

Modern Financial Services Industry

Modern Financial Services Industry

- The financial industry in Macao has stable assets, robust capital adequacy ratio, sufficient liquidity and good profitability, and an increasingly high degree of internationalisation.
- Macao has been promoting the development of the financial industry with an emphasis attached to the development of bond market, wealth management, financial leasing and cross-border financial business. While striving to become engaged in and serve the Guangdong-Hong Kong-Macao Greater Bay Area, Macao is committed to establishing itself as the Financial Service Platform between China and Portuguese-speaking countries and contributing to the “Belt and Road” construction.
- As stipulated in the Legal System for Currency Issuance which will take effect as of 1 September 2023, the legal tender of the Macao SAR consists of paper money, coin and digital currency. The legal system of digital currency is subject to specific regulations and rules, which provide legal foundation for digital currency.

Banking

- As of the end of June 2023, the banking sector’s total current assets stood at MOP 2,509.77 billion, the capital adequacy ratio was 15.7%, and the non-performing loan rate was 2.1%.

Insurance

- As of the end of June 2023, the insurance sector’s total current assets totalled MOP 260.7 billion. In the first half of 2023, the gross premiums were MOP 20.75 billion,

recording a profit of MOP 3.70 billion. The solvency reserve ratio of life insurance companies was 371.3%, while that of general insurance companies was 515.8%.

Bond Market

- Chongwa (Macao) Financial Asset Exchange Co. Ltd. (MOX) was established in October 2018. By the end of October 2023, over MOP 520 billion of various bonds, including national bonds, financial bonds, corporate bonds and green bonds, had been listed. The bonds had covered a range of currencies, such as Renminbi, US dollars, and Hong Kong dollars.
- In September 2023, the Ministry of Finance of the People's Republic of China issued RMB sovereign bonds in Macao for the third time after the previous issuances in 2019 and 2022. To date, the national bonds issued by the Ministry of Finance in Macao has cumulated an amount of RMB 10 billion, with the steadily increasing size of the single issuance and the increasingly rich term structures.

Wealth Management

- As of the end of 2022, there were over 450,000 wealth management clients in Macao, with an investment portfolio of MOP 207.7 billion in market value.
- In February 2021, the Memorandum of Understanding on the Launch of the Cross-boundary Wealth Management Connect Scheme in the Guangdong-Hong Kong-Macao Greater Bay Area was signed by the financial authorities of the Mainland, Macao and Hong Kong. The Cross-boundary Wealth Management Connect Scheme is currently being enhanced and promoted to encourage the introduction of more diversified wealth management products.
- Law No. 15/2022 Trust Law came into force on 1 December 2022, helping financial institutions to provide investment and wealth management products in the form of

trust.

- In order to enrich the wealth management business, the Monetary Authority of Macao issued the Guidelines for Management and Operation of Private Equity Investment Funds in January 2022, and is currently revising the “Law of Funds” to further clarify the regulatory framework for private equity funds, laying a foundation for the long-term development of fund businesses.

List of financial institutions in Macao, please [visit here](#)