

Official Launch of Southbound Trading under Bond Connect

The following is issued on behalf of the Hong Kong Monetary Authority:

Southbound Trading under Bond Connect is officially launched today (September 24).

The scheme aims to provide a convenient, efficient and secure channel for Mainland institutional investors to invest in offshore bonds through the Hong Kong bond market.

The Chief Executive of the Hong Kong Monetary Authority (HKMA), Mr Eddie Yue, said, "Today, we welcome the launch of Southbound Trading under Bond Connect, which provides another diversified and convenient channel for Mainland financial institutions to allocate to offshore bond assets through Hong Kong. While meeting the demand of the Mainland market, it will also give new momentum to the development of Hong Kong's bond market. Southbound Trading under Bond Connect further deepens mutual access between the Mainland and Hong Kong bond markets and enhances the linkage between financial infrastructure of the two places. Once again, it signifies that Hong Kong's financial markets serve as a secure and reliable channel and gateway for the Mainland's opening up."

The scheme has been well received by the market. The operation was smooth on the first trading day, with more than 150 transactions amounting to a total of around RMB4 billion.

The HKMA will continue working with the People's Bank of China and other relevant institutions to promote Southbound Trading under Bond Connect and ensure the smooth and orderly operation of the scheme. The HKMA will also maintain close liaison with the industry, and review and enhance the operational arrangement of Southbound Trading under Bond Connect from time to time, according to actual operation and market development needs.