

Capital Markets Trading and Investment Strategies in China

Xiaojiang Zhang

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A Practitioner's Guide

 Springer

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China

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Introduction

As each large, modern trade nation evolves over different developmental stages, its capital markets inevitably embrace various market liberalizations to cater for the need from domestic and international investors. Amid those significant changes, the Chinese capital market has experienced substantial growth in size, breadth of instruments, and diversity of participants over the recent years, with its fixed income market well over 5 trillion USD, and onshore FX market daily trading volume on a typical day around 30 billion USD. In addition to huge complexity presented by all large capital markets, where trade, business, monetary condition, policies all change and interact instantly with huge momentum, this market presents a unique challenge to financial professionals worldwide, especially those with vested business interest in China, who are desiring a structural analytical approach that can help them to conform domestic solution with their global trading and investment standard.

The content of this book is aimed at financial practitioners who have already possessed in-depth knowledge in their perspective capital markets area regarding foreign exchange, money market, fixed income, and related derivative products, and have keen interest in gaining a deep insight into the Chinese market to develop or strengthen their strategy application and risk management practice related to China and global markets.

This book covers in details the building blocks of Chinese capital markets at the financial instrument level, the basic analytical pricing term structure of those instruments, the macro and industry economic framework and progress of market liberalization process at work that these capital markets instruments reside in, the interaction of various participants in the market, their trading and investment objectives and rationales, some of the most applied trading and investment strategies, and frequently used risk management techniques.

All data series were collected from domestic and international public sources to reduce possible ambiguity or conflict. I am grateful for their presence, upon which we can build common understanding with objectivity and facilitate the growth and collaboration of international investment community.