

Delivery versus Payment settlement fully implemented in Bond Connect

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

Delivery versus Payment (DvP) settlement has been fully implemented in Bond Connect starting from today (August 24). All trades under the Bond Connect have begun to be settled on a DvP basis. The Hong Kong Monetary Authority (HKMA) welcomes this development.

An HKMA spokesperson said there had been strong market demand for DvP settlement since Bond Connect was launched in July 2017. Thanks to the support of the People's Bank of China (PBoC) and the efforts of the relevant institutions in the Mainland and Hong Kong, DvP settlement has been fully implemented in Bond Connect. This increases settlement efficiency and reduces settlement risks, affording greater convenience to international investors investing through Bond Connect. The HKMA will continue to work closely with the PBoC to enhance the Bond Connect platform.