

Banking

Trust firms required to keep net capital above 200m yuan

(Agencies)

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China trust companies are required to keep their net capital above 200 million yuan, the China Securities Journal reported Wednesday.

The China Banking Regulatory Commission issued measures on management of trust firms' net capital Tuesday, in a bid to ensure the sufficiency of trust firms' fixed assets and liquidity.

The measures also require that net capital of trust companies should not less than 100 percent of the sum of their total risky capital, and not less than 40 percent

of their net assets.

The measures are trying to restrict blind expansion by trust companies through connecting their assets scale with net capital, and to prevent systematic risks by controlling trust firms' leverage ratio, the report said, citing analysts.