



China Securities Summit

Insight on the Development of the Capital Markets in China

15 September 2011

New York, NY

Remarks as prepared for delivery

Good morning. I'm Tim Ryan, CEO of the Global Financial Markets Association and President & CEO of GFMA's U.S. affiliate, SIFMA. I'd like to welcome everyone to today's China Securities Summit being hosted jointly by GFMA and the National Association of Financial Market Institutional Investors, or NAFMII.

Today marks the first event held by GFMA. GFMA is made up of three regional trade associations: SIFMA here in the United States, the Association for Financial Markets in Europe, or AFME, and ASIFMA, our Asian counterpart. GFMA focuses its efforts on effectively coordinating industry priorities on several cross-border policy initiatives with global impact.

Working together with the knowledge and expertise of each of its partner associations, GFMA speaks for the global financial industry on issues including:

- G-SIB identification and capital buffer implications;
- Basel III capital and liquidity ratios;
- Cross-border resolution;
- Shadow banking;
- Legal entity identifiers; and
- Foreign exchange.

I know that's a lot to digest, so I encourage you to sign up for GFMA SmartBrief to receive in-depth analysis of these policy initiatives on a daily basis.

NAFMII, for those not familiar with the organization, is a self-regulatory organization in China's inter-bank market.

Today's summit serves as an opportunity for international cooperation and learning between the United States and China. Not only will we in the U.S. learn more about the development of Chinese bond and derivatives markets, but our guests from China will learn more about U.S. best practices and market function. We look forward to continuing that learning process at the end of October as GFMA and NAFMII hold a reciprocal summit in Beijing.

This morning's speakers will discuss developments in the Chinese bond and derivatives market and the further development of sophisticated risk control systems in a rapidly changing market environment.

This afternoon's panelists will discuss the internationalization of the Chinese markets and the opportunities institutional investors have to participate in China's economy.

This summit is also part of a larger training program for senior level Chinese bankers, all NAFMII members, who are here to help deepen their own knowledge of bond and derivatives markets. I'd like to note that not only has this training program been expanded from one week to two weeks, but we have also expanded the number of participating member firms and have added participants from the U.S. Treasury Department, the World Bank and the MSRB.

We are excited to be hosting an expanded and robust program and would like to welcome those program participants to today's summit.

I would also like to personally thank all of today's speakers and panelists, especially those who have traveled from China to be here for today's summit.

Before I introduce this morning featured plenary session speakers, I would like to take a moment to thank our sponsors for supporting today's summit: HSBC, Moody's Investor Service and Standard Chartered.

Now, I would like to introduce our speakers for today's plenary session: Mr. Shi Wenchao and David Loevinger. Mr. Shi will begin today's plenary session with David to follow.

Mr. Shi serves as executive vice president and secretary-general of NAFMII.

As a pioneer in the improvement and internationalization of China's financial market, NAFMII adopted a shelf registration mechanism for the issuance of non-financial enterprise debt instruments.

It is responsible for secondary market trade monitoring and self regulation in the OTC bond and derivatives market. NAFMII also organizes market players to formulate market standard documents such as the NAFMII master agreement for derivatives trading.

Ladies and gentlemen, would you please help me welcome Mr. Shi Wenchao.