



High Quality Development and Innovation of Current Financial Mechanism

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Abstract

The high quality finance innovation will be able to be proceeded according to the latest study in China by president with central political bureau this year of 2024. The main topic has indicated the risky and security for financial mechanism of enterprises where it is going to be discussed many times. For ensuring that it proceeded in these institutions the detailed methods enable to be narrated here for guaranteeing this one to do smoothly. The bank will be responsible for the entity one who is going to invest their loan for enlarging enterprise with macro controlling the policies and strategy support where they can instruct for better utilization and less risky for continuing the their investment. Tax national bureau should regulate some money to bank with privileged intelligence policy. Meanwhile, they monitor the money flow route and give to advise to them in terms of legislating procedure. For the sake of utilizing bilateral strategy policy commonly mutual beneficial one mechanism is going to be made. At the same time the stock market will enable financial innovation reformation to become high quality developing through stabilizing and creating the new stock exchange behaviour. It will be able to control and monitor the financial healthy developing under new innovation mechanism.

Keywords: High Quality; Financial Mechanism; Innovation; Policy; Bank & Tax Bureau; Regulate; Stock; Exchange Center; Institution; Stabilizing

INTRODUCTION

There is a new financial meeting to happen for 2024 where high quality financial mechanism is proposed by central political bureau and president in China. So the finance problem has to be provided to a new project where it is an most important issue from last year. Therein the policy made by us is able to become a big theme where it conducts the loan to express an reasonable and justice criterion for us to make in the end. [1~3]

That the serve for entity economy will be provided with loan from national bank affords it predictable and preferential policy. The policy is to be made by tax legislation firstly and then a certain risky amount money is going to be distributed from country tax bureau in terms of legislative chapter. At the same time, the loan will exhibit justice, reasonable and prediction respects to entity enterprises on the whole. Therefore, the importance will be expressed, meantime, money and loan has to be monitored by finance and tax institution directly for our inferring. Furthermore the corresponding policies will be built somewhat for justice and fair & share.

This study will discuss the financial innovation of reformation through arranging different respects included the macro and micro institution mechanism reformation. The former is national bank and the latter is stock exchange corporation

where the financial innovation prevails over dominantly. That has been becoming the destination for this study. From entity economy to stock exchange company the policies made by them will represent their justice and fair for dealing with customers. They can monitor and control the money flow where they allocate funds on the whole.

DISCUSSIONS

The traditional and stock exchange company have been being new financial innovation reformation where they creates much money as well as activity of current economy. Therein the two sides can be evaluated macro economy and micro one, the former indicates traditional company reinvestment while the latter affords stock exchange records. From stock exchange records to traditional company the micro economy has to monitor macro one where it can exhibit the macro economy change. The stock exchange amount can be reflected in records of every day reports where many factors wield their intrinsic roles on the whole. We must follow the micro one for looking forward to observing the greater economic market that is to be predicted and modeled in terms of the achieving micro economic exhibition. The stock exchange has to fluctuate according to changing economic status i.e. thriving and depression. In this discussions three parts have been narrated in details. They have been proposed that traditional company, stock exchange center and eight insistence as followings.

Traditional Company

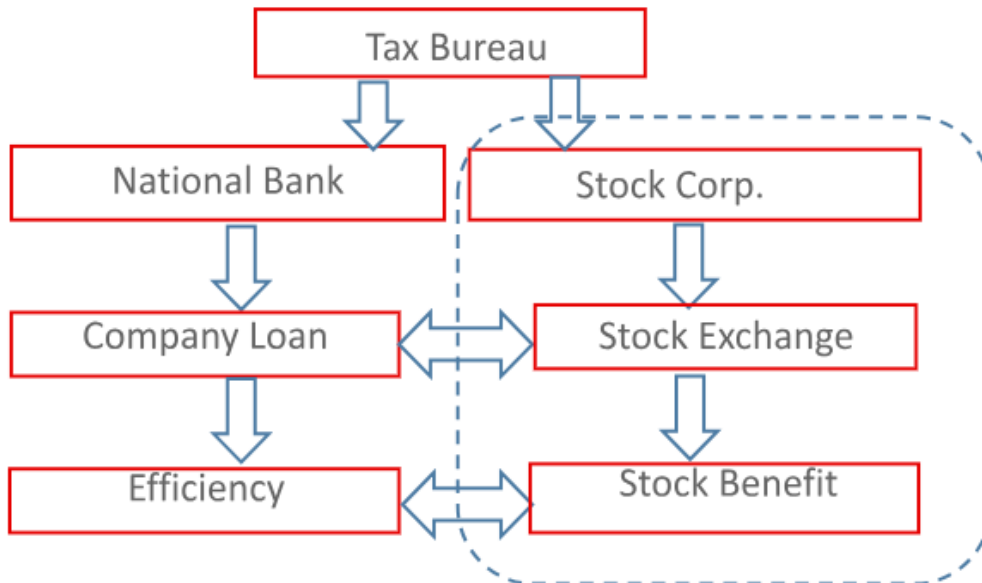


Figure 1. The graph schema in high quality of financial mechanism.

Dot line represents new innovation tendency of stock market exchange.

The high innovation development will be divided into national bank for loan route and the other one afford stock market. Figure 1 shows the graph of financial mechanism for high quality where the dot line represents new innovation tendency of stock market exchange. The tax distributed from bureau will flow into bank and stock corporation for the activity of economic market which is able to bring out profit and efficiency for our economic one. The stock exchange will wield its new investment in order to bring the stock market out. It is able to excite the general person interest for benefit rewards. Therein the tax bureau shall allocate funds into these two departments in terms of a certain policies where the regulating items are being mended for improving the economic activeness. The policy will be seperated into two parts for conventional economic company and stock market in details. Former is to be indicated the infrastructure programme and entity economy who reinvests and investment for industrial revival as a community company. Latter will stimulate the small person benefit where the transaction amount is very much to reach about 10,00billion every day.

The conventional company has been occupying most financial allocated funds because it enables the reinvesting to hire many people and the OEMs(original equipment manufacturer) where they produce several thousands~ten thousands components for supplying to upstream manufacturers. Here it enables organizations to employing several ten thousands worker and skills & engineers for decreasing unemployment of our society. The whole unemployment rate provides 5.2% in 2023 where it reduced 0.4% to compared with 2022 in China. Therein the sustainable green industrial reformation will be promoted largely where nuclear power plant,

renewable energy is to be enhanced further and forwards about traditional industry. Tax bureau is to allocate funds to national bank for economic raising to many industrial parts. Saving energy and high efficiency & high technology business will be advocated and allocated fund for supporting their activities on economic raising. For example Model C919 big plane can acquire aeronaut certificate then fly in domestic airlines. Maybe one thousand order is to be acquired already for future manufacture in big scale. Another airline Model C929 has been under designing and researching item currently. As the same time, quantum computer will be searched currently in institution where super scale integrating computation is available in recent future. The computing speed will reach 0.1billion times compared with usual one. The computer revolution will thrive and many old computers is to be stopped in 5 years. Here human resource has been important so that adopting and educating it is to be being enhanced and improved. Creation and human makes two sides of technological innovation. As we know only human resource can ultimately solve software creation and reformation. For example the policies made need to be proceeded and determined where human play a key role. On the other side, hardware respects also need to be discovered and made production and launched in manufacturer in the end, where the people play good role as well.

Stock Exchange

A stock means RMB general stock that affords the biggest transaction in Shanghai stock exchange center and Shenzhen stock exchange one respectively. B stock represents the dollars transaction foreign corporation. H stock expresses Hongkong stock market for Chinese company. Now the stock exchange has been in the most prevalent in Chinese

land where many people is purchasing stock for exchange special in Shanghai, Shenzhen etc. There are many council and investment companies majored in transacting stock exchangeable behaviors. They mainly is to deal with the exchangeable situation for example the buying and selling in terms of speculating the stock price fluctuation. After adopting certain contraction fee they can provide the optimized advice to deal the stock exchangeable period. Therefore many customer has been acquiring not small benefit from the exchangeable possibility. Beijing exchange center has been established in 2023 for the northern territory investors. Furthermore the dominantly forms the risky distribution and diversities of investing money on the whole. After all in China the risky investment will be prohibited due to having socialism constitution. Continue to encourage the general person have to proceed certain investment in stock market for exhibiting the betting behavior on economic benefit where the attention and capital is flowed into company. So there is mostly prevalent situation from recent observation.

Financial economy has main theme where it affords the loan for entire company security and preventing risk. It like stock company provides service for many customers to transact stock and future trading where it needs the guarantee of risky preventing methods. Here it needs not to interfere over to their amount and buying and selling points, meanwhile it will allow the customers determine their own right. Profit and deficit need to be burdened by themselves somewhat, not letting stock company to determine by violence. To guarantee customers invests with certain proportional rate and decision and meanwhile, the council company receives a certain service fee where within a certain rate it recommends buying and selling points and macro management controlling. Stock company is to control and overview the whole situation such as the advantage stock and code from general stock pools, optima buying and selling signal from low to high.

There is other factors for example main stock and external capital stock activities made by group company and others which needs council and investing company to observe and determine quickly. So that the customer is able to see the change and do process properly and correspondingly in terms of disseminating notice from them. If you belong to junior customer and failure one you can connect council and investment company for providing their help, so develop commonly with them is a best method. At the same time, all kinds of books published from specialists will afford the practice guide for our considering and judging in stock market procedure. So we must grasp these skills for enhancing our application level and entity strength. According to my computing practice the more than 700 stocks is good for stock price of 4yuan~5yuan by analyzing the results of half profit. The more amount is the bigger benefit we will gain, but the risk is to enhance correspondingly. The higher price it is the lower stock amount will be.[2]

Eight Insistence

Eight insistence has been proposed by Xi Jinping, president of China which can be narrated as below in 2024. Eight insistence is to be included as following. It has concentrated lead of part central to financial work; the value orientation of centering people; ultimate criteria of financial service entity; eternal theme of controlling and preventing risk; promoting financial innovation developing in trajectory, marketing and law; supplier side structure reformation of depth financial work; controlling financial openness and security; general base of promoting in stabilization. These become the instruction of our government & communist party as for Chinese financial policies. [1]

Here spiritual one has been centering people, meanwhile, the ultimate destination has been controlling and preventing risk. In China and world the innovation of financial mechanism related to all kinds of reformation has been prevailed over all scopes field in industrial respects involving in the new third industrial where the service can play an important role recently. Thereby the financial mechanism needs to be upgraded and keep up with the time step as a new innovation reformation utilized in wide and deep scope through improving and promoting its green and sustainable development where reasonable and feasible institution is to be created in government and organization included in entity like enterprises currently with regard to the eight insistence. Only in this eight insistence instructing spiritual power could we have been achieving a great performance where its dominance gradually exposes for our making policies and support to our general person benefit even. It is to be like a man who only is granted spiritual power can the work wield its best optimization effect. Otherwise, the man could not acquire successful enterprise if he has not spiritual power.

Overview, the entity and stock market will proceed the benefit through investing their funds where it is allocated from bank or tax bureau. The made policy is to comply to justice and fair & share rule besides its security and risk prevention. Therein the less risky and securer has been achieved for making entity company and stock company benefited in the end. That means the more satisfactory and beneficial behaviour is to be achieved by our endeavour.

CONCLUSIONS

The current financial mechanism in China has been being proposed as traditional corporation loan from national bank even tax bureau and stock market exchangeable behavior additionally. The risky prohibition and security becomes main target for us to explore further and forward where the government instructs the reinvesting scale and amount to certain big companies that makes main directions.

To enhance the scale investment rewards the new mechanism of financial innovation is to be built in terms of eight insistence by central political bureau rapidly where the adapting to new mechanism of financial system will

be found step by step in 2024~2030. the stock exchange has been a subside constitution contributing to dealing with the corporation status where many men are investing money and transacting which is not neglected entity now. The policies made by relating constitution will exhibit the justice,equity and share principle for everybody even. The stock market would insist upon wielding eight insistence spirit for coming into play its more activities in future. Not only macro direction but also micro one can the bank and stock market utilize its corresponding play.

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