



Press Release

July 2022

PSE and BOC sign financial services MOU

The Philippine Stock Exchange, Inc. (PSE or Exchange) and the Bank of China (Hong Kong) Limited – Manila Branch (BOCMNL) inked a Memorandum of Understanding (MOU) to provide financial services in support of bilateral investment and trade through capital market linkages between the Philippines and China at the Department of Foreign Affairs (DFA) Office on Wednesday, July 6. People’s Republic of China State Councilor and Foreign Minister H. E. Wang Yi, DFA Secretary Hon. Enrique A. Manalo, and Ambassador of the People’s Republic of China to the Philippines H.E. Huang Xilian witnessed the MOU signing between PSE and BOCMNL.

Among the salient points covered by the MOU are the creation of a working group from both parties to explore areas of cooperation and exchange of information on settlement infrastructure and building the same for account opening, foreign exchange and cross-border settlement, among others.

“We welcome this strategic partnership and we look forward to working with Bank of China-Manila. This collaboration can potentially fast track the stock connect initiative between the PSE and the three stock exchanges in China,” said PSE President and CEO Ramon S. Monzon. “The stock connect program is vital to PSE since this will open our stock market to more foreign investors and enhance liquidity in the stock market.”

BOCMNL will be providing the financial infrastructure to support the settlement of trading between the Philippine and Chinese exchanges, as well as provide direct Peso-RMB conversion required for the settlements. As the designated RMB Clearing Bank in the Philippines, the bank is in a unique position to make trading between stock exchanges easier, cheaper, and more efficient.

“Our mission has not changed in terms of acting as a bridge between the Philippines and China to facilitate bilateral trade and investment. The financial services we aim to provide to PSE, its brokers and other stakeholders will add more color to this mission,” said Deng Jun, Country Head of Bank of China Manila. “We look forward to working with the PSE and other financial institutions to explore further cooperation of both countries through bonds issuance, stock exchange, and capital market trading, which may be another important step in the currency diversification of the local capital market.”

Aside from initiatives related to the stock connect, the MOU will also cover other areas for cooperation such as the provision for banking services by BOCMNL for the PSE and its stakeholders specifically listed companies and trading participants.



Photo 1: PSE President and CEO Ramon S. Monzon and BOCMNL Country Head Deng Jun sign the financial services MOU in the presence of DFA Secretary Hon. Enrique A. Manalo (standing, extreme left), People’s Republic of China State Councilor and Foreign Minister H.E. Wang Yi (standing, second from right), and Ambassador of the People’s Republic of China to the Philippines H.E. Huang Xilian (standing, extreme right).



Photo 2 (from left): DFA Secretary Hon. Enrique A. Manalo, PSE President and CEO Ramon S. Monzon, BOCMNL Country Head Deng Jun, and People’s Republic of China State Councilor and Foreign Minister H.E. Wang Yi.



Photo 3 (from left): DOF Undersecretary Mark Dennis Y.C. Joven, Securities and Exchange Commission Chairman Emilio B. Aquino, DFA Secretary Hon. Enrique A. Manalo, PSE President and CEO Ramon S. Monzon, BOCMNL Country Head Deng Jun, People’s Republic of China State Councilor and Foreign Minister H.E. Wang Yi, and Ambassador of the People’s Republic of China to the Philippines H.E.Huang Xilian.

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About The Philippine Stock Exchange, Inc.

The Philippine Stock Exchange, Inc. (PSE or Exchange) is a self-regulatory organization that provides and ensures a fair, efficient, transparent and orderly market for the buying and selling of securities. The Exchange also offers a convenient and efficient venue in raising capital to support the growth of businesses. As of end-June 2022, securities traded at the PSE include shares of 276 listed companies, seven real estate investment trusts, three dollar denominated securities, and one exchange traded fund.

About Bank of China (Hong Kong) Limited – Manila Branch

Founded in 1912, Bank of China is China’s most international and diversified bank with operations in over 60 countries and regions around the world where it provides a comprehensive range of financial services to customers. In the Philippines since 2002, Bank of China continues to pursue its mission of bridging Chinese and Philippine trade and investments through corporate banking, personal banking, and financial markets services, facilitating more Chinese investments in key sectors of the fast-growing Philippine economy, and investing in a Renminbi (RMB) transfer system to encourage the settlement of payments in RMB.

Bank of China Manila is the official RMB Clearing Bank in the Philippines.