

# News Release

3 November 2015

## **HSBC BECOMES FIRST FOREIGN BANK TO ISSUE RETAIL CERTIFICATES OF DEPOSIT IN CHINA**

HSBC Bank (China) Company Limited (“HSBC China”) announced today that it has become the first foreign bank to launch large-denomination certificates of deposit (“CD”) to retail customers in China. This is also the first CD issuance by a foreign bank after China freed up interest rate on all deposits last month.

This CD issuance will have three-month and one-year maturities, carrying annualised interest rates of 1.595% and 2.175%, respectively. The subscription threshold for individuals is RMB300,000.

Richard Li, Executive Vice President and Head of Retail Banking and Wealth Management at HSBC China, said: “With the full removal of caps on deposit rates, China’s interest rate liberalisation has progressed into a new phase, providing a framework for market-based pricing. Our ability to launch the first CDs by a foreign bank to retail investors and to price them based on a range of market factors reflects HSBC’s continued drive to remain at the forefront of China’s financial market developments.

“As a new investment option, CDs offer individual investors a tool to manage better their asset allocation. Meanwhile, foreign banks’ participation in China’s CD market will help diversify product offerings and accelerate its development. HSBC will continue to support China’s interest rate liberalisation by enhancing our products and services based on customer needs.”

The People’s Bank of China (“PBOC”), China’s central bank, issued guidelines in June this year allowing banks to issue large-denomination CDs for the first time to non-financial institutional investors with interest rates that are more reflective of market forces. Foreign banks were allowed to join this market one month later. According to the PBOC, as of the end of July 2015, RMB118.6 billion worth of CDs have been issued to individuals in the country.

A leading supporter of China’s interest rate liberalisation, HSBC became the first foreign bank to issue negotiable certificates of deposit (“NCD”) in July 2014 to institutional investors via China’s interbank market.

*ends/more*

This information is issued by

**HSBC Bank (China) Company Limited**

Registered Office and Head Office:  
37th Floor, HSBC Building, Shanghai ifc  
8 Century Avenue, Pudong, Shanghai  
Web: [www.hsbc.com.cn](http://www.hsbc.com.cn)

*Incorporated in the People’s Republic of China with limited liability.*



## HSBC becomes first foreign bank to issue retail certificates of deposit in China / 2

### **Media enquiries:**

Diana Mao

+86 21 3888 1251

dianayqmao@hsbc.com.cn

### **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*

