

HKMA welcomes Southbound Trading under Bond Connect

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

The Hong Kong Monetary Authority (HKMA) and the People's Bank of China (PBoC) issued a [joint announcement](#) today (September 15) that Southbound Trading under Bond Connect will be launched on September 24.

The Chief Executive of the HKMA, Mr Eddie Yue, said, "The launch of Southbound Trading marks another milestone of mutual access between Hong Kong and Mainland capital markets. Northbound Trading has been operating smoothly since its launch more than four years ago, and has been well received by international investors who trade Mainland bonds through Hong Kong. The scheme has attracted huge capital flows into the Mainland financial markets and created enormous opportunities for Hong Kong's financial institutions. The success of Northbound Trading has laid a good foundation for the launch of Southbound Trading. The HKMA has maintained a close dialogue with the PBoC over the past few months on the policy framework of Southbound Trading. It gives me great pleasure to see the implementation of Southbound Trading. I am confident that Southbound Trading will deepen the two-way opening up of the Mainland financial markets and promote the vibrant development of the Hong Kong bond market, thereby consolidating Hong Kong's status as an international financial centre."

The HKMA and the PBoC have agreed on the principles of cross-boundary supervisory co-operation under Southbound Trading and have signed an [amended version](#) of "Memorandum of Understanding between the People's Bank of China and Hong Kong Monetary Authority on Strengthening Supervisory Cooperation under Bond Connect".

Southbound Trading under Bond Connect will provide Mainland institutional investors with a convenient and secure channel to invest in the Hong Kong bond market via the connection between the Mainland and Hong Kong financial infrastructure services institutions.