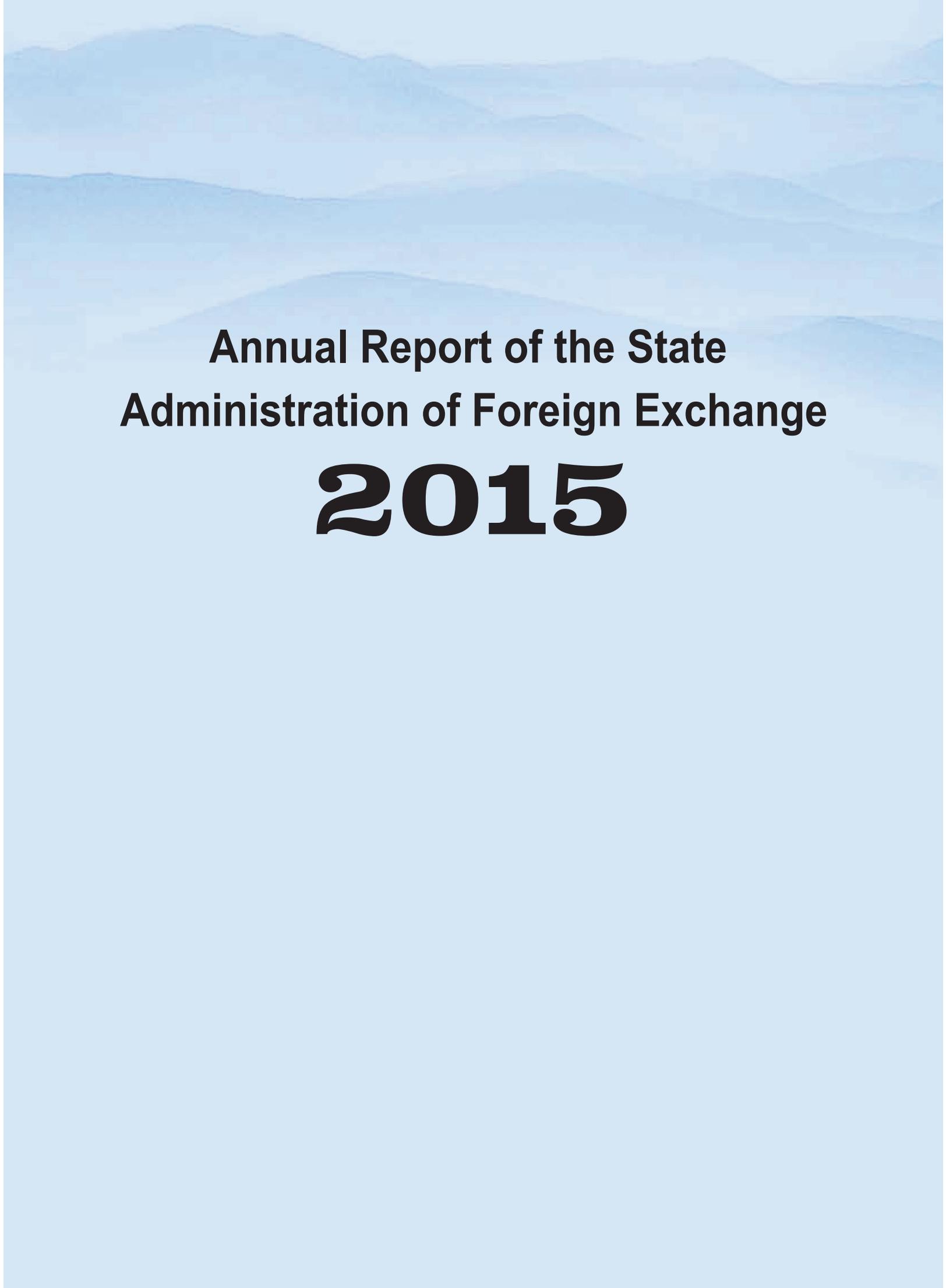


**Annual Report of the State
Administration of Foreign Exchange
2015**



State Administration of Foreign Exchange

The background of the cover is a photograph of a mountain range. The mountains are layered, with the closest ones in sharp focus and the ones in the distance becoming increasingly hazy and blue-tinted, creating a sense of depth and atmosphere. The overall color palette is cool, dominated by various shades of light blue and white.

**Annual Report of the State
Administration of Foreign Exchange
2015**

Contents

Administrator's Message	vii
Management of the SAFE	xi
Major Functions and Organizational Structure of the State Administration of Foreign Exchange	1
China's Macro Economy	15
Global Economic and Financial Market Review	18
The Foreign Exchange Administration Situation	22
China's Balance of Payments Position	22
China's International Investment Position	27
China's External Debt	32
Trends in the RMB Exchange Rate and Domestic Foreign Exchange Market Transactions	34
Foreign Exchange Administration under the Current Account	40
Foreign Exchange Administration under the Capital Account	45
Statistics and Monitoring of the Balance of Payments	54
Regulation of the Foreign Exchange Business of Financial Institutions	61
Building and Development of Foreign Exchange Market	64
Enforcement of the Foreign Exchange Inspections and Regulations	66
Management of Foreign Exchange Reserves	74
Construction of the Legal System for Foreign Exchange Administration	80
Disclosure and Dissemination of Information on Government Affairs	85
IT Applications	88

International Exchanges and Cooperation	91
Internal Management	93
Foreign Exchange Statistics	101
Major Events in China's Foreign Exchange Administration in 2015	176
Major Foreign Exchange Administration Policies and Regulations Promulgated in 2015	187
◆ Box	
Box 1 Strengthening Administration against Abnormal Capital Flows under the Profit Account	43
Box 2 Foreign Exchange Convertibility Basically Achieved for Direct Investments	49
Box 3 Pilot Program for Macro-prudential Management of External Debt	52
Box 4 Strengthening the Monitoring of Cross-Border Capital Flows	56
Box 5 Latest Changes in the Corporate Trade Credit Survey System	59
Box 6 Special Inspections of Compliance of Banks in Foreign Exchange Business	70
Box 7 Cracking down on Illegal and Criminal Foreign Exchange Activities of Underground Banks	72
Box 8 Different Solvency among Countries in Promoting International Production Capacity Cooperation	76
Box 9 Pressing ahead with Administration Streamlining and Power Delegation, Regulation Strengthening and Service Optimization	82

Contents

Box 10 Carrying out the "Three Stricts and Three Steadies" Educational Campaign	97
Box 11 Promoting the operational risk supervision and administration system	99
◆ Table	
Exhibit 1 External Debt of Developing Countries (Average, 2010–2014)	78
Exhibit 2 External Debt of Selected Target Countries under China's Going Global Strategy (Average, 2010–2014)	79
Table S1 China's Balance of Payments, 2015	101
Table S2 Abridged Balance of Payments, 1990–2015	105
Table S3 China's International Investment Position, 2004–2015	111
Table S4 China's Gross External Debt Position by Sector, End-2015	114
Table S5 Structure and Growth of Long-term and Short-term External Debt, 1990–2015	118
Table S6 The External Debt, the National Economy, and Foreign Exchange Income, 1990–2015	120
Table S7 Flows of the External Debt, the National Economy, and Foreign Exchange Income, 1990–2015	122
Table S8 Annual and Monthly Averages of the Central Parity Rate of the RMB against the USD, January 1990-December 2015	124
Table S9 Central Parity Rate of the RMB, 2015	126
Table S10 Foreign Exchange Reserves, 1990–2015	131

Table S11	Monthly Foreign Exchange Reserves, 2015	132
Table S12	Qualified Foreign Institutional Investors (QFIIs) with Investment Quotas Granted by the SAFE	133
Table S13	Qualified Domestic Institutional Investors (QDIIIs), Including Banking, Insurance, and Securities Institutions, with Investment Quotas Granted by the SAFE	143
Table S14	RMB Qualified Foreign Institutional Investors (RQFIIs) with Investment Quotas Granted by the SAFE	149
Table S15	List of Banks Engaging in Derivative Businesses for Clients	155
Table S16	Banks as Market-Makers in the Trading of RMB-Forex on the Interbank Forex Market	158
Table S17	List of Insurance Institutions Operating Foreign Exchange Businesses	159
◆ Figure		
Figure 1	China's Monthly Trade Surplus, 2015	17
Figure 2	Growth Rates of China's Imports and Exports, 2015	17
Figure 3	Performance of the Exchange Rates of Major Currencies, 2015	20
Figure 4	External Financial Assets, Liabilities, and Net Assets, 2004–2015	27
Figure 5	Changes in the Structure of China's External Assets, 2004–2015	28
Figure 6	Changes in the Structure of China's External Liabilities, 2004–2015	29

Figure 7	China's Return of External Assets and Liabilities, 2005–2015.....	31
Figure 8	Trends in the Middle Rate of the RMB against Other Main Currencies, 2015	34
Figure 9	Trends in the RMB Effective Exchange Rate, 1994–2015	35
Figure 10	Fluctuations in the RMB/USD Spot Transaction Price in the Interbank Foreign Exchange Market, 2015	37
Figure S1	Components of the Registered External Debt by the Type of Debtors, End-2015	116
Figure S2	Components of the Registered External Debt by the Type of Debt, End-2015	117



Administrator's Message

In 2015, faced with complex international situations and increasing downward pressure on the economy, the CPC Central Committee and the State Council, adhering to the general work guideline of making progress while maintaining stability, adapted to the new normal of economic development, and witnessed stable economic operation, optimized economic structure, deepened reform and opening-up, and maintained medium and high economic growth.

China's balance of payments showed the pattern of "surplus under the current account and deficit under the capital and financial account" in the year. Particularly, the current account still maintained a high surplus, which hit USD 330.6 billion, up 19 percent year on year, remaining within the internationally acceptable reasonable range. The capital and financial account (excluding reserve assets) registered a deficit of USD 485.3 billion, as a result of China's adjustment of external assets and liabilities structure. By the end of 2015, the balance of China's foreign exchange reserves totaled USD 3.33 trillion.

The risks associated with cross-border capital flows in China remained within control in the year. In the economic fundamentals, China's economic operation remained within the reasonable range, with economic restructuring advanced, industrial structure further optimized, demand structure further improved and income distribution structure more reasonable. In the external accounts, the current account remained in surplus, and foreign exchange reserves were still abundant; external debt risks continued to be under control, and external debt repayment stayed stable.

Under the leadership of the CPC Central Committee and the State Council and the guidance of the CPC Committee of the People's Bank of China,

foreign exchange authorities, adhering to the general work guideline of making progress while maintaining stability, accelerated administration streamlining and power delegation and transformation of the way of foreign exchange administration. The upgraded version of the reform of centralized operation and management of foreign exchange funds of MNCs achieved initial success. The pilot program for cross-border foreign exchange payments through payment institutions was rolled out nationwide. Foreign exchange administration for direct investment was streamlined and improved, with the policy for discretionary settlement of foreign exchange capital by foreign-funded enterprises implemented in an all-around way. The pilot program for macro-prudential management of external debt was steadily conducted. Efforts were made to promote the development of foreign exchange markets and expand the utilization channels of "going global" capital. Ongoing and ex-post monitoring and management as well as risk prevention and control were intensified, with cross-border capital flow statistics monitoring system improved and foreign exchange irregularities cracked down. The operation and management system and mechanism for foreign exchange reserves were enhanced to ensure the security, liquidity, preservation and growth of the value of foreign exchange reserve assets and to strengthen their capabilities to serve the economic restructuring, transformation and upgrading. In all, foreign exchange authorities successfully completed the tasks for the year.

Looking into 2016, the global economic recovery will remain uneven. Globally, monetary policies of major economies will continue to diverge and uncertainties will increase. Domestically, China's economy will run within a reasonable range, the economic fundamentals will remain strong, featuring great potential and high resilience, foreign exchange reserves will be abundant, indicating China's financial system will be robust. Despite the complex and changing economic and financial environments both at home and abroad, China will continue to post current account surplus and capital

and financial account deficit in its balance of payments in 2016 so long as its upbeat economic and financial fundamentals and the global economic and political patterns don't change fundamentally.

The year 2016 is the first year of the 13th Five-Year Plan period and of the decisive phase for building a well-off society in an all-around way, and a crucial year for advancing the structural reform. Following the spirit of the 18th CPC National Congress, and the 3rd, 4th and 5th Plenary Sessions of the 18th CPC Central Committee, as well as the plans of the Central Economic Work Conference, foreign exchange authorities will actively serve the new normal of economic development. Under the principles of making progress while maintaining stability and breaking new grounds, foreign exchange authorities will continue to boost administration streamlining and power delegation and law-based administration, press ahead with the reform of the way of foreign exchange regulation, promote trade and investment facilitation, further optimize foreign exchange administration services and push forward the capital account convertibility. Foreign exchange authorities will also intensify monitoring of the balance of payments, refine the external debt and capital flow management systems under the framework of macro-prudential management, crack down on foreign exchange irregularities, maintain the normal order of foreign exchange markets, and improve the operation, management and innovative utilization of foreign exchange reserves, so as to promote the stable and healthy economic development and ensure a good start of the 13th Five-Year Plan period.

Pan Gongsheng



Management of the SAFE



Mr. Pan Gongsheng

Administrator, State
Administration of Foreign
Exchange



Mr. Yi Gang

Former Administrator, State
Administration of Foreign
Exchange



Mr. Deng Xianhong
Deputy Administrator, State
Administration of Foreign
Exchange



Mr. Fang Shangpu
Deputy Administrator, State
Administration of Foreign
Exchange



Mr. Wang Xiaoyi
Deputy Administrator, State
Administration of Foreign
Exchange(December 2007-
November 2015)



Mr. Li Chao
Deputy Administrator, State
Administration of Foreign
Exchange(December 2008-
September 2015)



Mr. Yang Guozhong
Deputy Administrator, State
Administration of Foreign
Exchange(November 2015 -)
Discipline Inspection Group
Leader of the CPC Leading Group
of the SAFE(September 2011 -
November 2015)



Ms. Han Hongmei
Chief Accountant, State
Administration of Foreign
Exchange



Major Functions and Organizational Structure of the State Administration of Foreign Exchange

I. Major Functions

1. To study and propose policy suggestions for reforming the foreign exchange administration system so as to prevent balance of payments risks and to promote an equilibrium in the balance of payments; to study policy measures to make gradual advances in the convertibility of the RMB under the capital account and to cultivate and develop the foreign exchange market; and to provide suggestions to and a foundation for the People's Bank of China to formulate policy on the RMB exchange rate.
2. To participate in the drafting of relevant laws, regulations, and departmental rules on foreign exchange administration and to release and carry out those duties related to the regulatory documents.
3. To oversee the statistics and monitoring of the balance of payments and external credit and debt, to release relevant information according to the regulations, and to undertake related work with respect to the monitoring of cross-border fund flows.
4. To supervise and manage the state foreign exchange market; to undertake supervision and management of the settlement and sale of foreign exchange; and to cultivate and develop the foreign exchange market.
5. To supervise and check the authenticity and legality of foreign exchange receipts and payments under the current account according to the law; to implement foreign exchange administration under the capital account according to the law; to continuously improve management work in line with the process of the convertibility of the RMB under the capital account; and to

regulate management of overseas and domestic foreign exchange accounts.

6. To implement supervision and inspections of foreign exchange activities according to the law and to punish behavior that is in violation of foreign exchange administration.

7. To undertake operations and management of official foreign exchange reserves, gold reserves, and other foreign exchange assets.

8. To arrange developmental planning, standards, and criteria for IT-based foreign exchange administration and to organize the relevant implementation; and to carry out supervisory information-sharing with related administrative departments according to the law.

9. To participate in relevant international financial activities.

10. To undertake other matters as assigned by the State Council and the People's Bank of China.

II. Internal Departments

In addition to the SAFE CPC Committee, the SAFE Head Office consists of nine functional departments, including the General Affairs Department (the Policy and Regulation Department), the Balance of Payments Department, the Current Account Management Department, the Capital Account Management Department, the Supervision and Inspection Department, the Reserves Management Department, the Human Resources Department (the Internal Auditing Department), the Science and Technology Department, and the Supervision Office.

General Affairs Department (Policy and Regulation Department): Carries out routine operational work, such as document management, meeting arrangements, management of confidential materials and archives, and work concerning security, confidentiality, emergency management, news releases,

and so forth; exercises management over financial affairs, assets, and foreign affairs; studies significant issues regarding foreign exchange administration and makes policy recommendations; participates in the drafting of relevant laws, regulations, and departmental rules; examines the legality of regulatory documents and participates in the drafting of important comprehensive documents; and carries out relevant administrative responses to legal suits, administrative reconsiderations, and hearings.

Balance of Payments Department: Undertakes the design and implementation of the statistical systems for the balance of payments, foreign exchange receipts and payments, and foreign exchange settlements and sales, and prepares the relevant statements; conducts monitoring, analysis, and early warnings on cross-border fund flows; exercises supervision and management of the foreign exchange receipts and payments of banks and of the banks' own foreign exchange settlements and sales businesses; and takes responsibility for supervision and management of the state foreign exchange market; and oversees the RMB exchange rate and provides the People's Bank of China (PBC) with recommendations and a basis for formulating RMB exchange rate policies.

Current Account Management Department: Carries out supervision and management of foreign exchange receipts and payments under the current account, examination of the authenticity of foreign currency exchange, and supervision and management of foreign exchange accounts both at home and abroad; undertakes management of market access for the relevant foreign exchange business of insurance financial institutions and management of foreign exchange receipts and payments and foreign currency exchange; and draws up administrative regulations for entry-exit quotas regarding the carrying and declaration of cash in foreign currencies, and so forth.

Capital Account Management Department: Carries out supervision and

management of transactions under the capital account, foreign exchange receipts and payments, foreign currency exchange, and the use of funds and foreign exchange accounts both at home and abroad; carries out registration for direct investments, management of foreign currency exchange, and relevant statistical monitoring in accordance with the law; exercises the relevant management of short-term external debt, contingent liabilities, external claims, and so forth; undertakes management of the registration and statistical monitoring of all of the requirements for the external debt; carries out management of market access for the relevant foreign exchange businesses of non-bank financial institutions other than insurance institutions and management of foreign exchange receipts and payments and foreign currency exchange; and carries out registration and management of foreign exchange receipts and payments related to cross-border investments in securities or derivative transactions.

Supervision and Inspection Department: Carries out foreign exchange inspections, investigates and imposes penalties in accordance with the law on activities in violation of the foreign exchange administration regulations; participates in campaigns to combat underground money shops, assists the public security and judicial authorities in investigating illegal foreign exchange transactions, evasion of exchange controls, fraudulent purchases of foreign exchange, and other illegal foreign exchange activities; and conducts inspections of the foreign exchange receipts and payments of institutions and individuals and of other activities related to foreign exchange operations.

Reserves Management Department: Researches on strategies, principles, and policy recommendations for the operation and management of official foreign exchange reserves and gold reserves, and draws up and implements overall operational proposals; supervises and inspects the status of external-managed reserve assets; carries out coordination and cooperation with international institutions, participates in international financial activities, and undertakes

relevant work with respect to informational exchanges and cooperation with the Hong Kong SAR, Macao SAR, and Taiwan Province; and studies and draws up principles for the operation of other entrusted foreign exchange assets.

Human Resources Department (Internal Auditing Department): Handles personnel work for the SAFE Head Office and its directly affiliated institutions according to its administrative authority; and undertakes management of retirees of the SAFE and conducts internal audit activities as authorized.

Science and Technology Department: Draws up the science and technology development plan for foreign exchange administration and engages in science and technology development work for the national foreign exchange administration system; studies and formulates standards and criteria for IT-based foreign exchange administration and organizes the relevant implementation; and carries out supervisory information-sharing with the relevant administrative departments according to the law and takes responsibility for the information-security work of the SAFE.

Supervision Office: Under the leadership of the CPC Central Commission for Discipline Inspection and the CPC Leading Group of the SAFE, and under the guidance of the Commission for Discipline Inspection of the PBC, the Supervision Office is responsible for discipline inspection and supervision of the organs of the units directly affiliated with the SAFE, and assists the Commission for Discipline Inspection of the PBC and the Ministry of Supervision's Supervisory Bureau at the PBC to carry out discipline inspection and supervision of the SAFE branches.

SAFE CPC Committee: Under the guidance of the CPC Leading Group of the SAFE and under the leadership of the CPC Committee of the PBC, the SAFE CPC Committee is responsible for the work of the organs and the Beijing

units directly affiliated with the SAFE that are related to Party building, labor unions, the Communist Youth League, women, the United Front, and to provide support to the poor.

III. Affiliated Institutions

Four public service units are under the management of the SAFE, including the SAFE Investment Center, the Data Monitoring Center for Foreign Exchange Transactions, the General Services Center, and the Editorial Office for *Foreign Exchange of China* Magazine.

SAFE Investment Center: In accordance with the operational strategies and principles of official foreign exchange reserves and upon approval of the operations of the PBC's foreign exchange deposit reserves under entrustment and so forth, the SAFE Investment Center is responsible for the operation and management of official foreign exchange reserves and gold reserves. It is also responsible for following, researching, and analyzing the international economic and financial market conditions, and providing decision-making support for reserves management; developing asset management models, medium and long-term strategies, and short-term plan for operations and management; determining the overall principles for risk management of reserves management, establishing a risk management system and an internal control system, and guarding against various risks; developing accounting principles and methods, and, upon approval, organizing implementation thereof; carrying out trade clearing and account management for reserves management; carrying out external-managed operations of reserves assets; expanding innovation in the utilization of foreign exchange reserves, and conducting co-financing services; carrying out work related to coordination and cooperation among international institutions, participating in relevant international financial activities, and engaging in work related to exchanges and cooperation with the Hong Kong SAR, Macao SAR, and Taiwan Province;

and researching and drafting other principles for entrusted operations of the foreign exchange assets.

Data Monitoring Center for Foreign Exchange Transactions: Is responsible for drawing up science and technology development plans for the national foreign exchange administration system; studying and formulating standards and specifications for IT-based foreign exchange administration and organizing implementation thereof; ensuring informational security for foreign exchange administration; constructing e-government for foreign exchange administration; undertaking data collection, management, and supervision of foreign exchange businesses; organizing construction and promotion of applications and operations, and maintenance as well as emergency security for the foreign exchange administration IT system and other technological projects; and sharing supervisory information with relevant departments in accordance with the law.

General Services Center: Formulates the procedures, rules, and regulations for the general logistics of the SAFE Head Office, and provides logistical services, document printing, asset management, communications, security and safeguards, reception services, medical and health care, and so forth for the Head Office.

Editorial Office for *Foreign Exchange of China* Magazine: Is responsible for editing, publishing, and distributing China Forex.



Organizational Chart of the SAFE Head Office and Affiliated Institutions, 2015

State Administration of Foreign Exchange

Functional Departments and the CPC Committee

General Affairs Department (Policies and Regulations Department)	Secretarial Division General Foreign Affairs Division Policy Research Division Regulations Division Press and Information Division Internal Finance Division Confidentiality and Archives Division Government Procurement Office
Balance of Payments Department	General Affairs Division Analysis and Forecast Division Balance of Payments Statistical Division I Balance of Payments Statistical Division II Exchange Rate and Market Division
Current Account Management Department	General Affairs Division Goods Trading Management Division Services Trading Management Division Supervision Division
Capital Account Management Department	General Affairs and Analysis Division Investment Management Division External Debt Management Division Capital Market Division
Supervision and Inspection Department	General Affairs Division Off-site Inspection and Internal Control Division Financial Institutions Inspection Division Non-Financial Institutions Inspection Division
Reserve Management Department	Identical to SAFE Investment Center
Human Resources Department (Internal Auditing Department)	General Affairs Division Personnel Division Training and Sector Arrangement Division Internal Auditing Division
Science and Technology Department	Identical to Monitoring Center
Supervision Office	Disciplinary Office
SAFE CPC Committee	Executive Office Staff Union

State Administration of Foreign Exchange

Affiliated Institutions

SAFE Investment Center	General Affairs Division Asset Allocation Division Investment Management Division External Managers Division SAFE Co-Financing Risk Management Division Operation Division Information Technology Division Human Resources/CPC Committee Internal Audit Division	
	Overseas Offices	Singapore Hong Kong London New York Frankfurt
Monitoring Center	General Affairs Division Planning Division Science and Technology Management and Information Security Office Data Management Division Application System Division Technology Engineering Division Operation and Emergency Security Division	
General Services Center	General Administration Division Fixed-Asset Management Division Security Division Internal Financial Office Documentation Service Office	
Editorial Office for <i>Foreign Exchange of China</i> Magazine	Editorial Center Market Development Office Training Office General Office	



IV. Branch Networks

The SAFE has set up branches or administrative offices in various provinces, autonomous regions, and municipalities directly under the Central Government, as well as in some cities with sub-provincial status. In addition, the SAFE has established a number of central sub-branches and sub-branches in various cities and counties. These branches, central sub-branches, and sub-branches operate on the same premises as the local PBC branches and sub-branches. As of the end of 2015, the SAFE network consisted of the following:

SAFE Network	Branches (Administrative Offices)	Central Sub-branches	Sub-branches
Number of Institutions	36	308	519

Organizational Chart of the SAFE Branch Network, 2015

State Administration of Foreign Exchange				
Branches (Administrative Offices)		Central Sub-branches	Sub-branches	
1	Tianjin Branch	General Affairs Division	1	0
		Balance of Payments Division		
		Current Account Management Division		
		Capital Account Management Division		
		Foreign Exchange Inspection Division		
2	Liaoning Branch	Balance of Payments Division (General Affairs Division)	12	2
		Current Account Management Division		
		Capital Account Management Division		
		Foreign Exchange Inspection Division		

State Administration of Foreign Exchange			Central Sub-	Sub-
Branches (Administrative Offices)			branches	branches
3	Shanghai Branch	General Affairs Division	0	0
		Balance of Payments Division		
		Current Account Management Division		
		Capital Account Management Division		
		Foreign Exchange Inspection Division		
4	Jiangsu Branch	General Affairs Division	12	41
		Balance of Payments Division		
		Current Account Management Division		
		Capital Account Management Division		
		Foreign Exchange Inspection Division		
5	Shandong Branch	General Affairs Division	15	92
		Balance of Payments Division		
		Current Account Management Division		
		Capital Account Management Division		
		Foreign Exchange Inspection Division		
6	Hubei Branch	Balance of Payments Division	12	18
		Current Account Management Division		
		Capital Account Management Division		
		Foreign Exchange Inspection Division		
		(General Affairs Division)		
7	Guangdong Branch	General Affairs Division	19	65
		Balance of Payments Division		
		Current Account Management Division		
		Capital Account Management Division		
		Foreign Exchange Inspection Division		
8	Sichuan Branch	Balance of Payments Division (General Affairs Division)	20	16
		Current Account Management Division		
		Capital Account Management Division		
9	Shaanxi Branch	Balance of Payments Division (General Affairs Division)	9	2
		Current Account Management Division		
		Capital Account Management Division		
10	Beijing Administrative Office	General Affairs Division	1	0
		Balance of Payments Division		
		Current Account Management Division		
		Capital Account Management Division		
		Foreign Exchange Inspection Division		

State Administration of Foreign Exchange

Branches (Administrative Offices)			Central Sub-branches	Sub-branches
11	Chongqing Administrative Office	Balance of Payments Division Current Account Management Division Capital Account Management Division	8	2
12	Hebei Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division	10	75
13	Shanxi Branch	Balance of Payments Division Foreign Exchange Administration Division	10	1
14	Inner Mongolia Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division	11	7
15	Jilin Branch	Balance of Payments Division Current Account Management Division Capital Account Management Division	8	2
16	Heilongjiang Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division	12	14
17	Zhejiang Branch	Balance of Payments Division Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division	9	39
18	Fujian Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division	7	45
19	Anhui Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division	16	6
20	Henan Branch	Balance of Payments Division Current Account Management Division Capital Account Management Division	17	16

State Administration of Foreign Exchange

Branches (Administrative Offices)		Central Sub-branches	Sub-branches
21	Jiangxi Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division	10 12
22	Hunan Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division	13 3
23	Guangxi Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division	13 7
24	Hainan Branch	Balance of Payments Division Current Account Management Division Capital Account Management Division	1 12
25	Guizhou Branch	Balance of Payments Division (General Affairs Division) Foreign Exchange Administration Division	8 0
26	Yunnan Branch	Balance of Payments Division Current Account Management Division Capital Account Management Division	15 20
27	Tibet Branch	Foreign Exchange Administration Division	5 0
28	Gansu Branch	Balance of Payments Division (General Affairs Division) Foreign Exchange Administration Division	13 1
29	Ningxia Branch	Balance of Payments Division (General Affairs Division) Foreign Exchange Administration Division	4 1
30	Qinghai Branch	Balance of Payments Division (General Affairs Division) Foreign Exchange Administration Division	2 1
31	Xinjiang Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division	14 4

State Administration of Foreign Exchange

Branches (Administrative Offices)		Central Sub-branches	Sub-branches	
32	Shenzhen Branch	General Affairs Division		
		Balance of Payments Division		
		Current Account Management Division	0	0
		Capital Account Management Division		
		Foreign Exchange Inspection Division		
33	Dalian Branch	Balance of Payments Division (General Affairs Division)	1	3
		Current Account Management Division		
		Capital Account Management Division		
34	Qingdao Branch	Balance of Payments Division (General Affairs Division)	0	6
		Current Account Management Division		
		Capital Account Management Division		
35	Xiamen Branch	Balance of Payments Division (General Affairs Division)	0	0
		Current Account Management Division		
		Capital Account Management Division		
36	Ningbo Branch	Balance of Payments Division (General Affairs Division)	0	6
		Current Account Management Division		
		Capital Account Management Division		



China's Macro Economy

The national economy developed smoothly under the new normal. In 2015, faced with complex international situations and increasing downward pressure on the economy, the CPC Central Committee and the State Council, following the guidance of coordinated development of China and the world and adhering to the general work guideline of making progress while maintaining stability, maintained strategic focus, adapted to and led the new normal of economic development, innovated macro control measures, and pressed ahead with the structural reform, thus ensuring that the economy stayed stable on the whole and made smooth progress at the same time. In 2015, China's GDP reached RMB 67.6708 trillion, a year-on-year increase of 6.9 percent.

Industrial production was kept within the rational range. In 2015, the industrial value added of enterprises above a designated size across the nation rose 6.1 percent. Industrial enterprises above a designated size achieved total profits of RMB 6.3554 trillion throughout the year, a decrease of 2.3 percent from 2014. The primary activities registered profits of RMB 5.864 trillion, a decrease of 4.5 percent.

The growth of fixed assets investment declined, while the sales on the market grew quite fast. In 2015, annual investments in fixed assets totaled RMB 56.2000 trillion, a year-on-year increase of 9.8 percent. After adjusting for inflation, the real increase was 11.8 percent. Total revenue from retail of consumer goods was RMB 30.0931 trillion, a year-on-year increase of 10.7 percent or a real (inflation-adjusted) growth of 10.6 percent.

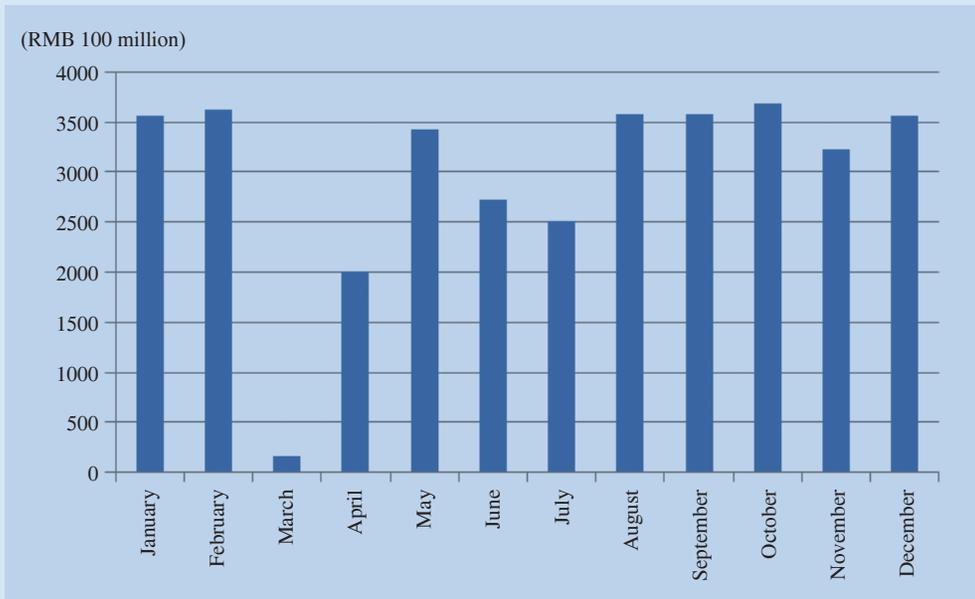
The price rose slightly. In 2015, China's CPI rose by 1.4 percent year on

year. Specifically, food prices rose by 2.3 percent, and prices of fixed-asset investments were down by 1.8 percent. The PPI dropped by 5.2 percent, the IPI dropped by 6.1 percent, and producer prices for agricultural products increased by 1.7 percent. 49 out of 70 large and medium-sized cities recorded a year-on-year decrease in the sales prices of newly-built commercial housing.

The income of urban and rural residents increased steadily. In 2015, the per capita disposable income of rural residents was RMB 11,422, up by 8.9 percent year on year, or 7.5 percent on an inflation-adjusted basis. The per capita disposable income of urban residents reached RMB 31,195, up by 8.2 percent year on year or 6.6 percent in real terms.

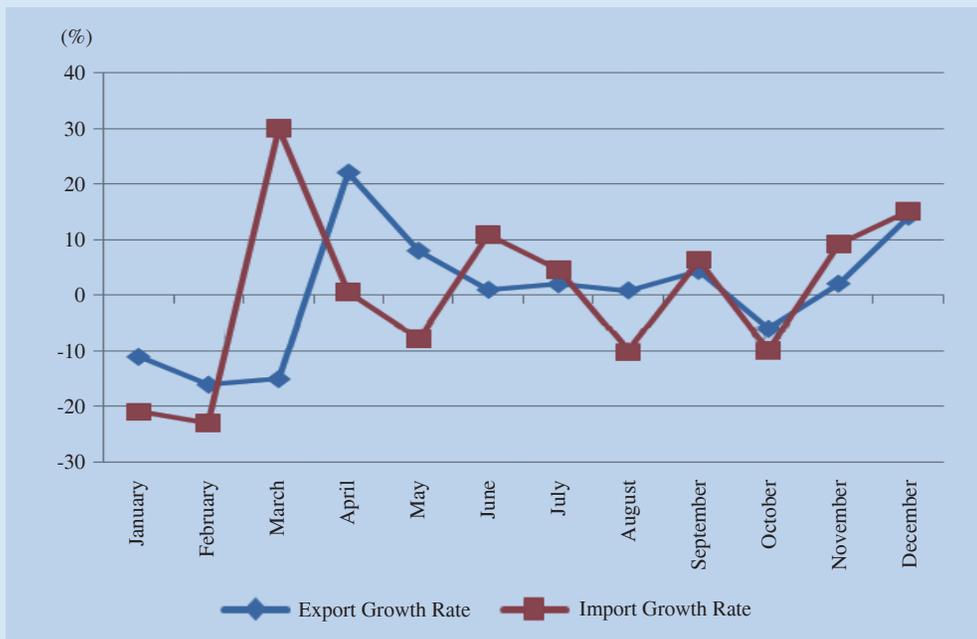
The money supply increased steadily. At the end of 2015, the broad money supply (M_2) posted a balance of RMB 139.2 trillion, a rise of 13.3 percent year on year; the balance of narrow money supply (M_1) increased by 15.2 percent year on year to RMB 40.1 trillion; and the balance of currency in circulation (M_0) increased by 4.9 percent year on year to RMB 6.3 trillion. The social financing for the year increased by 12.4 percent year on year to RMB 138.1 trillion. At the end of 2015, the outstanding deposits in domestic and foreign currencies amounted to RMB 139.8 trillion, a year-on-year increase of 12.4 percent; while the outstanding loans in domestic and foreign currencies amounted to RMB 99.3 trillion, a year-on-year increase of 13.4 percent.

Foreign trade was stable on the whole. In 2015, the value of imports and exports totaled RMB 24.6 trillion, a year-on-year decrease of 7.0 percent. The value of exports decreased by 1.8 percent to RMB 14.1 trillion, whereas the value of imports decreased by 13.2 percent to RMB 10.5 trillion. The trade surplus reached RMB 3.7 trillion, a year-on-year increase of RMB 1.3 trillion.



Source: National Bureau of Statistics.

Figure 1 China's Monthly Trade Surplus, 2015



Source: National Bureau of Statistics.

Figure 2 Growth Rates of China's Imports and Exports, 2015

Global Economic and Financial Market Review

Slower recovery of the global economy. According to the International Monetary Fund (IMF), the global economy grew by 3.1 percent in 2015, down by 0.3 percentage point year on year. Developed economies achieved moderately higher growth, with robust growth in the US and better conditions in the euro zone and Japan. However, emerging market economies witnessed slowdowns for the fifth consecutive year, with the growth gap with developed economies contracting from the 6.6 percent peak in 2009 to less than 2 percent. This was true of most emerging market economies, but commodity exporters were worse.

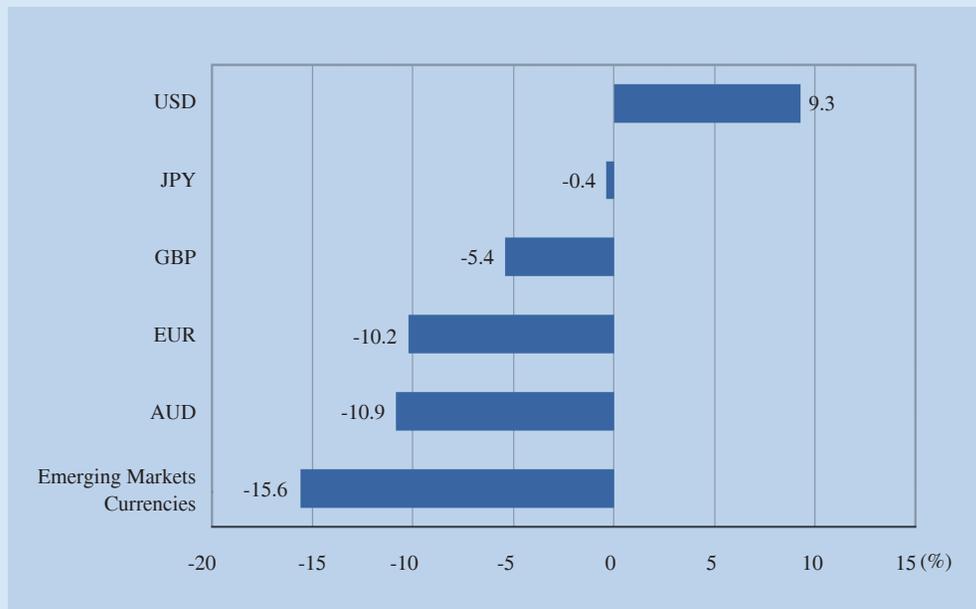
Low inflation worldwide. Oil prices remained sluggish in 2015, with a double-dip at the end of the year, driving inflation in most economies to drop steadily. The IMF statistics showed that the global consumer price index (CPI) was up by 2.9 percent year on year at the end of 2015, consistent with 2014. In particular, CPI in developed economies fell by 0.1 percentage point to 0.6 percent, while that of emerging economies remained at 4.7 percent.

More divergent global monetary policies. The major developed economies continued with loose monetary policies in 2015. The Fed began the normalization of the monetary policy in December, raising the interest rate by 25 basis points. The European Central Bank further loosened its monetary policy, extending the deadline for assets purchase to March 2017 and decreasing the deposit rate by 10 basis points. Japan's central bank continued with the qualitative and quantitative easing (QQE) monetary

policy and published the QQE supplementary measures. Emerging market economies generally maintained loose monetary policies, but mostly enhanced interventions in the foreign exchange markets. Individual countries such as Brazil were pressured by inflation and capital outflows to raise interest rates.

Outflows of international capital from emerging markets. Along with divergent global monetary policies, a double-dip in commodity prices, and worse economic performance in emerging market economies, the international capital flows reversed in 2015, featuring faster outflows from emerging market economies into the US. In the second half in particular, as the time for Fed's interest rate hike approached, the outflows were even more evident, with emerging market economies reporting the most serious net capital outflows since 1998, which resulted in declined foreign exchange reserves in most of these economies.

Strengthening US dollars in the foreign exchange markets. Driven by global economic growth and divergent monetary policies, the US dollar strengthened significantly against currencies of other developed economies and emerging market economies while the currencies of commodity exporters were weak in 2015. The weighted-average US dollar index went up by 9.3 percent from the beginning of the year, a new record high since 2003. The Japanese Yen exchange rate against the US dollar depreciated slightly by 0.4 percent, the Euro exchange rate, 10.2 percent, the Australian dollar, the New Zealand dollar, and the Canadian dollar exchange rates, more than 10 percent, and currencies of emerging market economies, 15.6 percent on average, but the Argentine Peso and Brazilian Real, even more than 30 percent.



Note: The exchange rates of the Emerging Markets currencies, the Japanese yen, the Euro, the Australian dollar and the GBP are those against the US dollar while the exchange rate of the US dollar is from the US Dollar Index (DXY). The performance of the exchange rates of major currencies refers to the changes in the exchange rates by percentages at the end of the year from those at the end of the previous year.

Source: Bloomberg.

Figure 3 Performance of the Exchange Rates of Major Currencies, 2015

Violent fluctuations in the stock markets and rallies of bond prices. Global stock markets rallied while staying stable in the first half of 2015, but trended downwards violently in the second half. The stock markets in major developed economies performed well. The DAX Index rose by 9.6 percent from the beginning of the year and hit a historical high in the year; Japan's Nikkei 225 Stock Index climbed by 9.1 percent but backed down as the market fluctuated in the second half; the US S&P 500 Index dropped slightly by 0.7 percent from the beginning of the year. The stock markets of emerging market economies had remained sluggish since April, and the MSCI Emerging Markets Index closed at a six-year low at the end of the year, down by a surprising 17 percent from the beginning of the year.

Impacted by the Fed's interest rate hike, the 10-Year US Treasury Note and the 10-Year Germany Treasury Note dropped slightly, with the yield up by 10 and 9 basis points from the beginning of the year respectively but still at a historic low.

Sluggish commodity markets. The S&P-Goldman Sachs Commodity Index (S&P GSCI) at the end of 2015 fell by 33 percent from the beginning of the year. The crude oil markets remained oversupplied, with oil price hitting a 6-year low, and Brent Crude Oil Futures Prices reaching USD 37.3 per barrel after a double-dip, down by 35 percent from the beginning of the year. Industrial product prices continued to back down, with the S&P-Goldman Sachs Industrial Product Price Index nearing the low level during the financial crisis. Agricultural product prices fell slightly throughout the year. Gold prices continued falling and closed at USD 1,061 per ounce, down by 10.4 percent from the beginning of the year.



The Foreign Exchange Administration Situation

China's Balance of Payments Position

I. Basics of the Balance of Payments

China's balance of payments displayed "surplus under the current account and deficit under the capital and financial account (excluding reserve assets, the same below)" in 2015. Specifically, the surplus under the current account was USD 330.6 billion, up by 19 percent year on year. The surplus under the current account accounted for 3.0 percent of Gross Domestic Product (GDP), a decline of 0.3 percentage point from the level in 2014, but it was still within the internationally accepted range. Meanwhile, the deficit under the capital and financial account changed from a deficit of USD 51.4 billion in 2014 to USD 485.3 billion. As at the end of 2015, the balance of China's foreign exchange reserves was USD 3,330.4 billion, down by USD 512.7 billion year on year.

(I) Current account maintained considerable surplus

The surplus of trade in goods grew rapidly. According to the statistical coverage of the balance of payments, in 2015 China's goods exports and imports amounted to USD 2,142.8 billion and USD 1,575.8 billion, a decline of 5 percent and 13 percent, respectively. The surplus reached USD 567 billion, representing a year-on-year increase of 30 percent.

The deficit in trade in services expanded further. In 2015, receipts from trade in services reached USD 286.5 billion, a rise of 2 percent year on year, whereas payments reached USD 468.9 billion, a rise of 4 percent. The deficit

reached USD 182.4 billion, increasing by 6 percent from the previous year. Specifically, the deficit under transportation narrowed by 36 percent, while the deficit under tourism continued the expanding trend, increasing by 38 percent year on year.

The primary income was changed to deficit. In 2015, income under the primary income reached USD 227.8 billion, a year-on-year drop of 5 percent, whereas payments reached USD 273.2 billion, a year-on-year rise of 21 percent, leading to a deficit of USD 45.4 billion compared with the surplus of USD 13.3 billion in 2014. Specifically, the employee compensation recorded a surplus of USD 27.4 billion, a year-on-year rise of 6 percent. Investment income registered a deficit of USD 73.4 billion, expanding by 4.9 times as compared with the same period of last year. Specifically, income from external investment reached USD 193.9 billion, a year-on-year decrease of 7 percent; Profits, interests and dividends and other payments of foreign investments in China reached USD 267.3 billion, up by 20 percent year on year.

The secondary income witnessed deficit. In 2015, the secondary income registered receipts of USD 35.9 billion, decreasing by 13 percent from the same period of the previous year; whereas payments reached USD 44.6 billion, a year-on-year rise of 12 percent, leading to a deficit of USD 8.7 billion compared with the surplus of USD 1.4 billion in 2014.

(II) Capital and financial account witnessed rising deficit

Direct investments maintained surplus. According to the statistical coverage of the balance of payments, direct investments posted a surplus of USD 62.1 billion in 2015, a year-on-year decline of 57 percent. Specifically, assets of direct investments witnessed a net increase of USD 187.8 billion, rising by 53 percent year on year, which was the major reason for the decline of direct

investment surplus. Liabilities of direct investments posted a net increase of USD 249.9 billion, down by 7 percent year on year.

Balance of portfolio investments changed to deficit. In 2015, portfolio investments recorded a deficit of USD 66.5 billion, while there was a surplus of USD 82.4 billion in 2014. Specifically, net outflows of China's external portfolio investments were USD 73.2 billion, a year-on-year increase of 5.8 times, whereas net inflows of portfolio investments in China from overseas reached USD 6.7 billion, down by 93 percent year on year.

Deficits of other investments expanded remarkably. In 2015, other investments posted a deficit of USD 479.1 billion, expanding by 72 percent year on year. Specifically, China's external loans, trade credit, cash deposit and other assets witnessed a net increase of USD 127.6 billion, down by 61 percent year on year; loans and trade credit provided from overseas and cash deposit of overseas players and other liabilities registered a net decrease of USD 351.5 billion, while those in 2014 indicated a net increase of USD 50.2 billion.

(III) Reserve assets declined to some extent

In 2015, after deducting changes in non-transaction values such as the exchange rates and prices, China's reserve assets decreased by USD 342.9 billion. Specifically, foreign exchange reserve assets registered a decline of USD 342.3 billion, an annual increase by USD 118.8 billion compared with 2014.

(IV) Net errors and omissions on the debit side

In 2015, net errors and omissions reached USD 188.2 billion on the debit side, accounting for 5 percent of the combined value of exports and imports

of goods based on the balance of payments statistical coverage.

II. Outlook for the Balance of Payments

In 2016, the situation of "surplus under the current account and deficit under the capital and financial account" will last.

The current account will continue to be in surplus. Firstly, trade in goods will remain in surplus. The continued slow recovery of the world economy will help to stabilize China's external demand. Meanwhile, as the "Belt and Road Initiative" is implemented, bilateral and multilateral strategic cooperation will be deepened, providing new opportunities for exports. As the US dollar strengthens and the global demand remains sluggish, commodity prices in the global markets will remain low, making it hard for import prices to rebound in 2016. China's domestic demand will stay stable, so it is not very likely that imports will change dramatically while the import volume will remain lower than the export volume. Secondly, trade in services will continue to be in deficit. Expenses on travel will remain the primary cause of the deficit as Chinese residents' consumption demand for travel and study abroad will remain strong. Overall, in 2016, the current account will remain in surplus, driven by trade in goods, and the ratio of the surplus to GDP will stay within an internationally accepted reasonable range.

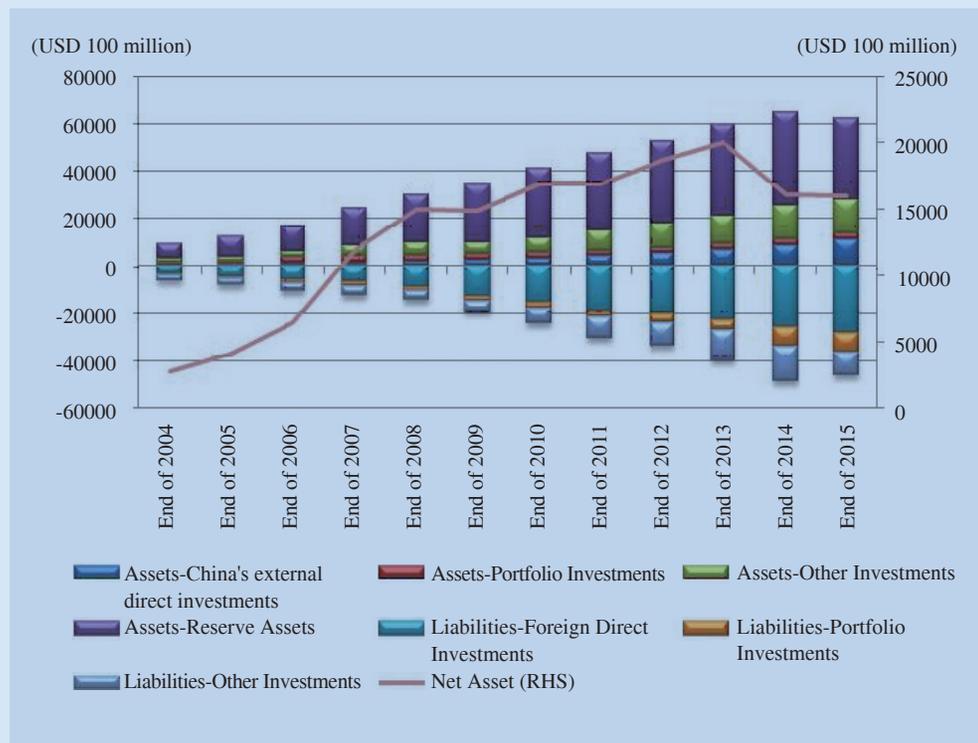
The capital and financial account will continue to post a deficit, and the cross-border capital flow is expected to become stable. On the one hand, the domestic and overseas macroeconomic and financial environments will become more complex. The global economic recovery will remain slow, and the emerging economies will be faced with diverse pressures in economic development. The monetary policies of major economies will continue to diverge, and uncertainties will be heightened. For example, due to the

uncertain time points and rhythm of the Fed's interest rate hikes and the negative interest rate policy introduced in the Euro Zone and by the Japanese Central Bank, international financial markets may suffer repeated shocks, and market sentiment may change dramatically, which will lead to heightened fluctuations of international capital flows in the short run. As the drivers for China's economic reform are transformed along with China's entry into the new economic normal, economic slowdown and increased risks in some areas will become inevitable, which will drive domestic players to further adjust their external assets and liabilities structure. On the other hand, there will still be many factors that support China's balance of payments stabilities. China's economic growth target for 2016 is 6.5~7 percent, which will be comparably high rate worldwide and its economic structure will be further optimized, indicating upbeat economic prospects, which will further attract overseas investments, especially long-term capital. China's foreign exchange reserves will remain abundant and domestic players will come under a much lighter risk associated with servicing external debt after two years of debt deleveraging. In addition, if the Fed adjusts its monetary policy at an expected pace, its impact on the global financial markets will be released step by step, which will lower the capital outflow pressure on the emerging market economies.



China's International Investment Position

External financial assets and liabilities declined. As at the end of 2015, China's external financial assets and liabilities were USD 6,218.9 billion and USD 4,622.5 billion, down 3 percent and 4 percent respectively from the end of 2014; external net assets nudged down USD 6.3 billion from the end of 2014 to USD 1,596.5 billion (see Figure 4). Specifically, net assets from trading rose by USD 142.7 billion (entered under the Balance of Payments) and net assets from non-trading factors such as exchange rate and value reassessment dropped to USD 149 billion.



Source: SAFE.

Figure 4 External Financial Assets, Liabilities, and Net Assets, 2004–2015

An increasing share of external assets was held by the private sector. At the end of 2015, of China's external financial assets, the balance of international reserve assets was USD 3,406.1 billion, down by 13 percent year on year; the balance of reserve assets due to exchange rate and price (both are non-trading factors) dropped by USD 342.9 billion and USD 150.3 billion respectively. Reserve assets, still the largest component of external financial assets, took a 55 percent share, contracting by 5 percentage points from the previous year and the lowest level since the figures on international investment position were published for the first time in 2004. Stocks of direct investments were USD 1,129.3 billion, accounting for a record high of 18 percent of total assets, up by 4 percentage points year on year, which was attributed to the support of national policies and the continuous manifestation of the effects of "Going Global" and the "Belt and Road Initiative". Portfolio investment assets,



Source: SAFE.

Figure 5 Changes in the Structure of China's External Assets, 2004–2015

at USD 261.3 billion, registered a 4 percent share, consistent with the end of 2014. Other investment assets such as deposits and loans arrived at USD 1,418.5 billion, making up 23 percent, up one percentage point over the end of 2014 (see Figure 5).

The decrease in China's external liabilities was the result of the lower foreign debt repayments and non-resident deposits, while FDI continued to rise. At the end of 2015, direct investment liabilities hit USD 2,842.3 billion, up by 9 percent year on year, still topping the external liabilities with a 61 percent share, seven percentage points higher than the end of 2014, proving that foreign investors remain positive about the long-term prospects of China's economy; portfolio investment liabilities amounted to USD 810.5 billion, up by 2 percent year on year and accounting for 18 percent of total liabilities, representing an increase of 2 percentage points; other investment liabilities

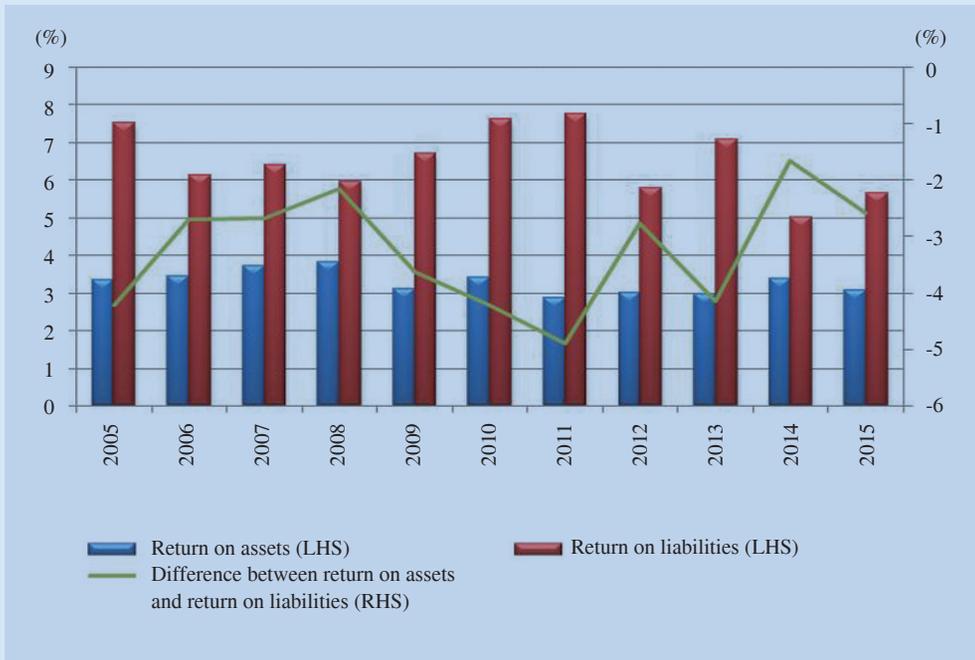


Source: SAFE.

Figure 6 Changes in the Structure of China's External Liabilities, 2004–2015

such as deposits and loans were USD 964.3 billion, down by a staggering 33 percent year on year and accounting for 21 percent of total liabilities, 9 percentage points lower than the previous year (see Figure 6). The decrease in other investment liabilities was the main reason behind the contraction of China's external liability stocks, showing that Chinese market participators adjusted their assets & liabilities structures and continuously serviced external debt, and non-residents chose to reduce domestic deposits due to domestic and foreign exchange/interest rate changes, among others.

External investment income remained in deficit. In 2015, China posted a deficit of USD 73.4 billion in the investment income in its balance of payments. The revenue of USD 193.9 billion and the expenditure of USD 267.3 billion resulted in a difference of -2.6 percentage points in annualized return (see Figure 7). The negative difference in return on investment was the result of the structure of China's financial assets & liabilities. In 2015, reserve assets (a low-risk but highly liquid asset class) accounted for more than half of China's external financial assets, but with the return on investment lower than other assets by the market law that return matches risk. The annual average return on China's external financial assets was 3.3 percent from 2005 to 2015. The largest component of external financial liabilities was FDI. As equity investment is a long-term stable investment, its return is generally higher than other forms of assets. From 2005 through 2015, the annual return on China's external liabilities was 6.6 percent. The high return on FDI in China suggests that China's investment environment is still attractive to foreign investors. The continuous FDI inflows serve as a stabilizer of China's cross-border capital flows.



Note: 1. Return of assets (or liabilities) = $\frac{\text{annual revenue from investment income (or payment)}}{(\text{stock of external assets (or liabilities) at the end of the previous year} + \text{that at the end of the year})/2}$

2. Difference between return on assets and return on liabilities = return on assets - return on liabilities

Source: SAFE.

Figure 7 China's Return of External Assets and Liabilities, 2005–2015



China's External Debt

As at the end of 2015, China's outstanding full-scale external debt (excluding those of Hong Kong, Macao, and Taiwan, the same below) reached USD 1,416.2 billion¹. With respect to the term structure, the outstanding medium- and long-term external debt was USD 495.6 billion, accounting for 35 percent; while the outstanding short-term external debt was USD 920.6 billion, accounting for 65 percent.

In terms of institutions & departments, the outstanding government debt was USD 111.4 billion in a broad sense, accounting for 8 percent; the outstanding debt of the central bank was USD 43 billion, accounting for 3 percent; the outstanding debt of other deposit taking companies (banks) was USD 612 billion, accounting for 43 percent; and the outstanding debt of other departments was USD 427.2 billion, accounting for 30 percent. Direct investments: the outstanding debt of inter-company loans was USD 222.6 billion, accounting for 16 percent.

In terms of debt instruments, the balance of loans was USD 321.6 billion, accounting for 23 percent; the balance of trade credit and prepayment was USD 272.1 billion, accounting for 19 percent; the balance of currency and deposits was USD 331.5 billion, accounting for 23 percent; the balance of debt securities was USD 233.2 billion, accounting for 16 percent; the SDR quota was USD 9.7 billion, accounting for 1 percent. Direct investments: the balance of inter-company loans was USD 222.6 billion, accounting for 16

1. In accordance with the Special Data Dissemination Standard (SDDS) of the IMF, China adjusted the statistical coverage of external debt and disseminated the full-scale data on China's external debt in 2015, including RMB-denominated external debt, which was classified into medium- and long-term external debt and short-term external debt by contract term.

percent; the balance of other debts was USD 25.5 billion, accounting for 2 percent.

With respect to currency structure, the outstanding external debt in domestic currency (RMB) was USD 656.7, accounting for 46 percent. The outstanding external debt in foreign currencies (including SDR quota) was USD 759.5 billion, accounting for 54 percent. USD debt accounted for 80 percent, EURO debt, 7 percent, JPY debt, 4 percent, and other foreign currency-denominated debt including SDR and HKD accounted for 9 percent of the total outstanding registered external debt in foreign currencies.

Initial calculations reveal that the external debt/GDP ratio² (i.e., the ratio of the outstanding external debt to GDP of the current year), the external debt/export revenue ratio (i.e., the ratio of the outstanding external debt to the export revenue of trade in goods and services of the current year, which is calculated on the basis of the statistical coverage of the balance of payments), and the debt servicing ratio (i.e., the ratio of the sum of the repayment of the principal and interest of medium- and long-term external debt and the payment of the interest of short-term external debt to the export revenue of trade in goods and services of the current year, which is calculated on the basis of the statistical coverage of the balance of payments), and the ratio of short-term external debt to foreign exchange reserves were 13.03 percent, 58 percent, 5.01 percent, and 27.64 percent respectively in 2015. All of these external debt risk indicators were within an internationally accepted range³.

2. Since the external debt based on the full coverage includes external debt in RMB, the external debt risk indicators such as external debt/GDP ratio, the external debt/export revenue ratio, the debt serving ratio and the ratio of short-term external debt to foreign exchange reserves of 2015 rose from the 2013 figures (the original statistical coverage). However, as compared with 2014 (the external debt of 2014 was calculated based on the full coverage to ensure comparability of statistics), the above external debt risk indicators dropped to a certain extent.

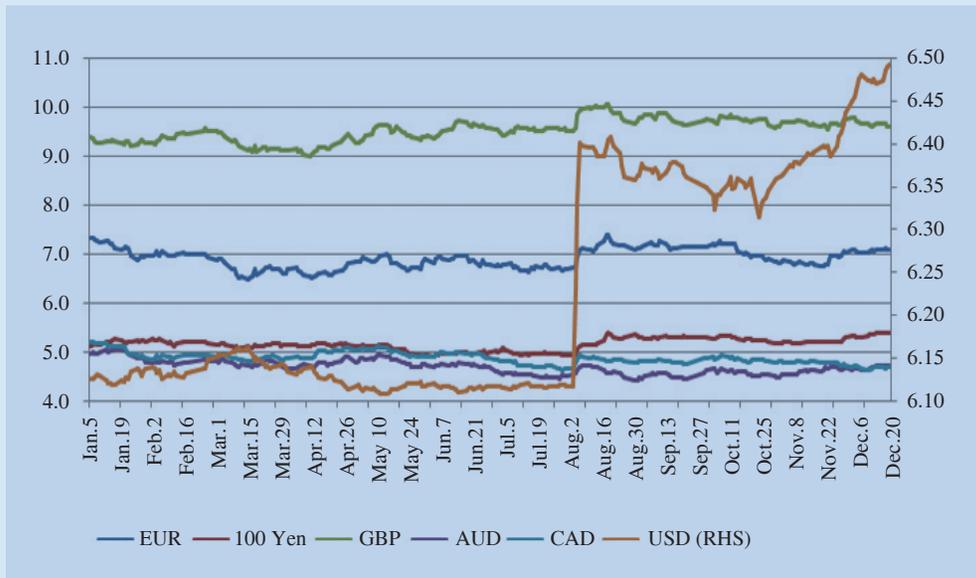
3. The internationally accepted ranges for external debt risk indicators—liability ratio, debt ratio, debt servicing ratio and ratio of short-term external debt to foreign exchange reserves are 20 percent, 100 percent, 20 percent and 100 percent respectively.

Trends in the RMB Exchange Rate and Domestic Foreign Exchange Market Transactions

I. Trends in the RMB Exchange Rate

(I) The exchange rate of the RMB against other major foreign currencies demonstrated both appreciation and depreciation. At the end of 2015, the middle rate of RMB/USD was 6.4936:1, a depreciation of 5.8 percent compared with the end of 2014, while the price of spot transactions in onshore interbank foreign exchange market (CNY) and offshore market (CNH) devalued by 4.5 percent and 5.4 percent respectively.

At the end of 2015, the middle rates of RMB against EUR, JPY, GBP, AUD and CAD were 7.0952:1, 5.3875:100, 9.6159:1, 4.7276:1 and 4.6814:1



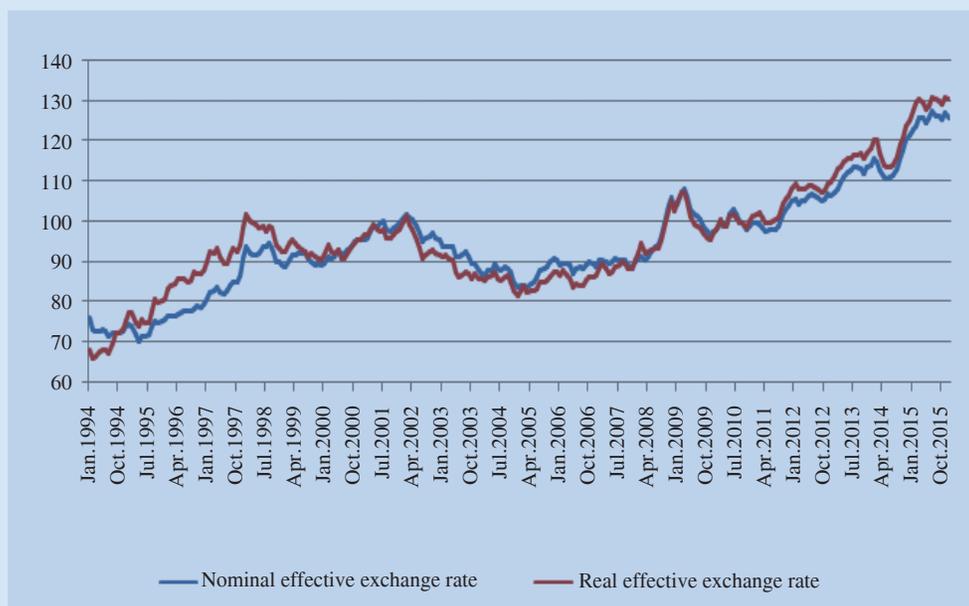
Source: China Foreign Exchange Trade System (CFETS).

Figure 8 Trends in the Middle Rate of the RMB against Other Main Currencies, 2015

respectively, a year-on-year appreciation of 5.1 percent, -4.6 percent, -0.8 percent, 6.1 percent and 12.7 percent.

(II) Against a basket of currencies, the RMB maintained basic stability. According to data from the Bank for International Settlements (BIS), in 2015 the nominal effective exchange rate of the RMB against a basket of currencies appreciated by a total of 3.7 percent, with the real figure at 3.9 percent after adjusting for inflationary factors. Since the reform of the RMB exchange rate formation mechanism kicked off in 2005, the nominal and real effective exchange rates of the RMB appreciated by a cumulative 45.9 percent and 56.2 percent respectively.

According to the statistics of China Foreign Exchange Trade System (CFETS), at the end of 2015, CFETS RMB Index was 100.94, strengthening by 0.94 percent over the previous year; the RMB Index with reference to the BIS



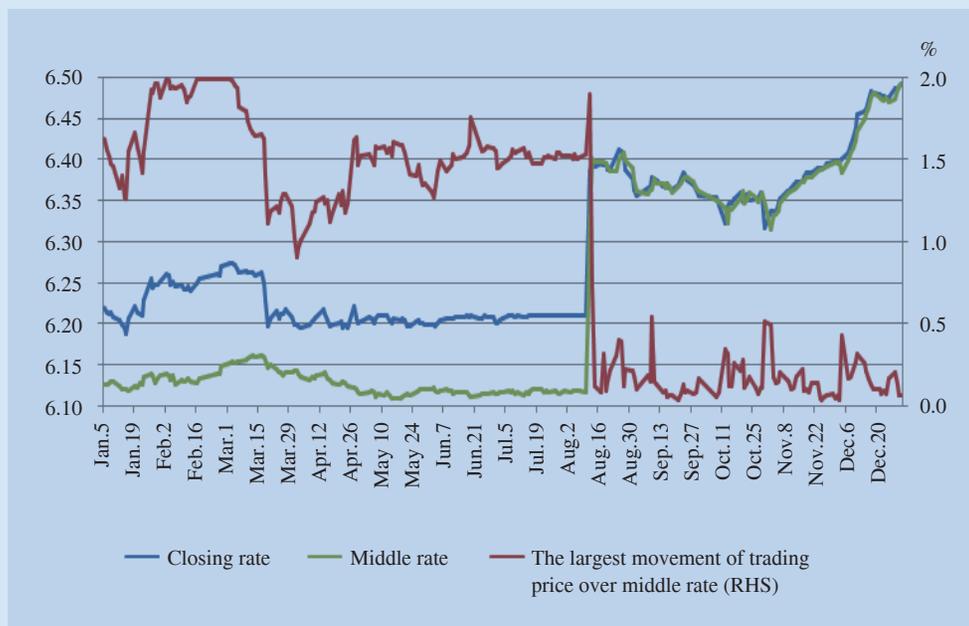
Source: BIS.

Figure 9 Trends in the RMB Effective Exchange Rate, 1994–2015

Currency Basket and the SDR Currency Basket stood at 101.71 and 98.84 respectively, up 1.71 percent and down 1.16 percent from the end of 2014. Of the above-mentioned three RMB indexes, one declined and the other two rose, indicating that the RMB was stable against a basket of currencies on the whole in 2015.

(III) The middle rate of RMB/USD became more market-oriented. Since China improved the RMB/USD central parity quotation mechanism on August 11, 2015 (the "August 11 exchange mechanism reform"), the consistency between the middle rate and the previous-day spot closing price in the interbank foreign exchange market was enhanced substantially. From August 11 to the end of December, the average spread between the middle rate and the previous-day closing price was 33 basis points, a sharp decrease of 874 basis points over that from early 2015 to August 10.

In 2015, the largest intra-day movement of spot transaction price in the interbank foreign exchange market over middle rate averaged to 1.01 percent per day, rising by 0.22 percentage point over 2014. Prior to the August 11 exchange mechanism reform, the transaction price was continuously within the depreciation range of middle rate and once even approached the upper limit of the floating range in February, while the largest intra-day movement of transaction price over middle rate averaged to 1.53 percent per day from the year beginning to August 10. However, after the reform, the transaction price turned to edge up/down over the middle rate, and the largest intra-day movement of transaction price over middle rate averaged to 0.20 percent per day from August 11 to the end of December.



Source: China Foreign Exchange Trade System (CFETS).

Figure 10 Fluctuations in the RMB/USD Spot Transaction Price in the Interbank Foreign Exchange Market, 2015

II. Foreign Exchange Market Transactions in China

In 2015, turnover in the RMB foreign exchange market totaled USD 17.8 trillion (with a daily average of USD 72.8 billion), 39.3 percent higher than that of the previous year. In particular, the bank-customer market and the interbank foreign exchange market¹ had turnovers of USD 4.2 trillion and USD 13.5 trillion respectively.

(I) The turnover in the spot foreign exchange market increased slightly. In 2015, the accumulated turnover in the spot foreign exchange market

1. The bank-customer market uses the total sum of the customers' foreign exchange transactions, whereas the interbank foreign exchange market uses the unilateral trading volume; the same below.

recorded USD 8.3 trillion, an increase of 14.0 percent year on year. Specifically, spot foreign exchange settlements and sales of banks (excluding forward performance) achieved a total turnover of USD 3.4 trillion, a year-on-year increase of 8.7 percent. Turnover in the interbank spot foreign exchange market totaled USD 4.9 trillion, a year-on-year increase of 17.9 percent.

(II) Turnover in the forward foreign exchange market declined modestly. In 2015, the cumulative turnover in the forward foreign exchange market stood at USD 495 billion, declining by 17.2 percent from 2014. Specifically, forward foreign exchange settlements and sales signed between banks and customers totaled USD 457.8 billion, down by 16.0 percent from the end of 2014; with foreign exchange settled and sold amounting to USD 131.8 billion and USD 326 billion respectively, down by 56.1 percent and up by 33.3 percent respectively from the end of 2014. The cumulative turnover in the interbank forward market stood at USD 37.2 billion, a year-on-year drop of 29.7 percent.

(III) Turnover in the foreign exchange and currency swap markets increased significantly. The cumulative turnover in the foreign exchange and currency swap markets stood at USD 8.6 trillion in 2015, an increase of 82.4 percent year on year. Specifically, foreign exchange and currency swaps contracted between banks and customers totaled USD 242.7 billion, up by 11.7 percent year on year. The cumulative turnover in the interbank foreign exchange and currency swap markets stood at USD 8.4 trillion, up by 85.8 percent year on year.

(IV) The foreign exchange options market became more active. In 2015, the options market realized a total turnover of USD 404.7 billion, 1.1 times

higher than that of 2014. In particular, the bank-customer market realized a total turnover of USD 115.9 billion, up by 84.2 percent year on year. The interbank options market accomplished a total turnover of USD 288.8 billion, 1.2 times that of 2014.



Foreign Exchange Administration under the Current Account

Improving foreign exchange administration for insurance business. The SAFE introduced the *Circular of the State Administration of Foreign Exchange on Printing and Issuing Guidelines for Foreign Exchange Administration for Insurance Business* (Huifa No. 6 [2015]), to delegate the review authority with respect to access to and exit from foreign exchange insurance markets by insurance corporations and conversion between domestic and foreign currencies and simplify review materials, with the aim of streamlining administration and delegating powers to lower levels, and also to standardize the rules on foreign exchange insurance business and use of accounts, specify data reporting requirements, and enhance the ex-post monitoring and verification of foreign exchange insurance business and relevant foreign exchange receipts and payments, for the purpose of improving regulation.

Promoting the pilot program for cross-border payments through third-party payment institutions. The SAFE published the *Circular of the State Administration of Foreign Exchange on the Implementation of the Pilot Program of Cross-border Foreign Exchange Payment Business through Payment Institutions* (Huifa No.7 [2015]) to roll out the pilot program nationwide, allowing payment institutions that have actual needs, do business in compliance with laws and regulations and have sophisticated technical conditions to participate in the pilot program for cross-border foreign exchange payments, and raising the cap for a single transaction of trade in goods under the pilot program to USD 50,000 or the equivalent amount. In 2015, the third-party payment institutions handled foreign exchange receipts

and payments of USD 6.56 billion for cross-border e-commerce, including net payments of USD 4.54 billion.

Carrying out special verifications of foreign exchange under trade in goods. Ongoing and ex-post regulation was strengthened, and special verification was carried out on the key projects susceptible to risks arising from abnormal flows of foreign exchange funds for timely identification of suspicious circumstances and stern punishments. 8,039 of 810,000 import & export enterprises engaged in trade in goods were selected for onsite verification, of which, 1,335 violating companies were downgraded to Category-B or C under foreign exchange administration for trade in goods for stringent regulation, 948 companies that could not be contacted were deleted from the list of foreign exchange receipt and payment enterprises under trade in goods, and 222 companies with ascertained violations were subject to further inspections and investigations. Onsite verification was conducted on 2,412 institutions engaged in trade in services, 52 of which were subject to further inspections and investigations. The special verifications dealt a big blow to enterprises with abnormal capital flows, and served as the basis for researching and developing administrative measures and policy scenarios.

Promoting information exchanges and regulatory cooperation with the General Administration of Customs (GAC). A dynamic assistance mechanism for joint regulation was established through consultation with the GAC for exchanges of suspicious information on imports and exports and foreign exchange receipts and payments and timely feedback of verification results. The GAC enhanced regulation based on the abnormal information on violating companies from the SAFE, while the SAFE conducted further verifications of the information from the GAC.

Improving foreign currency banknote administration for domestic institutions. The SAFE released the *Circular of the State Administration of Foreign Exchange on Printing and Distributing the Measures for Managing the Receipts and Payments of Foreign Currency Banknotes by Domestic Institutions* (Huifa No. 47 [2015]), requiring managing transactions by risk level and use frequency with regard to receipts and payments of foreign exchange banknotes and that banks perform the review responsibilities in accordance with the three principles, so as to standardize foreign exchange regulation.

Improving the watch list management for individual foreign exchange business. The SAFE released the *Circular of the State Administration of Foreign Exchange on Further Improving the Administration of Individual Foreign Exchange* (Huifa No. 49 [2015]) to improve the watch list management for individual foreign exchange business, specifying that an individual who borrows another individual's quota to handle foreign exchange settlement and sales will be put on a watch list, and an individual who lend his/her quota to help another individual with split settlement and sales of foreign exchange will receive a risk reminder first and be put on a watch list in the second time.

Guidelines on foreign exchange administration under the current account in 2016. With close attention to trends, the SAFE will formulate policies and corresponding measures in advance to effectively mitigate the risks arising from abnormal flows of foreign exchange funds based on enhanced inspections and verifications. The SAFE will focus on improving management efficiency, promoting management transformation, and boosting trade facilitation to serve the real economy.

Box 1 Strengthening Administration against Abnormal Capital Flows under the Profit Account

To further improve the administration of cross-border capital flows and guard against the risks associated with abnormal capital flows, the SAFE conducted special verifications of the abnormal capital flows under the profit account across the country in 2015.

Focusing on key regions to raise regulatory effectiveness. The special verifications were conducted on the top regions ranked by total capital outflows amount under the profit account and the regions with faster year-on-year growth in 2015. The SAFE conducted offsite verifications of 1,858 institutions involving USD 64.42 billion, and onsite verifications of 830 institutions, involving USD 45.41 billion. These verifications found 32 companies with abnormal capital flows of USD 2.82 billion. Further verifications and investigations were conducted on 11 enterprises ascertained to have abnormal capital flows, which involved USD 670 million.

Focusing verifications on abnormal capital flows. Firstly, some enterprises remitted profits without reasonable backgrounds. For example, despite negative undistributed profits and zero dividend payable in the audited financial statements for 2014, or no profits for remittances, a company paid profits in January 2015. Secondly, the total profits remitted exceeded the amount set out in the board resolution concerning profit distribution. Thirdly, the profit payment was split up between two banks under the same tax return. Fourthly, some enterprises used inconsistent documents for transactions. For example, an enterprise paid profits for Jan-Jun 2015 to its overseas parent company, but submitted an audit report for Jan-May 2015. Lastly, some enterprises did not remit the profits in accordance with regulations. For example, enterprises failed to present the documents including tax filing forms for outward payments under trade in services; banks did not review the audit reports by accounting

Box 1 (concluded)

firms on financial statements for relevant fiscal years, board resolutions on profit distribution, capital verification reports for the latest period, as well as other documents evidencing authenticity such as interim financial statements and special audit reports on foreign exchange transactions.

Adopting a problem-oriented approach to enhance regulation. Firstly, the SAFE intensified regulation on cross-border capital flows under the profit account, paying close attention to the economic and financial conditions at home and abroad, tracking the overall trends of capital flows under the profit account and watching key regions and transaction participants with abnormal capital flows. Secondly, branches and sub-branches of the SAFE were urged and guided for special verifications. The results of offsite monitoring and onsite verification were randomly sampled, and inspections and guidance were enhanced on the standardization of key branches' and key sub-branches' regulatory processes for offsite monitoring and early warning, onsite verification and handovers with respect to trade in services, and their implementation of internal control systems. Thirdly, further efforts were made to intensify regulations of financial institutions such as banks. Inspections and guidance were enhanced on the internal controls of banks and their authenticity review of documents.



Foreign Exchange Administration under the Capital Account

Facilitating cross-border direct investments. Firstly, the SAFE further streamlined and improved foreign exchange administration for direct investment, with foreign exchange registration for FDI and ODI directly subject to reviews by banks in accordance with relevant regulations, registration management for confirmation of capital contribution by a foreign investor under FDI simplified and filing of foreign exchange for overseas reinvestments canceled. The SAFE also canceled the annual inspection of foreign exchange under direct investment and replaced it with stock equity registration for FDI and ODI, with the time frame for registration extended and the content simplified, and enterprises allowed to report relevant data through various channels. Secondly, the SAFE carried out a nationwide reform on the administration approaches to the settlement of foreign exchange capital for foreign-invested enterprises. Based on the 16 national-level regional pilots for economic and financial reforms including China (Shanghai) Pilot Free Trade Zone and Tianjin Binhai New Area, the SAFE rolled out nationwide the policy for discretionary settlement of foreign exchange capital by foreign-invested enterprises.

Deepening the foreign exchange administration reform for external claim and debt. Firstly, the SAFE launched pilot programs for macro-prudential management of external debt. In some special economic zones such as the Core Area of Beijing Zhongguancun National Independent Innovation Demonstration Zone, Shenzhen Qianhai Shenzhen-Hong Kong Modern Service Industry Zone and Jiangsu Zhangjiagang Bonded

Zone (Jingang Town), a pilot program for macro-prudential management through self-discipline of external debt proportion was implemented, with the outstanding corporate external debt linked with their net assets on a proportionate basis. In August 2015, the SAFE upgraded the policy for the Zhongguancun pilot, expanding the scope of external debt utilization and loosening special account management. In addition, a pilot program for macro-prudential management was included in the "upgraded version" of the policies for the centralized operation and management of foreign exchange funds of MNCs, for self-discipline of proportion of the external debt borrowed by their members. Secondly, the SAFE further improved foreign exchange administration for external claim and debt. The SAFE canceled administrative approvals for foreign exchange registration for the external transfers of non-performing loans by asset management companies, allowing centralized registration for overseas loans under domestic guarantees by qualified non-banking financial institutions or enterprises. Thirdly, the SAFE disseminated China's full-scale external debt data in compliance with the Special Data Dissemination Standard (SDDS) of the IMF, integrating China's external debt data coverage with the latest international standards and enhancing the transparency of China's external debt data.

Promoting the reform of foreign exchange administration for cross-border securities investments. Firstly, launching Mainland-Hong Kong Mutual Fund Connect. The SAFE published the *Operational Guidelines for Funds Management in Cross-Border Issuance and Sale of Mainland and Hong Kong Securities Investment Funds* (Announcement No.36 [2015] of the People's Bank of China and the State Administration of Foreign Exchange) with the People's Bank of China, specifying the quota management rules and relevant operations with respect to Mainland-Hong Kong Mutual Fund Connect to

facilitate exchanges and inflows and outflows of funds involved in the cross-border issuance and sales of Mainland and Hong Kong funds. Secondly, propelling the opening of domestic commodity futures markets. The SAFE released the *Circular of the State Administration of Foreign Exchange on Foreign Exchange Administration for Overseas Traders and Brokers Engaging in Futures Trading under Specific Domestic Categories* (Huifa No. 35 [2015]), clarifying the foreign exchange administration policy for overseas investors engaging in domestic commodity futures trading, and simplifying requirements on account opening, exchanges of funds and data reporting, so as to facilitate market operations. Thirdly, improving foreign exchange administration for cross-border securities investments. The SAFE reformed the classification of quota for QFIIs, simplified quota adjustment filing, and relaxed the time limits for quota inward remittance, and streamlined the outward remittance of principal, thereby easing the data reporting burdens on custodian banks. In 2015 the SAFE approved quotas of USD 14.175 billion to 115 QFIIs, institutional quotas of USD 6.67 billion to 44 QDIIIs, and quotas of RMB 144.625 billion to 63 RQFIIs.

Guidelines on foreign exchange administration under the capital account in 2016. While seeking progress and maintaining stability and deepening the bottom-line mindset, the SAFE will strike a balance between risk prevention and support to reforms. In propelling the capital account convertibility, the SAFE will focus on transforming the approaches to foreign exchange administration to adapt to the latest trends of foreign exchange receipts and payments, continue to improve the external debt and cross-border capital flow administration systems under the macro-prudential framework, enhance the statistical, monitoring and early-warning capabilities. Meanwhile the SAFE will innovate and diversify the instruments for foreign

exchange administration, and increase the effectiveness and relevance of risk management, so as to effectively guard against and respond to the risks arising from cross-border capital flows.



Box 2 Foreign Exchange Convertibility Basically Achieved for Direct Investments

In recent years, with administration streamlining and power delegation and trade and investment facilitation as a breakthrough in foreign exchange administration under the capital account, the SAFE has deepened the reform, building a supporting system for foreign exchange policies for the balanced management of "bringing in" and "going global", and enhancing the convertibility and facilitation under the RMB capital account in a steady and orderly manner, with the foreign exchange convertibility for direct investments the first to be achieved under the capital account.

Intensifying administration streamlining and power delegation under ODI and supporting domestic institutions to go global. The SAFE published the *Circular of the State Administration of Foreign Exchange Further Simplifying and Improving Policies for Foreign Exchange Administration of Direct Investments* (Huifa No. 13 [2015]), allowing domestic investors of overseas investment enterprises to go through foreign exchange registration under overseas direct investment (ODI) directly with banks starting from June 1, 2015, canceling foreign exchange registration for overseas reinvestment by domestic investors, replacing annual inspection of foreign exchange under ODI with stock equity registration under ODI, with the time frame extended, the content simplified and data reported through various channels. All policy barriers have been removed for ODI-related foreign exchange transactions by domestic institutions, facilitating their international economic and technological cooperation and competition.

Further advancing the reform of foreign exchange administration for FDI and creating a sound environment for foreign investors. Firstly, the SAFE simplified and improved verification of foreign exchange registration under foreign direct investment (FDI), allowing foreign invested enterprises to carry on

Box 2 (continued)

foreign exchange registration with banks directly. Secondly, the SAFE canceled registration for confirmation of contribution in kind by a foreign investor under FDI and registration for confirmation of capital contribution by a foreign investor for acquisition of a Chinese shareholder's equity, replacing registration for confirmation of contribution in cash by a foreign investor with registration for accounting entry of contribution in cash. Thirdly, the SAFE replaced annual inspection of foreign exchange under FDI with stock equity registration, with the time frame extended and the registration channels diversified, to further facilitate the declaration by enterprises.

Advancing the reform on settlement of foreign exchange capital, and overcoming the last mile challenge facing direct investment convertibility.

Based on the experiences obtained from the preliminary pilot programs and the reform fruits, the SAFE released the *Circular of the State Administration of Foreign Exchange Concerning Reform of the Administrative Mode for Foreign Exchange Settlement of Capital of Foreign-Invested Enterprises* (Huifa No. 19 [2015]), deciding to implement the national policy on discretionary settlement of foreign exchange capital by foreign invested enterprises starting from June 1, 2015. The highlights include: foreign invested enterprises will be subject to fully discretionary settlement of their foreign exchange capital, with the freedom to choose the time for settlement; a negative list approach will be adopted for the management of the use of foreign exchange capital; the RMB proceeds from the settlement can be used for domestic equity investments by foreign invested enterprises; and banks should perform the obligation of authenticity review under the three principles. The SAFE also further improved ongoing and ex-post regulations and intensified punishment for misconduct.

The full implementation of discretionary settlement of foreign exchange capital

Box 2 (concluded)

was an innovative foreign exchange reform on the payment-based settlement, simplifying the approval processes and giving room for policies on exchange rate risk aversion by enterprises, which were conducive to cost reduction, trade and investment facilitation as well as business compliance by banks and enterprises. At the same time, foreign exchange authorities intensified authenticity review of payments with RMB proceeds from foreign exchange settlement and their flow monitoring via the account for FX settlement and pending payment, ensuring the "liberalization and managed control" of settlement of foreign exchange capital, thereby giving enterprises full independence and options of settlement and facilitating players in the micro market while putting macro risks under control. In other words, the reform of discretionary settlement of foreign exchange capital was another step toward the capital account convertibility, overcoming the last mile challenge facing direct investment convertibility, and marking the basic achievement of foreign exchange convertibility under direct investment.



Box 3 Pilot Program for Macro-prudential Management of External Debt

Building and improving the external debt and capital flow management system under the macro-prudential framework is an important arrangement made at the Third Plenary Session of the 18th CPC Central Committee to deepen the reform of foreign exchange administration, accelerate the RMB capital account convertibility and promote investment and financing facilitation. In 2015, the SAFE pressed ahead with the pilot program for macro-prudential management of external debt to further expand the financing channels and reduce the financing costs for enterprises.

Launching pilot programs for macro-prudential management of external debt in some special economic zones. In February 2015, the SAFE published the *Official Reply Concerning the Pilot Program for Macro-prudential Management of External Debt in Some Regions* (Huifu No. 57 [2015]), deciding to implement a pilot program for macro-prudential management through self-discipline of external debt proportion in some special economic zones such as the Core Area of Beijing Zhongguancun National Independent Innovation Demonstration Zone, Shenzhen Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone and Jiangsu Zhangjiagang Bonded Zone (Jingang Town). According to the pilot policies, outstanding external debt of enterprises will be linked with their net assets on a proportionate basis, i.e., controlling outstanding external debt below 2 times of the net assets. Enterprises within the zones who borrow external debt are required to register with the local foreign exchange authority, and enterprises within the zones who borrow external debt in foreign currencies are allowed to settle foreign exchange in accordance with regulations. The pilot policies integrate the policies for the administration of external debt of Chinese and foreign-invested enterprises within the zones, and control the macro risks associated with the external loans

Box 3 (concluded)

borrowed by domestic institutions within acceptable ranges, so as to effectively guard against risks while addressing the difficulties and high costs of financing.

Further upgrading the pilot policies to explore and improve macro-prudential management of external debt. Based on the experiences obtained in the pilot programs, the SAFE released relevant policies to upgrade the pilot policy for the Core Area of Beijing Zhongguancun National Independent Innovation Demonstration Zone in August 2015, expanding the use of external debt, loosening management of special accounts for external debt, and providing minimal quotas on external debt to selected high-tech enterprises with low net assets, strong demand for financing and remarkable profitability. As a beneficial attempt in further exploring and improving the pilot programs for macro-prudential administration of external debt, this can better meet the requirements for "mass entrepreneurship and innovation".

The steady implementation of the pilot policies having produced good results. As at the end of December 2015, 108 transactions of external debt were registered in the pilot zones for 76 enterprises, totaling USD 2.867 billion, of which USD 1.945 billion were withdrawn. Of the closing balance, RMB external debt accounted for 38 percent, and short-term external debt, 67 percent. The implementation of the pilot policies produced good results, with no large-scale abnormal borrowing and settlement of external debt within the zones. The capital cost of the pilot enterprises was estimated to fall 2-3 percentage points.

Statistics and Monitoring of the Balance of Payments

Collecting the balance of payments (BOP) statistics by the latest international standards. The SAFE compiled and published the Balance of Payments statements and the International Investment Position statements as required by the sixth edition of the *Balance of Payments and International Investment Position Manual* (BPM6) to retroactively adjust the time series data. Under the IMF's Special Data Dissemination Standard (SDDS), relevant data were disseminated in accordance with the SDDS specifications for coverage, periodicity, and timeliness, and the planned data dissemination agenda and the English editions of interpretation documents were presented to the IMF. The SAFE officially participated in the IMF's Coordinated Portfolio Investment Survey (CPIS) and the BIS International Banking Statistics (IBS) to achieve the targets of the G20 Data Gaps Initiative (DGI).

Improving the BOP Statistical System. The SAFE published the *Circular of the State Administration of Foreign Exchange on Printing and Distributing the Detailed Rules for the Implementation of the Declaration of Balance of Payments Statistics through Banks* (Huifa No. 27 [2015]), revised the trade credit survey system, simplified trade credit survey indicators and increased the frequency of survey. The data verification rules were finalized for direct and indirect declarations, imposing more stringent requirements on data verification. The capitalization of overseas listed companies was surveyed on a quarterly basis and statistical methods with respect to items such as overseas travels, international goods transportation and insurance, retained earnings from FDI, and ODI assets were improved.

Enhancing dynamic monitoring and in-depth analysis of foreign exchange receipts and payments. Specifically, the SAFE analyzed and sorted out major channels and transactions for cross-border capital flows, closely watched the adjustments of monetary policies in major developed economies, risk profiles in global financial markets, geopolitical landscape, and domestic economic operations, surveyed hot issues such as divergence of monetary policies in Europe and the US, impact of the Fed's interest rate hike cycle, and stress test in the cross-border capital flows and regulatory system, and tracked and monitored the RMB exchange rate movements and the changes in foreign exchange markets.

Guidelines on statistics and monitoring of the balance of payments in 2016. The SAFE will compile and publish more BOP statistical products in compliance with international standards and publish the Chinese editions of the interpretation documents on SDDS data. The SAFE will continue to improve the BOP statistical system, revise the statistical system for external financial assets, liabilities and transactions, develop the business guidance on indirect declaration, update data verification rules and intensify data quality control. The SAFE will also enhance data transparency, and compile and disseminate CPIS and IBS statistical data. Great efforts will be made to enhance BOP risk monitoring, closely watch and assess the impact from the changes in domestic and overseas market environments on China's cross-border capital flows.



Box 4 Strengthening the Monitoring of Cross-Border Capital Flows

While satisfying the requirements for normal and reasonable use of foreign exchange, the SAFE was committed to law-based administration, improved the ongoing and ex-post regulation mechanism and achieved significant results in monitoring cross-border capital flows in 2015.

Intensifying key-factor monitoring and authenticity reviews. First, the SAFE intensified monitoring of key channels and players associated with abnormal foreign exchange flows to standardize foreign exchange receipts and payments activities. Second, the SAFE imposed more stringent requirements on banks with regard to authenticity and compliance reviews, focusing monitoring on implementing the three business principles by banks. Major measures included organizing briefings on inspections of the banking industry to report irregularities and internal control management in the banking industry since 2014, increasing inspections of banks, and urging banks to raise awareness of compliance and enhance internal management.

Enhancing onsite and offsite verifications and inspections. First, the SAFE carried out special verifications of abnormal channels and players, verifying on-site more than 8,000 enterprises under trade in goods including over 2,500 enterprises downgraded into Class-B and C enterprises, written off or to be subject to further investigation, and 2,412 enterprises under trade in services including 52 institutions to be subject to further investigation. Second, the SAFE conducted special verifications and inspections of banks with regard to compliance. Special onsite verifications of ODI registration and outward remittances through banks across the country, and special

Box 4 (continued)

offsite verifications of performance of the contracts on overseas loans under domestic guarantees were carried out. The SAFE inspected and assessed the compliance and internal control systems of the 7 commercial banks with the receipts and payments of foreign exchange accounting for 70 percent of the country's total. The 9 SAFE branches in Tianjin, Shanghai, etc. conducted special inspections of foreign exchange services for individuals and trade in services by banks. In 2015, the SAFE identified 936 cases where banks failed to conduct authenticity reviews in accordance with regulations and imposed administrative punishments of RMB 55.36 million. Third, the SAFE cracked down on foreign exchange irregularities. It worked with other departments to clamp down on transfers of illegal income through offshore companies and underground banks, and combated irregularities such as foreign exchange evasion and frauds. In 2015, foreign exchange authorities cooperated with public security authorities to solve more than 60 underground banks-related cases that involved an amount of more than RMB 1 trillion. Moreover, fresh progress in cross-department regulatory cooperation was achieved. Based on the verification results provided by the SAFE, the General Administration of Customs downgraded credit ratings to, conducted Customs Clearance surveillance of, wrote off, or transferred to inspection or anti-smuggling departments more than 2,300 enterprises.

Further improving the construction of business monitoring systems. The cross-border capital flows monitoring and analysis system was upgraded, and the construction of offsite monitoring system for trade in services was enhanced for flexible adjustments and utilization of indicators in response to changes in situations and management objectives. Meanwhile, the SAFE

Box 4 (concluded)

improved individual foreign exchange business monitoring system to facilitate the collection of full-scale data involving individual foreign exchange settlement and sales, foreign-related receipts and payments, cash deposits and withdrawals, etc. It also refined the capital account information system to ramp up data management and analysis efficiency.



Box 5 Latest Changes in the Corporate Trade Credit Survey System

Trade credit is usually short-term, sensitive to economic conditions and susceptible to fluctuations. Accurate trade credit statistics are critical to the assessment and equilibrium of the balance of payments. To support the implementation of the *Measures for the Declaration of Balance of Payments Statistics* and improve the quality of data on cross-border trade credit survey, the SAFE modified the trade credit survey system ("new system"), which will come into force on August 1, 2016. The revision of the trade credit survey system strikes a balance between improvement of statistical data quality and reduction of reporting burden on enterprises. The highlights of the revision are as follows:

Simplifying survey indicators and refining their definitions. To simplify filling out the declaration forms by respondents, the new system significantly simplifies indicators to accommodate statistical and declaration methods and dimensions compatible with corporate accounting practices. The highlights are as follows: Firstly, the statistical data to be provided are streamlined. With no distinctions between corporate credit and bank credit as well as between long-term and short-term credit, enterprises are only required to fill in the receivables and advances received for exports and the payables and prepayment made for imports. Secondly, the new system is more operable, with the definitions of indicators closer to the accounting system for business enterprises. Thirdly, the indicator for trade credit between affiliated enterprises is added. Under the direct investment principle set out in the sixth edition of the *Balance of Payments and International Investment Position Manual* (BPM6), the borrowings and loans (including trade receivables and payables) between affiliated enterprises shall be separated and included in direct investment. This is the only newly added indicator.

Box 5 (concluded)

Conducting monthly and annual surveys. As things change faster both at home and abroad, and the transmission and spillover effects of the financial crisis are becoming more obvious, all walks of life are increasingly concerned about the timeliness of situation analysis. Accordingly, the new system increases the frequency from every quarter to every month, and combines the two kinds of surveys. The respondents consist of two types of enterprises: those under monthly survey and annual survey respectively, with no overlap between them. Data will be reported on a monthly and annual basis respectively.

Focusing on key enterprises. Enterprises above designated size will be the targets of surveys under the new system. Enterprises above designated size are defined as follows: the size of imports and exports or receipts and payments under trade of enterprises under monthly survey should represent 50% of the country's total, and the size of imports and exports or receipts and payments under trade of enterprises under monthly and annual surveys combined should represent 70% of the country's total. Compared with quarterly survey, the number of enterprises under monthly survey will decrease significantly, while the total number remains essentially unchanged.



Regulation of the Foreign Exchange Business of Financial Institutions

Improving the actual effectiveness of the assessment of banks in implementing foreign exchange administration regulations. The SAFE revised the measures for assessing the implementation of foreign exchange administration regulations by banks, introduced the assessment model for the bi-directional adjustment of cross-border capital flows, and established and refined the violation rectification and incentive and restriction mechanism, to urge banks to better implement the "three business principles". It defined roles and responsibilities for assessment, and set reference standards for classified ratings in bank assessment, ensuring transparent and just assessment.

Improving management of foreign exchange settlement and sales by banks as well as foreign exchange administration for bankcards. The SAFE implemented the *Detailed Rules for the Implementation of the Administrative Measures for Foreign Exchange Settlement and Sales by Banks* to further press ahead with administration streamlining and power delegation and optimize management. It integrated and improved the management of special RMB accounts for foreign exchange settlement and sales by foreign-invested banks. It also strengthened the management of overseas withdrawals with UnionPay RMB cards. Besides the original requirement that the daily withdrawal should not exceed the equivalent of RMB 10,000 for each card each day, an annual limit was added to curb large withdrawals overseas by some cardholders and guard against money

laundering risk.

Improving management of franchised domestic and foreign currency exchange business for individuals. The SAFE defined the regulatory contents with respect to market entry, ongoing regulation and ex-post disposal of franchised institutions for domestic and foreign currency exchange business for individuals. Three franchised institutions were permitted to pilot on cross-border transport and wholesale of foreign currency banknotes, breaking the monopoly of banks as a sole supplier of domestic foreign currency banknotes and diversifying the supply of foreign currency banknotes within China. The SAFE also introduced the policy for currency exchange business via the Internet, providing policy support for further enhancing the domestic exchange service level.

Promoting the foreign exchange administration reform for insurance institutions. The SAFE facilitated insurance institutions in foreign exchange market entry and capital exchanges, and handled foreign exchange market entry and conversion between the RMB and foreign currencies for insurance institutions in accordance with laws. By the end of 2015, 130 insurance companies had obtained approval from the SAFE to run the foreign exchange business.

Guidelines on the regulation of the foreign exchange business of financial institutions in 2016. The SAFE will develop a new edition of the bank assessment system, and dynamically adjust the assessment indicators along with changes in foreign exchange situations. The SAFE will intensify regulation of bank compliance with respect to foreign exchange business, and enhance the accountability system against foreign exchange violations

by financial institutions. It will further promote business innovations by franchised institutions and enhance the service level of domestic and foreign currency exchanges for individuals. Special inspections of foreign exchange administration for insurance business will be carried out in key regions, and monitoring and statistical analysis of insurance institutions will be strengthened.



Building and Development of Foreign Exchange Market

Improving infrastructure construction for foreign exchange markets. The SAFE enriched the trading mechanism, and introduced the standardized foreign exchange swap trading function based on bilateral credit extension and automatic matching in the inter-bank foreign exchange market to enhance market liquidity. It expanded clearing business, introduced foreign exchange clearing business on an agency basis in the inter-bank foreign exchange market, and provided net clearing services to small- and medium-sized banks by establishing a hierarchical clearing system to reduce the trading costs incurred by participating institutions. It continued to support the work of the professional committee on professional ethics and market practices in inter-bank foreign exchange markets to promote the standardized development of domestic foreign exchange markets.

Improving management of banks' positions in foreign exchange settlement and sales. The SAFE expanded the upper and lower limits of consolidated positions of national and market-maker banks in foreign exchange settlement and sales, to facilitate management of exchange rate risks by banks, promote the development of foreign exchange derivative product markets, and further release the capability of banks to provide foreign exchange liquidity to the market.

Pressing ahead with the opening up of foreign exchange markets. The People's Bank of China and the SAFE announced to extend the foreign exchange trading time. The daily operation time of the trading system of the inter-bank

foreign exchange markets began to be extended to 23:30 Beijing time on January 4, 2016, and more qualified overseas players were introduced, with qualified overseas participating banks engaged in the RMB purchases and sales business allowed to enter the inter-bank foreign exchange markets.

Guidelines on the building and development of foreign exchange markets in 2016. Based on the requirements of RMB exchange rate marketization and the capital account convertibility, the SAFE will continue to deepen the development of foreign exchange markets, improve management of foreign exchange settlement and sales by banks, with a focus on diversifying foreign exchange products, expanding participants, promoting opening up, improving infrastructure, facilitating self-discipline management and pushing ahead with administration streamlining and power delegation.



Enforcement of the Foreign Exchange Inspections and Regulations

In 2015, the SAFE stepped up offsite foreign exchange inspections and analysis by focusing on the key channels and links of irregular foreign exchange capital flows, organized and conducted inspections on financial institutions with emphasis on banks, carried out special inspections of enterprises in important industries and key areas, and maintained a tough stance on foreign exchange irregularities such as underground banks. Throughout the year the SAFE investigated and handled over 2000 cases involving activities in violation of the regulations on foreign exchange administration and collected RMB 430 million in administrative penalties.

Intensifying inspections and punishments on financial institutions. The SAFE selected seven national banks with high transaction volumes of cross-border receipts and payments for special inspections, focusing on internal management and control of banks, implementation of the business development principles as well as compliance of foreign exchange business, and included in inspections for the first time the internal control system construction for foreign exchange business of banks. The special inspections covered over 700 branches and sub-branches of banks, spotted over 900 cases involving violations of foreign exchange regulations, and imposed administrative penalties of more than RMB 55 million, which dealt a blow to cross-border arbitrages via banks and abnormal trading activities, and promoted banks to further improve their internal controls.

Launching special campaigns to crack down on the transfers of illegal income through offshore companies and underground banks. In accordance with the

unified deployment of the International Pursuit and Booty Recovery Office of the Central Anti-corruption Coordination Group, the SAFE, together with the People's Bank of China, the Supreme People's Court, the Supreme People's Procuratorate and the Ministry of Public Security, carried out special campaigns to crack down on the transfers of illegal income through offshore companies and underground banks. By making full use of the functional advantages in cross-border capital monitoring, foreign exchange administrative departments explored the clues to underground bank cases, ferreted out over 60 underground bank-related cases involving trillions of yuan by leveraging technical advantages in account checking and supporting public security authorities in investigations and evidence collection, which made positive contribution to the smooth progress of the overall special campaign.

Cracking down on counterparties of underground banks. Special inspections were conducted on counterparties involved in underground bank-related cases ferreted out in Zhejiang and Shenzhen, and intensified efforts were made to investigate and punish activities of illegal foreign exchange trading. The SAFE ferreted out a batch of cases involving illegal trading of foreign exchange, getting government rewards by cheating with false foreign investment, and obtaining fraudulently bank credit by exaggerating business scale, and identified other clues to underground bank-related cases through extended inspections. In 2015, the SAFE ferreted out a total of over 100 cases related to underground bank counterparties, and imposed administrative fines totaling RMB 130 million.

Conducting in-depth offsite foreign exchange inspections and analysis. In 2015, 2574 clues to abnormal capital flows and irregularities were identified via offsite foreign exchange inspections and analysis, and 1009 clues were

verified, with a clue verification rate of 39.2 percent. The number of such cases accounted for 47.3 percent of the total number for the same period, and relevant administrative penalties accounted for 47.5 percent. The number and rate of cases established with clues discovered in offsite inspections and analysis as well as the settlement result were much higher than the 2014 level.

Launching special inspections of foreign exchange capital flows in key industries and businesses. Special inspections were carried out on trade finance in the rubber industry, foreign exchange business of financial leasing companies, as well as foreign exchange business of banks for individuals and trade in service, with a focus on the players and businesses with large foreign exchange transaction volume, abnormal operations and concentrated clues to violations of regulations. A batch of foreign exchange violations such as fabricated trade financing and external foreign exchange payment with fake documents, financial leasing in violation of regulations and split purchases and payments of foreign exchange were investigated and dealt with.

Promoting foreign exchange credit system construction. The *Opinions on Credit System Construction in Foreign Exchange Area* were formulated to define the overall objectives, thoughts, tasks and responsibilities with regard to the construction of foreign exchange credit system. The SAFE accelerated the construction of credit records and incorporated the information on foreign exchange-related activities in violation of regulations into the unified credit platform for the financial industry and the integrated database for importers and exporters, with the aim of intensifying punishment on discredited activities.

Guidelines on the enforcement of the foreign exchange inspections and regulations in 2016. The SAFE will step up efforts to analyze, research and

assess cross-border capital flow risks, and intensify offsite inspections and analysis. With inspection of banks as the starting point and the top priority, the SAFE will conduct special inspections on key players and links, and crack down on underground banks and other irregularities, with a focus on reviewing authenticity and compliance of transactions, so as to enhance the accuracy, flexibility and effectiveness of foreign exchange inspections while defending its bottom line of preventing systematic and regional financial risks.



Box 6 Special Inspections of Compliance of Banks in Foreign Exchange Business

To further intensify internal control and external monitoring of foreign exchange business of banks, and contain operations in violation of regulations as well as illegal and criminal activities, the SAFE organized special inspections of foreign exchange business of banks (special inspections) in 2015.

Offsite foreign exchange inspections were conducted to improve efficiency of inspections. In these inspections, offsite foreign exchange inspections were conducted for big data analysis of the original data of banks and regulatory data. Without affecting the normal operations of banks, over 9800 banking institutions and outlets with abnormal cross-market, cross-industry and cross-border arbitrages or suspected of foreign exchange violations were locked up, with over 117,300 offsite clues discovered and an amount exceeding USD 220 billion involved. On this basis, seven banks including Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China, China Construction Bank, Bank of Communications, China CITIC Bank and China Merchants Bank were selected as the inspection targets, and onsite inspections were conducted on over 700 frontline sub-branches, banking departments and outlets of these banks with large foreign exchange transaction volume, unusual operations and concentrated violations and clues, and found a total of over 900 cases related to foreign exchange violations, which led to administrative penalties of more than RMB 55 million.

Imperfect internal governance mechanism and "focusing on performance while neglecting compliance" were the major reasons for the frequent violations by banks in foreign exchange business. The special inspections

Box 6 (concluded)

found that there were eight major categories of foreign exchange violations in banks, such as failure to conduct BOP declaration and submit statements in line with regulations, handling foreign exchange settlement and sales in violation of regulations, and handling receipts and payments of capital under the current account in violation of rules, which involved more than 17,200 transactions in an amount of over USD 10 billion. The major problems are as follows: the internal control and management mechanism of the banks is not scientific, and the results of foreign exchange policy communication is not satisfactory; the foreign exchange business compliance accountability mechanism is not sound, lacking an effective supervision and accountability mechanism; the internal control system of banks focuses more on formality instead of actual effects; the internal control system of banks is upgraded more slowly than the foreign exchange administration reform and development; the business development principle for foreign exchange business of banks is not strictly followed; the authenticity review of foreign exchange business by banks is not strict.

While further deepening the foreign exchange administration system reform, the SAFE will refine cross-border capital flow monitoring and inspection approaches, strengthen cross-departmental cooperation in financial regulation of cross-border capital flows, improve and reinforce regulation of compliance of banks in operating activities, and enhance the accountability system for foreign exchange violations by banks to maintain the normal order of foreign exchange markets.

Box 7 Cracking down on Illegal and Criminal Foreign Exchange Activities of Underground Banks

In April to December 2015, in accordance with the deployment of the CPC Central Committee and the State Council, the SAFE collaborated with the People's Bank of China, the Supreme People's Court, the Supreme People's Procuratorate and the Ministry of Public Security to jointly launch the special campaign of cracking down on illicit money transfers via offshore companies and underground banks ("the special campaign"), in order to ferret out major underground bank-related cases, clean up the financial market environment, further intensify comprehensive rectification, eliminate the breeding grounds for the development of underground banks, and cut off the capital flight channels for briberies and corruptions and other upstream criminal activities.

In the special campaign, the SAFE joined the efforts in ferreting out over 60 underground bank-related cases, which involved trillions of yuan. Given the ferreted-out cases, the activities of underground banks show the following characteristics: Firstly, underground banks have a surprisingly large size and are frequently involved in material cases. For example, the Yushi underground bank case of Fujian Province involved over RMB 10 billion and had a very bad impact. Secondly, such cases involve a wide range of areas, spreading from developed regions such as Southeastern coastal region to inland provinces in Central and West China, resulting in frequent cross-regional fund transfers. Thirdly, underground banks use shell companies to counterfeit trade documents to fraudulently purchase foreign exchange, leading to cross-border outflows of a significant amount of capital. Fourthly, underground banks fraudulently obtain government export incentives as the driver for their illegal transactions. In some ferreted-out underground bank-related cases, the criminal suspects circulated funds and falsely issued VAT

Box 7 (concluded)

invoices via underground banks to fraudulently obtain export incentives of local governments in a large amount of money.

While cracking down on major underground bank-related cases in a centralized manner, the SAFE tracked and investigated the upstream and downstream capital counterparties of underground banks, and stepped up investigations into players which got involved in illicit trading of foreign exchange by underground banks such as enterprises and individuals. In 2015, the SAFE investigated and dealt with over 100 cases of underground banks' illegal foreign exchange trading involving enterprises and individuals, and imposed administrative penalties of RMB 130 million. The parties involved in the cases include fake foreign-invested enterprises that sought to pass performance assessment by government via underground banks, trade companies that cheated on export tax refunds through underground banks and civil servants who transferred illicit assets through underground banks.

Next, the SAFE will maintain close cooperation with relevant departments, strengthen cross-departmental communication, coordination and information sharing, step up efforts in cracking down on underground banks and other illegal and criminal foreign exchange activities, track and investigate players involved in illegal transactions of underground banks, and further improve trade and investment facilitation, so as to satisfy the normal trade and investment demand of foreign-related players, attach equal importance to guidance and crackdown for comprehensive governance, and clean up the economic and financial environment.

Management of Foreign Exchange Reserves

Never crossing the bottom line of risk management, the SAFE ensures the security, liquidity, value preservation and growth of foreign exchange reserve assets. Making risk prevention a priority in investment and management, the SAFE strengthened monitoring and management of the liquidity of foreign exchange reserves. With elaborate plans and active implementation, The SAFE properly managed liquidity reserves to safeguard China's economic and financial security.

Building in-depth investment capabilities and optimizing asset allocations. The SAFE continued to refine the portfolio of investment with foreign exchange reserves to make it more scientific and reasonable. Specifically, the SAFE innovated investment strategies, broadened the investment channels, and optimized the diversified distribution of currency basket to enhance the investment capability in varied fields.

Innovative use of foreign exchange reserves to serve national strategies. In accordance with the national strategies, the SAFE injected capital into China Development Bank and the Export-Import Bank of China, in a bid to support the deepened reforms of development and policy financial institutions. The SAFE established the China-Lac Industrial Cooperation Investment Fund and the China-Africa Fund for Industrial Cooperation, which, together with the Silk Road Fund, formed three investment & financing platforms in support of the national strategies. The SAFE deepened bilateral and multilateral cooperation in investment & financing, and optimized the co-financing platform to contribute to key initiatives like the Belt and Road Initiative, international production capacity cooperation and equipment manufacturing

cooperation.

Enhancing institutional management capabilities and improving methodologies for scientific management. The SAFE stepped up the construction of information systems to ensure a safer operational system, ramp up the efficiency of investment processes and control the operational risk. It also pushed forward with teambuilding and the construction of talent pools, to facilitate scientific management and sustainable development of institutions and build world-class asset management institution.

Guidelines on management of foreign exchange reserves in 2016. The SAFE will continue to make risk prevention a priority in investment and management, and intensify monitoring and management of the liquidity of foreign exchange reserves to ensure the safety, liquidity, and profitability. The SAFE will further optimize the allocation of currency basket, step up efforts to build the investment and trading capabilities, and enhance the risk management approaches to maintain breakeven between risk and return. Under the guidance of national strategies, the SAFE will avail of a variety of channels and platforms to expand the way of thinking, improve mechanisms, enhance returns, and prevent and manage risks. Meanwhile, the SAFE will continue to build the IT system construction and promote talent teams, systems and mechanisms with regard to foreign exchange reserves.



Box 8 Different Solvency among Countries in Promoting International Production Capacity Cooperation

China is now faced with favorable opportunities to promote "going global" as the international cooperation in production capacity and equipment manufacturing is pressed ahead with rapidly and the Belt and Road Initiative is being implemented in an all-round way. However, given the heavy debt burdens on some of the target countries, which mean heavy investment risk, China needs well-designed mechanisms to achieve better investment outcomes. On the one hand, the building of investment and financing players and channels should be enhanced to deepen participation in project construction, management, operation and maintenance. On the other hand, the investment and financing plans should be tailored to the different solvency of countries and regions, and advanced flexibly and proactively.

Favorable opportunities for outbound investment. First, as the Belt and Road Initiative and the international cooperation in production capacity and equipment manufacturing are pressed ahead with, the international community is reaching a consensus on cooperation and becomes more eager to work together, which provides more favorable international and political environment for China. Second, faced with slower economic growth and the pressure from capital outflows triggered by the Fed's interest rate hike, emerging markets have strong demand for capital. Last but not least, international commodity prices are declining and valuation of related assets is shrinking, creating more potential investment opportunities. For example, Glencore plc, a Swiss commodity trading and mining company, had to sell its copper mines in Australia and Chile at lower prices after its stock prices tumbled in the second half of 2015.

Some of the target countries struggling with heavy debt burdens. The World Bank statistics show that as at the end of 2014, total external debt of the

Box 8 (continued)

world's 124 developing countries stood at USD 5.4 trillion, up by 7 percent from 2013 and doubling that of 2007. Most developing countries are faced with heavy and fast growing external debt and heavy solvency pressure (see Exhibit 1). Geographically speaking, Eastern Europe and Central Asia, Latin America and Caribbean, South Asia, and Sub-Saharan Africa are debt ridden, with one half or more of the six indicators including liability ratio, debt ratio and debt servicing ratio being above the international warning line. In comparison, external debt of East Asia and Pacific, the Middle East and North Africa are relatively light. By countries, some countries under China's Going Global Strategy are struggling with external debt to varying degrees (see Exhibit 2). Many external debt indicators of Mongolia, Turkey and Tajikistan are well above the international warning line.

Designing a sound mechanism and advancing the national strategies. First, striking a balance between equity and debt investments. Some of the debt-ridden developing countries are listed as the Heavily Indebted Poor Countries and are subject to the debt financing constraints of international organizations like the IMF. To effectively facilitate cooperation, China can consider increasing the weighting of equity funds in addition to debt investment. It should design a reasonable equity/debt investment mix based on the different external debt incurred by the countries where the investment is to be made, so as to promote the sustainability of investment and financing. Second, expanding the depth and width of participation in projects and building investors' capabilities. China's external economic cooperation was mostly in the form of project contracting and equipment exporting, without sufficient participation in the late stage. In the future, China should, leveraging on the features of equity investment, upgrade the cooperation model by participating more in the projects, especially in the stages of operation, management and

Box 8 (continued)

maintenance after completion of the projects, in addition to continuous output of equipment and labor. What's more, China may seek multilateral cooperation and make co-investment as a consortium to cover the upstream and downstream industrial chains, pursue common interests and complement each other. Third, ensuring coordination and cooperation among investors. The strengths and enthusiasm of various entities, such as governments, financial institutions and companies, should be made use of in a balanced way, and the choices in respect of investment & financing entities and funds

Exhibit 1 External Debt of Developing Countries (Average, 2010–2014)

Unit: %

Region \ Item	External debt		Growth of external debt		Solvency	
	Liability ratio	Debt ratio	Growth of outstanding external debt	Growth of debt service	Debt servicing ratio	External debt/reserves
Eastern Europe and Central Asia	55.7	149.9	5.8	2.9	26.4	376.6
Latin America and Caribbean	24.3	115.6	14.8	8.5	15.1	165.9
South Asia	22.2	97.3	11.0	38.8	9.6	160.2
Sub-Saharan Africa	23.3	74.6	9.5	17.6	5.2	195.6
East Asia and Pacific	14.5	45.5	14.2	8.7	4.1	38.1
Middle East and North Africa	14.9	47.6	3.3	0.9	4.7	62.5
Warning line	20	100	GDP growth	Export growth	20	100

■ More than 50% higher than the warning line

■ 0-50% higher than the warning line

■ 0-50% lower than the warning line

■ More than 50% lower than the warning line

Note: Liability ratio is the ratio of outstanding external debt to GDP, debt ratio is the ratio of outstanding external debt to export, and debt servicing ratio is the ratio of repayment of principal and interest to export.

Source: The World Bank. According to the World Bank statistics, there are 21 developing countries in Eastern Europe and Central Asia, 24 in Latin America and Caribbean, 8 in South Asia, 45 in Sub-Saharan Africa, 16 in East Asia and Pacific, and 10 in the Middle East and North Africa.

Box 8 (concluded)

for external cooperation may be diversified to form an external investment & financing landscape featuring moderate competition and diversity.

Exhibit 2 External Debt of Selected Target Countries under China's Going Global Strategy (Average, 2010–2014)

Unit: %

Region \ Item		External debt		Growth of external debt		Solvency	
		Liability ratio	Debt ratio	Growth of outstanding external debt	Growth of debt service	Debt servicing ratio	External debt/reserves
East Asia and Pacific	Mongolia	134.4	266.9	50.8	98.8	16.6	667.6
	Viet Nam	40.3	48.8	17.2	40.8	3.4	289.3
	Cambodia	40.1	61.3	15.0	27.7	1.3	127.9
	Indonesia	29.0	122.4	10.4	13.3	18.3	239.5
	Laos	94.7	N/A	11.1	10.8	N/A	1098.9
	Malaysia	62.1	69.7	12.6	12.5	3.4	144.3
	Thailand	36.4	45.8	11.7	5.7	4.7	76.3
	Myanmar	N/A	N/A	-4.6	N/A	N/A	N/A
Eastern Europe and Central Asia	Turkey	44.7	174.5	8.1	-2.0	29.4	366.0
	Tajikistan	49.1	304.7	8.8	0.7	44.6	1315.1
	Kazakhstan	80.6	159.3	7.5	8.3	37.4	618.6
	Belarus	55.0	81.8	13.2	31.4	8.9	788.8
	Turkmenistan	1.7	N/A	-7.1	N/A	N/A	N/A
	Uzbekistan	18.4	N/A	14.2	N/A	N/A	N/A
Middle East and North Africa	Iran	N/A	N/A	-17.6	N/A	N/A	N/A
South Asia	Pakistan	27.8	203.5	2.2	19.4	16.8	639.0
	India	20.7	85.0	12.6	47.4	9.3	136.8
	Bangladesh	19.9	104.2	7.4	14.0	5.1	229.9
Warning line		20	100	GDP growth	Export growth	20	100

■ More than 50% higher than the warning line ■ 0~50% higher than the warning line
■ 0~50% lower than the warning line ■ More than 50% lower than the warning line

Note: Liability ratio is the ratio of outstanding external debt to GDP, debt ratio is the ratio of outstanding external debt to export, and debt servicing ratio is the ratio of repayment of principal and interest to export.

Source: The World Bank.

Construction of the Legal System for Foreign Exchange Administration

Pressing ahead with the building of the regulations on foreign exchange administration. The SAFE strengthened the top-down design of the regulations on foreign exchange administration, and revised the *Regulations of the People's Republic of China on Foreign Exchange Administration* with relevant departments. It continued sorting out and integrating regulations, streamlined the effectiveness of the regulations on foreign exchange administration, and abolished or announced invalid in a centralized manner those that were not up to the reform requirements. 85 regulations were abolished in 2015.

Conducting the administrative approval system reform for foreign exchange administration. The SAFE continued streamlining administrative approval items and advised the State Council to cancel the administrative approval items such as filing of disposal of NPA by asset management companies and currency exchange verification in 2015. To strictly standardize the approval behaviors, it formulated the *Regulations on the Management of Administrative Approval for Foreign Exchange Administration*, highlighting new contents such as "one-window" acceptance and applicant review, and developed the *Guidance on Administrative Approval Services for Foreign Exchange Administration*, specifying materials to be reviewed, processing conditions and procedures. It promoted online pre-reviews and pre-processing to offer more convenience to people and increase the efficiency with regard to administrative approvals.

Fully improving the level of law-based administration. The SAFE continued to provide training on law-based administration and regulations and policies for

foreign exchange administration to raise officials' awareness of rule of law and administrative capabilities in accordance with laws. It conducted qualification management of administrative enforcement officials and published a list of holders of enforcement certificates within the system. Efforts were also be made to properly cope with administrative reviews and litigations to protect legal rights and interests, and settle disputes.

Guidelines on construction of the legal system for foreign exchange administration in 2016. The SAFE will continue to strengthen the top-down design of the framework for the regulations on foreign exchange administration and streamline and integrate regulatory documents. It will also deepen the administrative approval system reform for foreign exchange administration, streamline administration, delegate powers, standardize administrative approval behaviors and ramp up administration efficiency.



Box 9 Pressing ahead with Administration Streamlining and Power Delegation, Regulation Strengthening and Service Optimization

In 2015, the SAFE, following the plans of the CPC Central Committee and the State Council, accelerated transforming the concept and way of foreign exchange administration, with a focus on enhancing the effectiveness of power delegation, innovating regulation, and improving the level of service, which produced significant results.

Enhancing the convertibility for cross-border capital and financial transactions under the guidance of administration streamlining and power delegation. The SAFE advised the State Council to cancel the administrative approval items such as filing of disposal of NPA by asset management companies and currency exchange verification. Under its guidance, the policy on discretionary settlement of foreign exchange capital of foreign-invested enterprises was rolled out, and new breakthroughs were made in the bidirectional opening of the capital market, with the qualified institutional investor system refined further, foreign central banks and similar institutions allowed to directly invest in China's inter-bank foreign exchange market and bond market, and Mainland-Hong Kong Mutual Fund Connect launched. Moreover, foreign exchange payment business for cross-border e-commerce was backed up, with the restrictions on pilot regions relaxed and the upper limit on a single online payment transaction extended. The pilot program for centralized operation and management of foreign exchange funds of MNCs was upgraded, with the number of pilots raised, procedures for foreign exchange receipts and payments simplified and MNCs encouraged to set up high added-value industries such as capital centers and profit centers in China. The capital account convertibility was pressed ahead with along with regional reforms, with measures for administration streamlining and power delegation introduced in the pilot free trade zones in Shanghai, Tianjin,

Box 9 (continued)

Guangdong and Fujian, such as discretionary settlement of foreign exchange under external debt, so as to promote trade and investment facilitation.

Improving the capabilities in monitoring and analyzing cross-border capital flows and guarding against relevant risks based on strengthened regulation. The SAFE established an effective system for ongoing and ex-post management, adopting the new regulatory instruments such as ex-ante commitment, classified management, risk reminder, indicator early warning, information transparency, bank review, integrity system, offsite verification and inspection, and ongoing and ex-post random sampling to enhance facilitation while regulating management. The focus was on intensifying special verifications of banks with respect to the foreign exchange business, maintaining a tough stance on foreign exchange transactions in violation of laws and regulations, and cracking down on illegal activities such as underground banks and illegal foreign exchange trading to safeguard China's foreign-related economic and financial security. The SAFE also enhanced top-down design of the reforms in key areas of foreign exchange administration, and organized research into the macro-prudential management framework on cross-border capital flows to provide references for the decisions on the foreign exchange administration reform.

Optimizing services to offer more convenience to the public. As required by the SAFE, the requirements on submissions for approvals were simplified, and the approval time limit was cut, with instant approvals conducted and the approval time limit for some business shortened to 10 working days. The SAFE formulated regulations on administrative approval for foreign exchange administration and published the guidance on administrative approval services, specifying the materials to be reviewed, conditions and procedures of administrative approval, and streamlined administrative approval

Box 9 (concluded)

intermediary services and promoted online pre-reviews and pre-processing for administrative approval to offer more convenience to the public. Committed to law-based administration, the SAFE revised the *Regulations of the People's Republic of China on Foreign Exchange Administration* with relevant departments, refining basic provisions on foreign exchange administration, and continued streamlining regulations, abolishing or announcing invalid in a centralized manner those that were not up to the reform requirements, and slashing the number of regulations to 222 as at the end of 2015. It also improved the press conference system, requiring more efforts into situation and policy interpretation, to help the public deepen their understanding of foreign exchange policies and situation.

In 2016, the first year of the 13th Five-Year Plan period and a crucial year for advancing the structural reform, the SAFE, continuing to follow the plans of the CPC Central Committee and the State Council, will press ahead with the reform of the way of foreign exchange regulation, enhance ongoing and ex-post management, intensify risk prevention and control, ramp up regulation efficiency and optimize foreign exchange administration services.



Disclosure and Dissemination of Information on Government Affairs

Disseminating policies on foreign exchange administration through multiple channels. With its official website as the main platform, the SAFE worked actively to promote and interpret foreign exchange reform with focus on the changes in foreign exchange situations and reform efforts of foreign exchange administration through releasing information on official website, microblog and WeChat, regular press conferences, bylined articles, and interviews. Based on the progress in the streamlining of the foreign exchange administration regulations, the SAFE updated the Catalogue of Existing Laws and Regulations in Effect on Foreign Exchange Administration semiannually to facilitate the learning and use of the foreign exchange administration regulations by market players.

Actively addressing social concerns. The SAFE improved the work system on holding press conferences on a quarterly basis and participated in the press conferences of the NPC and the CPPCC. It convened four press conferences on foreign exchange situations at the Information Office of the State Council, and four on foreign exchange administration policies on its own, to provide in-depth interpretation on hot issues of social concerns. Following the requirements on surveys on government websites nationwide, the SAFE conducted self-examination and rectification of its official website and the websites of its branches, to further improve the service and management levels of its official website. The SAFE increased exchanges with the general public, and responded to nearly 1,300 consulting cases in 2015.

Stepping up efforts in statistics release. The SAFE published the balance of payments statement and the international investment position in a timely manner, and announced on a monthly basis the approval of the investment quotas for qualified institutional investors, such as QFIIs, QDIIs, and RQFIIs. It also disseminated data on China's full-scale external debt as required by the Special Data Dissemination Standards (SDDS) of the IMF, promulgated *China's Balance of Payments Report for the Year 2014* and *China's Balance of Payments Report for the First Half Year of 2015*.

Earnestly doing well the work related to applications for the disclosure of information on government affairs. The SAFE disclosed in a timely manner its budget for 2015 and the final accounts for 2014 to conscientiously accept social supervision. The SAFE also released the *2014 Report on the Work of the SAFE on Disclosure of Government Information* to facilitate the understanding of foreign exchange administration by the general public. It disclosed full information on government procurement on the China government procurement website (www.ccg.gov.cn) and central government procurement website (www.zycg.gov.cn) in a timely manner. It also promoted the information disclosure on applications. In 2015, it accepted four applications for the disclosure of government information and gave replies within the statutory time limit in legal procedures.

Successfully completing the handling of suggestions and proposals collected from the NPC and the CPPCC in 2015. 48 suggestions from the NPC and proposals from the CPPCC were accepted and handled in the year, and the replies were satisfactorily given on time. In handling these suggestions and proposals, the SAFE played an active role in improving its working system, continuously making innovations to its work methods, facilitating the

exchange of ideas and communications with the delegates and committee members of the NPC and the CPPCC, and carefully studying and absorbing their comments and suggestions, thereby further promoting the reform and development of foreign exchange administration.

Guidelines on disclosure and dissemination of information on government affairs in 2016. The SAFE will improve the regular press conference mechanism, release information and interpret policies from multiple perspectives through various channels such as its official website, government affairs microblog, and WeChat, address social concerns in a timely manner and strengthen communication with the general public.



IT Applications

Further enhancing cross-border capital monitoring and analysis capabilities. To prevent the impact from cross-border capital flows, the SAFE developed and promoted the 2015 edition of cross-border capital flow monitoring and analysis system and the fixed statements on MNC business by leveraging its advantages in system and data integration under the overall construction concept of spiral growth. The "macro-meso-micro" monitoring and analysis framework and the player regulation function were diversified and enhanced to further strengthen its ongoing and ex-post monitoring and analysis capabilities.

Constantly pressing ahead with planning formulation and business system construction. The SAFE organized research into the overall technical framework of its IT applications. It strengthened business system construction in an all-around way, and completed the construction of individual foreign exchange business monitoring system and the capital account information system phase III. In addition to summarizing the pilot experiences and application results in enterprises and banks and improving management process, the SAFE published the *Circular of the General Affairs Department of the State Administration of Foreign Exchange on Expanding the Application Scope of Online Interface Service for Enterprises* (Huizongfa No. 35 [2015]) to promote the application of connected interface service.

Continuing to effectively manage data resources. The SAFE formulated the foreign exchange business data acquisition procedures for financial institutions, standardizing the management process and defining roles and responsibilities. The "data acquisition and control" application was

implemented nationwide to provide effective support for improving data acquisition management and quality control. The SAFE also organized fundamental work for foreign exchange administration data warehouse, formulate the management rules for the application of the cross-border capital flow monitoring and analysis system, and categorize data based on the degree of sharing, to make the management and allocation of data privilege more scientific and further safeguard the security of data resources while increasing the degree of data sharing. Code standardization management was carried out.

Pushing forward with information security construction and operation and maintenance. The *Plan of the State Administration of Foreign Exchange for Information Security* and relevant regulations were implemented, and the implementation rules for information security standardization were refined. The SAFE raised risk awareness and organized critical information system risk assessment and classified information security protection assessment. Emergency response was optimized to comprehensively test emergency disposal capabilities. Technical strength was centralized to enhance information security protection level and improve the information security supervision and inspection mechanism. The SAFE adhered to the independent and controllable targets and vigorously promoted localization of infrastructure. It also reinforced teambuilding, and explored the innovative information security talent cultivation model. The IT operation and maintenance system was improved, the basic projects such as integration of "three centers in two places" was completed, and the network and basic software and hardware construction was enhanced, to ensure the normal operation of foreign exchange businesses.

Guidelines on IT applications for foreign exchange administration in 2016.

The SAFE will formulate the outline of the IT development plan for foreign exchange administration in the 13th Five-Year Plan period, promote and launch individual foreign exchange business monitoring system nationwide. The construction of "three centers in two places" will continue. Further, the SAFE will revise data acquisition codes, continue to monitor data quality, deepen the application of cross-border capital flow monitoring and analysis system, and conduct big data application analysis and research. The information security system and planning will be implemented to enhance the overall information security protection level. In addition, the IT resource management system will be formulated and implemented, and the operation and maintenance system and operation procedures will be refined to further enhance management.



International Exchanges and Cooperation

Enhancing the standardization and effectiveness of management of overseas business trips. Following the eight-point guidelines proposed by the CPC Central Committee, the SAFE worked out a scientific annual overseas trip plan, with a focus on aggregate control, strengthened coordinated arrangement and reinforced perspectiveness and effectiveness of plans made by the organizing units around key tasks. With reference to international experience in financial risk prevention, balance of payments statistics monitoring, and macro-prudential management of foreign exchange receipts and payments, the SAFE proposed reformative suggestions on improving foreign exchange administration with respect to the core tasks and enhanced sharing of research fruits.

Conducting business consultations and bilateral and multi-lateral dialogues. The SAFE conducted communication and exchanges with international institutions, foreign government departments, overseas financial institutions and enterprises, and strengthened daily communication with foreign embassies in China. It sent representatives to the negotiations on Bilateral Investment Treaty between Europe and China, the negotiations on Bilateral Investment Treaty between the US and China, the Asian Financial Forum, and symposiums on Mutual Fund Connect, to promote multi-lateral & bilateral financial cooperation and to the IMF Annual Meeting On Balance Of Payments Statistics 2015, and the G20 Regional Summit On Data Gap Motion to discuss and promote global financial stability. It joined the BIS Working Group on Best Practice in Foreign Exchange Markets to promote the formulation of rules of conduct for global foreign exchange markets.

Organizing overseas training. To meet the requirements of the core tasks such as strengthening balance of payments statistics and monitoring, and improving cross-border capital flow management, the SAFE selected and sent business backbones for overseas training under the principle of "strict control, learning for use, focusing on priorities, and fewer but better". It promoted cooperation with international financial organizations and institutions to expand overseas training channels and enhance training quality.

Guidelines on international exchanges and cooperation in 2016. Following the requirements on foreign affairs from the central government, the SAFE will establish systems and standardize administration, strengthen education and training, expand international exchanges, and reinforce research into international finance, so as to better serve the core tasks of foreign exchange administration.



Internal Management

Strictly exercising the Party's self-discipline. The SAFE implemented the gist of the 18th CPC National Congress and the 3rd and 4th Plenary Sessions of the 18th CPC Central Committee, studied the gist of the speeches delivered by General Secretary Xi Jinping, and carried out the "Three Stricts and Three Steadies" educational campaign to further improve CPC members' work styles. It implemented the Party's rules and regulations, complied with the Party's political disciplines and rules, improved the Party's political life, and enhanced the building of grassroots CPC organizations and the management of CPC members. Following the gist of the CPC Central Committee's Mass Organization Work Conference, it organized various activities on employee culture to cement the ties between CPC members and the general public and between officials and the general public.

Pressing ahead with the cleanup of CPC members' undesirable work styles and upholding integrity. The SAFE implemented the gist of the 5th Plenary Sessions of the CPC Central Commission for Discipline Inspection, performed the principal responsibilities for strictly exercising the Party's self-discipline in an all-round way, specified the Party's political disciplines and rules, and implemented the gist of the eight-point guidelines proposed by the CPC Central Committee to be committed to eliminating the four undesirable work styles. The SAFE introduced the *List of Responsibilities of the State Administration of Foreign Exchange in Implementing Principal and Supervision Responsibilities for Improving Work Styles and Upholding Integrity among CPC Officials* and the *List of Responsibilities of CPC Branches (CPC General Branches) in Implementing Principal and Supervision Responsibilities*

for Improving Work Styles and Upholding Integrity among CPC Officials, established systems regarding dialogues between disciplinary inspection team leaders and department leaders, and joint conferences on improving work styles and upholding integrity, and anti-corruption to drive the endeavors to improve work styles and uphold integrity among CPC officials. The SAFE intensified supervision and inspections of all its departments and branches, deepened the transformation of functions, methods and styles, implemented the accountability system for supervision, execution and discipline, and attached more significance to discipline than to the law. The SAFE also studied and implemented the *Code of Integrity and Self-Discipline among CPC Members* and the *Regulations on Disciplinary Sanction for CPC Members*, and promoted the risk supervision and management system to deepen its efforts to improve work styles and uphold integrity among CPC officials and combat corruption.

Strengthening officials building. The SAFE selected and appointed leaders in accordance with the *Regulations on the Selection and Appointment of Party and Government Officials* and the gist of the national work conference for the heads of organization departments. It pushed forward with job rotation and communication among officials, assigned officials to other institutions for training, created a multi-dimensional training system based on the demand from organizations, positions and individuals to improve officials' political accomplishments, professional skills and personal qualities.

Enhancing internal audit. The SAFE improved the internal control system, developed a regular system and regulation revision mechanism, and revised and improved relevant rules and regulations on internal audit and control. It explored the computer-aided audit methods, promoted law-based administrative audits, and standardized administrative approvals for foreign

exchange to mitigate risks associated with administrative approval. It also organized follow-up audits, and boosted the translation of audit results, to enhance foreign exchange administration.

Shaping work order. The SAFE ensured the administrative on-duty system to quickly respond to emergencies, strengthened the conference management, and shaped the documentation and office order. It intensified inspections and supervision to make sure the implementation of significant policies, measures and decisions of the CPC Central Committee and the State Council. Being in strict compliance with the financial norms, it refined the administrative measures for special funds, improved internal controls, promoted austerity, compiled reasonable budgets in a scientific way, and stuck to the budgets. It also improved the complaint confidentiality system, enhanced confidentiality supervision and reviews and strengthened the file security service capability. Moreover, it improved the government procurement procedures and regulated the government procurement conduct in accordance with the related provisions of the *Regulations on the Implementation of the Government Procurement Law of the People's Republic of China*.

Guidelines on internal management in 2016. The SAFE will strengthen the Party's self-discipline comprehensively and by rules, implement the "two responsibilities", strengthen education, management and supervision of CPC members, investigate and punish behaviors in violation of disciplines and regulations to further press ahead with the improvement of work styles among CPC members. Based on the results of the special inspections organized by the Central Committee, it will organize inspections and rectifications. Meanwhile, it will continue to improve the HR system and provide more training for officials to enhance their qualities, and will promote law-based administrative audits to make audit work more standardized, systematic and scientific,

and also will standardize the management of workplaces, enhance duty and emergency response management and step up supervision. Moreover, it will intensify the management, supervision and inspections of special expenditures, deal with seals, files, and complaints in accordance with laws and regulations, enhance inspections and guidance of confidentiality work and make purchases in a standardized and transparent manner.



Box 10 Carrying out the "Three Stricts and Three Steadies" Educational Campaign

In accordance with the plans of the CPC Central Committee, the SAFE launched at the end of April 2015 a "Three Stricts and Three Steadies" educational campaign among the CPC leaders and officials above the division chief rank. The SAFE Party Leadership Group organized a special meeting to study and communicate the gist of the Central Government Symposium on "Three Stricts and Three Steadies" Educational Campaign, and reviewed, deliberated and passed the implementation plan. On May 25, 2015, Yi Gang, Secretary of Party Leadership Group and Administrator of the SAFE, gave a lecture on the Party based on foreign exchange administration practices. Other leaders of the SAFE also gave similar lectures in the CPC branches (CPC general branches) or the departments under their charge. Members of the SAFE Party Leadership Group conducted in-depth communication on promoting the foreign exchange administration reform in "strict" and "steady" work styles, based on their practices in foreign exchange administration, and summarized and rethought of the serious disciplinary and legal offenses, spotted their negative impact and learned lessons from them.

The SAFE's grassroots CPC organizations implemented the CPC's requirements and integrated the education campaign into everyday education of CPC members and officials, and the secretaries of CPC branches (CPC general branches) gave special lectures on CPC through "Three Kinds of Meetings and CPC Course". All CPC members and officials attended seminars on special topics and exchanged ideas. The SAFE CPC Committee tightened control and strengthened supervision, and solicited suggestions from grassroots CPC organizations about the problems and comments on the Party Leadership Group, CPC members and officials to guarantee the earnest implementation of the special education. In late June 2015, the SAFE

Box 10 (concluded)

CPC Committee organized its secretaries of CPC branches (CPC general branches) to visit Henan Lankao County Jiao Yulu Officials' College for the Party Day Event under the theme of "Three Stricts and Three Steadies", raised CPC members' and officials' ideological and behavioral awareness to practice the "Three Stricts and Three Steadies", and urged the grassroots CPC organizations to strictly and conscientiously carry out the special education campaign.

The SAFE's Party Leadership Group organized the "Three Stricts and Three Steadies" democratic life meeting on December 28, 2015 in accordance with the arrangements of the "Three Stricts and Three Steadies" special education campaign and related requirements of the CPC Central Commission for Discipline Inspection and the CPC Organization Department. In accordance with the requirements of "Three Stricts and Three Steadies", members of the SAFE's Party Leadership Group, from the work related to the interests of the service regulatory targets and the general public and the trifles on the daily life of leaders and officials reported by the general public, investigated those in violation of the "Three Stricts and Three Steadies", analyzed the causes behind, performed criticism and self-criticism, and specified the way forward and improvement measures. At the meeting, the SAFE's Party Leadership Group and its members, based on the positive and negative examples, examined the serious consequences of inadequate practice of CPC principles, slackened self-discipline and abandoning of ideals and beliefs, and checked and identified the most relevant problems for criticism and self-criticism, delivering a complete success of the meeting.

Box 11 Promoting the operational risk supervision and administration system

In accordance with the arrangements of the People's Bank of China, the SAFE, following the principle of performing the "two responsibilities" in improving the work styles and upholding integrity among CPC officials with a focus on guarding against post-related integrity risk through science and technology, promoted the use of risk supervision and administration system in its departments and public institutions in 2015, initially realizing dynamic management of integrity risk.

Raising awareness and making thoughtful arrangements. In September 2015, the SAFE organized a mobilization meeting to promote the operation risk supervision and administration system, imposing requirements on the schedule and tasks in line with the "Three Stricts and Three Steadies" education campaign, and designing a detailed operation plan for studying the gist of relevant documents, formulating system regulations and staffing. All the departments and units assigned persons in charge, defined the department leaders and administrators within the system and handled different supporting work, thus laying a solid foundation for the promotion.

Highlighting the responsibilities of entities to ensure effective supervision and inspections. The risk supervision and administration system is designed to re-supervise the implementation of the prevention, control, supervision and inspection measures against the integrity risk facing all functions. All departments and units implemented their responsibilities, made timely adjustments to risk-related items, performed timely supervision and inspections, pressed ahead with rectifications, and entered related data and information into the system, realizing the full coverage of the scope of risk prevention and control. During system testing, all departments and units collected problems and new situations encountered, proposed improvement

Box 11 (concluded)

suggestions, and gave timely feedback to the Inspection and Supervision Office. The Inspection and Supervision Office enhanced follow-up guidance, and effectively solved the problems, ensuring the smooth promotion and operation of the risk supervision and administration system.

Strengthening risk supervision and promoting the performance of the responsibilities for foreign exchange administration. With the risk supervision and administration system, all departments made flexible adjustments to the risk items and grades, revised and refined the preventive measures in accordance with the reform demand, achieved the real-time and visualized risk warning in the everyday work, and integrated the performance of foreign exchange administration responsibilities with the prevention and control of integrity risk, ensuring dynamic and standardized anti-corruption efforts.



Foreign Exchange Statistics

Table S1 China's Balance of Payments, 2015

Unit: 100 million US dollars

Item	Amount
1. Current Account	3306
Credit	26930
Debit	-23624
1. A Goods and Services	3846
Credit	24293
Debit	-20447
1.A.a Goods	5670
Credit	21428
Debit	-15758
1.A.b Services	-1824
Credit	2865
Debit	-4689
1.A.b.1 Manufacturing Services on Physical Inputs Owned by Others	203
Credit	204
Debit	-2
1.A.b.2 Maintenance and Repair Services n.i.e	23
Credit	36
Debit	-13
1.A.b.3 Transport	-370
Credit	386
Debit	-756
1.A.b.4 Travel	-1781
Credit	1141
Debit	-2922
1.A.b.5 Construction	65
Credit	167
Debit	-102
1.A.b.6 Insurance and Pension Services	-44

Table S1 (continued)

Item	Amount
Credit	50
Debit	-93
1.A.b.7 Financial Services	-3
Credit	23
Debit	-26
1.A.b.8 Charges for the Use of Intellectual Property	-209
Credit	11
Debit	-220
1.A.b.9 Telecommunications, Computer, and Information Services	131
Credit	245
Debit	-114
1.A.b.10 Other Business Services	189
Credit	584
Debit	-395
1.A.b.11 Personal, Cultural, and Recreational Services	-12
Credit	7
Debit	-19
1.A.b.12 Government Goods and Services n.i.e	-15
Credit	11
Debit	-26
1.B Primary Income	-454
Credit	2278
Debit	-2732
1.B.1 Compensation of Employees	274
Credit	331
Debit	-57
1.B.2 Investment Income	-734
Credit	1939
Debit	-2673
1.B.3 Other Primary Income	7
Credit	8
Debit	-2

Table S1 (continued)

Item	Amount
1.C Secondary Income	-87
Credit	359
Debit	-446
2. Capital and Financial Account	-1424
2.1 Capital Account	3
Credit	5
Debit	-2
2.2 Financial Account	-1427
Assets	-491
Liabilities	-936
2.2.1 Financial Account Excluding Reserve Assets	-4856
Assets	-3920
Liabilities	-936
2.2.1.1 Direct Investment	621
2.2.1.1.1 Assets	-1878
2.2.1.1.1.1 Equity and Investment Fund Shares	-1452
2.2.1.1.1.2 Debt Instruments	-426
2.2.1.1.2 Liabilities	2499
2.2.1.1.2.1 Equity and Investment Fund Shares	2196
2.2.1.1.2.2 Debt Instruments	302
2.2.1.2 Portfolio Investment	-665
2.2.1.2.1 Assets	-732
2.2.1.2.1.1 Equity and Investment Fund Shares	-397
2.2.1.2.1.2 Debt Securities	-335
2.2.1.2.2 Liabilities	67
2.2.1.2.2.1 Equity and Investment Fund Shares	150
2.2.1.2.2.2 Debt Securities	-82
2.2.1.3 Financial Derivatives	-21
2.2.1.3.1 Assets	-34
2.2.1.3.2 Liabilities	13
2.2.1.4 Other Investment	-4791

Table S1 (concluded)

Item	Amount
2.2.1.4.1 Assets	-1276
2.2.1.4.1.1 Other Equity	0
2.2.1.4.1.2 Currency and Deposits	-1001
2.2.1.4.1.3 Loans	-475
2.2.1.4.1.4 Insurance, Pension, and Standardized Guarantee Schemes	-32
2.2.1.4.1.5 Trade Credit and Advances	-460
2.2.1.4.1.6 Others	692
2.2.1.4.2 Liabilities	-3515
2.2.1.4.2.1 Other Equity	0
2.2.1.4.2.2 Currency and Deposits	-1226
2.2.1.4.2.3 Loans	-1667
2.2.1.4.2.4 Insurance, Pension, and Standardized Guarantee Schemes	24
2.2.1.4.2.5 Trade Credit and Advances	-623
2.2.1.4.2.6 Others	-24
2.2.1.4.2.7 Special Drawing Rights	0
2.2.2 Reserve Assets	3429
2.2.2.1 Monetary Gold	0
2.2.2.2 Special Drawing Rights	-3
2.2.2.3 Reserve Position in the IMF	9
2.2.2.4 Foreign Exchange Reserves	3423
2.2.2.5 Other Reserve Assets	0
3. Net Errors and Omissions	-1882

Note: 1. The chart is compiled according to BPM6.

2. "Credit" is presented as positive value while "debit" as negative value; the difference is the sum of the "Credit" and the "Debit"; all items herein refer to difference, unless marked with "Credit" or "Debit".

3. This chart employs rounded-off numbers.



Table S2 Abridged Balance of Payments, 1990–2015

(1)

Unit: 100 million US dollars

Item	1990	1991	1992	1993	1994
1. Current Account	120	133	64	-119	77
Credit	525	602	736	800	1121
Debit	-405	-469	-672	-919	-1045
1. A Goods and Services	107	116	50	-118	74
Credit	491	555	668	743	1046
Debit	-385	-439	-618	-861	-973
1.A.a Goods	70	62	19	-143	35
Credit	411	460	543	597	844
Debit	-341	-398	-524	-740	-810
1.A.b Services	37	54	31	25	39
Credit	81	95	126	146	202
Debit	-44	-41	-94	-120	-163
1.B Primary Income	11	8	2	-13	-10
Credit	30	37	56	44	57
Debit	-20	-29	-53	-57	-68
1.C Secondary Income	3	8	12	12	13
Credit	4	9	12	13	18
Debit	-1	-1	-1	-1	-4
2. Capital and Financial Account	-89	-65	19	217	21
2.1 Capital Account	0	0	0	0	0
Credit	0	0	0	0	0
Debit	0	0	0	0	0
2.2 Financial Account	-89	-65	19	217	21
Assets	-138	-160	-59	-109	-367
Liabilities	49	94	77	326	389
2.2.1 Financial Account Excluding Reserve Assets	-28	46	-3	235	326
2.2.1.1 Direct Investment	27	35	72	231	318
Assets	-8	-9	-40	-44	-20
Liabilities	35	44	112	275	338
2.2.1.2 Portfolio Investment	-2	2	-1	31	35
Assets	-2	-3	-5	-6	-4
Liabilities	0	6	4	36	39
2.2.1.3 Financial Derivatives (other than reserves) and Employee Stock Options	0	0	0	0	0
Assets	0	0	0	0	0
Liabilities	0	0	0	0	0
2.2.1.4 Other Investment	-52	9	-74	-27	-27
Assets	-66	-36	-35	-41	-38
Liabilities	14	45	-38	14	12
2.2.2 Reserve Assets	-61	-111	21	-18	-305
3. Net Errors and Omissions	-31	-68	-83	-98	-98

(2)

Unit: 100 million US dollars

Item \ Year	1995	1996	1997	1998	1999
1. Current Account	16	72	370	315	211
Credit	1389	1645	1986	1990	2124
Debit	-1373	-1573	-1617	-1675	-1913
1. A Goods and Services	120	176	428	438	306
Credit	1319	1548	1874	1888	1987
Debit	-1199	-1373	-1446	-1449	-1681
1.A.a Goods	128	122	366	456	329
Credit	1074	1268	1532	1637	1693
Debit	-947	-1147	-1167	-1181	-1364
1.A.b Services	-8	54	63	-18	-23
Credit	244	280	342	251	294
Debit	-252	-226	-280	-268	-317
1.B Primary Income	-118	-124	-110	-166	-145
Credit	52	73	57	56	83
Debit	-170	-198	-167	-222	-228
1.C Secondary Income	14	21	51	43	49
Credit	18	24	55	47	54
Debit	-4	-2	-3	-4	-4
2. Capital and Financial Account	162	83	-147	-127	-33
2.1 Capital Account	0	0	0	0	0
Credit	0	0	0	0	0
Debit	0	0	0	0	0
2.2 Financial Account	162	83	-147	-127	-33
Assets	-247	-357	-788	-479	-452
Liabilities	409	440	641	352	419
2.2.1 Financial Account Excluding Reserve Assets	387	400	210	-63	52
2.2.1.1 Direct Investment	338	381	417	411	370
Assets	-20	-21	-26	-26	-18
Liabilities	358	402	442	438	388
2.2.1.2 Portfolio Investment	8	17	69	-37	-112
Assets	1	-6	-9	-38	-105
Liabilities	7	24	78	1	-7
2.2.1.3 Financial Derivatives (other than reserves) and Employee Stock Options	0	0	0	0	0
Assets	0	0	0	0	0
Liabilities	0	0	0	0	0
2.2.1.4 Other Investment	40	2	-276	-437	-205
Assets	-3	-13	-396	-350	-244
Liabilities	43	15	120	-86	39
2.2.2 Reserve Assets	-225	-317	-357	-64	-85
3. Net Errors and Omissions	-178	-155	-223	-187	-178

(3)

Unit: 100 million US dollars

Item \ Year	2000	2001	2002	2003	2004
1. Current Account	204	174	354	431	689
Credit	2725	2906	3551	4825	6522
Debit	-2521	-2732	-3197	-4395	-5833
1. A Goods and Services	288	281	374	358	512
Credit	2531	2721	3330	4480	6074
Debit	-2243	-2440	-2956	-4121	-5562
1.A.a Goods	299	282	377	398	594
Credit	2181	2329	2868	3966	5429
Debit	-1881	-2047	-2491	-3568	-4835
1.A.b Services	-11	-1	-3	-40	-82
Credit	350	392	462	513	645
Debit	-362	-393	-465	-553	-727
1.B Primary Income	-147	-192	-149	-102	-51
Credit	126	94	83	161	206
Debit	-272	-286	-233	-263	-257
1.C Secondary Income	63	85	130	174	229
Credit	69	91	138	185	243
Debit	-5	-6	-8	-10	-14
2. Capital and Financial Account	-86	-125	-432	-513	-819
2.1 Capital Account	0	-1	0	0	-1
Credit	0	0	0	0	0
Debit	0	-1	0	0	-1
2.2 Financial Account	-86	-125	-432	-512	-818
Assets	-666	-541	-932	-1212	-1916
Liabilities	580	416	500	699	1098
2.2.1 Financial Account Excluding Reserve Assets	20	348	323	549	1082
2.2.1.1 Direct Investment	375	374	468	494	601
Assets	-9	-69	-25	0	-20
Liabilities	384	442	493	495	621
2.2.1.2 Portfolio Investment	-40	-194	-103	114	197
Assets	-113	-207	-121	30	65
Liabilities	73	12	18	84	132
2.2.1.3 Financial Derivatives (other than reserves) and Employee Stock Options	0	0	0	0	0
Assets	0	0	0	0	0
Liabilities	0	0	0	0	0
2.2.1.4 Other Investment	-315	169	-41	-60	283
Assets	-439	208	-31	-180	-61
Liabilities	123	-39	-10	120	345
2.2.2 Reserve Assets	-105	-473	-755	-1061	-1901
3. Net Errors and Omissions	-119	-49	78	82	130

(4)

Unit: 100 million US dollars

Item \ Year	2005	2006	2007	2008	2009
1. Current Account	1324	2318	3532	4206	2433
Credit	8403	10779	13832	16597	14006
Debit	-7080	-8460	-10300	-12391	-11574
1. A Goods and Services	1246	2089	3080	3488	2201
Credit	7733	9917	12571	14953	12497
Debit	-6487	-7828	-9490	-11465	-10296
1.A.a Goods	1301	2157	3117	3599	2435
Credit	6949	8977	11316	13500	11272
Debit	-5647	-6820	-8199	-9901	-8836
1.A.b Services	-55	-68	-37	-111	-234
Credit	785	941	1254	1453	1226
Debit	-840	-1008	-1291	-1564	-1460
1.B Primary Income	-161	-51	80	286	-85
Credit	393	546	835	1118	1083
Debit	-554	-597	-754	-832	-1168
1.C Secondary Income	239	281	371	432	317
Credit	277	316	426	526	426
Debit	-39	-35	-55	-94	-110
2. Capital and Financial Account	-1553	-2355	-3665	-4394	-2019
2.1 Capital Account	41	40	31	31	39
Credit	42	41	33	33	42
Debit	-1	-1	-2	-3	-3
2.2 Financial Account	-1594	-2395	-3696	-4425	-2058
Assets	-3352	-4519	-6371	-6087	-4283
Liabilities	1758	2124	2676	1662	2225
2.2.1 Financial Account Excluding Reserve Assets	912	453	911	371	1945
2.2.1.1 Direct Investment	904	1001	1391	1148	872
Assets	-137	-239	-172	-567	-439
Liabilities	1041	1241	1562	1715	1311
2.2.1.2 Portfolio Investment	-47	-684	164	349	271
Assets	-262	-1113	-45	252	-25
Liabilities	214	429	210	97	296
2.2.1.3 Financial Derivatives (other than reserves) and Employee Stock Options	0	0	0	0	0
Assets	0	0	0	0	0
Liabilities	0	0	0	0	0
2.2.1.4 Other Investment	56	136	-644	-1126	803
Assets	-447	-319	-1548	-976	184
Liabilities	502	455	904	-150	619
2.2.2 Reserve Assets	-2506	-2848	-4607	-4795	-4003
3. Net Errors and Omissions	229	36	133	188	-414

(5)

Unit: 100 million US dollars

Item \ Year	2010	2011	2012	2013	2014	2015
1. Current Account	2378	1361	2154	1482	2774	3306
Credit	17959	22087	23933	25927	28047	26930
Debit	-15581	-20726	-21779	-24445	-25273	-23624
1. A Goods and Services	2230	1819	2318	2354	2627	3846
Credit	16039	20089	21751	23556	25242	24293
Debit	-13809	-18269	-19432	-21202	-22616	-20447
1.A.a Goods	2464	2287	3116	3590	4350	5670
Credit	14864	18078	19735	21486	22438	21428
Debit	-12400	-15791	-16619	-17896	-18087	-15758
1.A.b Services	-234	-468	-797	-1236	-1724	-1824
Credit	1175	2010	2016	2070	2805	2865
Debit	-1409	-2478	-2813	-3306	-4528	-4689
1.B Primary Income	-259	-703	-199	-784	133	-454
Credit	1424	1443	1670	1840	2394	2278
Debit	-1683	-2146	-1869	-2624	-2261	-2732
1.C Secondary Income	407	245	34	-87	14	-87
Credit	495	556	512	532	411	359
Debit	-88	-311	-477	-619	-397	-446
2. Capital and Financial Account	-1849	-1223	-1283	-853	-1692	-1424
2.1 Capital Account	46	54	43	31	0	3
Credit	48	56	45	45	19	5
Debit	-2	-2	-3	-14	-20	-2
2.2 Financial Account	-1895	-1278	-1326	-883	-1691	-1427
Assets	-6536	-6136	-3996	-6517	-5806	-491
Liabilities	4641	4858	2670	5633	4115	-936
2.2.1 Financial Account Excluding Reserve Assets	2822	2600	-360	3430	-514	-4856
2.2.1.1 Direct Investment	1857	2317	1763	2180	1450	621
Assets	-580	-484	-650	-730	-1231	-1878
Liabilities	2437	2801	2412	2909	2681	2499
2.2.1.2 Portfolio Investment	240	196	478	529	824	-665
Assets	-76	62	-64	-54	-108	-732
Liabilities	317	134	542	582	932	67
2.2.1.3 Financial Derivatives (other than reserves) and Employee Stock Options	0	0	0	0	0	-21
Assets	0	0	0	0	0	-34
Liabilities	0	0	0	0	0	13
2.2.1.4 Other Investment	724	87	-2601	722	-2788	-4791
Assets	-1163	-1836	-2317	-1420	-3289	-1276
Liabilities	1887	1923	-284	2142	502	-3515
2.2.2 Reserve Assets	-4717	-3878	-966	-4314	-1178	3429
3. Net Errors and Omissions	-529	-138	-871	-629	-1083	-1882

Notes: 1. The chart is compiled according to BPM6. Reserve assets are included in capital and financial account.

2. "Credit" is presented as positive value while "debit" as negative value; the difference is the sum of the "Credit" and the "Debit". All items herein refer to difference, unless marked with "Credit" or "Debit".

3. The income from travel services has been adjusted in accordance with the international travel service revenue recently published by the National Tourism Administration, and the expenditure of travel services has been adjusted in accordance with the data most recently available to the State Administration of Foreign Exchange. Accordingly, the income and expenditure of travel services for 2014 have also been adjusted retrospectively.

4. This chart employs rounded-off numbers.



Table S3 China's International Investment Position, 2004–2015

Unit: 100 million US dollars

Item	End of 2004	End of 2005	End of 2006	End of 2007	End of 2008	End of 2009
Net International Investment Position	2764	4077	6402	11881	14938	14905
Assets	9291	12233	16905	24162	29567	34369
1 Direct Investment	527	645	906	1160	1857	2458
1.1 Equity and Investment Fund Shares	514	591	709	891	1,389	1,585
1.2 Debt Instruments	13	54	197	269	468	872
2 Portfolio Investment	920	1167	2652	2846	2525	2428
2.1 Equity and Investment Fund Shares	0	0	15	196	214	546
2.2 Debt Securities	920	1167	2637	2650	2311	1882
3 Financial Derivatives (other than reserves) and Employee Stock Options	0	0	0	0	0	0
4 Other Investment	1658	2164	2539	4683	5523	4952
4.1 Other Equity	0	0	0	0	0	0
4.2 Currency and Deposits	553	675	736	1380	1529	1310
4.3 Loans	590	719	670	888	1071	974
4.4 Insurance, Pension, and Standardized Guarantee Schemes	0	0	0	0	0	0
4.5 Trade Credit and Advances	432	661	922	1160	1102	1444
4.6 Others	83	109	210	1255	1821	1224
5 Reserve Assets	6186	8257	10808	15473	19662	24532
5.1 Monetary Gold	41	42	123	170	169	371
5.2 Special Drawing Rights	12	12	11	12	12	125
5.3 Reserve Position in the IMF	33	14	11	8	20	44
5.4 Foreign Exchange Reserves	6099	8189	10663	15282	19460	23992
5.5 Other Reserve Assets	0	0	0	0	0	0
Liabilities	6527	8156	10503	12281	14629	19464
1 Direct Investment	3690	4715	6144	7037	9155	13148
1.1 Equity and Investment Fund Shares	3381	4367	5731	6527	8527	12284
1.2 Debt Instruments	309	349	413	510	628	864
2 Portfolio Investment	566	766	1207	1466	1677	1900
2.1 Equity and Investment Fund Shares	433	636	1065	1290	1505	1748
2.2 Debt Securities	133	130	142	176	172	152
3 Financial Derivatives (other than reserves) and Employee Stock Options	0	0	0	0	0	0
4 Other Investment	2271	2675	3152	3778	3796	4416
4.1 Other Equity	0	0	0	0	0	0
4.2 Currency and Deposits	381	484	595	791	918	937
4.3 Loans	880	870	985	1033	1030	1636
4.4 Insurance, Pension, and Standardized Guarantee Schemes	0	0	0	0	0	0
4.5 Trade Credit and Advances	809	1063	1196	1487	1296	1617
4.6 Others	200	257	377	467	552	121
4.7 Special Drawing Rights	0	0	0	0	0	0

Table S3 (continued)

Item	End of 2010	End of 2011	End of 2012	End of 2013	End of 2014	End of 2015
Net International Investment Position	16880	16884	18665	19960	16028	15965
Assets	41189	47345	52132	59861	64383	62189
1 Direct Investment	3172	4248	5319	6605	8826	11293
1.1 Equity and Investment Fund Shares	2123	3125	3917	4693	7408	9393
1.2 Debt Instruments	1050	1123	1403	1911	1418	1901
2 Portfolio Investment	2571	2044	2406	2585	2625	2613
2.1 Equity and Investment Fund Shares	630	864	1298	1530	1613	1620
2.2 Debt Securities	1941	1180	1108	1055	1012	993
3 Financial Derivatives (other than reserves) and Employee Stock Options	0	0	0	0	0	36
4 Other Investment	6304	8495	10527	11867	13938	14185
4.1 Other Equity	0	0	0	0	0	1
4.2 Currency and Deposits	2051	2942	3906	3751	4453	3895
4.3 Loans	1174	2232	2778	3089	3747	4569
4.4 Insurance, Pension, and Standardized Guarantee Schemes	0	0	0	0	0	172
4.5 Trade Credit and Advances	2060	2769	3387	3990	4677	5137
4.6 Others	1018	552	457	1038	1061	412
5 Reserve Assets	29142	32558	33879	38804	38993	34061
5.1 Monetary Gold	481	530	567	408	401	602
5.2 Special Drawing Rights	123	119	114	112	105	103
5.3 Reserve Position in the IMF	64	98	82	71	57	45
5.4 Foreign Exchange Reserves	28473	31811	33116	38213	38430	33304
5.5 Other Reserve Assets	0	0	0	0	0	7
Liabilities	24308	30461	33467	39901	48355	46225
1 Direct Investment	15696	19069	20680	23312	25991	28423
1.1 Equity and Investment Fund Shares	14711	17842	19425	22149	24076	26181
1.2 Debt Instruments	985	1227	1255	1163	1915	2242
2 Portfolio Investment	2239	2485	3361	3865	7962	8105
2.1 Equity and Investment Fund Shares	2061	2114	2619	2977	6513	5906
2.2 Debt Securities	178	371	742	889	1449	2200
3 Financial Derivatives (other than reserves) and Employee Stock Options	0	0	0	0	0	53
4 Other Investment	6373	8907	9426	12724	14402	9643
4.1 Other Equity	0	0	0	0	0	0
4.2 Currency and Deposits	1650	2477	2446	3466	5030	3267
4.3 Loans	2389	3724	3680	5642	5720	3293
4.4 Insurance, Pension, and Standardized Guarantee Schemes	0	0	0	0	0	93
4.5 Trade Credit and Advances	2112	2492	2915	3365	3344	2721

Table S3 (concluded)

Item	End of 2010	End of 2011	End of 2012	End of 2013	End of 2014	End of 2015
4.6 Others	106	106	277	144	207	172
4.7 Special Drawing Rights	0	107	107	108	101	97

Notes: 1. This chart employs rounded-off numbers.

2. Net International Investment Position refers to assets minus liabilities, "+" refers to net assets, and "-" refers to net liabilities.

3. Since the first quarter of 2015, this chart has been compiled and presented in accordance with the BPM6 issued by the International Monetary Fund (IMF). Except for 2014, the data for prior periods have not been retrospectively adjusted.



Table S4 China's Gross External Debt Position by Sector, End-2015

	End of 2015(Unit: 100 million RMB)	End of 2015(Unit: 100 million US dollars)
General Government	7231	1114
Short-term	194	30
Currency and Deposits	0	0
Debt Securities	194	30
Loans	0	0
Trade Credits and Prepayments	0	0
Other Debt Liabilities	0	0
Long-term	7037	1084
SDR Quota	0	0
Currency and Deposits	0	0
Debt Securities	3990	615
Loans	3046	469
Trade Credits and Prepayments	0	0
Other Debt Liabilities	0	0
Central Bank	2793	430
Short-term	856	132
Currency and Deposits	856	132
Debt Securities	0	0
Loans	0	0
Trade Credits and Prepayments	0	0
Other Debt Liabilities	0	0
Long-term	1938	298
SDR Quota	629	97
Currency and Deposits	0	0
Debt Securities	357	55
Loans	0	0
Trade Credits and Prepayments	0	0
Other Debt Liabilities	952	147
Other Deposit-taking Corporations	39741	6120
Short-term	32597	5020
Currency and Deposits	20673	3184
Debt Securities	4903	755

Table S4 (concluded)

	End of 2015(Unit: 100 million RMB)	End of 2015(Unit: 100 million US dollars)
Loans	7019	1081
Trade Credits and Prepayments	0	0
Other Debt Liabilities	1	0
Long-term	7144	1100
Currency and Deposits	0	0
Debt Securities	4266	657
Loans	2868	442
Trade Credits and Prepayments	0	0
Other Debt Liabilities	10	1
Other Departments	27740	4272
Short-term	19746	3041
Currency and Deposits	0	0
Debt Securities	58	9
Loans	2307	355
Trade Credits and Prepayments	17360	2673
Other Debt Liabilities	21	3
Long-term	7994	1231
Currency and Deposits	0	0
Debt Securities	1372	211
Loans	5639	868
Trade Credits and Prepayments	309	48
Other Debt Liabilities	674	104
Direct Investments: the Balance of Inter-company Loans	14457	2226
Debt Liabilities of Direct Investment Enterprises to Direct Investors	12485	1923
Debt Liabilities of Direct Investors to Direct Investment Enterprises	16	2
Debt Liabilities to Affiliated Enterprises	1957	301
Gross External Debt Position	91962	14162

Notes: 1. The short-term, and the medium-and long-term herein represent contract term.

2. The data in this table has been rounded off.

3. In accordance with the Special Data Dissemination Standard (SDDS) of the IMF, China adjusted the statistical coverage of external debt and disseminated the full-scale data on China's external debt in 2015, including RMB-denominated external debt, which was classified into medium- and long-term external debt and short-term external debt by contract term.

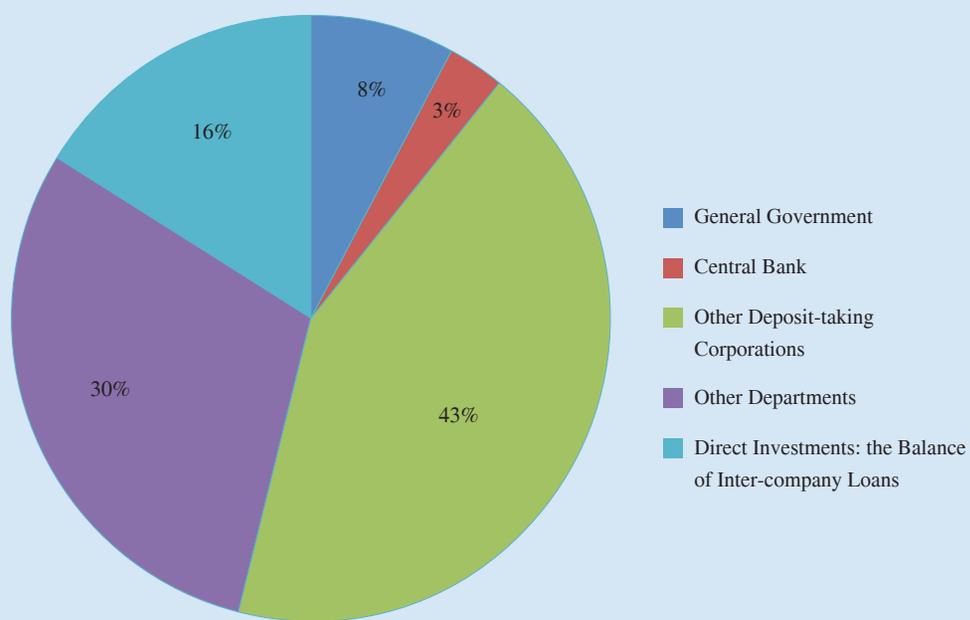


Figure S1 Components of the Registered External Debt by the Type of Debtors, End-2015

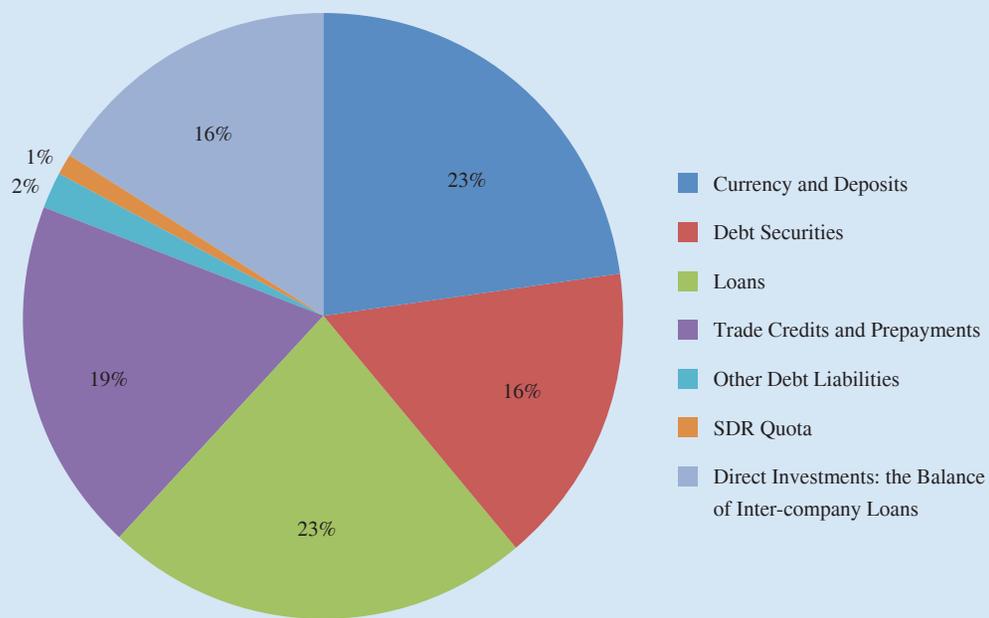


Figure S2 Components of the Registered External Debt by the Type of Debt, End-2015

Table S5 Structure and Growth of Long-term and Short-term External Debt, 1990–2015

Year	Item Outstanding External Debt (in USD billions)	Long-term and Medium-term External Debt			Short-term External Debt			Ratio of Short-term External Debt to Foreign Exchange Reserves(%)
		Outstanding (in USD billions)	Increase over Previous Year (%)	Share of Total (%)	Outstanding (in USD billions)	Increase over Previous Year (%)	Share of Total (%)	
1990	52.55	45.78	23.6	87.1	6.77	58.5	12.9	61.0
1991	60.56	50.26	9.8	83.0	10.30	52.1	17.0	47.4
1992	69.32	58.47	16.3	84.3	10.85	5.3	15.7	55.8
1993	83.57	70.02	19.8	83.8	13.55	24.9	16.2	63.9
1994	92.81	82.39	17.7	88.8	10.42	-23.1	11.2	20.2
1995	106.59	94.68	14.9	88.8	11.91	14.3	11.2	16.2
1996	116.28	102.17	7.9	87.9	14.11	18.5	12.1	13.4
1997	130.96	112.82	10.4	86.1	18.14	28.6	13.9	13.0
1998	146.04	128.70	14.1	88.1	17.34	-4.4	11.9	12.0
1999	151.83	136.65	6.2	90.0	15.18	-12.5	10.0	9.8
2000	145.73	132.65	-2.9	91.0	13.08	-13.8	9.0	7.9
2001	203.30	119.53	—	58.8	83.77	—	41.2	39.5
2002	202.63	115.55	-3.3	57.0	87.08	4.0	43.0	30.4
2003	219.36	116.59	0.9	53.2	102.77	18.0	46.8	25.5
2004	262.99	124.29	6.6	47.3	138.71	35.0	52.7	22.7
2005	296.54	124.90	0.5	42.1	171.64	23.7	57.9	21.0
2006	338.59	139.36	11.6	41.2	199.23	16.1	58.8	18.7
2007	389.22	153.53	10.2	39.4	235.68	18.3	60.6	15.4
2008	390.16	163.88	6.7	42.0	226.28	-4.0	58.0	11.6
2009	428.65	169.39	3.4	39.5	259.26	14.6	60.5	10.8
2010	548.94	173.24	2.3	31.6	375.70	44.9	68.4	13.2

Table S5 (concluded)

Year \ Item	Outstanding External Debt (in USD billions)	Long-term and Medium-term External Debt			Short-term External Debt			Ratio of Short-term External Debt to Foreign Exchange Reserves(%)
		Outstanding (in USD billions)	Increase over Previous Year (%)	Share of Total (%)	Outstanding (in USD billions)	Increase over Previous Year (%)	Share of Total (%)	
2011	695.00	194.10	12.0	27.9	500.90	33.3	72.1	15.7
2012	736.99	196.06	1.0	26.6	540.93	8.0	73.4	16.3
2013	863.17	186.54	-4.9	21.6	676.63	25.1	78.4	17.7
2014	1779.90	481.70	—	27.1	1298.20	—	72.9	33.8
2015	1416.20	495.60	2.9	35.0	920.60	-29.1	65.0	27.6

Notes: 1. Since 2001, China has adjusted its original external debt coverage in accordance with the then prevailing international standards and included medium- and long-term external debt due within one year in short-term external debt (based on the remaining term) for statistics. As the external debt data adjusted are not comparable with those of 2000 and the prior years, the item "Increase of Outstanding External Debt over Previous Year" was not calculated for the year 2001.

2. In accordance with the Special Data Dissemination Standard (SDDS) of the IMF, China adjusted the statistical coverage of external debt and disseminated the full-scale data on China's external debt in 2015, including RMB-denominated external debt, which was classified into medium- and long-term external debt and short-term external debt by contract term. To ensure data comparability, the external debt data at the end of 2014 have been adjusted to the full-scale data. As the full-scale external debt data are not comparable with previous ones (the original coverage was data of external debt in foreign currencies), the item "Increase of Outstanding External Debt over Previous Year" was not calculated for the year 2014.



Table S6 The External Debt, the National Economy, and Foreign Exchange Income, 1990–2015

Year \ Item	Outstanding External Debt (in USD billions)	Increase of Outstanding External Debt over Previous Year (%)	GDP (in RMB billions)	Increase of GDP over Previous Year (%)	Ratio of Outstanding External Debt to GDP (%)	Foreign Exchange Income (in USD billions)	Increase of Foreign Exchange Income over Previous Year (%)	Ratio of Outstanding External Debt to Foreign Exchange Income (%)
1990	52.55	27.2	1877.4	3.9	13.4	57.4	20.0	91.6
1991	60.56	15.2	2189.6	9.3	14.7	65.9	14.9	91.9
1992	69.32	14.5	2706.8	14.3	14.1	78.8	19.6	87.9
1993	83.57	20.6	3552.4	13.9	13.6	86.6	9.8	96.5
1994	92.81	11.1	4846.0	13.1	16.5	118.9	37.4	78.0
1995	106.59	14.8	6113.0	11.0	14.6	147.2	23.8	72.4
1996	116.28	9.1	7157.2	9.9	13.5	171.7	16.6	67.7
1997	130.96	12.6	7942.9	9.2	13.7	207.2	20.7	63.2
1998	146.04	11.5	8488.4	7.8	14.2	207.4	0.1	70.4
1999	151.83	4.0	9018.8	7.6	13.9	221.0	6.5	68.7
2000	145.73	-4.0	9977.6	8.4	12.1	279.6	26.5	52.1
2001	203.30	—	11027.0	8.3	15.3	299.4	7.1	67.9
2002	202.63	-0.3	12100.2	9.1	13.9	365.4	22.0	55.5
2003	219.36	8.3	13656.5	10.0	13.3	485.0	32.7	45.2
2004	262.99	19.9	16071.4	10.1	13.5	655.0	35.1	40.2
2005	296.54	12.8	18589.6	11.3	13.1	836.8	27.8	35.4
2006	338.59	14.2	21765.7	12.7	12.4	1061.7	26.9	31.9
2007	389.22	15.0	26801.9	14.2	11.0	1342.1	26.4	29.0
2008	390.16	0.2	31675.2	9.6	8.6	1581.7	17.9	24.7
2009	428.65	9.9	34562.9	9.2	8.5	1332.9	-15.7	32.2
2010	548.94	28.1	40890.3	10.6	9.1	1876.8	40.8	29.2

Table S6 (concluded)

Year \ Item	Outstanding External Debt (in USD billions)	Increase of Outstanding External Debt over Previous Year (%)	GDP (in RMB billions)	Increase of GDP over Previous Year (%)	Ratio of Outstanding External Debt to GDP (%)	Foreign Exchange Income (in USD billions)	Increase of Foreign Exchange Income over Previous Year (%)	Ratio of Outstanding External Debt to Foreign Exchange Income (%)
2011	695.00	26.6	48412.4	9.5	9.3	2086.6	11.2	33.3
2012	736.99	6.0	53412.3	7.7	8.7	2248.3	7.7	32.8
2013	863.17	17.1	58801.9	7.7	9.1	2425.0	7.9	35.6
2014	1779.90	—	63591.0	7.3	17.2	2545.1	5.0	69.9
2015	1416.20	-20.4	67670.8	6.9	13.0	2429.3	-4.5	58.3

Notes: 1. Since 1998, the GNP data in previous issues of the SAFE Annual Report have been adjusted to the GDP data in this Chart in accordance with the *1998 Digest of China's Statistics*. All the GDP and its growth data are presented as the data last modified by the National Bureau of Statistics.

2. External Debt/GDP Ratio refers to the ratio of outstanding external debt as of the end of the year to the GDP for the year. When calculating the ratio of outstanding external debt to GDP, the GDP was converted into USD at the annual average middle exchange rate published by the SAFE.

3. Starting from 1998, foreign exchange income in this chart refers to the export revenue of trade in goods and services in the BOP in the corresponding year. The data for the previous years have been adjusted according to the same international standards, as are the ratios of outstanding external debt to foreign exchange income.

4. The ratio of outstanding external debt to foreign exchange income refers to the ratio of outstanding external debt as of the end of the year to the export revenue from trade in goods and services for the year in the balance of payments.

5. Since 2001, China has adjusted its original external debt coverage in accordance with the then prevailing international standards. As the external debt data adjusted are not comparable with those of 2000 and the prior years, the item "Increase of Outstanding External Debt over Previous Year" was not calculated for the year 2001.

6. In accordance with the Special Data Dissemination Standard (SDDS) of the IMF, China adjusted the statistical coverage of its external debt and disseminated the full-scale data on China's external debt in 2015, including RMB-denominated external debt. To ensure data comparability, the external debt data at the end of 2014 have been adjusted to the full-scale data. As the full-scale external debt data are not comparable with previous ones (the original coverage is data of external debt in foreign currencies), the item "Increase of Outstanding External Debt over Previous Year" was not calculated for the year 2014.



Table S7 Flows of the External Debt, the National Economy, and Foreign Exchange Income, 1990–2015

Year \ Item	External Debt Inflows (in USD billions)	Increase of External Debt Inflows over Previous Year (%)	External Debt Outflows (in USD billions)	Increase of External Debt Outflows over Previous Year (%)	Net External Debt Inflows (in USD billions)	GDP (in RMB billions)	Ratio of External Debt Outflows to GDP (%)	Foreign Exchange Income (in USD billions)	Debt Service Ratio (%)
1990	16.48	-5.5	9.62	-43.5	6.86	1877.4	2.5	57.4	8.7
1991	18.86	14.4	12.79	33.0	6.07	2189.6	3.1	65.9	8.5
1992	15.22	-19.3	13.43	5.0	1.79	2706.8	2.7	78.8	7.1
1993	27.37	79.8	18.25	35.9	9.12	3552.4	3.0	86.6	10.2
1994	34.33	25.4	25.06	37.3	9.27	4846.0	4.5	118.9	9.1
1995	39.11	13.9	31.71	26.5	7.40	6113.0	4.3	147.2	7.6
1996	30.95	-20.9	22.47	-29.1	8.48	7157.2	2.6	171.7	6.0
1997	43.10	39.3	32.42	44.3	10.68	7942.9	3.4	207.2	7.3
1998	45.66	5.9	42.48	31.0	3.18	8488.4	4.1	207.4	10.9
1999	30.05	-34.2	36.45	-14.2	-6.40	9018.8	3.3	221.0	11.2
2000	24.92	-17.1	35.01	-4.0	-10.09	9977.6	2.9	279.6	9.2
2001	25.16	1.0	31.28	-10.7	-6.12	11027.0	2.3	299.4	7.5
2002	60.87	141.9	69.67	122.7	-8.80	12100.2	4.8	365.4	7.9
2003	101.54	66.8	98.13	40.8	3.41	13656.5	5.9	485.0	6.9
2004	205.97	102.8	190.24	93.9	15.73	16071.4	9.8	655.0	3.2
2005	281.05	36.5	271.59	42.8	9.46	18589.6	12.0	836.8	3.1
2006	385.43	37.1	365.15	34.4	20.28	21765.7	13.4	1061.7	2.1
2007	500.20	29.8	479.81	31.4	20.39	26801.9	13.6	1342.2	2.0
2008	575.90	15.1	557.16	16.1	18.74	31675.2	12.2	1581.7	1.8
2009	387.52	-32.7	390.85	-29.8	-3.33	34562.9	7.7	1332.9	2.9
2010	679.25	75.3	611.93	56.6	67.32	40890.3	10.1	1876.8	1.6

Table S7 (concluded)

Year \ Item	External Debt Inflows (in USD billions)	Increase of External Debt Inflows over Previous Year (%)	External Debt Outflows (in USD billions)	Increase of External Debt Outflows over Previous Year (%)	Net External Debt Inflows (in USD billions)	GDP (in RMB billions)	Ratio of External Debt Outflows to GDP (%)	Foreign Exchange Income (in USD billions)	Debt Service Ratio (%)
2011	773.31	13.8	682.51	11.5	90.80	48412.4	9.1	2086.6	1.7
2012	648.12	-16.2	651.79	-4.5	-3.67	53412.3	7.7	2248.3	1.6
2013	1010.92	56.0	908.07	39.3	102.85	58801.9	9.6	2425.0	1.6
2014	2353.40	—	1695.98	—	657.42	63591.0	16.4	2545.1	2.6
2015	1223.8	-48.0	1585.00	-6.5	-361.20	67670.8	14.6	2429.3	5.0

Notes: 1. Since 1998, the GNP data in previous issues of the SAFE Annual Report have been adjusted to the GDP data in this Chart in accordance with the *1998 Digest of China's Statistics*. All the GDP and its growth data are presented as the data last modified by the National Bureau of Statistics. When calculating the ratio of outstanding external debt to GDP, the GDP was converted into USD at the annual average middle exchange rate published by the SAFE.

2. Beginning from 1998, foreign exchange income in this chart refers to the export revenue of trade in goods and services in the BOP in the corresponding year. The data for the previous years are adjusted according to the same international standards, as are the debt service ratios.

3. Debt Servicing Ratio refers to the ratio of the repayment amount of the external debt principal and interest (the sum of the repayment amount for the principal and interest of the long- and medium-term external debt principal and the payment amount of the interest for the short-term external debt) to the export revenue from trade in goods and services for the year in the balance of payments.

4. Since 2001, China has adjusted its original external debt coverage in accordance with the then prevailing international standards. As the external debt data adjusted are not comparable with those of 2000 and the prior years, the item "Increase of Outstanding External Debt over Previous Year" was not calculated for the year 2001.

5. In accordance with the Special Data Dissemination Standard (SDDS) of the IMF, China adjusted the statistical coverage of external debt and disseminated the full-scale data on China's external debt in 2015, including RMB-denominated external debt, which was classified into medium- and long-term external debt and short-term external debt by contract term. To ensure data comparability, the external debt data at the end of 2014 have been adjusted to the full-scale data. As the full-scale external debt data are not comparable with previous ones (the original coverage was data of external debt in foreign currencies), the item "Increase of Outstanding External Debt over Previous Year" was not calculated for the year 2014.



Table S8 Annual and Monthly Averages of the Central Parity Rate of the RMB against the USD, January 1990-December 2015

Unit: RMB per 100 US dollars

Year	Month					
	1	2	3	4	5	6
1990	472.21	472.21	472.21	472.21	472.21	472.21
1991	522.21	522.21	522.21	526.59	531.39	535.35
1992	544.81	546.35	547.34	549.65	550.36	547.51
1993	576.40	576.99	573.13	570.63	572.17	573.74
1994	870.00	870.28	870.23	869.55	866.49	865.72
1995	844.13	843.54	842.76	842.25	831.28	830.08
1996	831.86	831.32	832.89	833.15	832.88	832.26
1997	829.63	829.29	829.57	829.57	829.29	829.21
1998	827.91	827.91	827.92	827.92	827.90	827.97
1999	827.90	827.80	827.91	827.92	827.85	827.80
2000	827.93	827.79	827.86	827.93	827.77	827.72
2001	827.71	827.70	827.76	827.71	827.72	827.71
2002	827.67	827.66	827.70	827.72	827.69	827.70
2003	827.68	827.73	827.72	827.71	827.69	827.71
2004	827.69	827.71	827.71	827.69	827.71	827.67
2005	827.65	827.65	827.65	827.65	827.65	827.65
2006	806.68	804.93	803.50	801.56	801.52	800.67
2007	778.98	775.46	773.90	772.47	767.04	763.30
2008	724.78	721.09	716.26	712.01	709.06	705.83
2009	683.82	683.57	683.41	683.12	682.45	683.32
2010	682.73	682.70	682.64	682.62	682.74	681.65
2011	660.27	658.31	656.62	652.92	649.88	647.78
2012	631.68	630.00	630.81	629.66	630.62	631.78
2013	627.87	628.11	627.85	627.09	625.40	624.16
2014	610.43	611.28	613.58	615.53	616.36	615.57
2015	612.72	613.39	615.07	613.02	611.43	611.61

Table S8 (concluded)

Month Year	7	8	9	10	11	12	Annual Average
1990	472.21	472.21	472.21	472.21	495.54	522.21	478.32
1991	535.55	537.35	537.35	537.90	538.58	541.31	532.33
1992	544.32	542.87	549.48	553.69	561.31	579.82	551.46
1993	576.12	577.64	578.70	578.68	579.47	580.68	576.20
1994	864.03	858.98	854.03	852.93	851.69	848.45	861.87
1995	830.07	830.75	831.88	831.55	831.35	831.56	835.10
1996	831.60	830.81	830.44	830.00	829.93	829.90	831.42
1997	829.11	828.94	828.72	828.38	828.11	827.96	828.98
1998	827.98	827.99	827.89	827.78	827.78	827.79	827.91
1999	827.77	827.73	827.74	827.74	827.82	827.93	827.83
2000	827.93	827.96	827.86	827.85	827.74	827.72	827.84
2001	827.69	827.70	827.68	827.68	827.69	827.68	827.70
2002	827.68	827.67	827.70	827.69	827.71	827.72	827.70
2003	827.73	827.70	827.71	827.67	827.69	827.70	827.70
2004	827.67	827.68	827.67	827.65	827.65	827.65	827.68
2005	822.90	810.19	809.22	808.89	808.40	807.59	819.17
2006	799.10	797.33	793.68	790.32	786.52	782.38	797.18
2007	758.05	757.53	752.58	750.12	742.33	736.76	760.40
2008	702.28	700.09	698.32	696.83	695.57	694.51	694.51
2009	683.20	683.22	682.89	682.75	682.74	682.79	683.10
2010	677.75	679.01	674.62	667.32	665.58	665.15	676.95
2011	646.14	640.90	638.33	635.66	634.08	632.81	645.88
2012	632.35	634.04	633.95	631.44	629.53	629.00	631.25
2013	622.99	622.17	621.49	620.79	620.11	619.32	619.32
2014	615.69	616.06	615.28	614.41	614.32	612.38	614.28
2015	611.67	630.56	636.91	634.86	636.66	644.76	622.84

Table S9 Central Parity Rate of the RMB, 2015

For the MYR and RUB: foreign currency units/RMB100
 For the other nine currencies: RMB/100 foreign currency units

Month	Item Currency	Beginning of the Period	Ending of the Period	Highest	Lowest	Period Average	Cumulative Average
January	USD	612.48	613.70	613.84	611.88	612.72	612.72
	HKD	78.965	79.165	79.181	78.918	79.028	79.028
	JPY	5.1160	5.2100	5.2775	5.1160	5.1975	5.1975
	EUR	734.61	696.78	734.61	687.44	713.57	713.57
	GBP	939.89	927.53	939.89	922.83	930.07	930.07
	AUD	497.17	478.76	505.12	478.76	496.23	496.23
	CAD	520.13	486.60	520.95	486.60	506.77	506.77
	NZD	471.74	447.93	481.26	447.93	469.51	469.51
	SGD	460.84	455.44	463.04	455.20	459.59	459.59
	RUB	952.92	1105.19	1105.19	952.92	1037.71	1037.71
February	USD	613.85	614.75	614.75	612.61	613.39	613.00
	HKD	79.180	79.265	79.265	79.006	79.102	79.060
	JPY	5.2544	5.1839	5.2546	5.1238	5.2033	5.2000
	EUR	696.26	692.56	705.31	692.56	698.77	707.23
	GBP	928.51	951.90	957.51	925.74	941.13	934.81
	AUD	478.98	482.19	485.25	472.17	479.22	488.94
	CAD	483.18	491.68	493.56	483.18	490.02	499.59
	NZD	447.47	465.35	465.83	447.47	456.60	463.98
	SGD	455.97	455.81	458.25	452.21	455.55	457.86
	RUB	1113.97	986.35	1113.97	986.35	1049.67	1042.83
March	USD	615.13	614.22	616.17	613.75	615.07	613.80
	HKD	79.326	79.209	79.377	79.144	79.280	79.145
	JPY	5.1577	5.1272	5.1678	5.0907	5.1284	5.1724
	EUR	689.07	666.48	690.14	648.52	668.71	692.36
	GBP	951.15	911.08	951.15	909.28	924.78	930.94
	AUD	480.79	471.10	484.13	470.14	477.09	484.37
	CAD	491.40	484.52	495.16	481.14	487.99	495.11
	NZD	465.95	461.84	470.86	450.13	461.00	462.83

Table S9 (continued)

Month	Item Currency	Beginning of the Period	Ending of the Period	Highest	Lowest	Period Average	Cumulative Average
March	SGD	452.81	447.58	453.79	444.58	448.63	454.30
	MYR	57.558	59.354	59.354	57.558	58.572	58.062
	RUB	992.46	930.89	1007.18	925.24	970.30	1014.83
April	USD	614.34	611.37	614.34	611.37	613.02	613.59
	HKD	79.226	78.881	79.233	78.881	79.088	79.130
	JPY	5.1353	5.1522	5.1689	5.1063	5.1429	5.1644
	EUR	661.47	680.82	680.82	651.63	662.61	684.35
	GBP	912.76	945.50	945.50	901.10	917.78	927.40
	AUD	469.37	490.58	490.59	465.63	474.64	481.75
	CAD	484.23	508.75	508.75	484.23	496.16	495.40
	NZD	459.18	466.96	473.31	457.58	465.68	463.59
	SGD	449.07	464.55	465.49	449.07	455.52	454.63
	MYR	59.243	56.996	59.243	56.996	58.404	58.154
RUB	940.77	821.92	940.77	804.15	855.88	972.04	
May	USD	611.65	611.96	612.02	610.79	611.43	613.15
	HKD	78.910	78.927	78.941	78.802	78.869	79.076
	JPY	5.1059	4.9571	5.1386	4.9571	5.0832	5.1479
	EUR	685.72	671.89	700.22	667.35	683.94	684.27
	GBP	928.48	939.32	965.53	927.61	948.05	931.61
	AUD	479.43	469.28	497.07	469.28	483.97	482.20
	CAD	502.75	492.76	510.81	491.50	502.49	496.84
	NZD	461.02	439.53	462.81	439.53	453.05	461.44
	SGD	461.07	455.54	464.09	454.59	459.96	455.71
	MYR	57.231	58.592	58.642	57.231	57.887	58.099
RUB	826.19	850.83	850.83	796.96	816.74	940.34	
June	USD	612.07	611.36	612.25	611.04	611.61	612.88
	HKD	78.947	78.861	78.953	78.817	78.890	79.044
	JPY	4.9403	5.0052	5.0052	4.9085	4.9580	5.1144
	EUR	671.30	686.99	696.98	670.25	687.11	684.77
	GBP	936.85	964.22	973.45	932.59	953.19	935.42
	AUD	468.84	469.93	477.42	467.60	472.67	480.52

Table S9 (continued)

Month	Item Currency	Beginning of the Period	Ending of the Period	Highest	Lowest	Period Average	Cumulative Average
June	CAD	490.83	492.32	499.95	488.67	494.64	496.46
	NZD	435.27	419.12	439.17	419.12	429.35	455.78
	SGD	454.70	455.80	460.24	452.08	456.10	455.78
	MYR	58.982	61.023	61.023	58.982	60.190	58.468
	RUB	846.16	903.15	905.76	846.16	879.43	929.59
July	USD	611.49	611.72	611.99	611.33	611.67	612.68
	HKD	78.882	78.908	78.960	78.868	78.908	79.022
	JPY	5.0082	4.9487	5.0838	4.9381	4.9793	5.0925
	EUR	682.40	670.78	682.59	664.31	674.59	683.12
	GBP	961.98	956.78	961.98	942.07	954.33	938.48
	AUD	472.20	447.34	472.20	446.39	455.17	476.42
	CAD	489.74	470.73	489.74	468.93	476.83	493.28
	NZD	416.19	405.09	416.19	399.98	408.11	448.06
	SGD	455.65	447.03	455.65	447.03	451.23	455.05
	MYR	60.503	61.546	61.749	60.503	61.291	58.925
RUB	894.62	964.55	967.81	894.62	925.18	928.88	
August	USD	611.69	638.93	640.85	611.62	630.56	614.98
	HKD	78.902	82.442	82.679	78.894	81.333	79.319
	JPY	4.9481	5.2718	5.3919	4.9178	5.1213	5.0962
	EUR	672.94	717.93	739.89	667.13	701.93	685.54
	GBP	958.10	988.64	1007.20	950.71	983.50	944.28
	AUD	447.76	456.57	471.36	445.81	460.10	474.31
	CAD	466.19	482.79	492.71	463.74	479.68	491.52
	NZD	403.91	412.59	422.24	400.58	412.99	443.54
	SGD	447.24	453.37	458.10	443.61	451.58	454.60
	MYR	61.563	62.715	66.210	61.563	63.635	59.532
RUB	981.71	1020.15	1106.51	981.71	1034.57	942.50	
September	USD	637.52	636.13	637.91	635.84	636.91	617.38
	HKD	82.259	82.081	82.310	82.041	82.180	79.632
	JPY	5.2667	5.3043	5.3466	5.2667	5.3008	5.1186
	EUR	717.18	716.08	725.68	708.74	716.24	688.90

Table S9 (continued)

Month	Item Currency	Beginning of the Period	Ending of the Period	Highest	Lowest	Period Average	Cumulative Average
September	GBP	979.88	964.11	989.98	964.11	977.66	947.93
	AUD	453.26	445.91	458.07	441.01	449.95	471.65
	CAD	484.82	473.73	484.82	473.73	480.12	490.28
	NZD	404.84	405.05	406.97	398.82	403.19	439.13
	SGD	452.13	446.02	455.57	444.93	450.24	454.12
	MYR	65.129	69.936	69.936	65.129	67.181	60.368
	RUB	1007.02	1037.10	1084.37	1007.02	1046.53	953.87
October	USD	635.05	634.95	636.14	632.31	634.86	618.87
	HKD	81.942	81.929	82.082	81.587	81.916	79.826
	JPY	5.2945	5.2493	5.3389	5.2438	5.2887	5.1330
	EUR	714.44	697.71	726.94	694.59	713.30	690.97
	GBP	973.34	973.29	984.27	967.18	975.86	950.30
	AUD	457.36	450.63	464.66	450.63	459.57	470.62
	CAD	486.44	482.81	492.97	478.56	486.30	489.94
	NZD	420.32	426.89	434.10	420.32	427.88	438.17
	SGD	450.52	453.36	460.45	450.52	455.39	454.23
	MYR	65.911	67.318	67.318	64.855	66.120	60.857
	RUB	979.18	1010.51	1028.22	964.18	984.92	956.50
November	USD	631.54	639.62	639.62	631.54	636.66	620.56
	HKD	81.489	82.528	82.528	81.489	82.144	80.046
	JPY	5.2415	5.2107	5.2473	5.1636	5.1995	5.1393
	EUR	697.10	676.73	697.44	676.73	684.39	690.35
	GBP	975.17	961.49	977.29	959.54	968.64	952.05
	AUD	450.67	459.12	463.55	448.06	455.13	469.15
	CAD	482.87	477.97	485.09	477.97	480.10	489.00
	NZD	427.30	417.14	428.28	412.93	418.32	436.29
	SGD	451.44	452.11	454.82	447.00	450.61	453.89
	CHF	634.26	620.70	635.90	620.70	629.16	629.16
	MYR	67.596	66.362	68.640	65.691	67.438	61.482
	RUB	1015.02	1037.83	1047.07	987.64	1018.00	962.35

Table S9 (concluded)

Month	Item Currency	Beginning of the Period	Ending of the Period	Highest	Lowest	Period Average	Cumulative Average
December	USD	639.73	649.36	649.36	638.51	644.76	622.84
	HKD	82.534	83.778	83.778	82.386	83.185	80.342
	JPY	5.1924	5.3875	5.3916	5.1924	5.2981	5.1543
	EUR	675.98	709.52	711.83	675.98	701.62	691.41
	GBP	963.35	961.59	980.64	956.14	966.85	953.44
	AUD	462.80	472.76	472.83	461.80	467.37	468.98
	CAD	479.22	468.14	479.41	464.05	470.90	487.30
	NZD	422.30	444.26	445.42	422.30	434.94	436.16
	SGD	453.29	458.75	461.07	452.91	458.14	454.29
	CHF	621.71	640.18	656.70	621.71	646.77	639.82
	MYR	66.352	66.051	66.603	65.694	66.212	61.928
RUB	1036.20	1131.00	1131.00	1036.20	1083.03	973.72	
Entire year	USD	612.48	649.36	649.36	610.79	622.84	622.84
	HKD	78.965	83.778	83.778	78.802	80.342	80.342
	JPY	5.1160	5.3875	5.3919	4.9085	5.1543	5.1543
	EUR	734.61	709.52	739.89	648.52	691.41	691.41
	GBP	939.89	961.59	1007.20	901.10	953.44	953.44
	AUD	497.17	472.76	505.12	441.01	468.98	468.98
	CAD	520.13	468.14	520.95	463.74	487.30	487.30
	NZD	471.74	444.26	481.26	398.82	436.16	436.16
	SGD	460.84	458.75	465.49	443.61	454.29	454.29
	CHF	634.26	640.18	656.70	620.70	639.82	639.82
	MYR	57.102	66.051	69.936	56.611	61.928	61.928
RUB	952.92	1131.00	1131.00	796.96	973.72	973.72	



Table S10 Foreign Exchange Reserves, 1990–2015

Unit: 100 million US dollars

Year	Foreign Exchange Reserves	Change
1990	111	55
1991	217	106
1992	194	-23
1993	212	18
1994	516	304
1995	736	220
1996	1050	315
1997	1399	348
1998	1450	51
1999	1547	97
2000	1656	109
2001	2122	466
2002	2864	742
2003	4033	1168
2004	6099	2067
2005	8189	2090
2006	10663	2475
2007	15282	4619
2008	19460	4178
2009	23992	4531
2010	28473	4482
2011	31811	3338
2012	33116	1305
2013	38213	5097
2014	38430	117
2015	33304	-5127

Note: After rounded off, changes in individual reserves may be slightly different from the balance of foreign exchange reserves.

Table S11 Monthly Foreign Exchange Reserves, 2015

Unit: 100 million US dollars

Month	Foreign Exchange Reserves	Month	Foreign Exchange Reserves
1	38134	7	36513
2	38015	8	35574
3	37300	9	35141
4	37481	10	35255
5	37111	11	34383
6	36938	12	33304



Table S12 Qualified Foreign Institutional Investors (QFIIs) with Investment Quotas Granted by the SAFE

As of December 31, 2015

No.	Qualified Foreign Institutional Investor	Investment Quota (Unit: million US dollars)
1	UBS	790
2	Nomura Securities Co., Ltd.	350
3	Morgan Stanley & Co. International, Ltd.	600
4	Citigroup Global Markets, Ltd.	550
5	Goldman, Sachs & Co., Ltd.	300
6	Deutsche Bank Aktiengesellschaft	600
7	Hongkong and Shanghai Banking Corporation, Ltd.	600
8	ING Bank N. V.	70
9	JP Morgan Chase Bank, National Association	600
10	Credit Suisse (Hong Kong), Ltd.	600
11	Standard Chartered Bank (Hong Kong), Ltd.	175
12	Nikko Asset Management Co., Ltd.	450
13	Merrill Lynch International	800
14	Hang Seng Bank Limited	150
15	Daiwa Securities Capital Markets Co., Ltd.	50
16	Lehman Brothers International Europe	200
17	Bill & Melinda Gates Foundation Trust	400
18	INVESCO Asset Management, Ltd.	125
19	Royal Bank of Scotland	20
20	Société Générale	1000
21	Barclays Bank PLC	652
22	Commerzbank AG	320
23	BNP Paribas Investment Partners	570
24	BNP Paribas	350
25	Power Corporation of Canada	50
26	Credit Agrigole Corporate and Investment Bank	75
27	Goldman Sachs Asset Management International	600

Table S12 (continued)

No.	Qualified Foreign Institutional Investor	Investment Quota (Unit: million US dollars)
28	Martin Currie Investment Management Ltd.	226
29	Government of Singapore Investment Corporation Pte. Ltd.	1500
30	Pine Bridge Investment LLC	292
31	Temasek Fullerton Alpha Investments Pte. Ltd.	1500
32	JF Asset Management, Ltd.	525
33	The Dai-ichi Life Insurance Company, Ltd.	250
34	DBS Bank Ltd.	200
35	AMP Capital Investor, Ltd.	500
36	Bank of Nova Scotia	85
37	KBC Financial Products UK, Ltd.	20
38	La Compagnie Financiere Edmond de Rothschild Banque	200
39	Yale University	150
40	Morgan Stanley Investment Management Inc.	450
41	Eastspring Investments (Hong Kong) Limited	350
42	Stanford University	80
43	GE Asset Management Incorporated	300
44	United Overseas Bank, Ltd.	50
45	Schroder Investment Management, Ltd.	425
46	HSBC Global Asset Management (Hong Kong), Ltd.	327
47	Shinko Asset Management Co., Ltd.	50
48	UBS Global Asset Management (Singapore) Ltd.	750
49	Sumitomo Mitsui Asset Management Company, Ltd.	317
50	Norges Bank	2500
51	Pictet Asset Management Limited	108
52	Columbia University	20
53	Prudential Asset Management Co., Ltd.	0
54	Robeco Institutional Asset Management B.V.	126
55	State Street Global Advisors Asia, Ltd.	50

Table S12 (continued)

No.	Qualified Foreign Institutional Investor	Investment Quota (Unit: million US dollars)
56	Platinum Investment Company, Ltd.	300
57	KBC Asset Management N.V.	210
58	Mirae Asset Investment Management Co., Ltd.	350
59	ACE INA International Holdings, Ltd.	150
60	Caisse de dépôt et placement du Québec	500
61	Harvard University	200
62	Samsung Asset Management Co., Ltd.	650
63	Alliance Bernstein Ltd.	150
64	Overseas-Chinese Banking Corporation, Ltd.	102
65	First State Investment Management (UK) Limited	630
66	Daiwa Asset Management Co., Ltd.	200
67	Shell Asset Management Company B.V.	0
68	T. Rowe Price International, Inc.	160
69	Credit Suisse AG	300
70	UOB Asset Management, Ltd.	50
71	ABU Dhabi Investment Authority	2500
72	Allianz Global Investors Luxembourg S.A.	200
73	Capital International, Inc.	100
74	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	100
75	Hanwha Investment Trust Management Co., Ltd.	238
76	Ashmore EMM, L.L.C.	350
77	DWS Investment S.A.	200
78	Korea Development Bank	140
79	Woori Bank Co., Ltd.	50
80	Bank Negara Malaysia	1500
81	Lloyd George Management (Hong Kong), Ltd.	50
82	Templeton Investment Counsel, LLC	300
83	BEA Union Investment Management, Ltd.	100
84	Sumitomo Trust & Banking Co., Ltd.	50

Table S12 (continued)

No.	Qualified Foreign Institutional Investor	Investment Quota (Unit: million US dollars)
85	Korea Investment Trust Management Co., Ltd.	300
86	Baring Asset Management, Ltd.	200
87	Ashmore Equities Investment Management (US) LLC	25
88	BNY Mellon Asset Management International Ltd.	150
89	Manulife Asset Management (Hong Kong), Ltd.	300
90	Nomura Asset Management Co., Ltd.	350
91	Tongyang Asset Management Corp.	70
92	Royal Bank of Canada	100
93	Aviva Investors Global Services, Ltd.	18
94	Ivy Investment Management Company	100
95	DIAM Co., Ltd.	100
96	OFI Asset Management	150
97	Aberdeen Asset Management Asia, Ltd.	200
98	KB Asset Management Co., Ltd.	300
99	Fidelity Investment Management (Hong Kong), Ltd.	1200
100	Legg Mason Investments (Europe), Ltd.	200
101	Hong Kong Monetary Authority	2500
102	Fubon Securities Investment Trust Co., Ltd.	1000
103	Capital Securities Investment Trust Corporation	250
104	BMO Investments Inc.	100
105	Bank Julius Baer & Co., Ltd.	150
106	KTB Asset Management Co., Ltd.	100
107	Lyxor Asset Management	100
108	Yuanta Securities Investment Trust Co., Ltd.	400
109	Assicurazioni Generali S.p.A.	83
110	Banco Bilbao Vizcaya Argentaria, S.A.	100
111	Cathay Securities Investment Trust Co., Ltd.	1050
112	Fuh Hwa Securities Investment Trust Co., Ltd.	300
113	Comgest S.A.	100

Table S12 (continued)

No.	Qualified Foreign Institutional Investor	Investment Quota (Unit: million US dollars)
114	Amundi Hong Kong, Ltd.	100
115	BlackRock Institutional Trust Company, N.A.	250
116	Grantham, Mayo, Van Otterloo & Co. LLC	75
117	Monetary Authority of Singapore	100
118	China Life Insurance Co., Ltd. (Taiwan)	550
119	Shin Kong Life Insurance Co., Ltd.	300
120	Princeton University	210
121	Shinko Asset Management Co., Ltd.	100
122	Canada Pension Plan Investment Board	1200
123	Van Eck Associates Corporation	100
124	Hansberger Global Investors (HK) Limited	100
125	Earnest Partners LLC	150
126	Bank of Thailand	300
127	Kuwait Investment Authority	1500
128	Northern Trust Global Investments, Ltd.	100
129	Taiwan Life Insurance Co., Ltd.	400
130	Bank of Korea	900
131	Ontario Teachers' Pension Plan Board	300
132	Korea Investment Corporation	400
133	Russell Investments Ireland, Ltd.	200
134	Metzler Asset Management GmbH	200
135	HI Asset Management Co., Ltd.	100
136	Shinhan BNP Paribas Asset Management Co., Ltd.	150
137	Stichting Pensioenfonds voor Huisartsen	60
138	National Pension Service (Republic of Korea)	400
139	Mercuries Life Insurance Co., Ltd.	50
140	Prudential Financial Securities Investment Trust Enterprise	120
141	Principal Global Investors LLC	150
142	Hospital Authority Provident Fund Scheme	100

Table S12 (continued)

No.	Qualified Foreign Institutional Investor	Investment Quota (Unit: million US dollars)
143	TransGlobe Life Insurance Inc.	150
144	Public Mutual Berhad	60
145	Cathay Life Insurance Co., Ltd.	1000
146	Sumitomo Mitsui Banking Corporation	87
147	Fubon Life Insurance Co., Ltd.	1500
148	American International Assurance Company, Ltd.	150
149	Neuberger Berman Europe, Ltd.	175
150	Khazanah Nasional Berhad	500
151	Capital Research and Management Company	100
152	Hana Daetoo Securities Co., Ltd.	200
153	Genesis Asset Management Limited	400
154	City of London Investment Management Company, Ltd.	53
155	Okasan Asset Management Co., Ltd	50
156	Prescient Investment Management PTY, Ltd.	150
157	Dongbu Asset Management Co., Ltd.	120
158	Janus Capital Management LLC	100
159	Mizuho Asset Management Co., Ltd.	100
160	Henderson Global Investors	50
161	Eurizon Capital S.A.	100
162	BOCI-Prudential Asset Management, Ltd.	111
163	Fullerton Fund Management Company, Ltd.	250
164	Lion Capital Management Ltd.	50
165	Generali Fund Management Co., Ltd.	100
166	William Blair & Company, L.L.C.	200
167	Investec Asset Management Co., Ltd.	100
168	ING Investment Management Asia Pacific (Hong Kong), Ltd.	150
169	BOC Group Life Assurance Company, Ltd.	200
170	Hall Capital Partners LLC	215
171	Board of Regents of the University of Texas System	150

Table S12 (continued)

No.	Qualified Foreign Institutional Investor	Investment Quota (Unit: million US dollars)
172	Nan Shan Life Insurance Company, Ltd.	600
173	Swiss National Accident Insurance Fund	220
174	British Columbia Investment Management Corporation	500
175	Value Partners Hong Kong, Ltd.	200
176	Ontario Pension Board	150
177	The Church Pension Fund	50
178	Macquarie Bank Ltd.	800
179	Andra AP-fonden	400
180	Hai Tong Asset Management (HK) Ltd.	300
181	IDG Capital Management (HK) Ltd.	60
182	Duke University	100
183	Qatar Holding LLC	1000
184	EFG Bank AG	66
185	Cutwater Investor Services Corporation	100
186	OrbiMed Advisors, L.L.C.	100
187	New Silk Road Investment Pte. Ltd.	50
188	BlackRock Asset Management North Asia Limited	1000
189	JP Morgan Securities Investment Trust Co., Ltd.	290
190	AEGON USA Investment Management, LLC	100
191	Singapore CDH Investment Advisory Private Ltd.	350
192	Skandinaviska Enskilda Banken AB (publ)	8
193	Harvest Global Investments Limited	300
194	Greystone Managed Investments Inc.	100
195	Uni-President Assets Management Corporation	150
196	APS Asset Management Pte. Ltd.	230
197	CITIC Securities International Investment Management (HK) Ltd.	300
198	Pacific Investment Strategies Limited	400
199	E Fund Management (HK) Co., Ltd.	698
200	Hillhouse Capital Management Ltd.	900

Table S12 (continued)

No.	Qualified Foreign Institutional Investor	Investment Quota (Unit: million US dollars)
201	SinoPac Securities Investment Trust Co., Ltd.	100
202	China Asset Management (Hong Kong), Ltd.	200
203	East Capital AB	100
204	First Securities Investment Trust Co., Ltd.	74
205	PIMCO Asia Pte. Ltd.	100
206	UBS Global Asset Management (Hong Kong) Ltd.	100
207	CSOP Asset Management, Ltd.	200
208	EJS Investment Management Ltd.	50
209	Guotai Junan Assets (Asia) Limited	161
210	Taikang Asset Management (Hong Kong) Ltd.	520
211	CMS Asset Management (HK) Ltd.	20
212	Hyundai Securities Co., Ltd.	100
213	ICBC (Asia) Investment Management Company Limited	100
214	Asia Capital Reinsurance Group Pte. Ltd.	100
215	AZ Fund Management S.A.	100
216	Taishin Securities Investment Trust Co., Ltd.	50
217	Haifutong Investment Management (HK) Limited	100
218	HSBC China Securities Investment Trust Co., Ltd.	300
219	China International Capital Corporation Hong Kong Asset Management Limited	300
220	China Everbright Asset Management Co., Ltd.	400
221	Bosera Asset Management (International) Co., Ltd.	100
222	Mega International Investment Trust Co., Ltd.	180
223	University of Notre Dame du Lac	50
224	Newport Asia LLC	100
225	Huanan Investment Trust Co., Ltd.	50
226	Greenwoods Asset Management Hong Kong Limited	207
227	CTBC Life Insurance Co., Ltd.	100
228	Keywise Capital Management (HK) Limited	75
229	Fubon Insurance Co., Ltd.	50

Table S12 (continued)

No.	Qualified Foreign Institutional Investor	Investment Quota (Unit: million US dollars)
230	Alta Advisers Limited	100
231	Flowering Tree Investment Management Pte. Ltd.	80
232	GF International Investment Management, Ltd.	350
233	Mayo Clinic	75
234	Guosen Security (HK) Asset Management Co., Ltd.	200
235	Singapore Technologies Asset Management Co., Ltd.	50
236	Government Pension Fund (Thailand)	100
237	SeaTown Holdings International Pte. Ltd.	100
238	CSAM Asset Management Pte. Ltd.	20
239	China Life Franklin Asset Management Co., Ltd.	280
240	UBS Hana Asset Management Co., Ltd.	100
241	Cathay United Bank Co., Ltd.	100
242	The Bank of Lithuania	100
243	Franklin Templeton SinoAM SIM Inc.	200
244	CTBC Bank Co., Ltd.	50
245	University of Washington	50
246	Monetary Authority of Macao	1500
247	NTUC Income Insurance Co-operative Ltd.	100
248	European Reinsurance Company of Zurich Ltd.	100
249	Nordea Investment Management Co., Ltd.	100
250	Paradigm Asset Management Co., Ltd.	100
251	Cascade Investment, LLC	200
252	Matthews International Capital Management, LLC	540
253	Taishin International Bank Co., Ltd.	100
254	Overlook Investments Limited	100
255	Oppenheimer Funds, Inc.	500
256	Citigroup First Investment Management Limited	200
257	The Bloomberg Family Foundation Inc.	75
258	The Rock Creek Group, LP.	50
259	Massachusetts Institute of Technology	200

Table S12 (concluded)

No.	Qualified Foreign Institutional Investor	Investment Quota (Unit: million US dollars)
260	Viking Global Hong Kong Limited	100
261	Goldman Sachs International	300
262	AXA Fund Management S.A.	100
263	UBS SDIC Asset Management (Hong Kong) Ltd.	100
264	ICBC Credit Suisse Asset Management (International) Company, Ltd.	300
265	Shenyin Wanguo Asset Management (Asia) Limited	200
266	Trustees of the University of Pennsylvania	75
267	GF Asset Management (Hong Kong) Limited	200
268	Munsun Asset Management (Asia) Limited	200
269	E.Sun Commercial Bank, Ltd.	50
270	China Universal Asset Management (Hong Kong) Company, Ltd.	400
271	The Regents of the University of California	400
272	Fullgoal Asset Management (Hong Kong) Ltd.	200
273	Brunei Investment Agency	200
274	Bank of Taiwan	100
275	Springs Capital (Hong Kong) Limited	200
276	Allianz Global Investors Taiwan Limited	62
277	CCB International Asset Management Limited	200
278	Fidelidade-Companhia de Seguros, S.A.	700
279	General Oriental Investments, S.A.	100



Table S13 Qualified Domestic Institutional Investors (QDIIs), Including Banking, Insurance, and Securities Institutions, with Investment Quotas Granted by the SAFE

As of December 31, 2015

No.	Name of Institution	Type of Institution	Investment Quota(Unit: million US dollars)
1	Bank of China, Ltd.	Commercial Bank	300
2	Industrial and Commercial Bank of China, Ltd.	Commercial Bank	300
3	Bank of East Asia (China), Ltd.	Commercial Bank	200
4	Bank of Communications Co., Ltd.	Commercial Bank	500
5	China Construction Bank Corporation	Commercial Bank	500
6	HSBC Bank (China) Company, Ltd.	Commercial Bank	3400
7	China Merchants Bank Co., Ltd.	Commercial Bank	200
8	China Citic Bank	Commercial Bank	100
9	Hang Seng Bank (China) Company, Ltd.	Commercial Bank	30
10	Citibank (China) Co., Ltd.	Commercial Bank	3400
11	Industrial Bank	Commercial Bank	100
12	Standard Chartered Bank (China), Ltd.	Commercial Bank	2000
13	Minsheng Bank	Commercial Bank	100
14	China Everbright Bank	Commercial Bank	100
15	Bank of Beijing	Commercial Bank	50
16	Bank of China (Hong Kong), Ltd.	Commercial Bank	30
17	Credit Suisse Shanghai Branch	Commercial Bank	30
18	Agricultural Bank of China	Commercial Bank	200
19	Nanyang Commercial Bank (China) Co., Ltd.	Commercial Bank	180
20	Deutsche Bank (China) Co., Ltd.	Commercial Bank	30
21	Shanghai Pudong Development Bank	Commercial Bank	30
22	Bank of Shanghai	Commercial Bank	30
23	DBS Bank (China), Ltd.	Commercial Bank	800
24	BNP Paribas (China), Ltd.	Commercial Bank	100
25	Société Générale (China), Ltd.	Commercial Bank	100

Table S13 (continued)

No.	Name of Institution	Type of Institution	Investment Quota(Unit: million US dollars)
26	OCBC Bank (China), Ltd.	Commercial Bank	100
27	Australia and New Zealand Bank (China) Co., Ltd.	Commercial Bank	400
28	United Overseas Bank (China), Ltd.	Commercial Bank	300
29	UBS (China), Ltd.	Commercial Bank	30
30	Ping An Bank Co., Ltd.	Commercial Bank	200
31	Hua An Fund Management Co., Ltd.	Fund Management Company	1200
32	China Southern Fund Management Co., Ltd.	Fund Management Company	2600
33	China Asset Management Co., Ltd.	Fund Management Company	3500
34	Harvest Fund Management Co., Ltd.	Fund Management Company	3400
35	China International Fund Management Co., Ltd.	Fund Management Company	2700
36	ICBC Credit Suisse Asset Management Co., Ltd.	Fund Management Company	300
37	Fortune SG Fund Management Co., Ltd.	Fund Management Company	1050
38	China International Capital Co., Ltd.	Securities Company	2200
39	HFT Investment Management Co., Ltd.	Fund Management Company	500
40	Yinhua Fund Management Co., Ltd.	Fund Management Company	300
41	China Merchants Securities Co., Ltd.	Securities Company	400
42	Bank of Communications Schroder Fund Management Co., Ltd.	Fund Management Company	600
43	E Fund Management Co., Ltd.	Fund Management Company	1900
44	China Merchants Fund Management Co., Ltd.	Fund Management Company	500
45	China Universal Asset Management Co., Ltd.	Fund Management Company	400
46	Bosera Funds	Fund Management Company	600
47	GF Fund Management Co., Ltd.	Fund Management Company	600
48	Penghua Fund Management Co., Ltd.	Fund Management Company	600

Table S13 (continued)

No.	Name of Institution	Type of Institution	Investment Quota(Unit: million US dollars)
49	Changsheng Fund Management Co., Ltd.	Fund Management Company	300
50	Guotai Asset Management Co., Ltd.	Fund Management Company	400
51	UBS SDIC Fund Management Co., Ltd.	Fund Management Company	1800
52	CCB Principal Asset Management Co., Ltd.	Fund Management Company	100
53	CITIC-Prudential Fund Management Company Ltd.	Fund Management Company	600
54	Lion Fund Management Co., Ltd.	Fund Management Company	300
55	Everbright Pramerica Fund Management Co., Ltd.	Fund Management Company	550
56	Fullgoal Fund Management Co., Ltd.	Fund Management Company	200
57	Dacheng Fund Management Co., Ltd.	Fund Management Company	350
58	Bank of China Investment Management Co., Ltd.	Fund Management Company	700
59	Manulife Teda Fund Management Co., Ltd.	Fund Management Company	100
60	HuaTai Securities Co., Ltd.	Securities Company	100
61	ShangHai Guotai Junan Security Assets Management Co., Ltd.	Securities Company	450
62	Chang Xin Asset Management Corporation, Ltd.	Fund Management Company	450
63	Huatai-Pine Bridge Fund Management Co., Ltd.	Fund Management Company	100
64	Everbright Securities Asset Management Co., Ltd.	Securities Company	300
65	Shanghai Orient Securities Asset Management Company, Ltd.	Securities Company	100
66	Invesco Great Wall Fund Management Company, Ltd.	Fund Management Company	200
67	Franklin Templeton Sealand Fund Management Co., Ltd.	Fund Management Company	700
68	Guosen Securities Co., Ltd.	Securities Company	1000
69	RongTong Fund Management Co., Ltd.	Fund Management Company	900
70	GF Asset Management (Guangdong) Co., Ltd.	Securities Company	1200
71	CITIC Securities Co., Ltd.	Securities Company	400

Table S13 (continued)

No.	Name of Institution	Type of Institution	Investment Quota(Unit: million US dollars)
72	Essence Securities Company, Ltd.	Securities Company	500
73	Shenwan Hongyuan Securities Co., Ltd.	Securities Company	400
74	BOC International (China), Ltd.	Securities Company	300
75	China Galaxy Securities Co., Ltd.	Securities Company	400
76	Taikang Asset Management (HK) Company Limited	Fund Management Company	300
77	Hai Tong Securities Asset Management (Shanghai) Co., Ltd.	Securities Company	800
78	Pacific Security Co., Ltd.	Securities Company	200
79	Ping An Insurance (Group) Co., Ltd.	Insurance Company	7190
80	China Life Insurance (Group) Company	Insurance Company	100
81	PICC Property and Casualty Co., Ltd.	Insurance Company	800
82	China Life Insurance Co., Ltd.	Insurance Company	3550
83	Taikang Life Insurance Co., Ltd.	Insurance Company	1885
84	Generali China Life Insurance Co., Ltd.	Insurance Company	415
85	PICC	Insurance Company	315
86	Sino Life Insurance Co., Ltd.	Insurance Company	4409
87	China Reinsurance (Group) Co., Ltd.	Insurance Company	500
88	China Pacific Insurance (Group) Co., Ltd.	Insurance Company	237
89	China Pacific Life Insurance Co., Ltd.	Insurance Company	150
90	PICC Health Insurance Co., Ltd.	Insurance Company	15
91	PICC Life Insurance Co., Ltd.	Insurance Company	34
92	AnBang Insurance Group Co., Ltd.	Insurance Company	710
93	Taiping Life Insurance Co., Ltd.	Insurance Company	320
94	Sinosafe General Insurance Co., Ltd.	Insurance Company	20
95	Huatai Insurance Co., Ltd.	Insurance Company	30
96	Huatai Asset Management Co., Ltd.	Insurance Company	30
97	American International Assurance Company, Ltd.	Insurance Company	168

Table S13 (continued)

No.	Name of Institution	Type of Institution	Investment Quota(Unit: million US dollars)
98	Bohai Property Insurance Co., Ltd.	Insurance Company	5
99	AXA-Minmetals Assurance Co., Ltd.	Insurance Company	8
100	Dubon Property & Casualty Insurance Co., Ltd.	Insurance Company	25
101	Taiping General Insurance Co., Ltd.	Insurance Company	79
102	Minan Property and Casualty Insurance Company Limited	Insurance Company	25
103	China Property & Casualty Reinsurance Company, Ltd.	Insurance Company	192
104	China Export & Credit Insurance Corporation	Insurance Company	1000
105	New China Life Insurance Company, Ltd.	Insurance Company	2200
106	Alltrust Property Insurance Company, Ltd.	Insurance Company	30
107	Tian An Property Insurance Co., Ltd.	Insurance Company	800
108	Sunshine Life Insurance Corporation Limited	Insurance Company	1700
109	China Life Reinsurance Company, Ltd.	Insurance Company	1000
110	Pramerica Fosun Life Insurance Co., Ltd.	Insurance Company	11
111	Taiping Reinsurance Co., Ltd., Beijing Branch	Insurance Company	50
112	Huaxia Life Insurance Company Limited	Insurance Company	700
113	Union Life Insurance Co., Ltd.	Insurance Company	200
114	Anbang Insurance Co., Ltd.	Insurance Company	1100
115	China Life Asset Management Co., Ltd.	Insurance Company	130
116	China Post Life Insurance Co., Ltd.	Insurance Company	200
117	Taishan Property & Casualty Insurance Co., Ltd.	Insurance Company	20
118	Qianhai Life Insurance Co., Ltd.	Insurance Company	500
119	China Credit Trust Co., Ltd.	Trust Company	1600
120	Shanghai International Trust Co., Ltd.	Trust Company	950
121	Zhonghai Trust Co., Ltd.	Trust Company	100
122	Ping An Trust Co., Ltd.	Trust Company	100
123	Dalian Huaxin Trust Co., Ltd.	Trust Company	100

Table S13 (concluded)

No.	Name of Institution	Type of Institution	Investment Quota(Unit: million US dollars)
124	Hwabao Trust Co., Ltd.	Trust Company	1900
125	CITIC Trust Co., Ltd.	Trust Company	950
126	New China Trust Co., Ltd.	Trust Company	150
127	China Foreign Economy and Trade Trust Co., Ltd.	Trust Company	500
128	CCB Trust Co., Ltd.	Trust Company	400
129	Zhongrong International Trust Co., Ltd.	Trust Company	300
130	China Industrial International Trust Co., Ltd.	Trust Company	200
131	Beijing International Trust Co., Ltd.	Trust Company	300
132	Bank of Communications International Trust Co., Ltd.	Trust Company	200



Table S14 RMB Qualified Foreign Institutional Investors (RQFIIs) with Investment Quotas Granted by the SAFE

As of December 31, 2015

No.	Name of RQFII	Quota Approved (in million yuan)
1	CSOP Asset Management, Ltd.	46100
2	E Fund Management (HK) Co., Ltd.	27200
3	Harvest Global Investments, Ltd.	14740
4	China Asset Management (Hong Kong), Ltd.	21800
5	Da Cheng International Asset Management Company, Ltd.	3700
6	China Universal Asset Management (Hong Kong) Company, Ltd.	3100
7	Bosera Asset Management (International) Co., Ltd.	9600
8	HFT Investment Management (HK), Ltd.	4400
9	Hua An Asset Management (Hong Kong), Ltd.	3900
10	ICBC Credit Suisse Asset Management (International) Company, Ltd.	2800
11	CIFM Asset Management (Hong Kong) Co., Ltd.	800
12	GF International Investment Management, Ltd.	3900
13	UBS SDIC Asset Management (Hong Kong) Ltd.	2800
14	Fullgoal Asset Management (Hong Kong) Ltd.	3800
15	Lion Fund (Hong Kong) Ltd.	1000
16	Value Partners Hong Kong, Ltd.	1300
17	China International Capital (HK) Corporation, Ltd.	1700
18	Guosen Securities (HK) Financial Holdings Company, Ltd.	1700
19	Everbright Securities Financial Holding, Company, Ltd.	3500
20	Huatai Financial Holdings (Hong Kong), Ltd.	2950
21	Guotai Junan Financial Holdings, Ltd.	6900
22	Haitong International Holdings, Ltd.	10700
23	GF Holdings (Hong Kong), Ltd.	2700
24	China Merchants Securities International Co., Ltd.	2700
25	Shenyin Wanguo (H.K.), Ltd.	3900

Table S14 (continued)

No.	Name of RQFII	Quota Approved (in million yuan)
26	CITIC Securities International Company, Ltd.	1400
27	Essence International Financial Holdings, Ltd.	2400
28	Guoyuan Securities (HK) Co., Ltd.	7300
29	China Investment Securities (HK) Financial Holdings Limited	1100
30	Changjiang Securities Holdings (HK) Limited	200
31	Guandong Securities Co., Ltd.	1000
32	ICBC (Asia) Investment Management Company Limited	2300
33	CCB International Asset Management Limited	4300
34	Taikang Asset Management (Hong Kong) Ltd.	7400
35	China Life Franklin Asset Management Co., Ltd.	6500
36	ABCI Asset Management Limited	5300
37	Hang Seng Investment Management Limited	1000
38	Cinda International Asset Management Limited	800
39	Industrial Securities (HK) Financial Holdings Limited	1300
40	Taiping Assets Management (HK) Company Limited	1300
41	China Ping An Asset Management (Hong Kong) Ltd.	1000
42	BOCHK Asset Management Limited	800
43	HSBC Global Asset Management (Hong Kong), Ltd.	800
44	Income Partners Asset Management (HK) Limited	800
45	Bank of Communications International Asset Management Limited	800
46	South China Asset Management (Hong Kong) Ltd.	800
47	China Orient Asset Management International Limited	2500
48	Bank of East Asia Ltd.	1000
49	Oriental Financial Holdings (Hong Kong) Ltd.	500
50	Pine Bridge Investments Hong Kong Limited	800
51	SinoPac Asset Management (Asia) Limited	1000

Table S14 (continued)

No.	Name of RQFII	Quota Approved (in million yuan)
52	Mirae Asset Global Investments (Hong Kong) Ltd.	1300
53	China Securities (International) Finance Holding Company Limited	2000
54	China Everbright Asset Management Co., Ltd.	1900
55	Shanghai International Shanghai Growth Investment Limited	800
56	JF Asset Management, Ltd.	1000
57	Chong Hing Bank Limited	1300
58	China Galaxy International Financial Holdings Limited	1100
59	UBS Global Asset Management (Hong Kong) Ltd.	1000
60	Greenwoods Asset Management Hong Kong Limited	2000
61	Fortune SG Asset Management (Hong Kong), Ltd.	1000
62	Cephei Capital Management (Hong Kong) Ltd.	1300
63	BlackRock Asset Management North Asia Limited	2000
64	Schroder Investment Management (Hong Kong) Ltd.	1000
65	Macquarie Fund Management (HK) Co., Ltd.	1500
66	CMS Asset Management (HK) Co., Ltd.	1000
67	Yuexiu Asset Management Co., Ltd.	1000
68	Pureheart Capital Asia Co., Ltd.	450
69	Enhanced Investment Products Limited	300
70	Bank of Communications Schroder Fund Management (HK) Co., Ltd.	1000
71	State Street Global Advisors Asia, Ltd.	1000
72	New China Asset Management (HK) Ltd.	1000
73	Qilu International Holding Limited	800
74	Phillip Capital Management (HK) Ltd.	100
75	Alliance Bernstein (HK) Ltd.	500
76	Galaxy Asset Management Co., Ltd.	500
77	Guotai Junan Fund Management Co., Ltd.	400

Table S14 (continued)

No.	Name of RQFII	Quota Approved (in million yuan)
78	MasterLink Securities (HK) Co., Ltd.	160
79	Gottex Penjing Asset Management (HK) Limited	500
80	Fullerton Fund Management Company, Ltd.	1200
81	Nikko Asset Management Asia Co., Ltd.	1000
82	APS Asset Management Pte. Ltd.	1500
83	New Silk Road Investment Pte. Ltd.	1500
84	Aberdeen Asset Management Asia, Ltd.	600
85	Bank of Nova Scotia (Asia)	1500
86	Schroder Investment Management (Singapore), Ltd.	1000
87	DBS Bank Ltd.	3000
88	Lion Capital Management Ltd.	1000
89	KKR (Singapore) Co., Ltd.	3500
90	J.P.Morgan Asset Management (Singapore) Ltd.	2000
91	Neuberger Berman Singapore Limited	800
92	Aviva Investors Asia Pte. Limited	1000
93	Target Asset Management Pte. Ltd.	200
94	UOB Asset Management, Ltd.	1200
95	Government of Singapore Investment Corporation Pte. Ltd.	5000
96	CSAM Asset Management Pte. Ltd.	700
97	Allianz Global Investors Singapore Limited	1000
98	Overseas-Chinese Banking Corporation, Ltd.	1000
99	Amundi Singapore, Ltd.	2800
100	Black Rock Advisors (UK) Limited	2100
101	HSBC Global Asset Management (UK), Ltd.	3000
102	Ashmore Investment Management, Ltd.	3000
103	Investec Asset Management Co., Ltd.	1500
104	Cederberg Capital UK LLP	300

Table S14 (continued)

No.	Name of RQFII	Quota Approved (in million yuan)
105	Pictet Asset Management Limited	1000
106	Wellington Management International Company	1300
107	Genesis Asset Managers, LLP	3000
108	GAM Management Limited	1800
109	Harvest Global Investments (UK) Limited	3000
110	Insight Investment Co., Ltd.	1200
111	Blue Ocean Capital Co., Ltd.	1600
112	GF International Investment Management (UK), Ltd.	3000
113	Carmignac Gestion Asset Management Co., Ltd.	6000
114	BNP Paribas Asset Management	3000
115	Lyxor Asset Management	6000
116	UBI Asset Management Co., Ltd.	2000
117	Credit Agrigole Corporate and Investment Bank	2800
118	Shinhan BNP Paribas Asset Management Co., Ltd.	8000
119	Mirae Asset Global Investments Co., Ltd.	1000
120	Dongbu Asset Management Co., Ltd.	2000
121	NH-CA Asset Management, Ltd.	1500
122	Korea Investment Trust Management Co., Ltd.	1500
123	Tongyang Asset Management Corp.	2000
124	MY Asset Investment Management Ltd.	1500
125	UBS Hana Asset Management Co., Ltd.	1500
126	Truston Asset Management, Ltd.	1000
127	Daishin Asset Management Co., Ltd.	2000
128	Samsung Asset Management Co., Ltd.	2500
129	Heungkuk Asset Management	3000
130	Shinhan Financial	2000
131	Hana Daetoo Securities Co., Ltd.	1000

Table S14 (concluded)

No.	Name of RQFII	Quota Approved (in million yuan)
132	Samsung Securities Co., Ltd.	3000
133	Daewoo Securities Co., Ltd.	2000
134	Kyobo AXA Investment Managers Co., Ltd.	1500
135	Meritz Asset Management, Ltd.	3000
136	HI Asset Management Co., Ltd.	1500
137	Samsung Life Insurance Co., Ltd.	2000
138	Dongbu Securities Co., Ltd.	2500
139	KB Asset Management Co., Ltd.	2000
140	Korea Development Bank	1000
141	Mirae Asset Securities Co., Ltd.	1000
142	Kiwoom Asset Management Co., Ltd.	3000
143	Yuanta Securities Co., Ltd.	2500
144	Daishin Securities Co., Ltd.	2500
145	Samsung Fire & Marine Insurance Co., Ltd.	3000
146	Assetplus Investment Management Co., Ltd.	2000
147	IBK Securities Co., Ltd.	2000
148	Hanwha Investment Trust Management Co., Ltd.	3000
149	Korea Investment Securities Co., Ltd.	1000
150	KDB Asset Management Co., Ltd.	2000
151	Deutsche Asset & Wealth Management Investment GmbH	6000
152	Vanguard Investment Australia Ltd.	10000
153	Swiss Re-insurance Company	5000
154	CI Investment Management Ltd.	225
155	ICBC (Europe) Limited	4000
156	Bank of China (Luxembourg) S.A.	1000

Table S15 List of Banks Engaging in Derivative Businesses for Clients
(I) List of Banks Engaging in Derivative Businesses (Forwards and Swaps) for Clients

As of December 31, 2015

No.	Name of Bank	No.	Name of Bank
1	Industrial and Commercial Bank of China Limited	2	Agriculture Bank of China Limited
3	Bank of China, Ltd.	4	China Construction Bank Corporation
5	Bank of Communications Co., Ltd.	6	China Citic Bank
7	China Merchants Bank Co., Ltd.	8	China Everbright Bank
9	Hua Xia Bank Co., Ltd.	10	China Guangfa Bank Co., Ltd.
11	Ping An Bank Co., Ltd.	12	Industrial Bank Co., Ltd.
13	China Minsheng Banking Corp., Ltd.	14	China Zheshang Bank Co., Ltd.
15	China Bohai Bank Co., Ltd.	16	Export-Import Bank of China
17	China Development Bank	18	Bank of Beijing Co., Ltd.
19	Postal Savings Bank of China	20	Bank of Shanghai Co., Ltd.
21	Bank of Nanjing	22	Bank of Hangzhou
23	Bank of Ningbo Co., Ltd.	24	Bank of East Asia (China), Ltd.
25	Nanyang Commercial Bank (China) Co., Ltd.	26	Woori Bank China, Ltd.
27	CITIC Bank International (China), Ltd.	28	First Sino Bank
29	Xiamen International Bank	30	BNP Paribas (China), Ltd.
31	Shanghai Pudong Development Bank	32	DBS Bank (China), Ltd.
33	Bank of America, Shanghai, Beijing and Guangzhou Branch	34	HSBC Bank (China) Company, Ltd.
35	Bank of Montreal (China) Co., Ltd.	36	Citibank (China) Co., Ltd.
37	Standard Chartered Bank (China), Ltd.	38	Royal Bank of Scotland (China) Co., Ltd.
39	Morgan Chase Bank (China) Company, Ltd.	40	Société Générale (China), Ltd.
41	Credit Agricole Indosuez (China) Co., Ltd.	42	Sumitomo Mitsui Banking Corporation (China), Ltd.
43	Credit Suisse Shanghai Branch	44	Australia and New Zealand Bank (China) Co., Ltd.

Table S15 (continued)

No.	Name of Bank	No.	Name of Bank
45	Commerzbank, Shanghai Branch and Beijing Branch	46	KBC Bank N.V., Shanghai, Shenzhen, Nanjing Branch
47	Intesa Sanpaolo S.p.A., Shanghai Branch	48	Hang Seng Bank (China), Ltd.
49	Rabobank, Shanghai Branch	50	ING Bank N. V., Shanghai Branch
51	United Overseas Bank (China), Ltd.	52	Platium Natexis Banques Populaires, Shanghai Branch
53	Deutsche Bank (China) Co., Ltd.	54	West DeutscheLandes Bank Ltd., Shanghai Branch
55	Chiyu Banking Corporation Ltd., Fuzhou, Xiamen Branch	56	Bank of Nova Scotia, Shanghai Branch and Guangzhou Branch
57	Wing Hang Bank (China), Ltd.	58	Mizuho Corporation Bank (China), Ltd.
59	OCBC Bank (China), Ltd.	60	UBS AG, Beijing Branch
61	Svenska Handelsbanken AB (publ), Shanghai Branch	62	DnB NOR Bank ASA, Shanghai Branch
63	Bank of Tokyo-Mitsubishi UFJ (China), Ltd.	64	Norddeutsche Landesbank Girozentrale, Shanghai Branch
65	Skandinaviska Enskilda Banken AB (publ), Shanghai Branch	66	Barclays Bank PLC, Shanghai Branch
67	Swedbank, Shanghai Branch	68	Nordea Bank AB Shanghai Branch
69	State Bank of India, Shanghai Branch	70	Sumitomo Mitsui Trust Bank, Ltd., Shanghai Branch
71	Bangkok Bank (China) Company, Ltd.	72	Shinhan Bank (China) Co., Ltd.
73	Huishang Bank	74	Bank of Jiangsu
75	Bank of Harbin	76	Malaysia Maybank Limited Shanghai Branch
77	Shanghai Rural Commercial Bank	78	Xiamen Bank Co., Ltd.
79	Chinese Mercantile Bank	80	Industrial Bank of Korea (China), Ltd.
81	Westpac Bank Corporation, Shanghai Branch	82	Banco Santander of Spain, Shanghai Branch
83	Hana Bank (China), Ltd.	84	Korea Development Bank, Shanghai Branch
85	Cathay United Bank Co., Ltd. Shanghai Branch		

Table S15 (concluded)

(II) List of Banks Engaging in Derivative Businesses (Options) for Clients

As of December 31, 2015

No.	Name of Bank	No.	Name of Bank
1	Bank of China, Ltd.	2	Industrial and Commercial Bank of China Limited
3	China Citic Bank	4	Bank of Communications Co., Ltd.
5	Citibank (China) Co., Ltd.	6	HSBC Bank (China) Company, Ltd.
7	Deutsche Bank (China) Co., Ltd.	8	Agriculture Bank of China Limited
9	China Construction Bank Corporation	10	Industrial Bank Co., Ltd.
11	Bank of Montreal (China) Co., Ltd.	12	Standard Chartered Bank (China), Ltd.
13	China Development Bank	14	Bank of Tokyo-Mitsubishi UFJ (China), Ltd.
15	Credit Agricole Indosuez (China) Co., Ltd.	16	Sumitomo Mitsui Banking Corporation (China), Ltd.
17	Shanghai Pudong Development Bank	18	China Everbright Bank
19	China Guangfa Bank Co., Ltd.	20	Bank of Ningbo Co., Ltd.
21	BNP Paribas (China), Ltd.	22	Mizuho Corporation Bank (China), Ltd.
23	Royal Bank of Scotland (China) Co., Ltd.	24	China Merchants Bank Co., Ltd.
25	DBS Bank (China), Ltd.	26	Ping An Bank Co., Ltd.
27	China Minsheng Banking Corp., Ltd.	28	Morgan Chase Bank (China) Company, Ltd.
29	Bank of America, Shanghai Branch	30	Barclays Bank PLC, Shanghai Branch
31	Australia and New Zealand Bank (China) Co., Ltd.	32	Credit Suisse Shanghai Branch
33	Société Générale (China), Ltd.	34	Bank of Shanghai Co., Ltd.
35	China Zheshang Bank	36	United Overseas Bank (China), Ltd.
37	OCBC Bank (China), Ltd.	38	First Sino Bank
39	Malaysia Maybank Limited Shanghai Branch	40	Commerzbank, Shanghai Branch
41	Bank of East Asia (China), Ltd.	42	ING Bank N. V., Shanghai Branch
43	Hang Seng Bank (China), Ltd.	44	Bank of Hangzhou
45	CITIC Bank International (China), Ltd.	46	China Bohai Bank Co., Ltd.
47	Export-Import Bank of China		

Table S16 Banks as Market-Makers in the Trading of RMB-Forex on the Interbank Forex Market

As of December 31, 2015

Name of Bank	Spot Market-Maker	Forward-Swap Market-Maker	Spot Trial Market-Maker	Forward-Swap Trial Market Maker
Bank of China	√	√		
Agricultural Bank of China	√	√		
Industrial and Commercial Bank of China	√	√		
China Construction Bank	√	√		
Bank of Communications	√	√		
China Citic Bank	√	√		
China Development Bank	√	√		
Shanghai Pudong Development Bank	√	√		
Industrial Bank	√	√		
Citibank (China) Co., Ltd.	√	√		
Standard Chartered Bank (China), Ltd.	√	√		
HSBC Bank (China) Company, Ltd.	√	√		
Deutsche Bank (China) Co., Ltd.	√	√		
Bank of Tokyo-Mitsubishi UFJ (China), Ltd.	√	√		
China Merchants Bank	√	√		
China Minsheng Bank	√	√		
Guangdong Development Bank	√	√		
Ping An Bank	√	√		
Bank of Ningbo	√	√		
Bank of Montreal (China) Co., Ltd.	√	√		
BNP Paribas (China), Ltd.	√	√		
Mizuho Corporate Bank (China) Co., Ltd.	√	√		
DBS Bank (China), Ltd.	√	√		
Bank of America Shanghai Branch	√	√		
Postal Savings Bank of China	√			√
China Everbright Bank	√			√
Huaxia Bank	√			√
Sumitomo Mitsui Banking Corporation (China), Ltd.	√			√
Bank of Nanjing	√			
Bank of Shanghai	√			
Credit Agricole Indosuez (China) Co., Ltd.		√	√	
Royal Bank of Scotland (China) Co., Ltd.		√	√	
Morgan Chase Bank (China) Company, Ltd.		√	√	
Société Générale (China), Ltd.			√	
Export-Import Bank of China				√

Table S17 List of Insurance Institutions Operating Foreign Exchange Businesses

As of December 31, 2015

No.	Name of Company	License No.	Period	Business Scope
1	Taiping General Insurance Co., Ltd.	IC2012035	2013.01.15-2016.01.14	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Domestic Interbank Foreign Exchange Borrowing, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
2	China Continent Property & Casualty Insurance Company	IC2013004	2013.03.25-2016.03.24	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Domestic Interbank Foreign Exchange Borrowing, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
3	Munich Reinsurance Company, Beijing Branch	IC2013009	2013.02.22-2016.02.21	Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
4	BoComm Life Insurance Company, Ltd.	IC2013010	2013.03.25-2016.03.24	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
5	LIG Insurance (China) Co., Ltd.	IC2013011	2013.01.26-2016.01.25	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
6	China Pacific Insurance (Group) Co., Ltd.	IC2013012	2013.02.16-2016.02.15	Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds, Credit Standing Investigation and Consulting Business, and Other Foreign Exchanges Business Approved by the Foreign Exchange Authority

Table S17 (continued)

No.	Name of Company	License No.	Period	Business Scope
7	China Life Reinsurance Company, Ltd.	IC2013013	2013.03.23-2016.03.22	Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
8	Tian An Property Insurance Co., Ltd.	IC2013014	2013.03.13-2016.03.12	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
9	Hyundai Insurance (China) Company, Ltd.	IC2013015	2013.03.24-2016.03.23	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, Domestic Trade in Foreign Currency Bonds, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
10	Manulife-Sinochem Life Insurance Co., Ltd.	IC2013016	2013.03.15-2016.03.14	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
11	PICC	IC2013017	2013.03.22-2016.03.21	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
12	Anbang Insurance Group Co., Ltd.	IC2013019	2013.02.21-2016.02.20	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Trade in Foreign Currency Bonds, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority

Table S17 (continued)

No.	Name of Company	License No.	Period	Business Scope
13	Generali China Life Insurance Co., Ltd.	IC2013020	2013.03.13-2016.03.12	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
14	China Life Property & Casualty Insurance Company, Ltd.	IC2013021	2013.05.08-2016.05.07	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
15	CITIC-Prudential Life Insurance Company, Ltd.	IC2013022	2013.04.13-2016.04.12	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
16	Cinda Property and Casualty Insurance Co., Ltd.	IC2013023	2013.04.27-2016.04.26	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
17	Beibu Gulf Property & Casualty Insurance Company	IC2013024	2013.05.03-2016.05.02	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
18	Ancheng Property & Casualty Insurance Co., Ltd.	IC2013025	2013.06.29-2016.06.28	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority

Table S17 (continued)

No.	Name of Company	License No.	Period	Business Scope
19	China United Property Insurance Company, Ltd.	IC2013026	2013.05.21-2016.05.20	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
20	Samsung Property & Casualty Insurance Company (China), Ltd.	IC2013027	2013.08.16-2016.08.15	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
21	Heng An Standard Life Insurance Company Limited	IC2013028	2013.06.13-2016.06.12	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
22	Urtrust Automobile Insurance Co., Ltd.	IC2013029	2013.06.21-2016.06.20	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
23	Liberty Insurance Co., Ltd.	IC2013030	2013.08.10-2016.08.09	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
24	AIA Beijing Branch	IC2013031	2013.07.05-2016.07.04	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
25	Zurich Property Insurance (China) Co., Ltd.	IC2013033	2013.08.01-2016.07.31	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority

Table S17 (continued)

No.	Name of Company	License No.	Period	Business Scope
26	AIA Jiangsu Branch	IC2013034	2013.07.31- 2016.07.30	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
27	AIA Guangdong Branch	IC2013035	2013.07.31- 2016.07.30	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
28	AIA Shanghai Branch	IC2013036	2013.07.31- 2016.07.30	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
29	AIA Shenzhen Branch	IC2013037	2013.07.31- 2016.07.30	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
30	China Pacific Life Insurance Co., Ltd.	IC2013038	2013.09.07- 2016.09.06	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
31	PICC Life Insurance Co., Ltd.	IC2013039	2013.10.16- 2016.10.15	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
32	Huaxia Life Insurance Company Limited	IC2013040	2013.08.21- 2016.08.20	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority

Table S17 (continued)

No.	Name of Company	License No.	Period	Business Scope
33	Mitsui Sumitomo Insurance (China) Company, Limited	IC2013042	2013.10.15-2016.10.14	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
34	Generali China Insurance Co., Ltd.	IC2013043	2013.10.17-2016.10.16	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
35	General Reinsurance AG, Shanghai Branch	IC2013044	2013.10.15-2016.10.14	Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
36	Chartis Insurance Company, Ltd.	IC2013045	2013.09.24-2016.09.23	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Domestic Trade in Foreign Currency Bonds, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
37	Kuo Hua Life Insurance Co., Ltd.	IC2013046	2013.09.18-2016.09.17	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
38	China Pacific Property Insurance Co., Ltd.	IC2013047	2013.08.10-2016.08.09	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Domestic Interbank Foreign Exchange Borrowing, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
39	Pramerica Fosun Life Insurance Co., Ltd.	IC2013048	2013.9.27-2016.9.26	Foreign Exchange Personal Insurance and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
40	YongAn Property Insurance Company, Ltd.	IC2013049	2013.09.28-2016.09.27	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority

Table S17 (continued)

No.	Name of Company	License No.	Period	Business Scope
41	Huatai Life Insurance Company, Ltd.	IC2013050	2013.10.19-2016.10.18	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
42	Ping An Life Insurance Company of China, Ltd.	IC2013052	2013.12.17-2016.12.16	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds Approved, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
43	Ping An Property & Casualty Insurance Company of China, Ltd.	IC2013053	2013.12.17-2016.12.16	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
44	Ping An Insurance (Group) Company of China, Ltd.	IC2013054	2013.12.17-2016.12.16	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
45	Taiping Life Insurance Co., Ltd.	IC2013056	2013.04.02-2016.04.01	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority

Table S17 (continued)

No.	Name of Company	License No.	Period	Business Scope
46	Fubon Property & Casualty Insurance Co., Ltd.	IC2014001	2014.02.14-2017.02.13	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
47	China Export & Credit Insurance Corporation	IC2014002	2014.01.16-2017.01.15	Foreign Exchange Property Insurance (incl. Medium- and Long-Term Export Credit Insurance, Overseas Investment Insurance, and Short-Term Export Credit Insurance), Foreign Exchange Reinsurance of the Above Insurance, Foreign Exchange Guarantees under the Above Foreign Exchange Insurance, Domestic Interbank Foreign Exchange Borrowing, Trade in Foreign Currency Bonds Approved, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
48	Ping An Health Insurance Company of China, Ltd.	IC2014003	2014.02.03-2017.02.02	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
49	ING-BOB Life Insurance Co., Ltd.	IC2014004	2014.02.20-2017.02.19	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
50	TianAn Life Insurance Limited	IC2014005	2014.02.25-2017.02.24	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
51	China Post Life Insurance Co., Ltd.	IC2014006	2014.03.05-2017.03.04	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Trade in Foreign Currency Bonds Approved, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
52	Zheshang Property and Casualty Insurance Company, Ltd.	IC2014007	2014.03.25-2017.03.24	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority

Table S17 (continued)

No.	Name of Company	License No.	Period	Business Scope
53	Chubb Insurance (China) Co., Ltd.	IC2014008	2014.04.08-2017.04.07	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
54	China Coal Insurance Co., Ltd.	IC2014009	2014.03.30-2017.03.29	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
55	SCOR S.E., Beijing Branch	IC2014010	2014.05.19-2017.05.18	Foreign Exchange Reinsurance and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
56	Li An Life Insurance Co., Ltd.	IC2014011	2014.05.05-2017.05.04	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
57	Lloyd's Insurance Company (China), Ltd.	IC2014012	2014.06.03-2017.06.02	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Foreign Exchange Maritime Guarantees, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
58	Sompo Japan Insurance (China) Co., Ltd.	IC2014013	2014.07.07-2017.07.06	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, Credit Standing Investigation and Consulting Business
59	Aioi Nissay Dowa Insurance (China) Company Limited	IC2014014	2014.05.16-2017.05.15	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
60	China Reinsurance (Group) Corporation	IC2014015	2014.05.09-2017.05.08	Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Credit Standing Investigation and Consulting Business, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds Approved, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority

Table S17 (continued)

No.	Name of Company	License No.	Period	Business Scope
61	Taishan Property & Casualty Insurance Co., Ltd.	IC2014016	2014.06.24-2017.06.23	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
62	Bank of China Insurance Company, Ltd.	IC2014017	2014.06.27-2017.06.26	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
63	Minan Property and Casualty Insurance Co., Ltd.	IC2014018	2014.05.18-2017.05.17	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
64	Alltrust Property Insurance Company, Ltd.	IC2014020	2014.06.13-2017.06.12	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
65	AXA Tianping P&C Insurance Co., Ltd.	IC2014021	2014.02.11-2017.02.10	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
66	Sino-US United MetLife Insurance Company, Ltd.	IC2014022	2014.06.24-2017.06.23	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority

Table S17 (continued)

No.	Name of Company	License No.	Period	Business Scope
67	XL Insurance (China) Company, Ltd.	IC2014023	2014.05.03-2017.05.02	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
68	Qianhai Life Insurance Co., Ltd.	IC2014024	2014.07.25-2017.07.24	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
69	Hannover Rueckversicherung AG, Shanghai Branch	IC2014026	2014.07.21-2017.07.20	Foreign Exchange Reinsurance and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
70	Huatai Property Insurance Company, Ltd.	IC2014027	2014.09.05-2017.09.04	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
71	JinTai Property & Casualty Insurance Co., Ltd.	IC2014028	2014.07.12-2017.07.11	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
72	The Tokio Marine & Nichido Fire Insurance Company (China), Ltd.	IC2014029	2014.09.21-2017.09.20	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Foreign Exchange Maritime Guarantees, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority

Table S17 (continued)

No.	Name of Company	License No.	Period	Business Scope
73	CIGNA and CMC Life Insurance Company, Ltd.	IC2014030	2014.09.22-2017.09.21	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
74	CNPC Captive Insurance Co., Ltd.	IC2014031	2014.08.29-2017.08.28	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
75	Swiss Re-insurance Company, Beijing Branch	IC2014032	2014.10.10-2017.10.09	Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
76	AnXin Agricultural Insurance Co., Ltd.	IC2014033	2014.09.15-2017.09.14	Foreign Exchange Reinsurance and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
77	CCB Life	IC2014034	2014.10.10-2017.10.09	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
78	Sunshine Property & Casualty Insurance Company	IC2014035	2014.11.16-2017.11.15	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
79	CATHAY Insurance	IC2014036	2014.11.07-2017.11.06	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
80	New China Life Insurance Company, Ltd.	IC2014037	2014.10.11-2017.10.10	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations

Table S17 (continued)

No.	Name of Company	License No.	Period	Business Scope
81	Starr Property & Casualty Insurance (China) Company Limited	IC2015001	2015.02.01-2018.01.31	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
82	Huatai Life Insurance Company, Ltd.	IC2015002	2015.01.12-2018.01.11	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
83	China Property and Casualty Reinsurance Company Ltd.	IC2015003	2015.02.28-2018.02.27	Foreign Exchange Reinsurance, Domestic Interbank Foreign Exchange Borrowing, Foreign Exchange Maritime Guarantees, Credit Standing Investigation and Consulting Business, and Other Foreign Exchange Business Approved by the Foreign Exchange Authority
84	Aviva-COFCO Life Insurance Co., Ltd.	IC2015004	2015.03.16-2018.03.15	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
85	Cathay Lujiazui Life Insurance Company Limited	IC2015005	2015.04.15-2018.04.14	Foreign Exchange Personal Insurance, Domestic Interbank Foreign Exchange Borrowing, Domestic Trade in Foreign Currency Bonds
86	Anbang Life Insurance Co. Ltd.	IC2015006	2015.04.14-2018.04.13	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, Domestic Trade in Foreign Currency Bonds and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
87	DingHe Property Insurance Co., Ltd.	Shenwaiguan No. 9 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance
88	Sun Life Everbright Life Insurance Co., Ltd.	Jinhuifu No. 9 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
89	Bohai Property Insurance Co., Ltd.	Jinhuifu No. 10 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations

Table S17 (continued)

No.	Name of Company	License No.	Period	Business Scope
90	Allianz China Life Insurance Co., Ltd.	Shanghaihufu No. 9 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance
91	Dubon Property & Casualty Insurance Co., Ltd.	Jihuihan No. 5 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
92	Evergrande Life Assurance Co., Ltd.	Yuhuihan No. 14 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
93	NIPPONKOA Insurance Company (China), Ltd.	Shenwaiguan No. 20 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance
94	China YanZhao Property Insurance Co., Ltd.	Huijifu No. 9 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance
95	Huahai Property Insurance Co., Ltd.	Luhuihan No. 12 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business
96	GuoYuan Agriculture Insurance Co., Ltd.	Wanhuiifa No. 69 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
97	Allianz China General Insurance Company Ltd.	Yuehufu No. 45 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance
98	Yingda Taihe Property Insurance Co., Ltd.	Jinghui No. 124 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
99	Hongkang Life Insurance Co., Ltd.	Jinghui No. 112 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business
100	Minsheng Life Insurance Co., Ltd.	Jinghui No. 132 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business

Table S17 (continued)

No.	Name of Company	License No.	Period	Business Scope
101	Union Life Insurance Co., Ltd.	Ehuiifu No. 6 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
102	Sanguard Automobile Insurance Co., Ltd.	Jihuihan No. 3 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
103	AnHua Agricultural Insurance Company Ltd.	Jihuihan No. 11 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
104	Funde Sino Life Insurance Co., Ltd.	Shenwaiguan No. 12 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
105	Sinosafe General Insurance Co., Ltd.	Shenwaiguan No. 33 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
106	CHAC	Yunhuiifu No. 23 [2015]	Long-term	Foreign Exchange Reinsurance
107	Sunlight Agricultural Mutual Insurance Company	Heihuiifu No. 10 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
108	Chang An Property and Liability Insurance Ltd.	Jinghui No. 170 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance
109	Groupama-AVIC Property Insurance Co., Ltd.	Chuanhuiifu No. 16 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
110	ICBC – AXA Life Insurance Co., Ltd.	Shanghaihuiifu No. 27 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance
111	Sunshine Life Insurance Corporation Limited	Qionghuiifu No. 3 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations

Table S17 (continued)

No.	Name of Company	License No.	Period	Business Scope
112	Taikang Life Insurance Co., Ltd.	Jinghui No. 266 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
113	China Life Insurance Co., Ltd.	Jinghui No. 311 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
114	Changjiang Property & Casualty Insurance Co., Ltd.	Ehuiifu No. 12 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
115	China Huanong Property & Casualty Insurance Co., Ltd.	Jinghui No. 314 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
116	Taiping Reinsurance Co., Ltd., Beijing Branch	Jinghui No. 315 [2015]	Long-term	Foreign Exchange Reinsurance, Other Foreign Exchange Insurance Business Specified by Laws and Regulations
117	PICC Property and Casualty Company Ltd.	Jinghui No. 324 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
118	Anbang Insurance Co., Ltd.	Shenwaiguan No. 64 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
119	ZKING Property & Casualty Insurance Co., Ltd.	Suhuiifu No. 46 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance
120	Bohai Life Insurance Co., Ltd.	Jinhuiifu No. 14 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance
121	Hengbang Property Insurance Co., Ltd.	Ganhuifu No. 24 [2015]	Long-term	Foreign Exchange Reinsurance
122	Swiss Re Corporate Solutions Insurance China Ltd.	Shanghaihuifu No. 22 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations

Table S17 (concluded)

No.	Name of Company	License No.	Period	Business Scope
123	Shanghai Life Insurance Co., Ltd.	Shanghaihuifu No. 26 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance
124	Aegon THTF Life Insurance Co., Ltd.	Shanghaihuifu No. 23 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
125	Happy Life Insurance Co., Ltd.	Jinghui No. 171 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance
126	PICC Health Insurance Co., Ltd.	Jinghui No. 337 [2015]	Long-term	Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
127	Zhonglu Property and Casualty Insurance Co., Ltd.	Qinghuifu No. 3 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
128	Zhongyuan Agricultural Insurance Co., Ltd.	Yuhuiifu No. 11 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations
129	ZhongAn Online P&C Insurance Co., Ltd.	Shanghaihuifu No. 18 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance
130	Pearl River Life Insurance Co., Ltd.	Yuehuifu No. 113 [2015]	Long-term	Foreign Exchange Property Insurance, Foreign Exchange Personal Insurance, Foreign Exchange Reinsurance, and Other Foreign Exchange Insurance Business Specified by Laws and Regulations



Major Events in China's Foreign Exchange Administration in 2015

● January

January 4

The special inspections of 7 national commercial banks' compliance in foreign exchange business started, with focus on investigating and punishing cross-border arbitrages and abnormal transactions through banks.

January 6-7

The National Foreign Exchange Administration Work Conference was convened to review foreign exchange administration in 2014, analyze the current economic, financial and BOP situations and make plans for foreign exchange administration for 2015, in accordance with the gist of the 18th CPC National Congress, the third and fourth plenums of the 18th CPC Central Committee and the Central Economic Work Conference.

January 15

The Expanded Meeting of the Central Team of the SAFE Party Leadership Group on Theoretical Study was convened to deliver and study the gist of Xi Jinping's speech and Wang Qishan's work report at the 5th Plenary Session of the 18th CPC Central Commission for Discipline Inspection, and studied and made implementation arrangements.

January 19

The *Circular of the State Administration of Foreign Exchange on Printing and Distributing the Guidelines for Foreign Exchange Administration for Insurance Business* (Huifa No. 6 [2015]) was published for administration streamlining, power delegation, regulation integration and procedure simplification to enhance ex-post monitoring and verification of foreign exchange receipts and payments for foreign exchange insurance business.

January 20

The *Circular of the State Administration of Foreign Exchange on the Implementation of the Pilot Program of Cross-border Foreign Exchange Payment Business through Payment Institutions* (Huifa No.7 [2015]) was issued to roll out nationwide the pilot program of the cross-border foreign exchange payment facilitation business of payment institutions.

January 29

The SAFE Work Conference on Improving Work Styles and Upholding Integrity was held to deliver the gist of the Fifth Plenary Session of the Eighteenth CPC Central Commission for Discipline Inspection, review the work in anti-corruption and upholding integrity in 2014 and set forth the tasks for 2015.

● February

February 11

The *Circular of the General Affairs Department of the State Administration of Foreign Exchange on Expanding the Application Scope of Online Interface Service for Enterprises* (Huizongfa No. 35 [2015]) was published to roll out nationwide the application of online interface services for enterprises.

February 12

The *Circular of the General Affairs Department of the State Administration of Foreign Exchange on Relevant Issues Concerning Standardizing Domestic and Foreign Currency Exchange Franchise Business for Individuals and Foreign Currency Exchange Business* (Huizongfa No. 38 [2015]) was published to specify what is to be subject to regulation in market entry, ongoing regulation and ex-post disposal to boost the healthy development of the domestic and foreign currency exchange franchise business for individuals and foreign currency exchange business.

February 13

The *Circular of the State Administration of Foreign Exchange on Further Simplifying and Improving the Policies for Foreign Exchange Administration of Direct Investments* (Huifa No. 13 [2015]) was released to delegate foreign

exchange registration under direct investment to banks to further boost and facilitate cross-border investments by enterprises.

The pilot program for macro-prudential management of external debt was initiated. In some special economic zones such as the Core Area of Beijing Zhongguancun National Independent Innovation Demonstration Zone, Shenzhen Qianhai Shenzhen-Hong Kong Modern Service Industry Zone and Jiangsu Zhangjiagang Bonded Zone (Jingang Town), a pilot program for macro-prudential management through self-discipline of external debt proportion was implemented.

● March

March 12

The special inspections of counterparts involved in underground bank cases started.

March 16

China's trade in goods and trade in services data that were compiled based on the sixth edition of the *Balance of Payments and International Investment Position Manual* (BPM6) was published for the first time.

March 30

The *Circular of the State Administration of Foreign Exchange Concerning Reform of the Administrative Mode for Settlement of Foreign Exchange Capital of Foreign-Invested Enterprises* (Huifa No. 19 [2015]) was released, saying that the system for discretionary settlement of foreign exchange capital by foreign invested enterprises was to be implemented nationwide.

● April

April 21-23

The educational activities for Improving Work Styles and Upholding Integrity were carried out among officials above the deputy division chief rank.

April 23

The SAFE worked with the People's Bank of China, the Supreme People's Court, the Supreme People's Procuratorate and the Ministry of Public Security

to crack down on the transfers of illegal income through offshore companies and underground banks.

End of April to December

In accordance with the plans of the central government, the SAFE launched at the end of April a "Three Stricts and Three Steadies" educational campaign among the CPC leaders and officials above the division chief rank.

● May

May 12

The preliminary data on China's Balance of Payments for the First Quarter that were compiled based on the sixth edition of the *Balance of Payments and International Investment Position Manual* (BPM6) were disseminated for the first time.

May 25

Yi Gang, then administrator of and secretary of the Party Leadership Group of the SAFE, gave a lecture on "Three Stricts and Three Steadies" to CPC members and mobilized them for the "Three Stricts and Three Steadies" educational campaign among the SAFE organs.

May 26

The *Reply of the State Administration of Foreign Exchange to Franchised Institutions of Domestic and Foreign Currency Exchange for Individuals to Engage in Transport of Foreign Currency Banknotes into or out of the Territory and Foreign Currency Wholesale Business* (Huifu No. 16 [2015]) was released to allow three franchised institutions to engage in transport of foreign currency banknotes and whole business, with a view to diversifying the supply channels of foreign currency banknotes in China.

● June

June 15

The special foreign exchange inspections of financial leasing companies kicked off.

June 18

The *Circular of the State Administration of Foreign Exchange on Printing and Distributing the Detailed Rules for the Implementation of the Declaration of Balance of Payments Statistics through Banks* (Huifa No. 27 [2015]) was released to standardize the declaration of the balance of payments statistics for foreign-related receipts and payments by the declarer through domestic banks.

June 19

The Expanded Meeting of the Central Team of the SAFE Party Leadership Group on Theoretical Study was convened to study and discuss the first topic on the "Three Stricts and Three Steadies" educational campaign.

June 23-24

Yang Guozhong, member of the Party Leadership Group and then leader of discipline inspection team of the SAFE, and Han Hongmei, chief accountant of the SAFE led the secretaries of CPC branches (CPC general branches) at the SAFE's organs to visit Henan Lankao County Jiao Yulu Officials' College for the Party Day Event under the theme of "Three Stricts and Three Steadies" and Training for secretaries of CPC branches (CPC general branches).

June 30

China's International Investment Position data that were compiled based on the sixth edition of the *Balance of Payments and International Investment Position Manual* (BPM6) was disseminated for the first time.

● July

July 10

The 6th CPC Congress of the State Administration of Foreign Exchange Organs was convened to listen to, review and deliberate on the work reports from the 5th CPC Committee of the State Administration of Foreign Exchange Organs and the 5th CPC Discipline Inspection Committee of the State Administration of Foreign Exchange Organs, and elect the 6th CPC Committee and the 6th CPC Discipline Inspection Committee of the State

Administration of Foreign Exchange Organs.

July 17

China's full-scale external debt data were disseminated under the Special Data Dissemination Standard (SDDS) of the IMF for the first time.

July 29

The *Circular of the State Administration of Foreign Exchange on Foreign Exchange Administration for Overseas Traders and Brokers Engaging in Futures Trading under Specific Domestic Categories* (Huifa No. 35 [2015]) was released to clarify the foreign exchange administration policy for overseas investors engaging in domestic crude oil futures trading.

● August

August 1

The 2015 edition of the cross-border capital flow monitoring and analysis system was rolled out nationwide as an important support for ongoing and ex-post regulation.

August 4-7

The 2015 Advanced Workshop for Branch Directors of the SAFE was held to study and analyze both domestic and overseas financial and foreign exchange situations, and conduct training and discussions around the priorities of foreign exchange administration, in accordance with the plans of the CPC Central Committee and the State Council and the gist of the Workshop of the People's Bank of China with Branch and Sub-branch Presidents.

August 5

The *Circular of the State Administration of Foreign Exchange on the Printing and Distributing of the Regulations on the Centralized Operation and Management of the Foreign Exchange Funds of MNCs* (Huifa No. 36 [2015]) was released, saying that more convenience would be provided for eligible MNCs.

August 7

The 3·30 case against underground banks in Shenzhen was cracked in partnership with the public security authority.

August 17

The Expanded Meeting of the Central Team of the SAFE Party Leadership Group on Theoretical Study was convened to study and discuss the second topic on the "Three Stricts and Three Steadies" educational campaign.

● September

September 14

A briefing on the inspection results of head offices of Chinese and foreign banks was held to require banks to strengthen internal management and highlight their responsibility for authenticity reviews.

September 28

The *Circular of the State Administration of Foreign Exchange on Relevant Issues Concerning the Handling of Exchange Business by Franchised Institutions of Domestic and Foreign Currency Exchange for Individuals Through the Internet* (Huifa No. 41 [2015]) was released for the purpose of enhancing the domestic exchange service level by combining internet technologies with traditional domestic and foreign currency exchanges.

● October

October 12

The "data acquisition and control" application was rolled out nationwide.

October 20

The SAFE Party Building Steering Committee was set up.

The Party Leadership Group of the State Administration of Foreign Exchange printed and distributed the *List of Responsibilities of the SAFE in Implementing Principal and Supervision Responsibilities for Improving Work Styles and Upholding Integrity* (Huidangzu No. 20 [2015]).

October 23

The CPC committee of the State Administration of Foreign Exchange printed and distributed the *List of Responsibilities of the SAFE's CPC Branches (CPC General Branches) in Implementing Principal Responsibilities for Improving Work Styles and Upholding Integrity* (Huijidang No. 10

[2015]).

October 29

The first meeting of the SAFE Party Building Steering Committee was held to study the *Code of Integrity and Self-Discipline among CPC Members* and the *Regulations on Disciplinary Sanction for CPC Members*, summarize the Party building efforts among the SAFE organs since the 18th CPC National Congress, analyze the challenges facing Party building in the new situation and plan and arrange for priorities of Party building in the next step.

October 30

The mobilization meeting for Special Inspection of the SAFE by the No. 6 Central Inspection Team was held. In accordance with the arrangements of the central government, the No. 6 Central Inspection Team stationed in the SAFE for a 2-month-long special inspection.

● November

November 5

The Expanded Meeting of the Central Team of the SAFE Party Leadership Group on Theoretical Study was convened to study and discuss the third topic on the "Three Stricts and Three Steadies" educational campaign.

November 6

The *Operational Guidelines for Funds Management in Cross-Border Issuance and Sale of Mainland and Hong Kong Securities Investment Funds* (Announcement No.36 [2015] of the People's Bank of China and the State Administration of Foreign Exchange) was published, specifying the quota management rules and relevant operations with respect to Mainland-Hong Kong Mutual Fund Connect to facilitate exchanges and inflows and outflows of funds involved in the cross-border issuance and sales of Mainland and Hong Kong funds.

November 10

Yi Gang, then administrator of and secretary of the Party Leadership Group of the SAFE, gave CPC members a special report on the gist of the 5th Plenary Session of the 18th CPC Central Committee and the Recommendations for

the 13th Five-Year Plan.

Yang Guozhong was dismissed from the position of leader of the Discipline Inspection Team of the Party Leadership Group of the SAFE, in accordance with the decision of the Organization Department of the CPC Central Committee.

November 16

The special inspections on banks with regard to their compliance in foreign exchange businesses for individuals and trade in businesses started.

November 19

According to the decision of the State Council, Yang Guozhong was appointed Deputy Administrator of the SAFE.

● December

December 1

The SAFE Data Reporting System for Insurance Foreign Exchange Business was launched.

December 3

The Expanded Meeting of the Central Team of the SAFE Party Leadership Group on Theoretical Study was convened to study the *Constitution of the People's Republic of China*.

December 13

The 5th Labor Union Representative Conference of the SAFE Organs was held and the 5th Labor Union Committee and the Labor Union Expenditure Review Committee of the SAFE organs were elected.

December 15

China Officially participated in the IMF's Coordinated Portfolio Investment Survey (CPIS) and the BIS's International Banking Statistics (IBS).

December 17

The State Commission Office of Public Sectors Reform printed and distributed the *Circular of the State Commission Office of Public Sectors Reform on Adjusting the Staffing of the SAFE Discipline Inspection and Supervision Organs* (Issuance of the SCOPSR No. 161 [2015]), saying that,

in accordance with the requirements on stationing discipline inspection institutions in organs of the CPC Central Committee and the central government by the CPC Central Commission for Discipline Inspection, the discipline inspection team and the supervision office of the SAFE Party Leadership Group will be canceled with approval from the State Commission of Public Sectors Reform.

December 19

The upgraded sharing database of the Macroeconomics Systems was launched to adapt to the balance of payments and external debt reports that were adjusted by the latest international standards.

December 21

The Announcement No. 40 [2015] of People's Bank of China and State Administration of Foreign Exchange was issued to extend the foreign exchange trading time, and introduce more qualified foreign players, so as to boost the opening up of foreign exchange markets and facilitate the formation of the same exchange rates of CNH and CNY.

December 22

The Expanded Meeting of the Central Team of the SAFE Party Leadership Group on Theoretical Study was convened to deliver and study the gist of the Central Economic Work Conference, and research and make plans for the implementation of measures.

December 24

The *Circular of the State Administration of Foreign Exchange on Printing and Distributing the Measures for Managing the Receipts and Payments of Foreign Currency Banknotes by Domestic Institutions* (Huifa No. 47 [2015]) was published to further standardize and satisfy the actual demand of domestic institutions' foreign currency banknote business.

December 25

The *Circular of the State Administration of Foreign Exchange on Further Improving the Administration of Individual Foreign Exchange* (Huifa No. 49 [2015]) was released to further improve the watch list management for

individual foreign exchange business.

December 28

The "Three Stricts and Three Steadies" Democratic Life Meeting of the SAFE Party Leadership Group was held.



Major Foreign Exchange Administration Policies and Regulations Promulgated in 2015

A. General

1. Circular of the State Administration of Foreign Exchange on Abolishing and Nullifying 50 Regulatory Documents on Foreign Exchange Administration

Huifa No. 17 [2015]

Date of Promulgation: March 19, 2015

Effective Date: March 19, 2015

Summary: 50 regulatory documents on foreign exchange administration are abolished or nullified, of which, 27 are abolished and 23 nullified.

2. Circular of the State Administration of Foreign Exchange on Abolishing and Revising Relevant Regulatory Documents Involving the Reform on Registered Capital Registration System

Huifa No. 20 [2015]

Date of Promulgation: May 4, 2015

Effective Date: May 4, 2015

Summary: in order to implement the requirements of the State Council on registered capital registration system reform, one regulatory document is abolished, and eight regulatory documents are modified.

3. Circular of the State Administration of Foreign Exchange on Issues Related to Foreign Exchange Administrative Approval

Huifa No. 31 [2015]

Date of Promulgation: June 26, 2015

Effective Date: June 26, 2015

Summary: Such standardized approval system contents such as acceptance via "one window", service standards, acceptance form, applicant review and approval statistics are clarified to further standardize the exercise of approval authority.

4. Circular of the State Administration of Foreign Exchange on the Printing and Distributing of the *Regulations on the Centralized Operation and Management of the Foreign Exchange Funds of MNCs*

Huifa No. 36 [2015]

Date of Promulgation: August 5, 2015

Effective Date: August 5, 2015

Summary: The Circular further simplifies the requirements on account opening and use for the pilot program of centralized operation and management of foreign exchange funds of MNCs, streamlines foreign exchange receipt and payment procedures, and implements the self-discipline management policy on external debt proportion of MNCs on a pilot basis.

5. Circular of the State Administration of Foreign Exchange on the Foreign Exchange Account Management for the Investments by Foreign Central Banks and Similar Institutions in China's Interbank Market

Huifa No. 43 [2015]

Date of Promulgation: October 28, 2015

Effective Date: October 28, 2015

Summary: The Circular clarifies the requirements on the opening and management of transaction accounts used by foreign central banks and similar institutions in China's inter-bank bond market and foreign exchange market, and standardizes data reporting requirements for domestic banks.

B. The Balance-of-payments Statistics and Foreign Exchange Administration of Financial Institutions and the Foreign Exchange Market

1. Circular of the State Administration of Foreign Exchange on the Amendment to the *Measures for Assessment of Banks' Implementation of Regulations on Foreign Exchange Administration*

Huifa No. 26 [2015]

Date of Promulgation: June 17, 2015

Effective Date: June 17, 2015

Summary: The assessment items, assessment criteria and scoring methods

are refined; a bidirectional adjustment and assessment mechanism will be introduced for cross-border capital flows; the assessment process will be optimized, with the assessment of internal control management of banks highlighted to drive banks to better follow the principles of "know your customer", "understand your business" and "due diligence"; a bank feedback and rectification reporting system will be built to urge banks to timely implement the violation rectification measures and intensify tracking to effectively improve the effectiveness of the assessment.

2. Circular of the State Administration of Foreign Exchange on Printing and Distributing the *Detailed Rules for the Implementation of the Declaration of Balance of Payments Statistics through Banks*

Huifa No. 27 [2015]

Date of Promulgation: June 18, 2015

Effective Date: July 1, 2015

Summary: How to declare BOP statistics through a handling bank with regard to foreign-related receipts and payments by domestic residents or non-residents through a domestic bank is standardized. The specific declaration principle, process and content requirements are clarified.

3. Circular of the State Administration of Foreign Exchange on Providing Domestic and Foreign Currency Exchange Services by Franchise Institutions for Individuals through the Internet

Huifa No. 41 [2015]

Date of Promulgation: September 28, 2015

Effective Date: September 28, 2015

Summary: The Circular standardizes relevant policies on currency exchanges through franchise institutions for individual domestic and foreign currency exchanges through the Internet, clarifies the qualifications, filing materials and management regulations on Internet exchange business by franchise institutions and defines the ex-post regulation principles.

C. Foreign Exchange Administration under the Current Account

1. Circular of the State Administration of Foreign Exchange on Printing and Issuing *Guidelines for Foreign Exchange Administration for Insurance Business*

Huifa No. 6 [2015]

Date of Promulgation: January 19, 2015

Effective Date: March 1, 2015

Summary: The Circular clarifies that the approval for opening or closing foreign exchange accounts by insurance companies will be canceled, except for registration for opening an account for the first time, and that qualification approvals for domestic insurance companies to run foreign exchange insurance business will be delegated to SAFE branches.

2. Circular of the State Administration of Foreign Exchange on the Implementation of the Pilot Program of Cross-border Foreign Exchange Payment Business through Payment Institutions

Huifa No. 7 [2015]

Date of Promulgation: January 20, 2015

Effective Date: January 20, 2015

Summary: A pilot program will be carried out nationwide based on the experience gained in the preliminary phase. Requirements on the application, business management, account management, information acquisition, supervision and inspection are clarified with respect to cross-border foreign exchange payment business of payment institutions.

3. Circular of the SAFE on Printing and Distributing the *Measures for Managing the Receipts and Payments of Foreign Currency Banknotes by Domestic Institutions*

Huifa No. 47 [2015]

Date of Promulgation: December 18, 2015

Effective Date: February 1, 2016

Summary: The receipts and withdrawals of foreign currency banknotes as

well as relevant foreign exchange settlement and purchases by domestic institutions are standardized, and the requirements on authenticity and reasonableness reviews in accordance with the principles of "know your customer," "understand your business," and "due diligence" are proposed.

D. Foreign Exchange Administration under the Capital Account

1. Circular of the State Administration of Foreign Exchange on Further Simplifying and Improving the Policies for Foreign Exchange Administration of Direct Investments

Huifa No. 13 [2015]

Date of Promulgation: February 13, 2015

Effective Date: June 1, 2015

Summary: The Circular simplifies and improves foreign exchange registration under direct investment, cancels filing of foreign exchange for overseas reinvestment, cancels annual check of foreign exchange under direct investment and replaces it with stock equity registration, with the time frame extended, the content simplified and data reported through various channels.

2. Circular of the State Administration of Foreign Exchange Concerning Reform of the Administrative Mode for Foreign Exchange Settlement of Capital of Foreign-Invested Enterprises

Huifa No. 19 [2015]

Date of Promulgation: March 30, 2015

Effective Date: June 1, 2015

Summary: The Circular promotes nationwide the discretionary settlement of foreign exchange capital of foreign-invested enterprises, clarifying that the RMB proceeds from the settlement will be included in the account for FX settlement and pending payment, defining the negative list for use of such RMB proceeds from the settlement, and standardizing the payment management of exchange settlement funds.

3. Circular of the State Administration of Foreign Exchange on Foreign

Exchange Administration for Overseas Traders and Brokers Engaging in Futures Trading under Specific Domestic Categories

Huifa No. 35 [2015]

Date of Promulgation: July 29, 2015

Effective Date: August 1, 2015

Summary: The Circular specifies the foreign exchange administration policy for overseas investors engaging in domestic commodity futures trading, and simplifies requirements on account opening, exchanges of funds and data reporting, so as to facilitate market operations.

4. Operational Guidelines for Funds Management in Cross-Border Issuance and Sale of Mainland and Hong Kong Securities Investment Funds

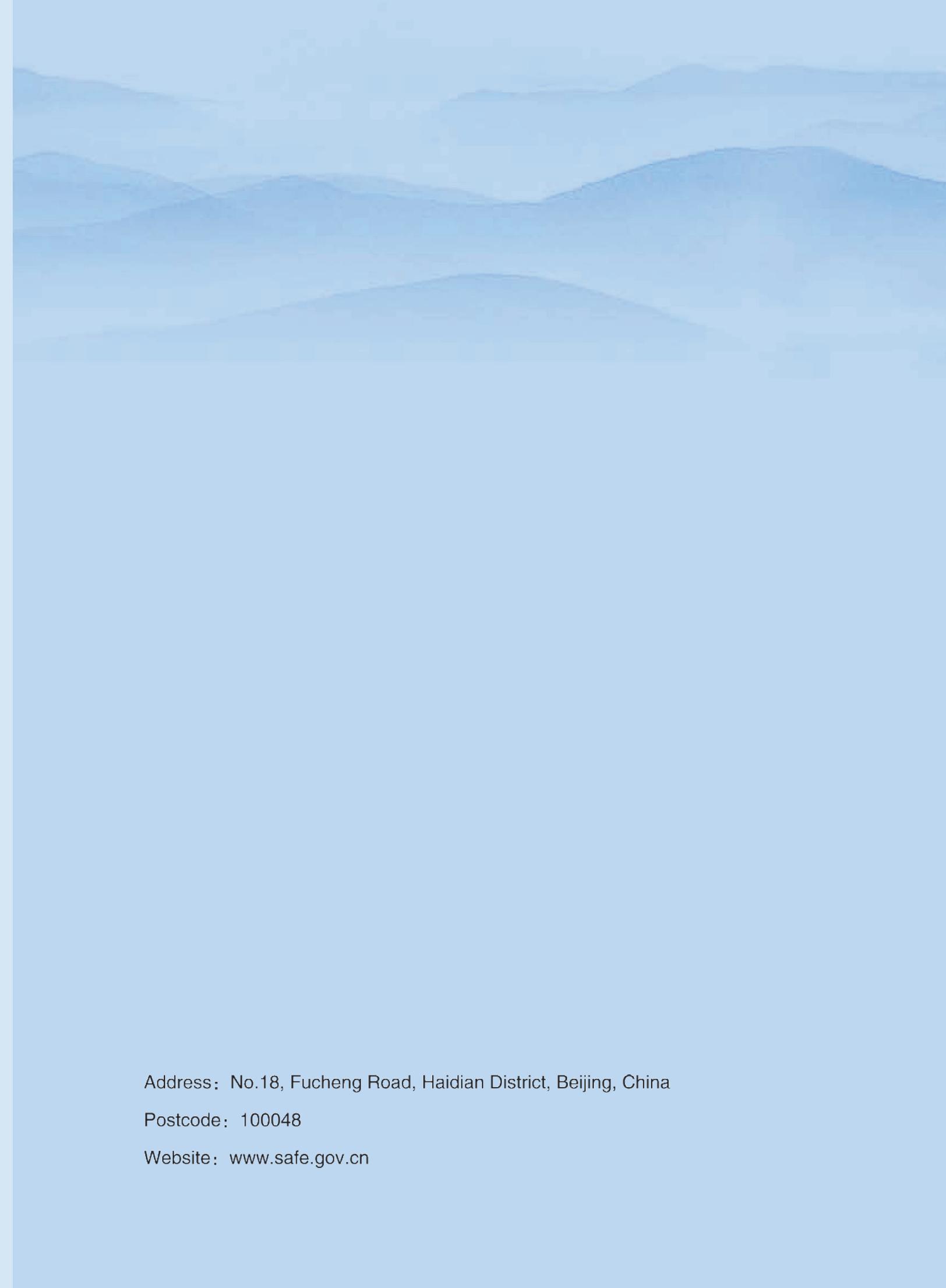
Announcement No. 36 [2015] of the People's Bank of China and the State Administration of Foreign Exchange

Date of Promulgation: November 6, 2015

Effective Date: November 6, 2015

Summary: The SAFE only monitors the total quota of Mainland-Hong Kong Mutual Fund Connect, and will not conduct approvals for the quota to a single institution and to a single product; the raised funds from cross-border issuing of funds can flow in and out in either RMB or foreign exchange, and currency exchanges, if any, can be handled by the trustee or agent with the bank directly; cross-border issuing and selling RMB-denominated funds and cross-border receipts and payments are encouraged; the information reporting system will be implemented, and the right to handle information reporting procedures for Mainland-Hong Kong Mutual Fund Connect is to be delegated to the trustee (bank) or agent (bank or fund firm); systematic data statistics and reporting procedures are to be established, with no need of manual filling or repeated submission.



The background of the page features a soft, blue-toned image of misty mountains. The peaks are layered, creating a sense of depth and atmosphere. The overall color palette is a range of light blues, from pale to a slightly darker shade, giving it a calm and professional appearance.

Address: No.18, Fucheng Road, Haidian District, Beijing, China

Postcode: 100048

Website: www.safe.gov.cn