

29 January 2019

## **HSBC BECOMES FIRST FOREIGN BANK TO OFFER FUTURES MARGIN DEPOSITORY SERVICES FOR IRON ORE FUTURES TRADING IN CHINA**

HSBC has become the first foreign bank to offer futures margin depository services to overseas investors trading iron ore futures in China. The bank has just received approval from Dalian Commodity Exchange, the only exchange offering iron ore futures trading in China, which opened up trading to overseas investors in May 2018.

With this new license, HSBC is able to help overseas traders and brokers set up settlement accounts dedicated to futures trading and therefore facilitate margin deposits through in-bank transfers, making the process more efficient and convenient.

Prior to this, overseas investors trading iron ore futures and with accounts open at foreign banks had to set up additional futures settlement accounts at qualified Chinese banks. In this case, overseas investors had to make margin deposits through inter-bank transfers.

Patrick Zhu, Head of Global Liquidity and Cash Management for HSBC in China, said: "Through the launch of this new service, we are able to help our offshore clients streamline their preparation work and operational procedures when they conduct iron ore futures trading in China, shorten the turnaround time of margin transfers and therefore enhance their capital efficiency. As the leading international bank supporting China's capital markets opening, HSBC will fully leverage our cross-border connectivity to help more overseas investors access the Chinese market while the country further opens up its commodities futures market."

HSBC remains at the forefront of China's capital markets opening and has been a leading international bank in servicing overseas investors. It was the first foreign bank in China to be approved by China Financial Futures Exchange in 2013 to offer futures margin depository service to offshore investors trading index futures in China.

*ends/more*

### **Media enquiries to:**

Lauren Fraser, HSBC: [lauren.v.fraser@hsbc.com.hk](mailto:lauren.v.fraser@hsbc.com.hk); +852 3941 7023

### **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.

*ends/all*