

Banks get approval for bond trading

China has allowed listed commercial banks to participate in bond transactions on bourses, the securities regulator said on Monday.

Listed commercial banks can submit the applications to the Shanghai Stock Exchange or Shenzhen Stock Exchange after getting approval from the China Banking Regulatory Commission (CBRC), according to the website of the China Securities Regulatory Commission (CSRC). The government move is expected to spur the bond markets.

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During the test period, commercial banks can trade bonds on the fixed-income platform of the stock exchanges, including treasury bonds, corporate bonds and enterprise bonds.

The bourses have been asked to provide a special place for commercial banks to trade bonds and give corresponding technical support. The participating banks are allowed to use only their own accounts for bond transactions.

The CBRC and CSRC will set up joint supervision systems to oversee the bond transactions of commercial banks, the announcement said.

The regulators will gradually enlarge the scope of the pilot units in commercial banks and perfect related regulations, the CSRC said, without elaborating on the detail of the pilot units.

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