

What does it take to develop a Global Offshore RMB Hub?

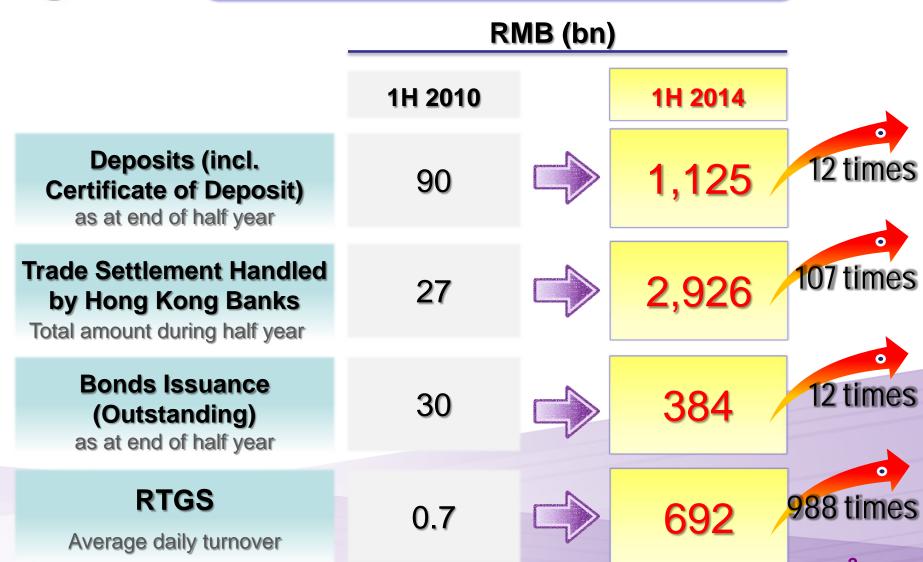
2014 Treasury Markets Summit

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What has changed in 5 years?

HK as offshore RMB Hub





What does it take to develop a Global Offshore RMB Hub?

PIPS

Policy Headroom

I nfrastructure

People & Products

Offshore RMB Markets



Major Milestones



2011

Permission to use RMB for FDI and ODI

2011

 Launch of RMB Qualified Foreign Institutional Investors (RQFII) Scheme

2014

 Approval of Shanghai-Hong Kong Stock Connect Programme



Essential Financial Market Infrastructure

Clearing and Settlement Systems

- RTGS
 PvP
 CMU

Regulatory Environment

Robust yet market friendly

Financial Benchmark

CNH FX / Interest Rate Fixing

Liquidity



HKMA's Measure to Support Liquidity in CNH Market

Intraday Liquidity

Repo Facility
Up to RMB10 bn

Repo Facility

T+2 Jun 2012

T+1 Jan 2013

T+0 Jul 2013

Primary Liquidity Providers (PLPs)

- To help make market and provide liquidity in CNH markets
- HKMA provides a bilateral Repo facility to each PLP