

Northbound Bond Connect Service Cross Boundary Repo Transaction

September 2025

CMU 迅清結算
OmniClear



Agenda

❖ Introduction

❖ Repo Feature

❖ Operational Arrangement

- Set up
- Repo Sale
- Repo Repurchase
- Affirmation
- CMT Action Right
- CMT Reports

❖ Service Fees

Introduction

- ❖ The announcement of the Hong Kong Monetary Authority (“HKMA”) on 26 September 2025 regarding the launch of cross-boundary bond repurchase business.
- ❖ Key policy objectives of the opening onshore repo market include :
 - To provide additional liquidity management channel for offshore institutional investors
 - To enhance market liquidity and lowering RMB funding cost
 - To mobilise the use of onshore bonds as collateral in international markets
- ❖ CMU will support for the settlement of the repo transactions under Northbound Bond Connect Linkage Service (“Bond Connect Repo Transactions”)
- ❖ At this stage, **ONLY “Transfer of Title or Outright” Repo with single and multiple collaterals and repo tenor within 365 days will be supported.**

Bond Connect Repo Transactions

Feature

❖ Eligibility

- Northbound Bond Connect investors who have fulfilled the relevant requirements as stipulated in the announcement
- Counterparties: Market Makers designated by PBoC
- Securities: all eligible securities under Bond Connect scheme

❖ Transfer of title

❖ Reuse of securities obtained from repo transactions is allowed

❖ Bilateral repo arrangement, **NO** daily mark-to-market or collaterals management arrangement

❖ Interest generated within the repo tenor are credited to repo buyer

Part 2:
Feature

Set up

- ❖ Bond Connect investors will use their existing CMU sub-accounts and cash settlement accounts for repo settlement
- ❖ **NO** additional agreement or documents required from CMU
- ❖ Ride on the existing Northbound Bond Connect trading and settlement link to conduct repo transaction

Northbound Bond Connect Operating Model

CMU 迅清結算
OmniClear

OFFSHORE

HONG KONG

MAINLAND

TRADING

HKEX

BCCL²

CFETS³

CFETS
Bond
Trading
System

Recognised
Access
Platforms¹

Trading link

Existing
interface

Existing
interface

OVERSEAS INVESTORS



ONSHORE DEALERS



SETTLEMENT

Global
Custodians

CMU
Members

HKMA
CMU

Nominee structure
Settlement link

CCDC +
SHCH⁴

- 1 Bloomberg, Tradeweb and MarketAxess
- 2 BCCL: Bond Connect Company Limited
- 3 CFETS: China Foreign Exchange Trade System
- 4 CCDC: China Central Depository & Clearing Co., Ltd.
SHCH: Shanghai Clearing House

Operational Arrangement – Repo Sale

A single “Bond Connect Repo transaction” in CMT will chain up transaction details and status histories on both Sale leg and Repurchase leg.

Positioning Process

- **On the sale date**, CMUP will perform positioning. CMU Members can cancel/ request cancel on or before this stage.

Please ensure sufficient securities & fundings for settlement by 3pm

Check funds

ISF
(Insufficient Funds)

Hold funds

Check stock

ISK
(Insufficient Stock)

Hold stock

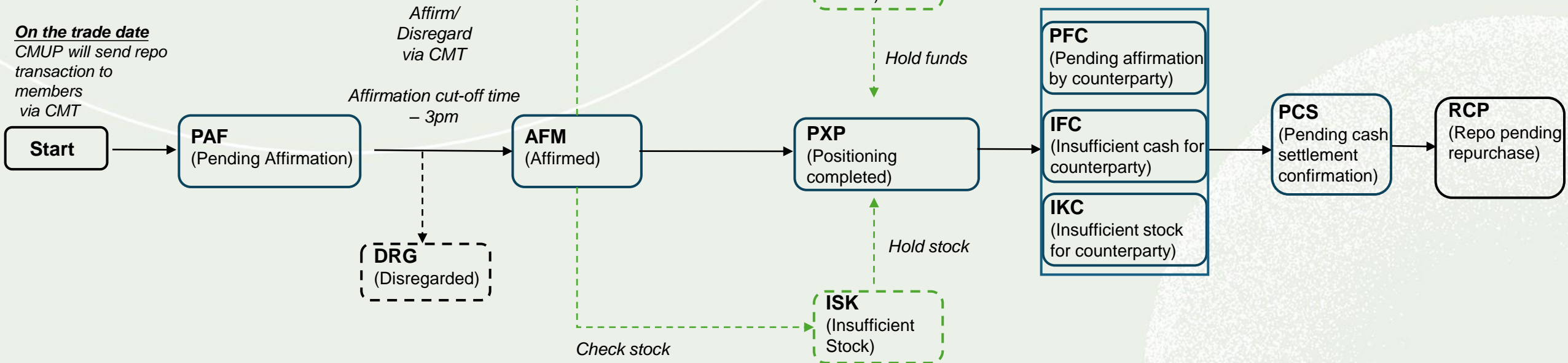
Cash and securities settlement completion

- CMU will affirm transaction in Mainland CSD terminal (CDC/SHC)
- Members can check settlement status update via CMT

Settlement cut-off time – 5pm

Sale completed

Sale completed and pending repurchase

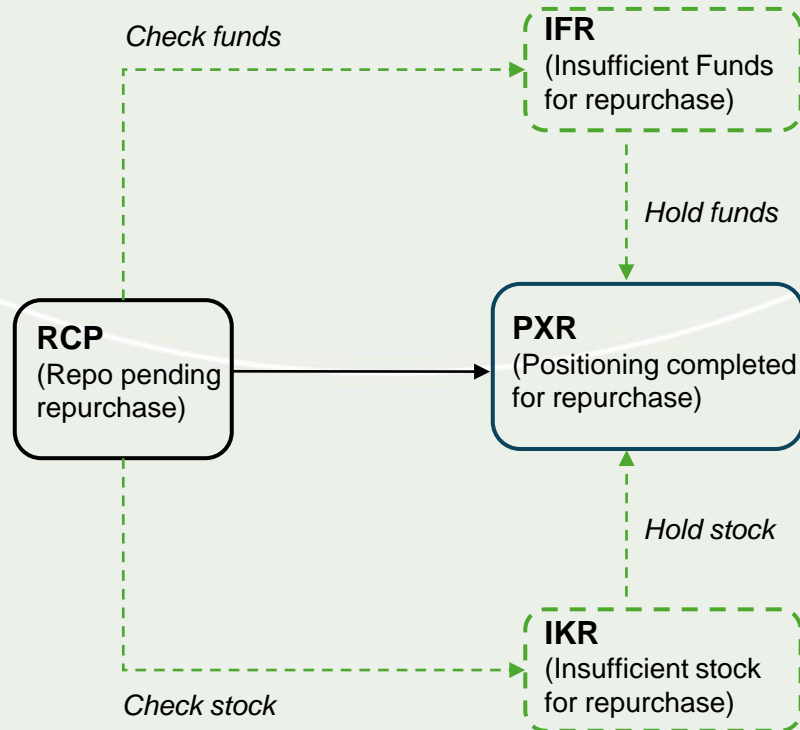


Operational Arrangement – Repo Repurchase

Positioning Process

- On the repurchase date, CMUP will perform positioning automatically

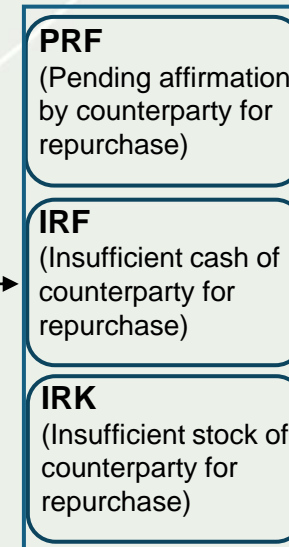
Please ensure sufficient securities & fundings for settlement by 3pm



Cash and securities settlement completion

- CMU will affirm repurchase settlement in Mainland CSD terminal (CDC/SHC)
- Members can check settlement status update via CMT

Settlement cut-off time – 5pm



Repurchase completed

Repurchase completed and transaction life cycle end



Affirmation

❖ Transactions > Find Transactions > Transaction Group: Bond Connect Repo > Input selection criteria

HONG KONG INTERBANK CLEARING LIMITED
香港銀行同業結算有限公司

test01

Go to CMT+

CMU > Find Transactions

Find Transactions

Selection Criteria

Transaction Group: Bond Connect Repo

Participant: ZZZZ --All--
000
001
002
003
004
029

BANK ZZZ (OWNED BY CMU)

Filter: Last Updated:

Pre-defined Filter: ☐

Use Filter Save Filter Delete Filter

CMU > Find Transactions > Bond Connect Repo Transaction Summary

Bond Connect Repo Transaction Summary

Transaction List

Page 1 of 1

Transaction Group:	HRN	TRN	CFETS Trade Reference Number	Transaction Type	Repo Type	Sale Date	Repurchase Date	Actual Repurchase Date	CCY	Sale Amount	Status
Bond Connect Repo											
<input checked="" type="checkbox"/>	C08193893		OR20241021241022	Repo Sale	Outright	2024-10-22	2024-10-29		CNY	1,000,000.00	PAF

Page 1 of 1

Affirm Disregard View Bond Connect Repo Collateral Movement History Amend Cancel Discard Maintain Collateral

HONG KONG INTERBANK CLEARING LIMITED
香港銀行同業結算有限公司

CMU

Selection Criteria - Other Items

Source: --All--
Host
CMT

Department: --All--
00

CSD Code: --All--
CDC
SHC

Sale Currency: --All--
HKD
USD
EUR
CNY

Deal Code From:

HRN From:

Participant TRN From:

CFETS Trade Reference Number From:

CSD Reference From:

Repurchase CSD Reference From:

To:

To:

To:

To:

To:

To:

Search Reset

Transaction Details

CSD Code: CDC - CHINA CENTRAL DEPOSITORY & CLEARING CO., LTD

Input Date: 2024-10-22

Transaction Status: PAF - Pending Affirmation

Sale Date: 2024-10-22

Repurchase Date: 2024-10-29

Sale Amount: CNY 1,000,000.00

Repurchase Amount: CNY 1,200,000.00

Participant TRN: ZZZZ000 - BANK ZZZ (OWNED BY CMU)

Participant: ZZZZ000 - BANK ZZZ (OWNED BY CMU)

Counterparty Account Number: 1234567890

CFETS Trade Reference Number: OR20241021241022

CSD Reference:

Remarks:

HRN: C08193893

Deal Code: 3190765

Trade Date: 2024-10-21

Actual Repurchase Date:

Actual Repurchase Amount:

Source: Host

Buyer/Seller: Buyer

Repo Type: Outright

Repurchase CSD Reference:

Affirm Transaction

Affirmation TRN: AFM20241022

Collateral	Issue Number	Issue Description	CCY	Quantity
	CD249961	TESTING ISSUE	CNY	40,000,000
	CD249962	TESTING ISSUE	CNY	20,000,000

Apply Reset

Part 3:
Operational
Arrangement

CMU 迅清結算
OmniClear

Action Right in CMT

❖ The following basic roles are defined by the system with specific action rights related to Bond Connect Repo.

Action Right Groups	Action Rights
1. Bond Connect Repo Enquiry	<ul style="list-style-type: none">• View Transaction – Bond Connect Repo• View Transaction – Cancel Bond Connect Repo
2. Affirm/Disregard Bond Connect Repo	<ul style="list-style-type: none">• View Transaction – Bond Connect Repo• View Transaction – Cancel Bond Connect Repo• Affirm/Disregard Bond Connect Repo• Cancel Trans. – Bond Connect Repo• Amend Cancel Trans. – Bond Connect Repo
3. Bond Connect Repo Approval	<ul style="list-style-type: none">• View Transaction – Bond Connect Repo• View Transaction – Cancel Bond Connect Repo• Amend Cancel Trans. – Bond Connect Repo• Approve Affirm/Disregard Bond Connect Repo• Approve Cancel Trans. - Bond Connect Repo

CMT Report

Report ID	Report Name	Format	Description	Frequency
CMUL1701	Bond Connect Repo Outstanding Transaction Report	PDF, CSV	Shows all outstanding Bond Connect transaction including cancellation request.	Daily – After value day cutoff
CMUL1801	Bond Connect Repo Completed Transaction Report	PDF, CSV	Shows all completed (disregarded, rejected, completed, cancelled) Bond Connect transactions and Cancellation Requests.	Daily – After value day cutoff
CMUL3101	Bond Connect Repo Audit Trail Report	PDF	This report provides an audit trail of transactions at day end for Bond Connect Repo transaction.	Daily – After value day cutoff
CMUV2516	Online Enquiry Report - View Transaction Summary - Bond Connect Repo Transaction	PDF, CSV	View Bond Connect Repo Transaction Summary	Upon requested by CMU user

Service Fees

Applicable to both CCDC and SHCH

Type	Fee (HK\$)	Description
Repo Transaction fee	250	Per Transaction.

Applicable to CCDC only

Type	Fee (HK\$)	Description
Early Termination	500	Per transaction/request.
Cash Delivery	500	Per transaction/request.
Non-trade transfer (Default arrangement only)	7000	Per non-trade transfer for default arrangement request. Charge to repo seller.

CMU 迅清結算 OmniClear

Talk to us:
cmuenquiry@hkma.gov.hk



Website



LinkedIn