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## Banks barred from index futures investment

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The China Banking Regulatory Commission announced Monday in a statement on its website that commercial banks were not allowed to invest in the soon-to-be-launched stock index futures trading.

According to law, commercial banks are not permitted to participate in index futures and it was still under discussion whether commercial banks could clear and settle index futures trading. No official decision has been made yet, the statement said.

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The purpose of barring banks from index futures is to avoid banks' unlimited risk liability as a clearing member and to keep in accordance with the restriction of laws. It has no influence on the launch of the index futures, said a Securities Times report on March 14.

China will launch stock index futures in mid-April, a few months after the approval by the State Council in January.