, up by RMB 414.6 billion compared with the same time last year. Lending rates of financial institutions overall edged down and weighted average interest rate for loans to non-financial enterprises and other sectors was 6.96 percent in June, 0.22 percentage points lower than March. At the end of June, the central parity of RMB against the U.S. dollar was 6.1528, with RMB depreciating 0.91% compared with the end of last year. Moving to the next stage, the Central Bank will continue to create a stable monetary and financial environment for economic restructuring and upgrade.

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

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