

《央行行长周小川谈外汇政策》

China's central bank reiterated its stance on the country's foreign reserve and foreign exchange rate at the sideline of the G20 meetings in Shanghai. People's Bank of China Governor Zhou Xiaochuan said the recent fluctuation in foreign reserves is reasonable, and the yuan's rate is stable against a basket of currencies.

Governor Zhou's presser is watched by global community, as investors are keen to hear directly from the central bank chief of the world's second largest economy. Zhou said the fall of the country's foreign reserve is not worrying, as it would not gain capital all the way.

Zhou said all contributed to the fall. And the central bank would take various measures accordingly to maintain a stable foreign reserve. Another concern is the yuan's foreign exchange rate, which took roller coaster track early this year.

The US fed's normalizing rate has put a lot of pressure on Chinese currency.

Zhou explained that the rate, called the central parity rate decided daily by the central bank, is in reference to a basket of currencies, which consists of many such as US dollar, the sterling, the euro and the yen.

Chinese central bank chief has a packed schedule Friday he gave a speech early morning and immediately after held a presser. Then he returned to the G20 meetings with his global peers

Most of the views have been reiterated in the past, and most recently early this month. The point is to reassure the market the PBOC's policy stance and provided for a direct communication channel with the public. Above all, the Chinese economy does have spillover effects. When the financial market volatility intensified, the international community pays greater attention.