

## Chronology of Important Events of the Central Bank of China in 2001

Feb. 2	The Bank lowered the discount rate and the rate on accommodations with collateral by 25 basis points to 4.375 percent and 4.75 percent, respectively.
Feb. 23	The Bank promulgated <i>the Guideline on the Procedure of the Electronic Auction of Central Government Bonds and Treasury Bills</i> .
Mar. 6	The Bank lowered the discount rate and the rate on accommodations with collateral by 12.5 basis points to 4.25 percent and 4.625 percent, respectively.
Mar. 30	The Bank lowered the discount rate and the rate on accommodations with collateral by 12.5 basis points to 4.125 percent and 4.5 percent, respectively.
Apr. 23	The Bank lowered the discount rate and the rate on accommodations with collateral by 12.5 basis points to 4 percent and 4.375 percent, respectively.
May 1	The Bank endorsed the Ministry of Finance's proposal to extend the timeframe for inward remittances of approved equity funds by qualified foreign institutional investors (QFIs) from 1 year to 2 years.
May 16	The Bank allowed authorized banks to engage in foreign currency (not involving NT dollar) derivatives business upon submitting the following documents: (1) compliance declaration, (2) legal paper approved by the board of directors of domestic banks or authorized by the head office of foreign banks, (3) risk disclosure statements, and (4) qualified and experienced personnel lists.

May 18	The Bank lowered the discount rate and the rate on accommodations with collateral by 25 basis points to 3.75 percent and 4.125 percent, respectively. The rate on accommodations without collateral was also lowered from 9.625 percent to 6.0 percent.
May 18	To streamline the application procedure for electronic banking business involving foreign currencies, authorized banks were allowed to directly submit the operation plans to the Bank for approval.
Jun. 1	<i>The Guideline on the Operating Procedure of the Book-Entry Central Government Bonds</i> was revised. Domestic insurance companies were thus allowed to apply as central government bond dealers.
Jun. 29	The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 25 basis points to 3.5 percent, 3.875 percent and 5.75 percent, respectively.
Jun. 29	The Bank endorsed the Ministry of Finance's proposal to allow life insurance companies to invest in foreign securities by conducting swaps or cross currency swaps.
Jul. 2	The Bank issued a new version of the one-hundred New Taiwan dollar note.
Jul. 9	The Bank issued a twenty New Taiwan dollar coin for the first time.
Jul. 17	The Ministry of Finance accepted the Bank's proposal to issue NT\$ 40 billion of central government bonds with a maturity of 30 years.
Aug. 1	The Bank revised <i>the Guideline on the Procedure of the Book-Entry Central Government Bonds</i> , and promulgated <i>the Guideline on the Procedure of the Book-Entry Treasury Bills</i> .

Aug. 20	The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 25 basis points to 3.25 percent, 3.625 percent and 5.5 percent, respectively.
Aug. 27	The Bank and the Ministry of Finance jointly appropriated an additional NT\$ 200 billion fund for the preferential housing loans program. The credit line for this program was thus extended to NT\$ 520 billion.
Sept. 19	The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 50 basis points to 2.75 percent, 3.125 percent and 5 percent, respectively.
Oct. 4	The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 25 basis points to 2.5 percent, 2.875 percent and 4.75 percent, respectively.
Oct. 4	<p>The Bank lowered the required reserve ratio on checking account deposits, passbook deposits, passbook savings deposits, time deposits, time saving deposits, and foreign currency deposits to 10.75 percent, 9.775 percent, 5.5 percent, 5 percent, 4 percent, and 5 percent, respectively. Thus the average required reserve ratio was down to 5 percent.</p> <p>The Bank also lowered the remunerative rate on banks' required reserves by 150 basis points to 2.5 percent.</p>
Oct. 5	Treasury bills were incorporated into the Central Government Securities Settlement System (CGSS) and issued in book-entry form for the first time. The auction procedure for Treasury bills was changed from a multiple price auction to a single interest rate auction.
Oct. 19	The Bank and the Ministry of Finance jointly appropriated an additional NT\$ 300 billion fund for preferential loans to traditional industries. The total amount of this fund for this program was thus extended to NT\$ 750 billion.

Nov. 4	The Bank lowered the minimum ratio of required reserves kept in B accounts to total required reserves for banks from 60 percent to 55 percent.
Nov. 5	The timeframe for banks to extend special loans to small and medium-sized enterprises was prolonged by one year to November 4, 2002.
Nov. 6	The Bank issued commemorative silver coin sets to mark the 34th anniversary of the World Cup Baseball Game held in Taiwan.
Nov. 8	The foreign exchange settlements relating to the borrowings of domestic companies from their overseas subsidiaries and the repayments thereof were excluded from the general US\$50 million annual remittent quota set by the CBC.
Nov. 8	The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 25 basis points to 2.25 percent, 2.625 percent and 4.5 percent, respectively. The Bank also lowered the required reserve ratio on foreign currency deposits to 2.5 percent.
Nov. 13	The Bank endorsed the Ministry of Finance's proposal to raise the quota for each QFII to invest in local securities from US\$2.0 billion to US\$3.0 billion.
Dec. 7	The Bank endorsed the Ministry of Finance's proposal to set the total quota for domestic securities investment and trust companies to raise funds from the domestic market to invest in foreign securities at NT\$60 billion by the end of 2002.
Dec. 28	The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 12.5 basis points to 2.125 percent, 2.5 percent and 4.375 percent, respectively.