



Search bar with 'Search' button and 'Web english.cri.cn Google' options

Securities May Open to Insurers

2008-01-26 09:32:01 China Daily

The insurance and securities regulators plan to open investment channels between the two industries, officials said on Friday.

"Banks and insurers are already investing across the two industries on a trial basis. Cooperation between insurance firms and fund management companies is not far off," Yuan Li, spokesman of the China Insurance Regulatory Commission (CIRC), said at an annual industry conference in Beijing on Friday.

On Tuesday, the China Banking Regulatory Commission (CBRC) and the CIRC signed a memorandum of understanding on investment in insurance firms by banks and vice versa. Detailed guidelines are expected soon.

Wu Dingfu, chairman of the CIRC, said cooperation between the insurance, banking and securities sectors will be further strengthened this year.

"We are still considering how large a stake financial institutions can take in insurance firms," said Yuan Li, adding that banks will be able to invest in insurers "in line with existing regulations". Non-financial companies can currently take a stake of up to 20 percent in an insurer, Yuan said.

Bank of Communications Co Ltd and Bank of Beijing Co Ltd have filed applications to invest in insurers, the China Securities Journal cited sources as saying.

"Fund management firms run by banks have been booming in the past two years. Insurers can also expect the fund management door to open soon," said Wang Xiaogang, an analyst at Orient Securities. "A number of securities firms are preparing for IPOs this year, so insurers' pre-IPO investment in securities firms could be quite profitable."

China's largest life insurers have been itching to expand into the fund management business.

Ping An Securities, the securities arm of Ping An (Group) Co, is planning a fund management joint venture with Singapore-based UOB Asset Management, according to a company source. In November, Ping An acquired a 9 percent stake in Hong Kong-based asset management firm Value Partners, becoming its strategic investor.

China Life, the country's largest life insurer, is also preparing to set up a fund management company. Yang Chao, chairman of China Life, said in Nanjing in November that it had applied to the regulator to open a fund management firm.

The nation's insurers earned a record 279.2 billion yuan from investment returns last year, thanks to the bullish stock market.

Also on our site



Madrid Beat Villarreal 1-0 in Spanish League

China | World

- Russian Natural Gas Supplies to Balkans Halted
- Three Israeli Soldiers Killed in Friendly Fire in Gaza
- Polanski's Lawyers Seek to Have Sex Case Dismissed
- Foreign Journalists still Not Allowed into Gaza
- US VP-elect Joe Biden to Visit Pakistan
- China Curbs Overseas Trips on Public Expense

Business | Sports | SciTech

- China Issues Long-awaited 3G Licenses
- Wahaha, Danone Start Trademark Arbitration
- GM Reports 31 Percent Sales Decline in U.S. Market
- Call for More Overseas Talents
- Bulgarian Figure Skating Champion Sentenced to 2.5 Years in Prison
- China's Mission to Mars Set for Take-off

Life | Showbiz

- A Seemingly Endless Scandal
- Asian Art Top Show Kicks off in Beijing
- Behind-the-Scene Photos of "Look for a Star"
- Universal Pictures Movies Set New B.O. Record in 2008
- Tan Dun's Deep Pool of talent
- Top 10 Shows in 2008

Webcast

- China Drive, Afternoon, 2009-01-07
- China Drive, Afternoon, 2009-01-06
- China Drive, Morning, 2009-01-06
- Official Property Declaration System
- India handed over evidence of Mumbai attacks to Pakistan
- EU delegation holds talks to push for a cease-fire in Gaza
- Mubarak Meets with EU Troika on Gaza Situation
- Bush says any Gaza ceasefire must stop Hamas rocket fire

Registration form with fields for Name, Country & Region, and Email

Submit Reset

View the Messages

0



Recommend

CRIENGLISH.com claims the copyright of all material and information produced originally by our staff. All rights reserved. Reproduction of text for non-commercial purposes only is permitted provided that both the source and author are acknowledged and a notifying email is sent to us.





CRIENGLISH.com holds neither liability nor responsibility for materials attributed to any other source. Such information is provided as reportage and dissemination of information but does not necessarily reflect the opinion of or endorsement by CRI.

[Home](#) | [About Us](#) | [Jobs](#) | [Contact Us](#) | [Talk China](#) | [The Messenger](#) | [Bridging the Straits](#) | [About China](#) | [Weather](#)

Google

Search

Web english.cri.cn

Director: Liu Chi | Designer: ZN & LWY | Web Developer : Ricci

Copyright by CRIENGLISH.com, 1998-2010. Email:crieng@cri.com.cn Registered Number:05064898

