

Yiu-kwan Choi: Launch of the CMU Bond Price Bulletin

Remarks by Mr Yiu-kwan Choi, Deputy Chief Executive of the Hong Kong Monetary Authority, at the Signing Ceremony for the Launch of CMU Bond Price Bulletin, Hong Kong, 9 January 2006.

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It gives me great pleasure to welcome you all to this signing ceremony for the launch of the CMU Bond Price Bulletin.

We are pleased to see the launch of the Bulletin. This, we believe, will be a useful tool to help promote the retail bond market in Hong Kong. As you know, financial infrastructure development has always been a priority item on the HKMA's policy agenda. A robust financial infrastructure is important in maintaining the stability and integrity of the monetary and financial systems and in strengthening Hong Kong's status as an international financial centre. Over the years, we are proud that, with the support of banks and other financial institutions, the HKMA has built a sophisticated financial infrastructure that meets the best international standards. Having said that, we are conscious that there is always scope to further strengthen our financial infrastructure to take account of the latest technology and market developments.

It was precisely for this reason that the HKMA conducted a comprehensive review last year on financial infrastructure development in Hong Kong. The launch of the Bulletin is one of the recommendations arising from this review. The objective is to provide retail investors with convenient on-line access to information on bond products and bond prices. We believe that the launch of the bulletin will help to raise product awareness and improve price transparency, thereby helping to promote the development of the retail bond market in Hong Kong.

The bulletin is developed by the Central Moneymarkets Unit of the HKMA. We are delighted to have eight major banks, which are present here today, to be the price providers. Thanks to their support, indicative bid/offer prices of over 200 bonds of different currencies issued by both public and private sector entities will be available on bulletin. Investors may access the bulletin later today for bond information. The website address is <https://www.cmu.org.hk>.

The bulletin also provides direct hyperlinks to the price providers' websites to facilitate investors to approach the price providers for trading. Relevant transaction charges imposed by individual price providers are also posted on the bulletin. Retail investors can easily gain access to, and conclude trades with, the price providers in a convenient, secure and efficient manner.

We are thankful to banks and potential users for their valuable comments during the development of the bulletin. We will monitor the usage and feedback to gauge whether there is scope for future expansion. We would welcome feedback from users and would endeavour to improve the bulletin on a continuous basis. Other banks interested to join as price providers are welcome to approach the HKMA for further information. I hope that in time, the bulletin will become a popular portal through which retail investors could easily navigate and shop for the bonds that will suit their investment needs.

Thank you.