

# press release

## **Standard Chartered successfully arranged the first ABS in China Interbank Bond Market with international investors participation via Bond Connect**

**23 August 2017, Shanghai** – Standard Chartered Bank (China) Limited (“Standard Chartered China”, “SCB” or the “Bank”), acted as a Joint Lead Underwriter, successfully arranged the seventh auto loan ABS transaction for Ford Automotive Finance (China) (“FAFC”). This issuance marks the eleventh auto loan ABS transaction arranged and distributed by the Bank, and the first ABS transaction in China Interbank Bond Market with international investors’ participation via Bond Connect.

The issuance totalled RMB 3.768 billion and consists of three classes of Notes, namely, Senior Class A Notes of RMB 3,320 million, Senior Class B Notes of RMB 144 million (collectively, the “Senior Notes”) and Subordinated Notes of approximately RMB 304 million. The Senior Notes are distributed to institutional investors who have access to China Interbank Bond Market, and the Subordinated Notes are fully retained by FAFC.

The transaction received strong interest from both local and international investors, and was well oversubscribed. The Senior Class A Notes and Class B Notes were priced at 4.65% (i.e. one-year PBOC Lending Rate + 30bps) and 4.95% (i.e. one-year PBOC Lending Rate + 60bps), respectively. SCB also acted as an key investor of Senior Notes, and Standard Chartered Bank (Hong Kong) Limited was one of the international investors participated via Bond Connect.

Wesley Yang, Head of Financial Markets of Standard Chartered China, said, “The Bank successfully arranged an auto loan ABS for FAFC at the end of 2015, and became the first foreign bank to provide ABS leading underwriting and bookrunning services in China. We are once again privileged to support FAFC in arranging the first ABS in China Interbank Bond Market with the participation of international investors via Bond Connect. The transaction is not only very competitively priced for FAFC, but has also broadened convenient channels through which international investors can participate in China Interbank Bond Market, which will promote the development of China’s asset securitisation business.”



Standard Chartered Bank is Asia's leading securitisation house with rich experience in international and domestic markets. The Bank has successfully arranged the first securitisation deals in many Asian jurisdictions including China, Thailand, Indonesia and the Philippines, and has actively participated in the development of the securitisation market in China since 2002. As a financial advisor, Standard Chartered advised on China's first ever public securitisation deal, the RMB 3 billion RMBS issuance by China Construction Bank in 2005, and seven other securitisation deals for other prominent Chinese institutions over the years. In February 2015, the Bank acted as the Originator for the pricing of its first Collateralised Loan Obligation ("CLO") - Zhencheng 2015-1 Asset-Backed Security in China, becoming one of leading foreign banks to participate in China's securitisation pilot program.

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**Standard Chartered**

We are a leading international banking group, with over 80,000 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 158 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 more than 100 outlets across about 30 cities.

Standard Chartered China has been laurelled with a number of awards in 2016, honoring its achievements and endeavors in different areas including Bank Card Innovation Award, Best CSR Award (SiB), Award for Responsible Operations, Best Loan Syndications Performance and Best Syndicated Loan by China Banking Association, Financial Innovation Award (RQDII Custodian Service) by Shanghai Municipal Government, SME Innovation Award by Shanghai Finance Society, CSR Award (SiB) by British and American Chamber of Commerce, MNC/Large Corporate Bank for Treasury and Working Capital Management, Best Liquidity Management



Bank by The Asset, Best Bank for small business lending, Best Supply Chain Finance Provider, Best RMB Service, Best FX and Interest Rate Hedging by Global Finance, Product Innovation in the Interbank Market Award by China Business News, Best Bank of SME Service and Best Corporate Citizenship Award by 21st Century Business Herald, Best Global Cash Management Award, Best Supply Chain Finance Award and Best e-Banking Award by CFO World, Best Supply Chain Finance by Trade Finance, Best Foreign Private Wealth Management Business by Asian Banker, Best Bank for Wealth Management Equity Product by Security Times, Best Foreign Bank by the Economic Observer and Outstanding Foreign Bank Award by Jrj.com.

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