

Chronology of Important Events of the Central Bank of China in 2004

Date	Events
Feb. 3	The Ministry of Finance and the Bank opened the market for foreign investors to invest in money market mutual funds.
Mar. 29	The Bank lowered the remunerative rate on banks' required reserves (B account) from 1.75 percent to 1.5 percent.
Apr. 2	The Bank assisted the Ministry of Finance to set up the Bills Central Depository and Clearing System with a direct link to the CBC Interbank Funds Transfer System (CIFS).
May 21	The Ministry of Finance and the Bank allowed local financial institutions to offer intra-day overdraft facilities and temporary advances to foreign investors.
May 26	The Bank amended the <i>Regulations Governing Foreign Exchange Business of Banking Enterprises</i> to allow authorized banks to conduct foreign exchange derivatives business not involving the New Taiwan Dollar by notifying the CBC after such business has commenced.
May 27	The Ministry of Finance and the Bank allowed foreign investors to hedge their futures positions and repatriate proceeds from selling borrowed securities, effective June 30, 2005.
May 30	The total amount of funds for local banks as a whole to extend preferential housing loans was further increased from NT\$1,200 billion to NT\$1,500 billion.
Jun. 30	The Bank released Taiwan's International Investment Position (IIP) Statistics for the period between 2001 and 2003 in accordance with the Special Data Dissemination Standard (SDDS) of the International Monetary Fund.
Jul. 1	The Financial Supervisory Commission of the Executive Yuan was established.

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		The Bank will no longer undertake the responsibilities of financial supervision except for those related to the Bank's monetary, credit and foreign exchange policies.
Sept.	8	Securities investment trust enterprises only needed to apply to the Bank for raising foreign currency denominated mutual funds with the required documents once.
Oct.	1	The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 25 basis points to 1.625 percent, 2 percent and 3.875 percent, respectively.
Oct.	13	The Bank allowed domestic banking units (DBUs) to act on behalf of offshore banking units (OBUs) of the same bank in foreign currency deposit and foreign exchange inward remittance operations.
Oct.	20	The Bank allowed authorized banks to apply for offering discretionary foreign exchange-related margin trading services.
Oct.	26	The Bank allowed authorized banks to apply for permission to trade weather options.
Nov.	8	The total amount of funds for local banks as a whole to extend preferential loans to traditional industries was further increased from NT\$1,400 billion to NT \$1,850 billion.
Dec.	31	<p>The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 12.5 basis points to 1.75 percent, 2.125 percent and 4 percent, respectively.</p> <p>The Bank set the intermediate target corridor for M2 growth in 2005 at 3.5 to 7.5 percent.</p>