

Renminbi in motion for corporates

Understanding RMB internationalisation
in a multi-currency world





Contents

| | |
|---|----|
| Foreword | 4 |
| RMB: Entering a new phase of deployment | 6 |
| The benefits of acting now: How RMB integration is strengthening corporate treasuries | 14 |
| How RMB internationalisation is unfolding across regions and the opportunity to seize | 22 |
| From regional insight to decisive action | 38 |
| Turning RMB strategy into execution | 40 |
| Appendix | 42 |
| Disclaimer | 43 |

Foreword

Connecting the World in Renminbi

Corporate treasurers and CFOs are operating in a more fragmented, multi-aligned financial system. As trade corridors deepen across Asia and supply chains reconfigure, currency strategy has become central to resilience, liquidity and risk management.

China accounts for over 15 per cent of global trade, yet less than 5 per cent is settled in renminbi (RMB). This divergence signals a structural transition that will shape treasury strategy in the years ahead.

RMB growth is increasingly driven by real-economy demand around trade settlement, supply-chain financing and balance-sheet alignment, reinforcing its relevance within multi-currency frameworks. At the same time, payment infrastructure, capital-market connectivity and offshore liquidity have matured, enabling RMB to function at scale across settlement, funding and investment.

The question is no longer whether RMB will play a larger role, but how deliberately corporates position their treasury and risk frameworks to engage with it.

Standard Chartered is well-positioned to support clients to diversify risks and capture cross-border opportunities involving RMB. Our cross-border network connects onshore and offshore markets across Asia, the Middle East and Africa, translating infrastructure and policy developments into practical, executable treasury solutions. Recognition as Best RMB Bank in multiple markets across these regions reflects sustained investment in RMB capabilities where adoption is accelerating. This report outlines the structural drivers of RMB internationalisation and the regional pathways shaping adoption.

The multi-currency future is already taking shape. The only question is how prepared your treasury is to participate.



Karen Ng
Head of China Opening and
RMB Internationalisation
Standard Chartered

RMB in motion: 5 forces accelerating adoption

- 1 15 per cent of global trade. 3.1 per cent of global payments.**
Trade scale is established. Payment integration is still evolving, creating room for treasury alignment.
- 2 +43 per cent CIPS volume growth**
Cross-border RMB payment and settlement system is scaling at pace, by connecting 1,500 institutions across 125 jurisdictions.
- 3 Offshore liquidity is at record depth**
The RMB200 billion Reminbi Business Facility (RBF), deep offshore issuance and narrowing spreads are reinforcing stability and deployability.
- 4 24 per cent of corporates surveyed anticipate increased RMB onshore and offshore financing in the medium term**
Corporate adoption is accelerating, even amongst corporates with no current RMB financing.
- 5 Up to 2 per cent annual savings by switching to working capital financing in RMB**
Corporate treasuries can materially realise savings by adopting RMB.

The benefits are already tangible:

Greater payments resilience through alternative settlement rails

Funding and working capital advantages, particularly for China-linked and low-margin sectors

Capital markets diversification via deepening onshore and offshore RMB liquidity

Cleaner liquidity and FX risk management by aligning currency with underlying cash flows

Future-readiness as digital settlement initiatives move from pilot to scale

1. RMB: Entering a new phase of deployment

Economic reality and currency usage remain misaligned

The strategic case for RMB internationalisation rests on a persistent misalignment between China's economic weight and the role of its currency in global finance. This disconnect is visible when comparing China's economic scale with RMB's share of global payments and reserve.

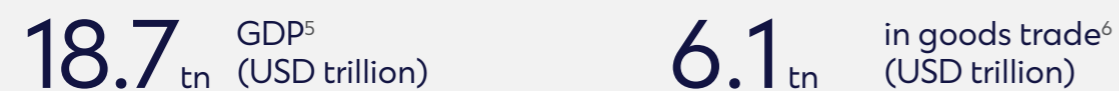
A structural gap: economic weight vs currency usage

Economic Share



RMB's Currency Usage Share

Scale of Exposure



Largest trading partner for more than 120 economies⁷
Spanning Asia, Europe, the Middle East, Africa and Latin America

1 WTO: Global Trade Outlook and Statistics Update: October 2025
2 IMF: Illustrative Currency Amounts in New Special Drawing Right (SDR) Basket
3 SWIFT: RMB Tracker
4 IMF: IMF Data on Currency Composition of Official Foreign Exchange Reserves (COFER)
5 The World Bank: Data on GDP (current US\$) for China
6 General Administration of Customs, PRC: China's Total Export & Import Values, December 2024 (in USD)
7 Wilson Centre: China Is the Top Trading Partner to More Than 120 Countries

China's economic scale is already embedded in corporate balance sheets – across corporate revenues, procurement and supply chains.

For many corporates, RMB exposure exists operationally, but has yet to be deliberately structured. This disconnect increasingly manifests as a structural imbalance: revenues and costs are often China-linked, while funding, liquidity and risk management remain concentrated in other currencies – introducing inefficiencies and growing strategic exposure over time.

A persistent mismatch is evident between RMB-linked revenues and RMB-denominated debt across global corporates.

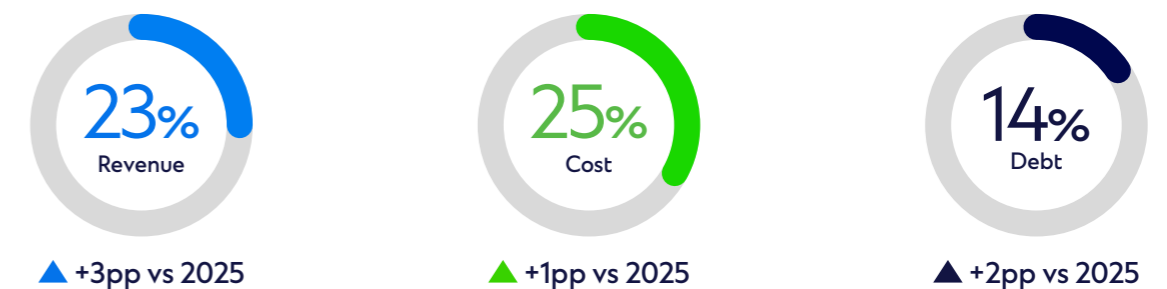
Across sectors, RMB revenue exposure through sales, procurement and supply-chain activity exceeds RMB debt exposure.

This imbalance points to a structural underutilisation of RMB financing, leaving corporates with funding, liquidity and risk management frameworks that are misaligned with underlying commercial realities and economic exposure.

Corporates' RMB adoption is expected to increase

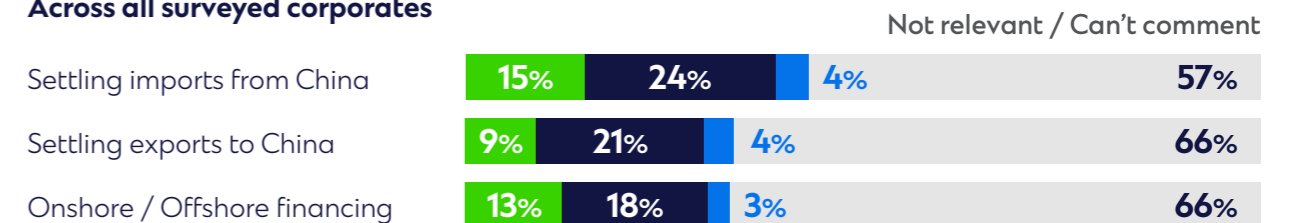
In the medium term, both corporates, whether or not they have existing RMB exposure, expect to increase their RMB usage, signaling corporate confidence in the currency as a settlement and financing mechanism for imports and/or exports to China and onshore/ offshore financing.

Overall RMB exposure across surveyed corporates⁸

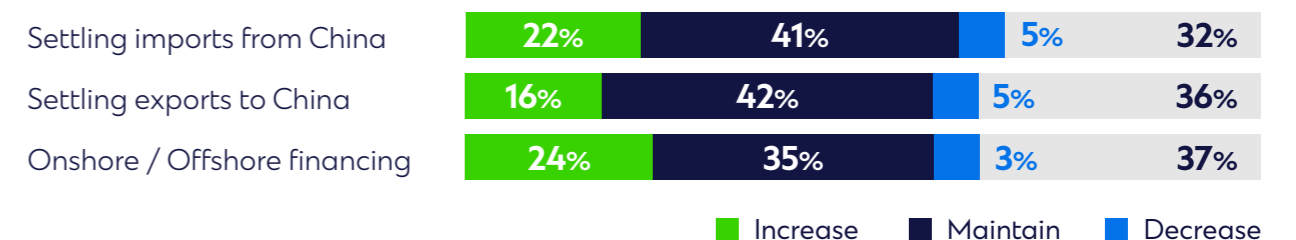


Anticipated change in RMB in next 3 years⁸

Across all surveyed corporates



Across surveyed corporates with RMB exposure



8 Standard Chartered: 2026 Capital Structure & Rating Advisory (CSRA) survey



Momentum is now visible across usage and liquidity

The gap between economic reality and currency usage is narrowing through rising adoption and deepening liquidity.

Usage momentum

RMB is the fifth most used global payment currency as of December 2025⁹

- Overtook EUR as a financing currency since 2023, in most months in trade finance¹⁰
- Peaked at 8.46 per cent as a global currency in trade¹¹ finance market as of Jan 2026
- Adoption expanding across trade settlement, treasury operations and cross-border investment flows

These developments indicate that RMB adoption is no longer episodic or confined to niche corridors. Liquidity depth and market functionality now support recurring and scaled corporate usage.

Liquidity deepening

Offshore RMB liquidity has expanded materially

- Dim sum bond issuance > RMB850 billion¹²
- Offshore RMB loan balances growing

⁹ SWIFT: RMB Tracker document centre

¹⁰ Asia House: The renminbi overtakes the euro as a trade settlement currency as its use in global trade finance accelerates

¹¹ SWIFT: RMB Tracker document centre

¹² Bloomberg: China's Dim Sum Bond Boom Extends in Boost to Yuan Ambition

Infrastructure and policy have turned momentum into execution

The most decisive shift has occurred at the level of infrastructure and institutional design, where long-standing constraints have been systematically addressed.

Payments: CIPS as a settlement backbone of RMB internationalisation

The Cross-Border Interbank Payment System (CIPS) has evolved into a globally operational settlement platform. Beyond speed and cost efficiency, CIPS provides corporates with a parallel payment rail, enhancing resilience, reducing concentration risk and improving liquidity recycling across supply chains.

124

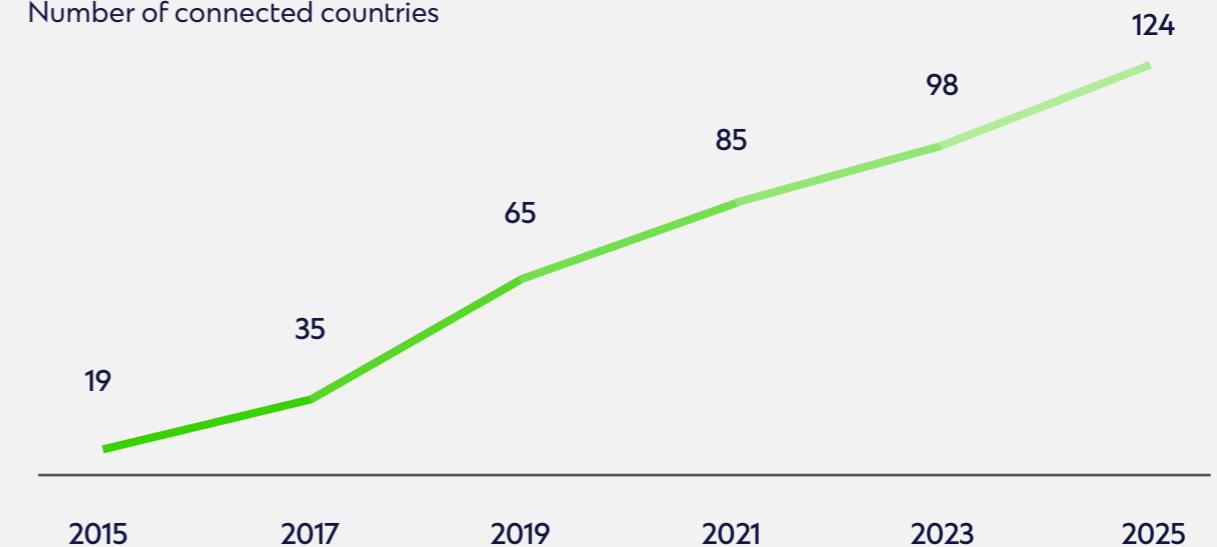
Connected countries, across more than 1,500 FIs in the CIPS Network in 2025

43%

Transaction volumes growing over 43 per cent year-on-year

CIPS network expansion (2015–2025)

Number of connected countries






Infrastructure impact: better outcomes when structural constraints reduced

Non-RMB cross-currency


 Two to three business days¹³


 Double FX conversion


 Buffer capital required

 Full hedging costs

Direct RMB settlement

 Two to ten seconds via CBDC platform¹⁴

 Single or zero conversion

 Minimal working capital

 Natural hedge (if RMB exposure)

Capital market access: bond connect as a structural enabler

Bond Connect has broadened international access to China’s onshore bond markets, strengthened price discovery and deepened funding pools for issuers.

Bond Connect has also catalysed a wider ecosystem – including cross-border repo using Bond Connect collateral and the expansion of offshore repo markets – allowing RMB to function not only as an issuance currency, but also as a collateral and balance-sheet currency.

Policy reform has reduced execution friction

Over the past two years, execution barriers have been materially lowered through:



Liquidity, investor access

Onshore bond repo market opened and offshore repo enhancement under Bond Connect

CNH bond yield curve extension

Southbound Bond Connect investors expansion

Impact: Increased liquidity management tools and investor access



Offshore funding

HKMA RMB Trade Financing Liquidity Facility (TFLF) Introduction

Enhanced HKMA RMB Business Facility

Shibor-based funding via HK

Impact: Improved offshore funding certainty



Risk management

Loan Prime Rate (LPR) benchmark under Swap Connect

More Commodities futures and options under QFI

Offshore CGB futures (coming)

Impact: Enhanced hedging tools

These measures reflect deliberate efforts to strengthen market plumbing, expand liquidity access and reduce friction across the RMB ecosystem. For more information on each policy reform, refer to Appendix.

¹³ Stripe: How long do cross-border payments take? Common delays and how to make them faster

¹⁴ BIS: Inthanon-LionRock to mBridge: building a multi CBDC platform for international payments



From structural gap to strategic imperative

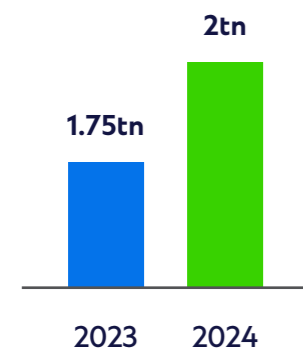
The convergence of China’s economic scale, rising RMB usage, deepening liquidity and functional infrastructure marks a decisive inflection point for RMB internationalisation.

History shows that once a currency becomes embedded across trade, payments and capital markets, its international role tends to persist even through geopolitical tension or policy realignment. The RMB is entering that phase.

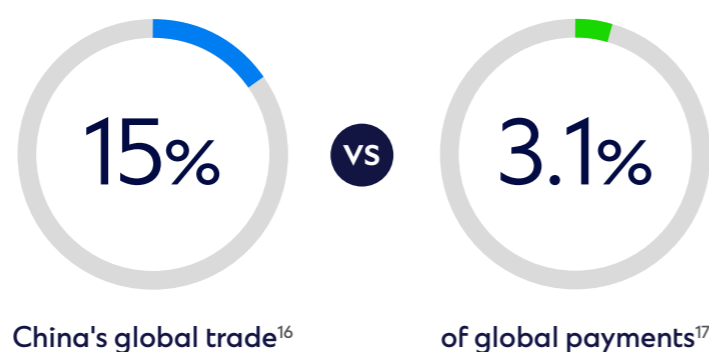
The strategic consideration is therefore one of alignment – how balance sheets, liquidity frameworks and funding strategies evolve alongside this structural shift.

As the underlying conditions mature, the differentiator will lie in positioning. Corporates that align early may unlock advantages in funding efficiency, liquidity flexibility and competitive resilience as RMB usage continues to deepen.

Offshore RMB loans size¹⁵



Trade volume vs RMB settlement



¹⁵ Bloomberg: PBOC Pushes Yuan Borrowing Abroad to Internationalize Currency
¹⁶ WTO: Global Trade Outlook and Statistics Update: October 2025
¹⁷ SWIFT: RMB Tracker

| Metric | Current status | Potential / growth |
|---|--|--|
| Trade Volume vs RMB Settlement | <ul style="list-style-type: none"> China: 15 per cent of global trade¹⁸ 3.1 per cent of global payments¹⁹ (peaked at 4.7 per cent in 2024) Outstanding commercial RMB Loans to offshore borrowers in 2024: RMB2 trillion (increase of 14 per cent from 2023)²⁰ | 3 Annual gap (USD trillion) |
| IMF Weight vs Reserve Allocation | <ul style="list-style-type: none"> IMF SDR basket: 12.28 per cent²¹ Global reserves: 2.1 per cent²² | 6x Underweight gap |
| Cross-Border Interbank Payment System (CIPS) Infrastructure Growth | <ul style="list-style-type: none"> 124 countries connected²³ 1,500+ financial institutions²⁴ | 43 YoY volume growth ²⁷ (per cent) |
| Offshore RMB Liquidity Depth | <ul style="list-style-type: none"> RMB Business Facility: RMB200 billion²⁵ Hong Kong dim sum issuance: RMB850 billion²⁶ | 10% increase in offshore RMB liquidity depth |

¹⁸ WTO: Global Trade Outlook and Statistics Update: October 2025
¹⁹ SWIFT: RMB Tracker
²⁰ Bloomberg: PBOC Pushes Yuan Borrowing Abroad to Internationalize Currency
²¹ IMF: Illustrative Currency Amounts in New Special Drawing Right (SDR) Basket
²² IMF: IMF Data on Currency Composition of Official Foreign Exchange Reserves (COFER)
²³ CIPS: CIPS Participants Announcement No. 115
²⁴ CIPS: CIPS Participants Announcement No. 115
²⁵ HKMA: HKMA RMB Business Facility doubles to RMB200 billion in size
²⁶ Bloomberg: China's Dim Sum Bond Boom Extends in Boost to Yuan Ambition
²⁷ International Services Shanghai: RMB globalization grows with expanding CIPS business

2. The benefits of acting now: RMB integration is strengthening corporate treasuries

What corporates gain today across funding, payments, liquidity and risk management.

RMB integration delivers practical benefits across the treasury stack – from payments and funding, through balance-sheet diversification, to risk management and digital settlement.

For corporate treasurers, these benefits are already tangible: improved resilience, broader funding options and improved balance-sheet efficiency.

These benefits are maximised when RMB is embedded within a coherent multi-currency strategy, rather than treated as a standalone or opportunistic tool.

Payments: building an alternative rail, not just faster settlement

Efficiency is often cited as the primary benefit of RMB payments. The more strategic advantage is optionality – especially when navigating in a world where diversification has become a strategic imperative.

Integrating RMB payments via CIPS provides access to a fully operational alternative settlement rail alongside traditional correspondent banking. While CIPS enables near-real-time settlement at lower cost, its greater value lies in resilience – reducing reliance on a single payment chain and improving liquidity recycling across payables and receivables.

As global payment systems fragment, this optionality enhances execution certainty for China-linked trade and supply chains.



2%

Up to 2 per cent projected
annual savings²⁸

by switching to working capital financing in RMB



Financing and working capital: competitiveness first, diversification over time

In sectors such as manufacturing and trading, financing costs directly affect competitiveness. With RMB interest rates structurally below USD rates, shifting trade finance into RMB can deliver immediate bottom-line impact – particularly for treasurers managing predominantly China-based supply chains.

Currently:

- Three-month SHIBOR (~1.6 per cent)²⁹ sits over 200 bps below Fed Funds Rate³⁰.
- One-year LPR (~3.0 per cent) offers potential savings of up to 100 bps³¹.
- A corporate with USD100 million in annual trade finance could save USD2.2–2.4 million by switching to RMB³².

Beyond pricing, aligning funding currency with revenue introduces natural hedging, reduces FX volatility premiums and supports more competitive pricing.

Rate differentials should be viewed as an entry point, rather than a primary rationale. Even as spreads fluctuate and must be assessed on an after-swap basis, RMB financing provides diversification of funding cycles, access to deep offshore liquidity (almost RMB1 trillion in deposits in Hong Kong alone)³³, and structural alignment with RMB revenues and costs.

²⁹ SHIBOR: Shanghai Interbank Offered Rate (Shibor) - As of 2 March 2026

³⁰ Federal Reserve Bank of New York: Effective Federal Funds Rate - As of 2 March 2026

³¹ Reuters: China leaves benchmark lending rates unchanged for ninth straight month

³² LSEG Analysis

³³ Hong Kong Monetary Authority: Monetary Statistics for December 2025



Real-world solution spotlight:

Leveraging Standard Chartered's global network to deliver RMB working capital at onshore pricing

On the launch day of RMB Business Facility (RBF) Phase 2 in December 2025, Standard Chartered Hong Kong executed three RMB working capital transactions, demonstrating how onshore RMB liquidity can be efficiently mobilised to support corporates across offshore markets.

Using onshore SHIBOR funding under a framework supported by People's Bank of China and the Hong Kong Monetary Authority, the Bank provided short-term RMB loans to corporates in Hong Kong and Singapore, including via back-to-back intragroup arrangements.

For corporates with China-linked supply chains or RMB revenues, accessing onshore liquidity allowed working capital to be funded at competitive RMB pricing while aligning financing currency with underlying cash flows. This reduced reliance on USD funding cycles and improved short term liquidity predictability.

This case highlights how Standard Chartered's global network can mobilise RMB liquidity across jurisdictions to support client funding needs.

Capital markets: accessing deep, increasingly integrated RMB liquidity

RMB capital markets provide access to liquidity pools that are not fully synchronised with Western credit cycles, supporting funding diversification.

In 2025:

- Panda bond issuance reached RMB195 billion³⁴.
- Offshore dim sum issuance reached record levels.

Market infrastructure has also deepened. Northbound Bond Connect repos and Swap Connect have expanded hedging, collateral and liquidity management options, reinforcing RMB's role as a funding and balance-sheet currency.

For issuers, the benefit extends beyond cost: investor diversification, currency alignment into liabilities and improved refinancing flexibility.

³⁴ Caixin: Panda Bonds Hit Record as Policy Shift Drives Global Yuan Demand

RMB

195bn

Reached for Panda bond issuance in 2025

Offshore dim sum issuance also reached record levels



Real-world solution spotlight:

Establishing long-dated CNH market access through benchmark issuance

In May 2025, Standard Chartered acted as an active bookrunner for Nestlé Finance International Ltd. on its debut CNH-denominated 10-year bond, the longest-dated benchmark-sized dim sum bond issued by a non-Asian corporate.

The transaction reflected improving depth and maturity in RMB capital markets, and Nestlé's objective to diversify funding sources and investor bases beyond traditional Western credit cycles. By establishing a liquid long-dated reference point, the issuer embedded RMB into its liability structure while enhancing future refinancing flexibility.

For multinational corporates seeking to access increasingly integrated onshore and offshore RMB liquidity pools, this demonstrates how increasingly integrated RMB capital markets can support strategic funding diversification.

This case highlights how Standard Chartered advises on market access, investor positioning and execution across evolving RMB liquidity pools.

Liquidity and FX risk management: cleaner balance-sheet alignment

Many corporates carry RMB exposure in operations but manage liquidity in other currencies. This mismatch drives excess buffers, fragmented hedging and higher earnings volatility.

Integrating RMB into liquidity and FX frameworks enables tighter alignment between cash flows and funding, more disciplined liquidity buffers and clearer risk attribution – supporting better capital allocation over time.



Real-world solution spotlight:

Aligning RMB cash flows and FX risk through continuous liquidity execution

A global consumer electronics manufacturer generates multi-currency revenues across international e-commerce platforms, while maintaining predominantly RMB-denominated production and operating costs. This structure creates recurring currency mismatches and ongoing FX exposure.

Standard Chartered provided continuous FX pricing and execution across CNH spot, forwards, NDFs and G10 currencies, facilitating over USD600 million of RMB FX transactions during Asia night-time hours. This enabled the client to closely monitor exchange-rate movements, convert proceeds at favourable levels, and dynamically hedge exposures across fluctuating transaction volumes.

For corporates with multi-currency sales and RMB-based cost structures, this illustrates how integrating RMB into liquidity and FX frameworks can reduce earnings volatility and improve balance-sheet alignment.

This case highlights Standard Chartered's differentiated 24-hour coverage model, enabling timely execution, disciplined FX risk management, and continuous liquidity support across global trading cycles.



Digital payments and settlement: positioning for what comes next

RMB internationalisation is increasingly reinforced by digital infrastructure.

The digital yuan's cross-border capabilities, tested through the mBridge project, have demonstrated settlement times of approximately seven seconds and potential cost reductions of up to 50 per cent versus traditional systems^{35,36}. This dimension may be attractive to emerging markets seeking to leapfrog legacy payment rails.

The implication is clear: those that embed RMB infrastructure today – accounts, settlement and liquidity management – will be best positioned as digital rails move from pilot to scale.

From incremental benefits to strategic advantage

Individually, each benefit is incremental. Combined, they enhanced treasury flexibility.

RMB integration enhances resilience, broadens funding access and improves balance-sheet efficiency – complementing, rather than replacing, existing currency frameworks.

As RMB usage becomes increasingly standardised across trade and capital markets, advantage shifts to corporates that integrate early and deliberately.

The next consideration is where and how this value is realised across regions and the trade corridors.

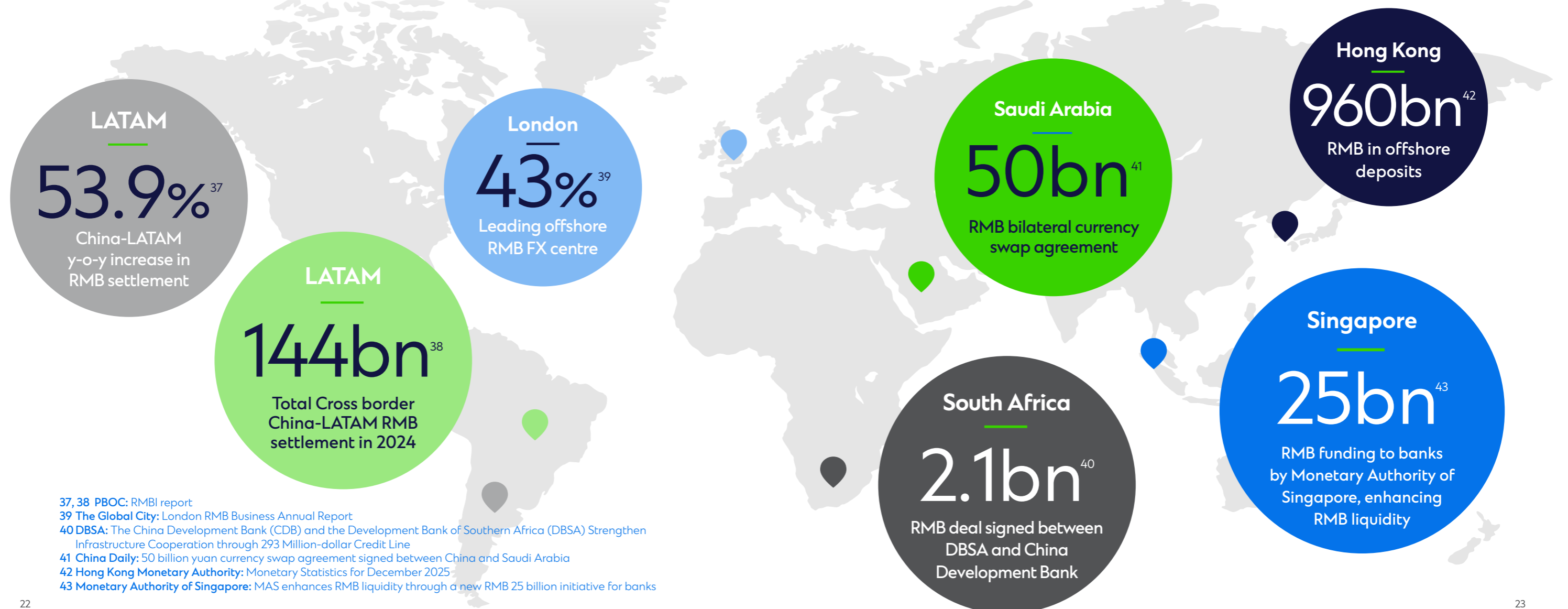
³⁵ IMF: Estimating the Impact of Digital Money on Cross-Border Flows

³⁶ BIS: Inthanon-LionRock to mBridge: building a multi CBDC platform for international payments

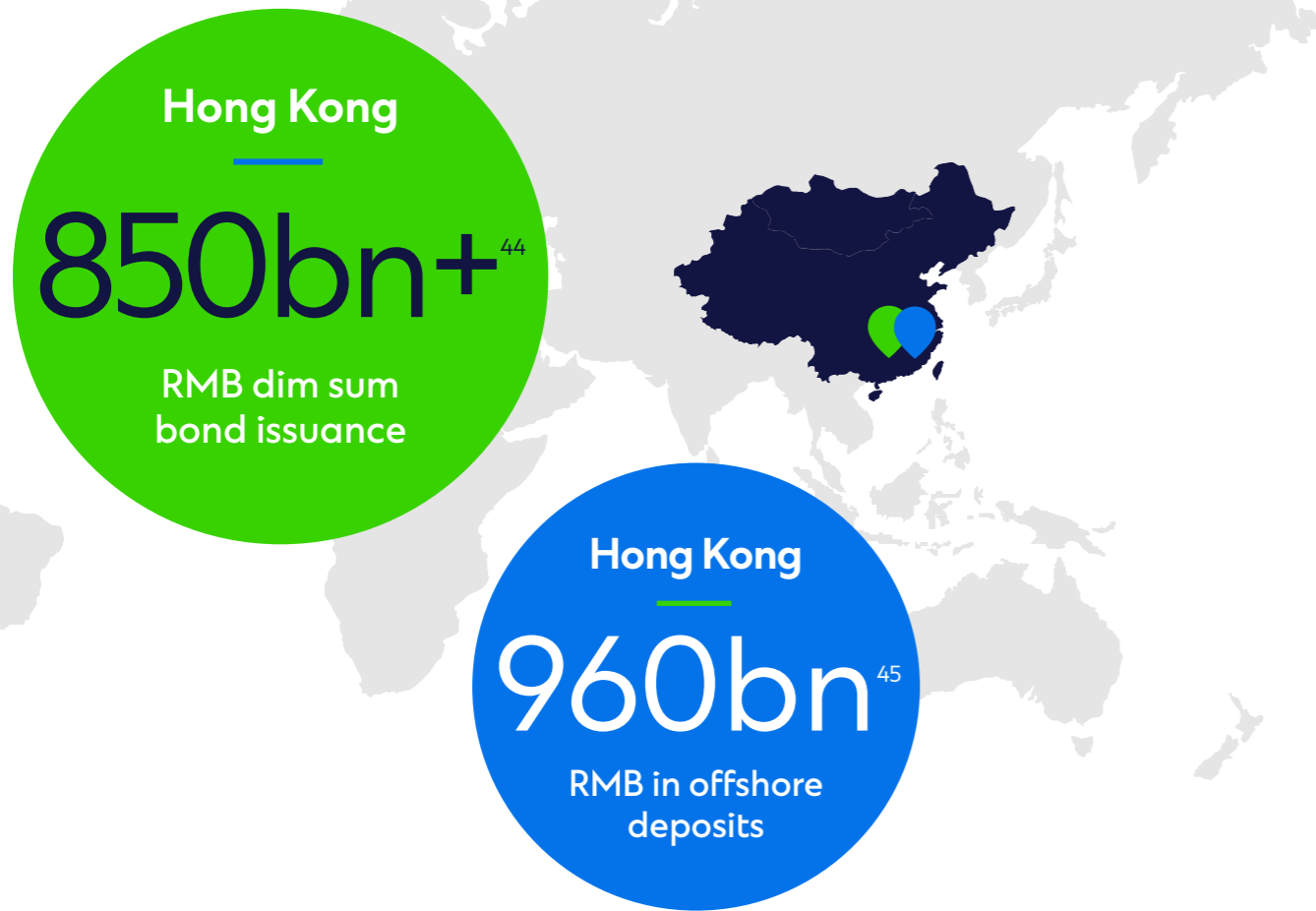
3. How RMB internationalisation is unfolding across regions and the opportunity to seize

RMB internationalisation does not advance uniformly across regions. It reflects differences in trade exposure to China, sector composition, financial infrastructure maturity and regulatory frameworks. Accordingly, the RMB opportunity – and the optimal path to integration – varies by geography and corridor.

Understanding these regional dynamics is critical. Effective RMB strategies are typically sequenced, starting where infrastructure is strongest and commercial benefits are clearest, before expanding across the balance sheet.



^{37, 38} PBOC: RMBI report
³⁹ The Global City: London RMB Business Annual Report
⁴⁰ DBSA: The China Development Bank (CDB) and the Development Bank of Southern Africa (DBSA) Strengthen Infrastructure Cooperation through 293 Million-dollar Credit Line
⁴¹ China Daily: 50 billion yuan currency swap agreement signed between China and Saudi Arabia
⁴² Hong Kong Monetary Authority: Monetary Statistics for December 2025
⁴³ Monetary Authority of Singapore: MAS enhances RMB liquidity through a new RMB 25 billion initiative for banks



Greater China and North Asia: RMB has crossed the threshold from settlement currency to balance-sheet currency

Greater China and North Asia represent the most advanced stage of RMB internationalisation globally. In this region, RMB has moved beyond trade settlement into funding, liquidity management and balance-sheet integration.

Primary drivers

Three structural forces underpin this maturity:

1. Capital account liberalisation, with Hong Kong serving as the testing ground for incremental reform.
2. Policy sequencing and institutional experimentation, operationalised first in Hong Kong before broader scaling.
3. Deep liquidity pools, supported by offshore deposits, active bond markets and institutional investor participation.

These drivers have enabled RMB usage to extend beyond transactional flows into structured financial deployment.

Key infrastructure anchors

Hong Kong remains the central execution hub:

- RMB960 billion+ in offshore deposits.⁴⁶
- Dim sum bond issuance exceeding RMB850 billion.⁴⁷
- Bond Connect linking 800+ approved investors through northbound bond connect.⁴⁸
- Stock Connect normalising two-way equity flows.
- HKMA liquidity facilities and Financial Infrastructure (FIC) roadmap strengthening offshore funding and risk management.

This infrastructure supports integrated capability across payments, working capital, term lending, bond issuance, FX and interest-rate derivatives – reinforcing RMB’s role as a funding and collateral currency.

Regional propagation through economic integration

Maturity in Hong Kong increasingly extends across North Asia through trade and investment linkages.

South Korea illustrates how RMB adoption spreads through economic integration rather than regulatory reform. Deep bilateral trade ties – particularly in manufacturing and electronics – have supported greater RMB settlement. Bilateral currency swap arrangements provide liquidity stability, while Korean institutional investors increasingly access Chinese assets via Hong Kong.

This links North Asian capital flows directly into the offshore RMB ecosystem and reinforces Hong Kong’s role as a regional balance-sheet anchor.

Corporate deployment

For corporates operating across Greater China and North Asia, RMB can now be deployed at scale – not only to settle trade, but to fund operations, manage liquidity and integrate FX and interest-rate risk within treasury frameworks.

Many are progressing from transactional settlement into RMB-denominated working capital, term funding and liquidity pooling structures anchored in Hong Kong, extending usage across core corridors such as Korea–China trade.

⁴⁴ Bloomberg: China's Dim Sum Bond Boom Extends in Boost to Yuan Ambition

^{45, 46} Hong Kong Monetary Authority: Monetary Statistics for December 2025

⁴⁷ Bloomberg: China's Dim Sum Bond Boom Extends in Boost to Yuan Ambition

⁴⁸ China Bond Connect: Bond Connect - As of 16 January 2026

Opportunity:

RMB capability is mature – balance-sheet adoption is the next frontier

Greater China has developed one of the world’s most comprehensive RMB ecosystems, with deep liquidity, mature infrastructure and proven execution across payments, financing and capital markets. For many corporates, RMB is already embedded in day-to-day operations.

However, among limited MNCs who have disclosed their China entities’ financials, we find that their balance-sheets have been underutilised as compared to the group. The China entities typically maintain highly conservative capital structures, with low or no financial leverage, even where local revenues, costs and assets are predominantly RMB-denominated.

MNCs subsidiaries in China are conservative respective⁴⁹

MNCs subsidiaries in China tend to have unlevered or very low levered balance sheet which may be utilized for funding business growth

Capitalisation comparison at Group level and respective China segment

Average of Selected MNCs

| China | | 2024 | Group | |
|--------------|-------------------|------|--------------|-------------------|
| Total Equity | Total Liabilities | | Total Equity | Total Liabilities |
| | | | | |
| | | 2023 | | |
| | | 2022 | | |

⁴⁹ Standard Chartered: 2025 Capital Structure & Rating Advisory (CSRA) survey



In asset-heavy “China-for-China” models, this conservatism results in a structural mismatch. As RMB liquidity, pricing and market access continue to improve, this gap increasingly represents an untapped opportunity – to align funding structures more closely with local operations and to deploy RMB as a true balance-sheet currency, not just a settlement tool.

Region spotlight:

Depth of liquidity and investor interest in dim sum bonds, in Hong Kong

CNH6 billion dual-tranche inaugural dim sum issuance

Showcases the robust investor interest and the depth of liquidity available in Hong Kong’s dim sum bond market, reinforcing the region’s strategic importance in the global RMB landscape.

In October 2025, the Republic of Indonesia priced its inaugural CNH6 billion SEC-registered dim sum bond, comprising CNH3.5 billion 2.50 per cent five-year and CNH2.5 billion 2.90 per cent ten year tranches.⁵⁰

The transaction marked Indonesia’s first public CNH bond offering in the public market, the largest CNH deal by a foreign issuer in 2025, and the largest CNH sovereign issuance to date outside the Hong Kong SAR Government.

The orderbook was well-diversified across sovereign wealth funds, pension funds, Asian bank treasuries, real money accounts, US and Asia insurers, and onshore Chinese banks and securities (via Southbound Bond Connect) with the remaining allocated to private banks, underscoring the depth and quality of liquidity in Hong Kong’s dim sum market.

Standard Chartered, present in Indonesia for over 160 years and serving as Sovereign Ratings Advisor to the Republic, was the only bank to lead Indonesia’s debut access in both the Kangaroo and dim sum markets in 2025 – reinforcing its role as a trusted sovereign partner.

⁵⁰ Jakarta Post: Indonesia raises 6 billion yuan through first dim sum bond issuance

ASEAN: RMB adoption is predominantly driven by supply chains

In ASEAN, RMB internationalisation follows a distinct trajectory. Rather than being led by capital account reform, adoption is increasingly driven by manufacturing activity, procurement flows and regional supply chains.

Primary drivers

1. Regional Comprehensive Economic Partnership (RCEP) integration, encouraging currency diversification across regional trade.
2. Supply-chain diversification, as production networks deepen across China-ASEAN corridors.
3. Manufacturing linkages, particularly in electronics, intermediate goods and commodity processing.

China remains central to ASEAN production networks, and RMB usage has expanded steadily across trade settlement as corporates align currency with underlying commercial flows.

Thailand, Malaysia and Indonesia have seen notable progress, supported by direct RMB exchange with local currencies at major financial institutions.

Key infrastructure anchors

Singapore acts as the region's RMB liquidity and risk-management hub:

- RMB300 billion bilateral swap line with the PBC⁵¹.
- Regional RMB clearing capabilities.
- Active FX and hedging markets supporting cross-border settlement.

With the bilateral swap line, both central banks can access each other's currencies with enhanced liquidity, which helps support bilateral trade financing, investment and financial markets stability.

Indonesia's debut dim sum bond issuance in 2025 marked a further milestone, signalling growing issuer confidence in offshore RMB funding markets.⁵²

Corporate deployment

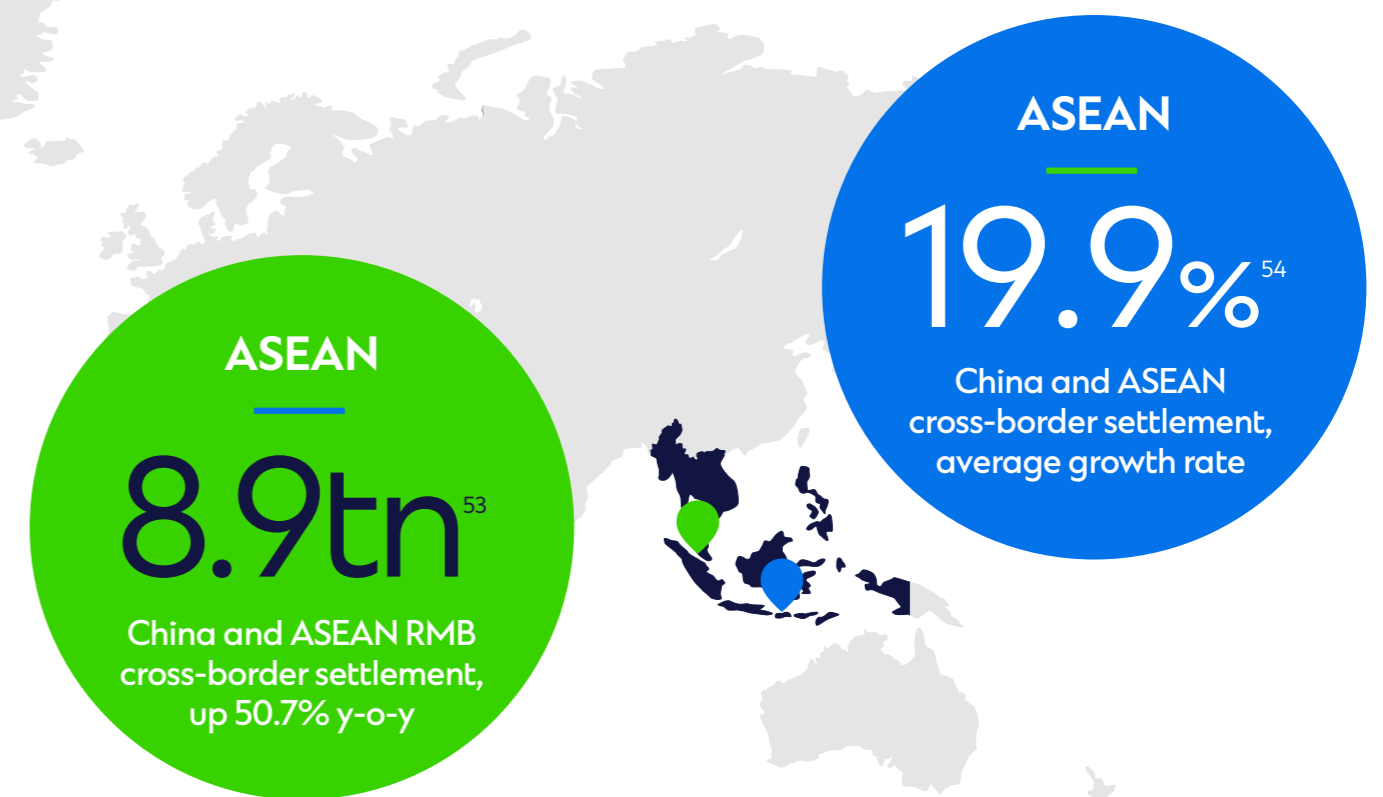
For ASEAN corporates, the RMB opportunity compounds through high-frequency trade transactions. Shifting settlement into RMB removes one party's FX conversion cost, shortens cash-conversion cycles and improves working capital efficiency.

Over time, many are extending usage into RMB trade finance and supplier financing, centralising RMB flows within regional treasury hubs to improve liquidity visibility and control.

⁵¹ **Monetary Authority of Singapore:** Monetary Authority of Singapore and People's Bank of China Further Renew Bilateral Currency Swap Arrangement

⁵² **Jakarta Post:** Indonesia raises 6 billion yuan through first dim sum bond issuance

^{53, 54} **PBOC:** RMBI report



Real-world solution spotlight

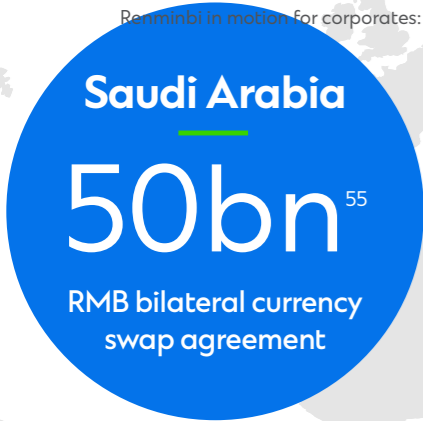
Supply chain led RMB procurement financing for an Indonesian electric vehicle manufacturer

How RMB adoption in ASEAN is emerging organically through manufacturing and procurement linkages rather than capital-market access.

Electra Mobilias Indonesia (EMI), an electric vehicle manufacturing arm of Indika Energy, sources key components from China, making RMB the natural commercial currency for procurement.

With elevated USD interest rates and increasing engagements with Chinese suppliers, EMI began transitioning its procurement currency from USD to RMB to align settlement with supply-chain flows. Standard Chartered Indonesia supported this shift by facilitating RMB-denominated import invoice financing, enabling efficient supplier payments and improved working capital management.

For corporates embedded in China-centric supply chains, shifting trade and financing into RMB can reduce FX friction, improve cash-conversion cycles, and strengthen working-capital resilience.



Middle East: RMB is emerging as a strategic currency where energy, infrastructure and China intersect

In the Middle East, RMB adoption is advancing where pricing dynamics, counterparty preference and long-dated capital needs converge – particularly in energy trade and China-linked infrastructure.

Primary drivers

1. Energy settlements, as Chinese buyers increasingly favour RMB denomination.
2. Infrastructure finance, linked to China-backed projects and contractors.
3. Strategic diversification, where RMB adds optionality alongside USD.

China–Arab trade exceeds USD450 billion⁵⁷, with energy accounting for a substantial share. This trade linkage has supported growing interest in RMB settlement and financing in select corridors.

Key infrastructure anchors

Regional capacity has expanded, though adoption remains targeted rather than systemic.

■ Saudi Arabia

- RMB50 billion bilateral currency swap agreement (PBC–SAMA)⁵⁸ Domestic banks authorised to provide RMB services
- Pilot RMB settlement in portions of oil trade

■ United Arab Emirates

- Dubai positioned as regional RMB hub
- Apart from having a Chinese bank as the RMB clearing bank locally, a local bank has also become a Direct Participant of CIPS in 2025

■ Qatar

- RMB clearing capabilities supporting regional trade flows

■ Egypt

- Central Bank operationalising RMB18 billion equivalent⁵⁹ swap arrangements with the PBOC
- Integration with CIPS to facilitate RMB clearing and cross-border settlement
- Expansion of electronic RMB settlement channels supporting trade and financial flows

Despite expanding RMB infrastructure, most Gulf currencies operate within long-established USD-based monetary frameworks that underpin reserves management, energy pricing and global capital flows. Within this structure, RMB adoption is progressing selectively in trade and treasury contexts where commercial logic supports diversification and operational efficiency, rather than as a systemic currency shift.

Adoption dynamics

Momentum is directional at the transaction level. Expanding clearing infrastructure, swap arrangements and pilot energy settlements reflect a growing willingness to diversify where commercial logic aligns.

The UAE and Qatar show relatively higher RMB usage in direct trade flows with China and Hong Kong, though overall penetration remains modest relative to total volumes.

Corporate deployment

For corporates in energy, commodities and infrastructure, RMB currently adds strategic optionality rather than replacing the dollar.

Adoption typically begins with RMB settlement for China-bound flows, followed by RMB-denominated financing for infrastructure and capex – particularly where Chinese lenders, buyers or contractors are involved.

This selective deployment builds operational readiness while preserving flexibility as RMB liquidity and international deployment channels continue to expand.

⁵⁵ China Daily: 50 billion yuan currency swap agreement signed between China and Saudi Arabia

⁵⁶ Economy Middle East: China–Arab trade volume hits \$407.4 billion in 2024, up 2.3 percent YoY

⁵⁷ LSEG Analysis, based on China Daily: 50 billion yuan currency swap agreement signed between China and Saudi Arabia

⁵⁸ China Daily: 50 billion yuan currency swap agreement signed between China and Saudi Arabia

⁵⁹ China Daily: China signs currency swap deal with Egypt



Real world solution spotlight:

RMB adoption through treasury and liquidity infrastructure for Middle East oil and gas groups

RMB adoption in the Middle East is progressing through treasury and liquidity infrastructure – adding strategic optionality while operating alongside USD-based systems.

Sinopec Century Bright Capital Investment (Middle East) Limited is the designated offshore treasury centre of Sinopec Group, managing capital and funding across the Group’s oil and gas businesses across the Middle East.

As RMB usage expanded across China-linked energy trade and infrastructure activity, Sinopec sought greater visibility and control over offshore RMB liquidity. Standard Chartered supported the establishment of an RMB cross-border cash pooling structure, streamlining RMB collections from offshore entities and consolidating balances into a central header account.

The structure improved group-wide liquidity visibility, enhanced internal RMB fund mobility, and enabled more efficient RMB deployment across energy and infrastructure activities.

Africa: RMB adoption is embedded from projects and expanding to trade

In Africa, RMB internationalisation is corridor-specific and transaction-led. Adoption is shaped by China–Africa trade exceeding USD350 billion⁶⁰ and sustained Chinese investment across infrastructure, mining and manufacturing under Belt and Road Initiative (BRI) frameworks.

Recent developments reflect growing financial alignment. Kenya converted USD3.5 billion⁶¹ of Chinese loans into RMB in 2025 to reduce interest costs, while Ethiopia has initiated discussions to convert part of its USD5.38 billion⁶² exposure to China into RMB-denominated debt.

Primary drivers

1. Project finance under BRI frameworks.
2. Commodity and resource trade linkages.
3. Infrastructure development supported by Chinese lenders and EPC contractors.

RMB usage is most visible within project-related activity. Chinese EPC firms increasingly open RMB project accounts, settle EPC payments in RMB and integrate RMB into payroll and supplier flows. The growing use of RMB-denominated bid and performance bonds has further reinforced adoption by reducing FX risk and conversion costs for contractors and counterparties.

In several corridors, RMB is becoming the default operational currency for project execution, even where USD remains dominant in external trade.

Key infrastructure anchors

RMB capability remains concentrated in select hubs:

- **South Africa**
 - Most developed RMB centre on the continent
 - JSE-listed RMB instruments
 - Comprehensive banking and relatively deep FX markets
- **Kenya**
 - East African hub linked to Chinese-financed infrastructure such as the Standard Gauge Railway
 - Normalised RMB usage across project finance and settlement flows
- **Development finance linkages**
 - DBSA signed a RMB2.1 billion facility with China Development Bank in July 2025⁶⁴
 - Supporting infrastructure, energy, ICT, water and health projects across the continent

These anchors strengthen corridor-level liquidity and operational confidence, though adoption remains uneven across the region.

Corporate deployment

For African corporates, RMB adoption is primarily access-driven rather than optimisation-led. The focus is on accessing project finance, guarantees and working capital structures aligned with Chinese lenders, contractors and export credit agencies.

Usage typically begins within project frameworks, then gradually extends into broader trade settlement and treasury flows as liquidity, familiarity and confidence build.

⁶⁰ South China Morning Post: Chinese goods pour into Africa, widening trade gap to record US\$102 billion

⁶¹ Reuters: Kenya converts \$3.5 billion loans from China into yuan to cut interest

⁶² Bloomberg: China's Dim Sum Bond Boom Extends in Boost to Yuan Ambition

^{63, 64} DBSA: The China Development Bank (CDB) and the Development Bank of Southern Africa (DBSA) Strengthen Infrastructure Cooperation through 293 Million-dollar Credit Line

South Africa

2.1bn⁶³

RMB deal signed between DBSA and China Development Bank

Real world spotlight:

RMB adoption embedded within renewable energy project execution across Africa

RMB adoption in Africa typically begins within EPC and infrastructure structures, before gradually extending into broader trade and treasury usage as liquidity and familiarity deepen.

Goldwind New Energy South Africa supplies and installs wind energy technology, supporting renewable energy projects across Africa under China-linked infrastructure and EPC frameworks.

To support project execution, contracts were structured across three currencies, with RMB as the primary trading currency for settlements with Chinese suppliers and contractors. Standard Chartered facilitated RMB-denominated settlements, FX swaps and conversions, and supported the client in navigating exchange-control and regulatory approval requirements.

Embedding RMB directly into project execution and settlement flows reduced FX friction, improved payment efficiency, and aligned contract currency with project economics.

Europe: RMB adoption is led by financial and capital markets, along with sustainable finance development

In Europe, RMB internationalisation is driven less by trade settlement and more by capital markets and institutional investment. Adoption is centred on financial depth, treasury sophistication and growing sustainable finance alignment.

Primary drivers

1. Capital markets depth, particularly in London and the Eurozone.
2. Institutional investment participation in RMB-denominated assets.
3. Sustainable and transition finance, aligned with China-linked capex and decarbonisation strategies.

London accounts for approximately 43 per cent of global offshore RMB FX trading⁶⁵, reflecting its role as a global financial centre and time-zone bridge to Asia. Frankfurt, Paris and Luxembourg serve as key issuance and investment hubs for RMB-denominated instruments.

Key infrastructure anchors

■ London

- Leading offshore RMB FX centre (c.43 per cent global share)⁶⁴
- Deep derivatives and risk-management capability

■ Frankfurt

- Eurozone's primary RMB clearing hub
- Facilitates RMB invoicing and settlement for major German corporates
- Germany ranks among the top five RMB users globally in trade with China

■ European issuance platform

- Established access to Panda and dim sum bond markets
- Strong institutional participation in RMB green and transition instruments

While domestic RMB infrastructure is less extensive than in Asia, European treasury sophistication and offshore connectivity enable effective RMB deployment across China-linked operations.



Real world spotlight:

Using RMB to support green trade finance for a European EV manufacturer.

European corporates are integrating RMB into sustainable finance and treasury frameworks, aligning funding structures with RMB-denominated supply chains even when settlement is not the primary driver of adoption.

Polestar Performance AB, a Sweden-headquartered premium electric vehicle manufacturer with production in China, maintains RMB-denominated procurement across its supply chain.

Standard Chartered UK acted as Sole Structuring Bank and Mandated Lead Arranger for the renewal of Polestar's EUR470 million syndicated green trade finance facility. While the facility was euro-denominated, the underlying import invoices and supplier payments were in RMB.

Within the Bank's network, Standard Chartered Germany acted as the sole RMB FX bank, converting proceeds from EUR into RMB to support RMB procurement and cross-border settlement with Chinese suppliers.

Sustainable finance as a catalyst

The most compelling RMB opportunity increasingly lies in green and transition finance. RMB capital markets provide access to dedicated green liquidity pools, supported by strong investor demand and policy alignment.

European corporates have been active participants. Mercedes-Benz has issued 35 Panda bond tranches totalling RMB81 billion since 2014.⁶⁷ In July 2025, BMW Group returned to the Panda market, issuing RMB3.5 billion⁶⁸.

In some cases, RMB green and transition-linked instruments offer competitive terms for China-linked capex, supply-chain decarbonisation and renewable investments, while diversifying investor bases and aligning funding currency with underlying assets.

Corporate deployment

For European treasury teams, RMB integration is typically strategic rather than wholesale. The focus is on incorporating RMB into refinancing frameworks, green funding programmes and treasury governance structures where commercial logic supports it.

As sustainable finance channels deepen, RMB is becoming an increasingly relevant component of diversified, ESG-aligned funding strategies.

⁶⁴ DBSA: The China Development Bank (CDB) and the Development Bank of Southern Africa (DBSA) Strengthen Infrastructure Cooperation through 293 Million-dollar Credit Line

^{65, 66} The Global City: London RMB Business Annual Report

⁶⁷ Mercedes-Benz: Issue of the first Green Panda Bond in China

⁶⁸ BMW: 2025 Quarterly Statement

Latin America: RMB adoption concentrates in commodity corridors and selective diversification

Across Latin America, RMB usage is concentrated in South American commodity trade, particularly along Brazil–China corridors. Adoption remains transaction-driven and concentration in specific trade relationships rather than broad system-wide usage.

Trade-linked RMB circulation allows exporters to receive RMB for commodity sales to China and reuse proceeds for imports of Chinese manufactured goods. This helps reduce double FX conversion, lowers settlement risk and enhances working capital efficiency.

Primary drivers

1. Commodity settlements between China and major exporters.
2. Diversification of funding and settlement currencies during periods of global liquidity volatility.
3. Pragmatic risk management in China-linked trade flows.

Key infrastructure anchors

■ Brazil

- Most advanced RMB market in the region
- Local RMB trading arrangements in São Paulo
- USD27 billion bilateral currency swap agreement renewed in 2025⁶⁹
- Supports local currency settlement in RMB and BRL

■ Argentina

- Expanded PBC swap line during dollar shortages
- Rapid increase in RMB invoicing for imports from China, reaching nearly 50 per cent in 2023⁷⁰

Beyond Brazil, RMB usage remains selective but is expanding in long-term supply contracts and in markets experiencing periodic USD liquidity constraints.

Corporate deployment

For Latin American corporates, RMB functions primarily as a corridor-specific risk management tool rather than a general treasury currency.

By settling exports to China in RMB and reusing proceeds for imports of Chinese machinery and inputs, corporates can capture natural hedging benefits across trade cycles. This reduces FX exposure without fully displacing the dollar.

Selective integration into FX strategies allows corporates to diversify settlement and financing where commercial logic supports it, while maintaining flexibility within predominantly USD-based systems.

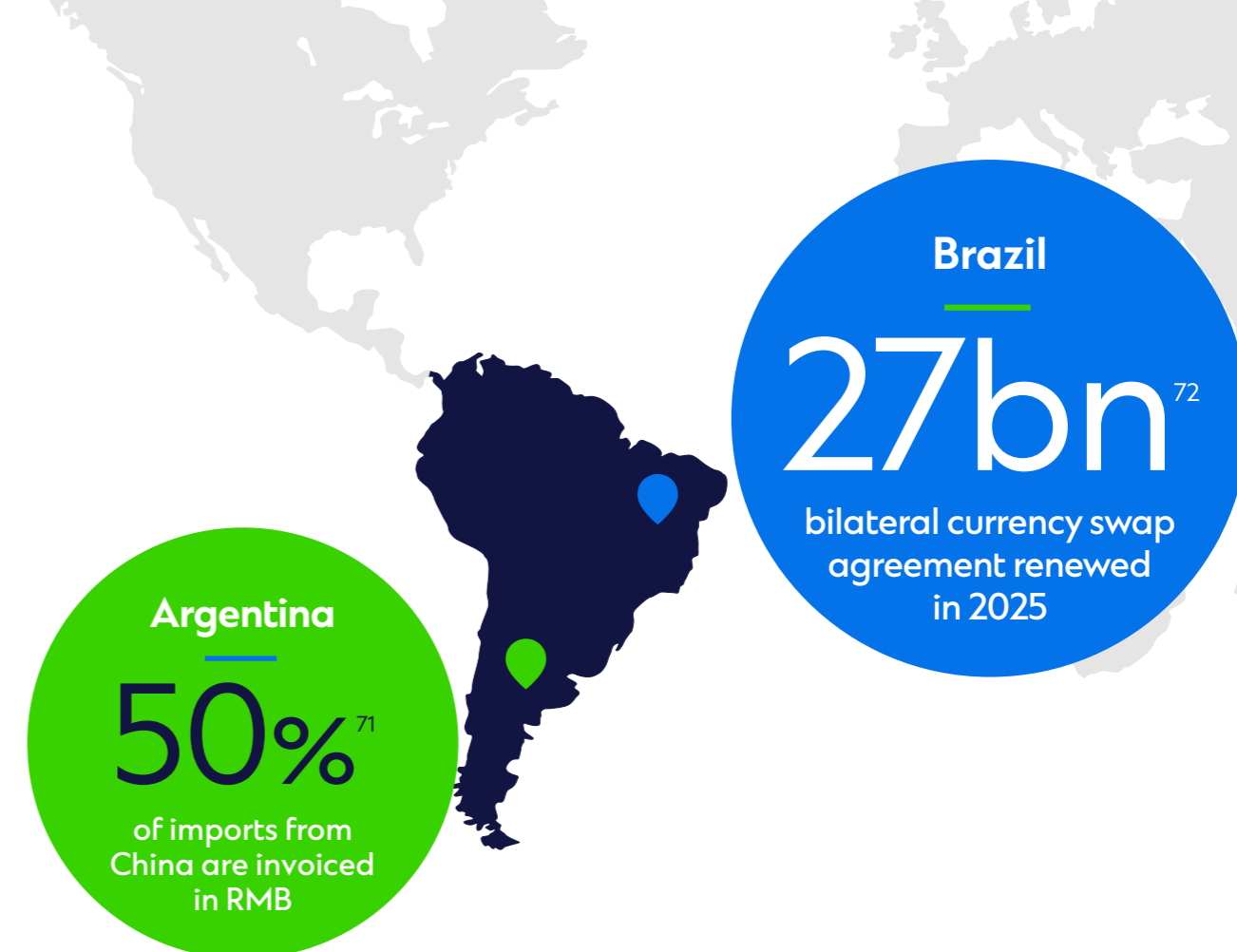
Over time, familiarity and liquidity depth build operational readiness – enabling RMB usage to scale further as trade volumes and market conditions evolve.

⁶⁹ Global Times: GT Voice: China-Brazil currency swap deal positive example amid uncertainty

⁷⁰ CEPR: The battle for trade currency dominance

⁷¹ Global Times: GT Voice: China-Brazil currency swap deal positive example amid uncertainty

⁷² CEPR: The battle for trade currency dominance



Real world spotlight:

Using RMB to manage collection risk for a global consumer electronics exporter in the Americas.

RMB adoption in the Americas is most effective within closed-loop trade corridors – strengthening working capital resilience and settlement efficiency while operating alongside USD-based treasury structures.

Xiaomi Group, a global consumer electronics manufacturing company with procurement and supply chains predominantly denominated in RMB, faced collection risk in markets such as Argentina amid periodic USD liquidity shortages and FX controls.

Standard Chartered structured an RMB-denominated letter of credit solution, allowing local buyers to settle imports in RMB. The Bank acted as the LC confirmation and discounting bank, ensuring timely collection.

By receiving RMB directly, Xiaomi reduced FX exposure and aligned collections with its RMB procurement base.

4. From regional insight to decisive action

Across regions, RMB internationalisation is no longer confined to policy ambition or isolated trade corridors. It is advancing across payments, funding, capital markets and digital infrastructure - region by region, sector by sector, and increasingly at scale.

The decision is no longer where RMB adoption is most advanced, but about how prepared corporates are to respond when conditions evolve. Regional pathways differ, but the foundations of readiness are universal.



Three actions matter now - regardless of geography:

1. Reframe RMB as a core treasury capability, not a niche currency

With close to 30 per cent of central banks planning to increase RMB holdings, RMB is becoming embedded in global liquidity architecture. Treating RMB as peripheral understates its role in trade, capital flows and reserves, and limits strategic flexibility.

2. Build operational muscle memory before it becomes urgent

Establishing CIPS connectivity, RMB account structures, liquidity management and treasury workflows creates institutional capability. This enables corporates to scale usage quickly in response to opportunity or disruption.

3. Position for the next phase of settlement and digitalisation

RMB internationalisation is converging with digital innovation. As initiatives such as mBridge and tokenised deposits mature, settlement speeds and liquidity management are likely to improve further. Corporates that have embedded core RMB infrastructure will be best positioned to adapt.

Acting early is not about incremental optimisation. It strengthens resilience, optionality and competitive positioning within a more fragmented, multipolar financial system.

5. Turning RMB strategy into execution with Standard Chartered

As RMB internationalisation accelerates, corporates need more than access to products. Effective integration depends on coordination across markets, sequencing and consistent execution.

Seamless access across the RMB ecosystem

We connect clients across the RMB lifecycle, from payments and working capital to liquidity management and capital markets. By connecting issuers, investors and counterparties, we enable integration within a coherent treasury framework for clients.

Advisory that aligns strategy with business reality

RMB adoption is not linear. We help corporates sequence integration based on operating footprint, trade corridors and risk appetite - from initial settlement to balance-sheet and capital-markets integration.

Execution certainty across regions

Our global network and deep local expertise provide execution certainty, ensuring RMB strategies designed centrally can be implemented reliably across jurisdictions with differing regulatory and market conventions.

Recognised leadership for the next phase

Our RMB capabilities are consistently recognised across markets, reflecting depth of experience and long-term commitment. As RMB internationalisation enters its next phase, shaped by deeper capital markets, digital settlement and a multipolar currency system, we help clients move forward with confidence.



Scan to find out more about our RMB capabilities

Make growth your next stop
Corporate & Investment Banking.
Now is your time

London

Singapore

Hong Kong

Dubai

Shanghai

Appendix:

RMB Policy-Related Reforms

■ Liquidity access:

- Opened the onshore interbank repo market to all foreign investors with cash bond trading activity
- Enhancements to Northbound Bond Connect repo and expansion of Southbound Bond Connect

■ Offshore funding:

- The HKMA's introduction of the Renminbi Trade Financing Liquidity Facility (TFLF) in February 2025, and an enhanced version via the Renminbi Business Facility (RBF) in October 2025, enabled offshore access to onshore-rate (SHIBOR) funding for trade, FDI/ODI and working capital
- In February 2026, the HKMA doubled the size of the RBF to RMB200 billion, reflecting strong take-up and reinforcing Hong Kong's role as a scalable offshore RMB liquidity hub supporting real-economy financing.

■ Market depth and risk:

- Progress under the HKMA-SFC fixed-income roadmap, including a market-based CNH yield curve (extending into the long end), dual-counter stock trading and offshore Chinese government bond futures

Methodology for the global corporate survey

Standard Chartered's 2025 and 2026 [Capital Structure & Rating Advisory \(CSRA\)](#) surveys provides a global perspective on corporate financial priorities and risks. In February 2025, we engaged nearly 300 of the world's largest corporates across 19 sectors to better understand their evolving agendas, the challenges they face, and the policies they are reshaping in response. The survey covered themes ranging from key risks and priorities for the year to liquidity and working capital management, debt and capital allocation, as well as the growing roles of ESG, Islamic banking and RMB financing. The findings are embedded throughout this report in the relevant sections.

Disclaimer

This material has been prepared by one or more members of SC Group, where "SC Group" refers to Standard Chartered Bank and each of its holding companies, subsidiaries, related corporations, affiliates, representative and branch offices in any jurisdiction, and their respective directors, officers, employees and/or any persons connected with them. Standard Chartered Bank is authorised by the United Kingdom's Prudential Regulation Authority and regulated by the United Kingdom's Financial Conduct Authority and Prudential Regulation Authority.

This material has been produced for reference and information purposes only, is not independent research material, and does not constitute an invitation, recommendation or offer to subscribe for or purchase any of the products or services mentioned or to enter into any transaction. Some of the information herein may have been obtained from public sources and while SC Group believes such information to be reliable, SC Group has not independently verified the information. Information contained herein is subject to change at any time without notice. Any opinions or views of third parties expressed in this material are those of the third parties identified, and not of SC Group. While all reasonable care has been taken in preparing this material, SC Group makes no representation or warranty as to its accuracy or completeness, and no responsibility or liability is accepted for any errors of fact, omission or for any opinion expressed herein. The members of SC Group may not have the necessary licences to provide services or offer products in all markets, and/or such provision of services or offer of products may be subject to the regulatory requirements of each jurisdiction. Any comments on investment, accounting, legal, regulatory or tax matters contained in this material should not be relied on or used as a basis to ascertain the various results or implications arising from the matters contained herein, and you are advised to exercise your own independent judgement (with the advice of your investment, accounting, legal, regulatory, tax and other professional advisers as necessary) with respect to the risks and consequences of any matter contained herein. SC Group expressly disclaims any liability and responsibility whether arising in tort or contract or otherwise for any damage or losses you may suffer from your use of or reliance of the information contained herein.

You may wish to refer to the incorporation details of Standard Chartered PLC, Standard Chartered Bank and their subsidiaries at <http://www.sc.com/en/incorporation-details.html>.

This material is not for distribution to any person to which, or any jurisdiction in which, its distribution would be prohibited.

© Copyright 2026 Standard Chartered Bank. All rights reserved. All copyrights subsisting and arising out of these materials belong to Standard Chartered Bank and may not be reproduced, distributed, amended, modified, adapted, transmitted in any form, or translated in any way without the prior written consent of Standard Chartered Bank.



standard
chartered