

News Release

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HSBC IS FIRST INTERNATIONAL BANK TO ISSUE CORPORATE CERTIFICATES OF DEPOSIT IN CHINA

HSBC announced today that it has become the first international bank to launch certificates of deposit (“CD”) to corporate clients in China.

This CD issuance will have maturities of one-, three-, six-, 12- and 24-months, with highly competitive interest rates determined by the market and customer demand. The subscription threshold for corporates is RMB10 million.

Lewis Sun, Head of Global Payments and Cash Management for China at HSBC, said: “The introduction of CDs has been an important step forward in China’s interest rate liberalisation. Following our retail CD launch in November, the roll-out of corporate CDs is a further testament to our ability and continued drive to stay at the forefront of this landmark process. This latest issuance will further diversify our product offerings and enhance our cash management service capability for corporate clients.”

China's central bank, the People's Bank of China (“PBOC”), issued guidelines in June this year allowing banks to issue large-denomination CDs for the first time to individual and corporate 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, a total of 1,860 tranches of CDs worth RMB1.36 trillion have been issued to both corporates and individuals in mainland China as of the end of September 2015.

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. The Bank was the first foreign bank to launch CDs for retail customers in China in November this year.

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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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This information is issued by

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