

Luxembourg, 12 January 2015

To all credit institutions

CIRCULAR BCL 2015/238

Introduction of a new statistical reporting on renminbi-denominated operations

Dear Madam, Sir,

On June 28 2014, the Governors of the Banque centrale du Luxembourg (BCL) and the People's Bank of China (PBoC), signed a «*Memorandum of Understanding (MoU)*» with the aim of establishing cooperation regarding the oversight, information exchange and assessment of the renminbi (CNY) market.

Against this background, on September 16 2014, PBoC designated Industrial and Commercial Bank of China (ICBC), Luxembourg Branch as renminbi clearing bank in Luxembourg.

In line with the announcement made at the signing of the *Memorandum of Understanding*, the BCL will ensure the monitoring of the renminbi market in Luxembourg and will share pertinent data with PBoC. In order to enable the BCL to monitor the development of the renminbi market and to exchange information with PBoC, it is imperative to have a vast array of statistical information on the use of the renminbi in Luxembourg, by both resident and non-resident counterparts.

The abovementioned information essentially comprises data on loans, deposits and securities denominated in renminbi, as well as renminbi sale and purchase operations with resident and non-resident counterparties. It is worth emphasising that some of the information requested by PBoC is already available, while the remaining data are either not available at all, at lower frequency or with insufficient detail.

Thus, against this background, the Board of the BCL has decided to introduce a new reporting requirement to collect the missing or incomplete data in order to enable the BCL to meet the PBoC's request for information. To the extent that the monthly security-by-security reporting is sufficiently detailed with regard to the information collected on renminbi-denominated securities, or securities issued by Chinese counterparties, the new reporting will essentially enable a better monitoring of the evolution of credit institutions' renminbi-denominated loans and deposits.

Given that the data requirements are both few and fairly specific, and in light of the opinions expressed by the Consultative commission on money and banking statistics, the BCL decided to develop a dedicated statistical report rather than integrating the new requirements into the existing statistical reporting framework. Thus, the additional data requirements on renminbi-denominated loans and deposits will be implemented by means of a new report labelled S 1.9 «Information on CNY operations».

The reporting instructions are detailed in the following documents:

- Reporting instructions regarding report S 1.9 «Information on CNY operations»
- Report S 1.9 «Information on CNY operations»
- Compendium of verification rules regarding report S 1.9 «Information on CNY operations»
- Manual of electronic transmission for report S 1.9 «Information on CNY operations»

All documents are available on the BCL website and may be downloaded under the following link:

http://www.bcl.lu/en/reporting/credit_institutions/index.html

These changes must be implemented as of reporting period June 2015. The data will have to be submitted on the basis of report S 1.9 «Information on CNY operations».

It goes without saying that banks are free to submit report S 1.9 before June 2015 if they are able to do so before this date.

For further information regarding the application of the present circular, please contact the Money and banking statistics unit (e-mail: reporting.banques@bcl.lu).

Sincerely yours,

BANQUE CENTRALE DU LUXEMBOURG

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