

# press release

Draft Only

## **Standard Chartered Launches China Small and Medium Enterprises Confidence Index (SMEI)**

- SMEI edged marginally lower in August to 58.7, suggesting current business conditions for SMEs remain difficult
- Credit Index fell to 53.5 in August, amid high financing costs
- Expectation Index rallied to 67, expecting a stronger business conditions in Q4

**Shanghai, 17 September 2014** -Standard Chartered Bank (China) Limited (“Standard Chartered China”) today announced the official launch of the revamped China Small and Medium Enterprises Confidence Index (SMEI). In August SMEI edged marginally lower to 58.7 from 59 in July, indicating overall conditions of SMEs sectors remain difficult.

Initially launched by Standard Chartered China in October 2011, the SMEI was the first confidence index targeting SMEs developed by an international bank in China. The revamped SMEI will be released on a monthly basis instead of a quarterly basis, with two new key indicators “Credit Index” and “Expectation Index” designed to indicate SMEs’ general macro environment, operating conditions, investment direction and financing needs, as well as key expectations for the following three months. The Credit Index fell to 53.5 in August from 56 prior, amid high financing costs. The Expectation Index rallied to 67 in August from 60 in July, showing that SMEs are optimistic for the stronger business conditions in Q4.

**David Mann**, Managing Director, Head, Macro Research Asia of Standard Chartered commented, “The sample selection of the revamped SMEI is designed to be comparable with the nation’s business environment in terms of the industrial and regional distribution of SMEs, and corporations which are selected for the Index must meet the SMEs criteria outlined by the government. We will track the movement of the SMEI as another key

indicator of China's current economic performance. We think the government needs to do more in stabilising growth and reviving market confidence based on the findings of SMEI"

SMEs play an important role in promoting economic growth, driving innovation, generating tax revenue, creating jobs and improving social welfare. They are also a key indicator of the macro economy. Standard Chartered China established a specialized SME team in 2003 and is now serving small and medium enterprises with tailored financial solutions through its Commercial Clients and Business Clients teams.

**Eric Jor**, Head of Commercial Clients at Standard Chartered China, said, "Standard Chartered has consistently supported the development of SMEs and been very responsive to policies issued by the government and regulatory bodies. The revamp of the index once again demonstrates the Bank's strong commitment to the SME sector as its core strategic business. I believe that the China SME Confidence Index not only provides valuable data and reference for the government, regulators, SMEs, financial institutions and academia, but also a strategic guideline for Standard Chartered's business development."

**Winnie Tung**, Head of Business Clients at Standard Chartered China, added, "Standard Chartered is dedicated to becoming the financial partner of choice to support the sustainable growth of SMEs. Through the China SME Confidence Index, we can listen to our customers in real time, understand their needs in a precise way, and provide SMEs with more effective financial solutions including fund management, business development, risk management and income generation. We are here for growth, together with our SMEs clients."

Since its launch in October 2011, Standard Chartered China's SME Confidence Index has been recognized as a benchmark for SMEs' business environment in China. Standard Chartered China will continue its strong commitment to the SME market, providing client-oriented services and support for the sustainable growth of SMEs in China, demonstrating our promise as 'Here for Good'.

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**For further information please contact:**

Preston Zhu, Business Communications Manager

+86 21 3851 8628

[jiachao.zhu@sc.com](mailto:jiachao.zhu@sc.com)

## **Note to Editors**

### **Standard Chartered**

We are a leading international banking group, with more than 86,000 employees and a 150-year history in some of the world's most dynamic markets. We bank the people and companies driving investment, trade and the creation of wealth across Asia, Africa and the Middle East, where we earn around 90 per cent of our income and profits. Our heritage and values are expressed in our brand promise, Here for good.

Standard Chartered PLC is listed on the London and Hong Kong Stock Exchanges as well as the Bombay and National Stock Exchanges in India.

In China, the Bank set up its first branch in Shanghai in 1858 and has remained in operation throughout the past 155 years. Standard Chartered Bank (China) Limited is one of the first foreign banks to locally incorporate in China in April 2007. This demonstrates the Bank's commitment to the China market, and its leading position as a foreign bank in the banking industry. Standard Chartered has one of the largest foreign bank networks in China – with 25 branches, 78 sub-branches and 1 Village Bank, totally 104 outlets, including the China (Shanghai) Pilot Free Trade Zone Sub-Branch opened in March 2014.

Standard Chartered China has been laurelled with a number of awards since 2013, honouring its achievements and endeavours in different areas including the 2013 "China Best Employer" and "Best Employer for Social Responsibility" by Peking University and Zhilian.com, "Best Practice of Social Responsibility Award" by China Banking Association, "2013 Shanghai CSR Innovation Award" by AmCham, "Shanghai Financial Innovation Award" by Shanghai Municipal Government, "China Top 10 Best Trade Finance Provider" by Ministry of Commerce of the People's Republic of China, 2013 "Best Trading for Cross Currency Swap" and "The Best FX Market Maker for Non-CNY Currency Pair" by China Foreign Exchange Trade System, "Best Transaction Bank in China" and "Best Structured Trade Finance Provider in China" by "The Asset", 2014 "Excellence In Customer Experience" by "Retail Banker", and the Bank's QDII Mutual Fund was awarded "Best FX Wealth Management Product" by "Shanghai Securities News".

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