

PRESS RELEASE

ASIFMA Releases Comprehensive Whitepaper on Pace of Change in China's Capital Markets

New report provides industry insights on how to best address challenges and enable crucial growth in China's capital markets

Hong Kong, 13 June 2019 – [ASIFMA](#), the region's leading financial industry association, today released its new whitepaper "[China's Capital Markets: The Pace of Change Accelerates](#)". This report follows ASIFMA's first China capital markets whitepaper in [2017](#) and an update in [2018](#), providing the industry's most comprehensive analysis of China's capital markets and detailed recommendations on how to manage growth during a time of accelerated change. The report was developed with the help of ASIFMA's member firms who provided expertise across equities, fixed income, foreign exchange, laws and regulations, market infrastructure and market access.

The first months of 2019 saw a series of developments providing further opening to international financial institutions, as well as developments that would profoundly affect international demand for Chinese equities and fixed-income securities.

"Given the acceleration of change since the first ASIFMA capital markets whitepaper in 2017, the title of this report reflects that China's capital markets are reaching an inflection point, in which they will ultimately mirror the best practices in international markets, while developing financial products, services and systems that best serve China's evolving economy and capital markets institutions," said Mark Austen, CEO of ASIFMA. "However, these developments are of course not without their challenges. Our new report is designed to provide a timely analysis of where China is at in its capital markets development and collective industry insights on how it can best further develop them."

ASIFMA views its role as an interactive one with China's regulatory authorities, providing feedback on practical issues arising from policy change as viewed by its collective experts, as well as from an international perspective.

"As markets evolve, so does the need for regulatory wisdom and flexibility to address the needs of market practitioners, whether domestic or international," continued Mr. Austen. "As China's domestic economy matures, it is also experiencing a slowdown in the frantic pace of growth of the last two decades. As growth slows, efficient, stable, and well-designed capital markets become critical, more than ever, to China's national objectives of sustainable growth and to support the transition from an export-driven economy to a consumption driven one."

At the same time, integration with international markets and capital flows will play an increasingly critical role in stabilising domestic markets, attracting additional inbound capital, broadening the range of financial services available to domestic investors, and providing an additional means of risk diversification to help stabilise China's domestic market.

DEVELOPING ASIAN CAPITAL MARKETS

“We draw on the collective experience and expertise of our membership to suggest how China’s capital markets might adapt to accommodate the needs of an economy increasingly driven by global competition, innovation, and responsiveness to the needs of consumers. We believe that by carefully choosing the right reforms, China has an abundance of opportunity to build on the experience of developed markets, avoid their past mistakes, and leapfrog their successes,” added Mr. Austen.

“There is no single easy answer to these questions, but rather a constellation of inter-related actions leading to the larger goal of a capital market to support consumer-led economic growth. We believe the ASIFMA recommendations in this paper chart such a path,” concluded Mr. Austen.

Link to report: Please access [here](#)

For media queries, please contact:

Corliss Ruggles, Head of Communications, ASIFMA

Tel: +852 2537 3029 / +852 9359 6996

Email: cruggles@asifma.org

About ASIFMA

[ASIFMA](#) is an independent, regional trade association with over 125 member firms comprising a diverse range of leading financial institutions from both the buy and sell side, including banks, asset managers, law firms and market infrastructure service providers. Together, we harness the shared interests of the financial industry to promote the development of liquid, deep and broad capital markets in Asia. ASIFMA advocates stable, innovative and competitive Asian capital markets that are necessary to support the region’s economic growth. We drive consensus, advocate solutions and effect change around key issues through the collective strength and clarity of one industry voice. Our many initiatives include consultations with regulators and exchanges, development of uniform industry standards, advocacy for enhanced markets through policy papers, and lowering the cost of doing business in the region. Through the [GFMA](#) alliance with [SIFMA](#) in the United States and [AFME](#) in Europe, ASIFMA also provides insights on global best practices and standards to benefit the region.

More information about ASIFMA can be found at: www.asifma.org.