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## **HSBC VIETNAM FIRST FOREIGN BANK TO SETTLE CROSS-BORDER TRADE IN CHINESE CURRENCY**

Today HSBC Vietnam, in cooperation with Bank of Communications (BoCom), HSBC Group's strategic partner in China, became the first foreign bank in Vietnam to settle a cross-border trade in Renminbi (RMB).

This landmark achievement affirmed HSBC's leading position in international trade and it has paved the way for more exciting trade opportunities for Vietnamese businesses with China.

HSBC Vietnam completed the first RMB-denominated cross border trade settlement remittances on 06<sup>th</sup> November 2009 for a Vietnamese company trading with its supplier in Shenzhen, China. This settlement is a kick-off of the services available for RMB account offered by HSBC Vietnam, including opening RMB operating account for handling RMB inward remittances and outward payments relating to settlement of trade transactions made by or to China Mainland Designated Enterprises (MDE), term deposits placement, trade services, foreign exchange between RMB and Vietnam Dong or other foreign currencies.

Adding RMB to the existing settlement currencies would better facilitate the international trade between Vietnamese and Chinese enterprises, and helps companies better control foreign exchange risk.

Huynh Buu Quang, Head of Commercial Banking, HSBC Vietnam, said: "We are delighted to be the first foreign bank to facilitate RMB-based remittances and trade settlement transactions in Vietnam. The provision of RMB product and service fortifies our commitment to deliver best in class international trade services to facilitate our customers' cross-border trade. With HSBC's international franchise and expertise in trade finance, we are creating benefits for our customers at a time when supporting their businesses and international trade have become all the more important."

## **HSBC Vietnam first foreign bank to settle cross-border trade in Chinese currency/2**

With around 8,500 offices in 86 countries and territories around the world, including a strong presence in China, HSBC has an established international network to support its corporate customers in cross border business. HSBC's local knowledge in China will benefit the Bank's Vietnamese customers in facilitating trade with China. This in turn would allow customers to focus on strengthening and deepening of relationships with their Chinese counterparts.

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### **Notes to editors:**

#### **HSBC in Vietnam**

HSBC has been in Vietnam for 138 years - the Bank first opened an office in Saigon (now Ho Chi Minh City) in 1870. The Bank officially started to operate as HSBC Bank (Vietnam) Ltd. on 1 January 2009 and is headquartered in Ho Chi Minh City. Currently the Bank's network includes one branch and four transaction offices in Ho Chi Minh City, one branch and three transaction offices in Hanoi and one branch in Binh Duong. HSBC is the largest foreign bank in Vietnam in term of investment capital, network, product range, staff and customer base.

#### **The HSBC Group**

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 8,500 offices in 86 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa. With assets of US\$2,422 billion at 30 June 2009, HSBC is one of the world's largest banking and financial services organisations.

The HSBC Group currently holds 20 per cent of the share capital of Vietnam Technological and Commercial Joint Stock Bank (Techcombank), one of the largest joint stock commercial banks in Vietnam, and 18 per cent of the share capital of BaoViet Holdings, the leading financial insurance group in Vietnam.

Euromoney magazine recently named HSBC as its 'Global Bank of the Year' and HSBC is widely regarded as the world's most valuable banking brand.

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