



11 July 2011

HSBC COMPLETES PIONEERING RMB TRANSACTION

****Commodities trader draws on MAS CNY Facility transaction under bilateral currency swap arrangement****

HSBC today announced the completion of a pioneering Renminbi (RMB) transaction that enabled one of their customers, a commodities trader, to access RMB funds from the Monetary Authority of Singapore's (MAS) CNY Facility transaction under the bilateral agreement between the central banks of China and Singapore. In a move to further support trade between Singapore and China's companies, HSBC Singapore was among the first to apply to the MAS to tap into the bilateral swap arrangement. The approval received from MAS on 7th July enabled this pioneering transaction to complete today.

The HSBC customer was today among the first to access RMB funds derived from the bilateral agreement. The customer is involved in commodities trading, specialising in base metals, dealing regularly with key brokers and traders overseas. With China being one of their main export markets, almost a third of the company's total sales are currently transacted in RMB.

Amit Gupta, HSBC's Head of Global Markets Singapore, said: "As a leading global bank, with deep roots in China, HSBC Singapore continues to deliver new, innovative ways in which customers can access the RMB's international potential for trade and investment. This bilateral arrangement is a positive move by both China and Singapore to further develop commercial ties between the two countries. This pioneering transaction is the first of many which will enable companies in Singapore to access onshore CNY funding and reap the benefits from trading in RMB with their Mainland suppliers and customers."

A SGD 30 billion bilateral currency swap arrangement was agreed between the People's Bank of China and the MAS in July 2010 to encourage trade between the two countries. HSBC continues to provide businesses in Singapore with financial solutions tailored to their individual needs.

ends/more

Media enquiries:

Jessica Lennon

+65 6530 1804

jessicalennon@hsbc.com.hk

HSBC completes pioneering RMB transaction/ 2

Note to editors:

The Hongkong and Shanghai Banking Corporation Limited

The Hongkong and Shanghai Banking Corporation Limited is the founding and a principal member of the HSBC Group which, with around 7,500 properties in 87 countries and territories and assets of US\$2,455 billion at 31 December 2010, is one of the world's largest banking and financial services organisations.

ends/all