

## China Banking Monthly Report - March 2009



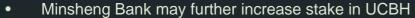
China Banking Monthly Report, a monthly English review co-operated by Chinadaily.com.cn and ResearchInChina.com, features the latest news, policies, statistics and analyses from the Chinese banking industry.

China Banking Monthly Report keeps you in tune with the latest news surrounding banking reforms, asset management, the RMB business, new government policies, statistics, overseas business presence in China, and more.

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- StanChart to continue boosting mainland operations
- RBS to consider sale of ABN AMRO business in China
- CITIC says Spain's BBVA eager to raise stake
- StanChart loses \$111m in China consumer banking
- HSBC aims to raise stake in BoCom
- HSBC sees robust growth in China
- Barclays appoints new director for China investment banking
- Evercore partners with CITIC for M&A advisory
- Russia's VTB signs \$240m loan from Exim Bank
- Societe Generale to help Chinese firms invest overseas
- ANZ eyeing two new banking operations in China
- Sequoia Capital sees more China deals
- Swiss investment firm sets up angel fund in China
- Banking Events
- China Development Bank to set up two investment units
- Construction Bank approved to buy into Xingtai Trust
- Baosteel secures M&A loan from BoCom
- BOC issues more loans
- ICBC targets 12-13% loan growth in 2009





- BOC gives more loans to key industries
- CDB to support overseas investment in resources
- Four banks to begin yuan settlement trials
- BOC to issue 120b yuan in subordinated bonds
- BOC says no intention to buy AIG
- Bank of China to hire 10,000 college grads
- First mainland bank to enter Taiwan soon
- Agricultural Bank says no timetable for IPO
- Temasek likely to sell stake in Minsheng
- ICBC's online transactions touch 145.3 trillion yuan
- Banks denies plan to invest in asset managers
- CDB has no plan to get listed or invite strategic investors
- BOC to lend Hubei \$44b for construction
- BOC reports strong SME loan growth
- Merchants Bank to lend 80b yuan for rail construction
- CCB to give out 500-600b yuan in loans
- Exim Bank to issue 200b yuan in new loans in 2009
- Taiwan mulls allowing use of mainland bank cards
- Agricultural Bank to lend SMEs \$14.3b in 2009
- Rail material firm gets 10b yuan credit line from ABC
- BOC targets 500b yuan in new loans this year
- BOC extends first M&A loan
- Lenders answer to complaints from QDII investors
- Industrial Bank to issue 50b yuan bonds
- Exim Bank to provide \$2.92b credit line for cultural industries
- Average Chinese has 1.75 bank accounts
- China banks go shopping for grads

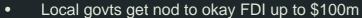


- CCB to tread carefully on acquisitions
- CDB signs 200b-yuan credit line with Shenzhen
- BOC may enter insurance sector
- Agricultural Bank says no clear listing plans yet
- BoCom net profit rises 40% in 2008
- Shenzhen Development Bank's 2008 profit drops 77%
- Southern Grid gets 100b yuan credit line from ICBC
- BOC picked to lead lending on mega-bridge
- Construction Bank gets London branch license
- ZTE obtains \$15b credit line from CDB
- Agricultural Development Bank to auction 10b yuan bonds
- BoCom sees slower profit growth, eyes overseas expansion
- BOC plans to invest in publishing
- Lower profits likely at major Chinese banks
- CITIC Bank gives 15b yuan credit to aircraft maker
- Bank of China profit rises 14.42% in 2008
- ICBC posts 35.2% rise in 2008 profit
- ICBC to focus M&A on Asia, emerging markets
- Construction Bank to issue 80b yuan in bonds
- Construction Bank 2008 net rises 34%
- Four Chinese banks to fund Chinalco-Rio Tinto deal
- China Development Bank signs memo with IDB
- CAPITAL MARKET
- CITIC Securities becomes No 1 underwriter in 2008
- Sovereign fund to increase holdings in 'Big 3' banks
- Executive salaries outpace profits
- VC, PE, strategic investments plunge 63% in Feb



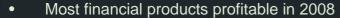
- UBS sees mainland stocks attractive
- M&A management rules to be revised
- Regulators still mull abolishing stock dividend tax
- China plans to launch Shanghai-Shenzhen 300 ETF
- Exchange to set up info platform to boost block trade
- Shanghai bourse prepares to let listed banks trade bonds
- New VC funds mostly in yuan
- CIC to increase investment in all classifications
- No timetable for stock index futures
- Newest QFII licenses named
- CIC sees 'good opportunity' for overseas investment
- Exchange to launch indices for listed SOEs
- New brokerage rules effective on April
- NASDAQ expects more IPOs at year-end
- Fund managers under new rules
- Sovereign fund cautious about financial derivatives
- China Everbright to list bank unit on mainland
- Steel futures fare well on day one
- China to start growth enterprise board on May 1
- POLICY
- Govt fillip to boost bank loans
- New body planned to run underperforming SOEs
- Enterprise bond issuance to expand
- China to issue policy loans to finance stimulus package
- Pilot for banks buying into insurers may start soon
- China to gradually lower export-related taxes to zero
- China asks big banks to increase provisions





- New rules unveiled for State assets in financial institutions
- Central bank to deposit cash in lenders
- China mulls revising Foreign Investment Law
- China posts annual govt budget online for first time
- China bans central SOEs' speculative derivatives trading
- First issue of local govt bonds set for March 30
- Official outlines economic reform in four key areas
- China to loosen grip on investment project approval
- China hikes export tax rebates
- Foreign debt grip eased to support trade financing
- ECONOMIC DATA
- Manufacturing rebounds in February
- China plans 950b yuan budget deficit in 2009
- Key figures from 2009 draft budget report
- Loans to SMEs account for 51.9% in 2008.
- Port container volume plunges 17% in Feb
- China extends 1b yuan to SMEs in February
- Consumer prices fall in February
- Power use decrease slows in first two months
- Registered urban employment reaches 3-year low
- Real estate prices see falling trend
- Jan-Feb fixed-asset investment grows 26.5%
- Exports see biggest drop in a decade
- China's retail sales up 15.2% in first two months
- China's bank lendings decline in February





- Jan-Feb government revenue drops 11.4%
- FDI falls for fifth month in February
- Jan-Feb overseas contractual projects up 24.8%
- Factory gate prices fall in March
- Credit database grows by 40m people
- Investment in Chinese firms sags
- Jan-Feb export tax rebate up 20%
- Income, tax payments drop at China's State firms
- Banks' outstanding NPLs, ratio both drop in February
- Township enterprises' added value up 8.4% in Q1
- Industrial profits fall in first two months
- Jan-Feb industrial output growth slows to 5.2%
- China's manufacturing shrinks for 8th straight month
- OFFICIAL VOICE
- China to carry out SOE consolidation plan
- Minister: More stimulus plans in the pipeline
- No added RE stimulus planned for now
- China to continue active fiscal policy for growth
- China pledges to keep real estate market stable
- China to slash 500b yuan tax burdens
- Monetary policy should be 'fast and heavy-handed'
- Minister: China's debt level sound & safe
- Rate cuts depend on China's situation
- China plans to build 2,000 village banks
- China stimulus fine for now, exports to suffer further
- China to report lower deficit-to-GDP ratio next year



- China has room for further interest rate cuts
- Top banker: No deflation in China this year
- Foreign trade sector faces 'gloomy times'
- China's credit card delinquency stays low
- China says \$139b deficit controllable
- Vice Premier underscores growth target
- Capital inflows slowing, but no serious outflows
- Official urges meeting rising derivatives demand
- China calls for full-scale financial system overhaul
- Central banker: Stimulus steps prove effective
- Central banker: Unclear if slowdown has been arrested
- ANALYSIS
- Advisor: China should set up clearing bank in Shanghai
- China urged to revamp rating, credit guarantee systems
- China may attain 8% or higher growth
- Policy advisor: 4-trillion-yuan stimulus is not enough
- Survey: Chinese firms will increase overseas M&A
- Incentives will lift country's economy
- StanChart: China's stimulus spending could top 5 trillion yuan
- China predicted to become world's No 2 economy by 2010
- Improved risk controls lessen chance of new NPL surge
- Business sentiment perks up
- Consumer confidence continues to fall in February
- Survey hints at tendency of growing spending
- Bankers less pessimistic about economy in Q1
- Banks may suffer, but not too badly
- Private firms fight shy of floats, buys



- BOC: Lending is determined by market
- StanChart: China 2009 growth around 7-8%
- No 'crowding out' seen in T-bond sales plans
- World Bank cuts China's GDP forecast to 6.5%
- Global recession 'to last for another two years'
- Financial services M&As to hot up this year
- China economy has bottomed: central bank adviser
- Export plunge may offset stimulus package
- ADB trims China's 2009 growth to 7%
- OECD: China's growth may slow to 6.3% in 2009
- CURRENCIES
- Premier says to keep yuan stable
- China readies precautionary forex plans to avert crisis
- No need to adjust China's forex structure
- HK to begin yuan settlement trial
- China to issue 30b yuan in T-bonds
- China to continue forex reserves policy
- China, Belarus agree on 20b yuan currency swap
- Central bank to facilitate yuan settlement
- Risk control No 1 concern for China's forex management
- Capital account norms may be eased
- China signs currency swap with Indonesia
- China eyes SDR as global currency
- Official: China to keep buying US Treasuries
- Vice-Premier: China will aid IMF bond scheme
- China, Argentina sign 70b yuan currency swap deal
- Big push for global reserve currency



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