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**HSBC FIRST INTERNATIONAL BANK TO COMPLETE RMB TRADE
SETTLEMENT ACROSS SIX CONTINENTS**

*** HSBC completes RMB trade settlement in Brazil ***

HSBC today announced the completion of a renminbi-(RMB) denominated trade settlement transaction in Brazil, South America. In settling this transaction, HSBC stands as the leading bank globally offering customers RMB trade settlement services in Asia Pacific, Europe, Australasia, Africa, North America and South America. The ground-breaking transaction was closed for Grupo Tellerina, a retailer of house and decoration products.

HSBC's market setting RMB-denominated transaction in Brazil demonstrates China's growing economic influence globally and the evolving demand for the RMB as a settlement currency across all continents.

Peter Wong, HSBC's Chief Executive for Asia Pacific, said: "China's position within the global economy is developing rapidly and its growing influence is undeniable. We estimate that annual trade flows will cross US\$2 trillion within five years, easily positioning the RMB as one of the top three currencies used in global trade. As the RMB becomes a major settlement currency, our global connectivity and unrivaled RMB experience provides customers with a significant advantage."

John Coverdale, HSBC's Global Co-Head of Commercial Banking, said: "HSBC estimates the RMB will become one of the top three currencies used in global trade in the near future. We have RMB capabilities in all of China's top 20 trading partner economies, and will continue to widen our scope to facilitate RMB-based remittances and Documentary Credits transactions in more countries and territories. Going forward, we will continue to roll out RMB services to both corporate and institutional customers in more countries worldwide."

Following the expansion of the RMB trade settlement programme by the Chinese government in June 2010, HSBC has actively supported the internationalisation of China's currency, extending its RMB capabilities to 33 markets across six continents.

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Note to editors:

Footnotes:

1: HSBC offers RMB trade settlement services in Hong Kong, Japan, Korea, Philippines, Thailand, Armenia, Macau, Vietnam, Brunei, Indonesia, Singapore, United Arab Emirates, Saudi Arabia, Malaysia, Kazakhstan, Israel, United Kingdom, Russia, Germany, France, Italy, Turkey, Poland, Czech Republic, Australia, New Zealand, South Africa, Mauritius, USA, Canada, Argentina, Mexico and Brazil.

2: The Association of Southeast Asian Nations (ASEAN) includes Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei, Cambodia, Laos, Myanmar, and Vietnam.

This news release is issued by
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HSBC Renminbi milestones

By settling the first RMB-denominated transaction in South America, HSBC continues to build on its existing RMB leadership. In Hong Kong, HSBC was the first bank to issue RMB bonds, undertake cross-border RMB settlement and establish a RMB trade finance standard rate. HSBC has also emerged as a pioneer in launching a broad range of RMB-denominated investment products in Hong Kong, including RMB FX-linked deposits, RMB currency-linked deposits and RMB retail certificate of deposits.

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 around 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, personal loans, and equity management locally. The 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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