

News Release

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HSBC AMONG FIRST MARKET MAKERS FOR DIRECT TRADING OF RENMINBI AGAINST UAE DIRHAM AND SAUDI RIYAL

HSBC has received regulatory approval to be one of the first market makers for direct onshore trading of the renminbi (RMB) and the United Arab Emirates dirham (AED) as well as the Saudi riyal (SAR) in China's interbank foreign exchange market. This is another first for the Bank, demonstrating its continued leadership in RMB internationalisation. The Bank will participate in the trading when the currency pairs are launched on Monday.

Ryan Song, Executive Vice President and Head of Global Markets for China at HSBC, said: "Direct trading of these two currency pairs will further facilitate trade and investment flows between China and the Middle East, a region key to China's ambition of revitalising the old Silk Road through its Belt and Road initiative. Use of the RMB has been rising across the Middle East region over the last few years. Take the UAE for example, SWIFT data shows that its use of the RMB in 2015 accounted for 74 per cent of all payments by value with mainland China and Hong Kong, an increase of 52 per cent compared to 2014. We anticipate the direct trading of the new currency pairs and subsequent policy efforts will continue to drive RMB adoption across the Middle East region."

HSBC is one of the most active players in China's interbank foreign exchange market, being the only foreign bank approved for all RMB direct trading pairs available to date.

It was among the first market makers when direct RMB convertibility was launched for the Japanese yen, Australian dollar, New Zealand dollar, British pound, euro, Singapore dollar, Swiss franc, South African rand and Korean won.

HSBC has been championing RMB internationalisation since the beginning of this historic process. It has established RMB trade capabilities in over 50 markets globally, was the first international bank to settle RMB trade in six continents, led the first ever offshore RMB-denominated bond and IPO, and has been awarded Best Overall Provider of Offshore RMB Products/Services in Asiamoney's Offshore RMB Poll for five consecutive years.

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Note to editors:

HSBC Bank (China) Company Limited

HSBC was one of the first foreign banks to locally incorporate its operations in mainland China, establishing HSBC Bank (China) Company Limited in April 2007. HSBC China's network currently comprises over 170 outlets across more than 50 major cities. HSBC China's head office is based in Pudong, Shanghai.

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