



30 September 2010

HSBC LAUNCHES CHINESE CURRENCY (RMB) TRADE SETTLEMENT PRODUCTS IN MAURITIUS

First deal of its kind was completed by HSBC Mauritius in August 2010

HSBC is today pleased to announce the launch of its cross-border Renminbi (RMB) trade settlement solutions.

In August 2010, HSBC Mauritius worked with one of its client, a construction company to effect an RMB outward remittance to their Hong Kong based supplier for the purchase of construction equipment & materials. With this announcement, HSBC Mauritius joins its counterparts in Europe, Middle East, Hong Kong, and Australia in closing a landmark RMB deal

Sandeep Uppal, CEO HSBC Mauritius, says: "We've been working towards completing our first RMB transaction for some time now and this represents a milestone for Mauritius in terms of doing business with China."

Mr Uppal noted that until recently only Hong Kong, Macau and ASEAN countries were able to complete RMB transactions directly with China. However, in June 10 the Chinese government extended this to the rest of the world. Given HSBC is the biggest foreign international bank in China, we have been able to capitalize on this opportunity.

The ability for HSBC to support Mauritius companies in making payments to their suppliers in Renminbi (RMB), rather than having to convert to US dollars means that they will now have another option that will make it simpler and more economical for businesses who trade with China.

This news release is issued by
The Hongkong and Shanghai Banking Corporation Limited

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Sandeep Uppal emphasised: “We believe the expansion of the pilot scheme will increase the volume of RMB denominated trade outside ASEAN and as a result we expect to see increasing demand in Mauritius for RMB trade and payment solutions.”

Dean Lam, Head of Corporate Banking, HSBC Mauritius, stated: “This is an important milestone in the journey towards the RMB becoming one of the main currencies used in global trade. Our ability to provide RMB products highlights how HSBC’s global capabilities better equip it to support the needs of clients involved in international trade. Having the ability to pay business suppliers directly in RMB will enable customers to maintain a competitive supply chain.”

Key facts

- It’s anticipated that within 5 years 30% of China’s Trade will be settled in Renminbi (RMB) and that it will become one of the top three currencies used in global trade.
- Operating in China for 145 years, HSBC Bank (China) Company Limited (HSBC China) is headquartered in Shanghai with 22 branches and 79 sub-branches in 24 cities across China, and is a direct participant of all major RMB clearing systems in China.
- HSBC was the first foreign bank to issue RMB bonds in Hong Kong, the first to undertake a cross-border RMB settlement and the first to establish a RMB trade finance standard rate for reference.
- HSBC was the first bank to conduct RMB denominated trade settlement across all its ASEAN sites under the RMB trade settlement pilot scheme.
- HSBC Corporate Banking in Mauritius now offers a range of RMB services, including trade finance, foreign exchange, outward & inward remittances, commercial current account & deposits for corporate clients only.
- **Please contact Mr Sylvain Francois, Head of Trade Services for further information [Tel: (230) 403 0799; Email: sylvain.francois@hsbc.co.mu].**

Ends/more

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 some 8,000 offices in 87 countries and territories and assets of US\$2,418 billion at 30 June 2010, is one of the world's largest banking and financial services organisations.

HSBC Mauritius

Present in Mauritius since 1916, the HSBC has two entities – a branch of the Hongkong and Shanghai Banking Corporation Limited and a local subsidiary, HSBC Bank (Mauritius) Limited. Through its 11 branches, HSBC provides a wide range of products and services, including corporate loans, trade finance, foreign exchange products, online banking, savings, call, current and term accounts, credit cards, investment products, housing loans and personal loans. HSBC is the leader in the offshore sector in Mauritius, offering its clients sophisticated and structured financial products which take advantage of the numerous non-double taxation treaties to which Mauritius is a signatory.

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