

## Several Directives from the Ministry of Commerce of the Central People's Government on Prohibiting Speculative Business Activities

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In order to implement the common program of the People's Political Consultative Conference, protect all legitimate and lawful businesses, strictly prohibit speculative business activities that disrupt the market, and achieve the goal of stabilizing prices and ensuring people's livelihoods, the following directives are issued for local study and implementation:

1. The following behaviours shall be strictly prohibited as speculative business activities that disrupt the market:

(1) Engaging in business activities beyond the scope approved by the People's Government.

(2) Trading outside the designated trading markets specified by the local People's Government.

(3) Hoarding or refusing to sell essential goods for people's production or livelihood, aiming to gain excessive profits, causing price fluctuations, and affecting the production or livelihood of the local people.

Factories hoarding finished products for profit or hoarding raw materials for resale, causing price fluctuations and affecting local production or livelihood, fall under the same category.

(4) Engaging in short-selling, speculation, or attempting to profit through manipulation.

(5) Intentionally raising prices, hoarding goods, selling goods, spreading rumors, stimulating public panic, and causing price fluctuations.

(6) Violating the business administrative management measures specified by the local People's Government, leading to market disruptions.

(7) Using counterfeit products, mixing with inferior quality, violating product specifications, and engaging in any deceptive practices to seek illegal profits.

(8) Engaging in any speculative activities.

2. The main approach is education and transformation, with punishment as a supplementary measure. Individuals engaged in the aforementioned behaviours, once verified, should be dealt with according to the severity of their circumstances and the specific conditions of the local area.

Trade departments in provinces and cities should formulate management measures based on their actual situations, and after approval by the People's Government (or Military Commission), publicly announce and implement them.

3. It is necessary to thoroughly educate cadres, clarify the purpose and scope of management. Strict penalties and prohibitions should only be applied to speculative business activities that disrupt people's production and livelihoods. For legitimate and lawful operations, a policy of implementing trade freedom within the framework of the nation's unified economic plan should be adhered to. It is essential to guarantee and actively organize and encourage private businesses to operate in a law-abiding manner, contributing to the development that benefits the nation and the people.

According to the "Compilation of Central Financial and Economic Policies and Laws."