

CSDs: CMU (Hong Kong), HKSCC (Hong Kong)

Date: 26 Jul 2013

SMI Markets: Hong Kong

CMIRR Markets: Hong Kong

## HKMA Enhances RMB Liquidity Facility

From 26 July 2013, the Hong Kong Monetary Authority (HKMA) introduced two enhancements to RMB liquidity for the Authorised Institutions (AI) participating in RMB business in Hong Kong. In addition to providing of one-week RMB funds on T+1 basis to participating AIs against eligible collateral, the facility will provide:

- One-day funds, available the next day (T+1). HKMA will continue to make use of the Swap Agreement with People's Bank of China in providing such funds.
- Overnight funds, available on the same day (T+0). HKMA will use its own source of RMB funds in the offshore market to provide such lending, and expects the amount of overnight funds to be provided will be up to RMB 10 billion in total on a single day.

The HKMA announcement is available here: [Refinements to the Renminbi Liquidity Facility to Renminbi Business Participating Authorized Institutions](#).

## CSD Risk Impact

### CMU (Hong Kong)

CSD Rating: AA-

CSD Flash Impact: Positive

Impacted Risk Type: Liquidity Risk

Current Rating = AA

Flash Impact = Positive

The additional services will further help market participants in managing their short-term RMB liquidity needs.

### HKSCC (Hong Kong)

CSD Rating: A+

CSD Flash Impact: Positive

Impacted Risk Type: Liquidity Risk

Current Rating = AA-

Flash Impact = Positive

The additional services will further help market participants in managing their short-term RMB liquidity needs.

## Market Information Impact

### Hong Kong

This information affects the data contained in the Cash Management sections of the Securities Market Information Service.

## Infrastructure Risk Ratings Impact

### Hong Kong

Market Rating: A+

Market Flash Impact: Positive

Impacted Risk Type: Liquidity Risk

Current Rating = A+

Flash Impact = Positive

The additional services will further help market participants in managing their short-term RMB liquidity needs.

Related Flash: [HKMA to Launch CNY / RMB Liquidity Facility, 15/06/2012 \(click to view\)](#)

### For further information contact:

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Ana Giraldo - Americas and Eurasia  
Barry Morales - Asia Pacific  
Guillaume Viteau - Western Europe (incl. EU)  
Sinang Chrea - Africa, Middle East

Tel. +44 (0)20 8600 2300 | Fax. +44 (0)20 8741 7468

Email: [cmiqueries@thomasmurray.com](mailto:cmiqueries@thomasmurray.com)

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Registered Office: Horatio House, 77-85 Fulham Palace Road, Hammersmith, London W6 8JA Registration  
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