

press release

For immediate release

**RMB confidence strong
50% respondents hold RMB products
with average return 6.6%
Over 70% plan to take up RMB products
after daily conversion limit is lifted**

13 October 2014, Hong Kong – Surveys on local interest in RMB products*, conducted by Standard Chartered Bank (Hong Kong) Limited (“Standard Chartered Hong Kong”) in January and August, showed that 50% of respondents held RMB products, and that their RMB investments yielded an average return of 6.6%, higher than returns from their Hong Kong dollar investments. Respondents were positive towards the ease of the RMB daily conversion limit, with over 70% of them planning to buy RMB products if the limit is lifted. To meet such demand, Standard Chartered provides a wide range of RMB investment solutions, while also offering professional analysis and diversified products to help customers seize the opportunities arising from developments in the market.

Kelvin Lau, Senior Economist, Asia, at Standard Chartered Hong Kong, said, “The survey showed that despite the fall-back in the RMB earlier in the year, Hong Kong people are still keen on investing in RMB products. Half of the respondents still held RMB products, with these products remaining at 12% of their current assets. Average return on the respondents’ RMB investment reached 6.6%, higher than the 4% average return on their Hong Kong dollar investments. The earlier fall-back of the RMB exchange rate has not prompted respondents to move their money into other currencies, indicating their confidence in the RMB in the long run. More than 70% of respondents said they would even consider buying RMB products if the daily conversion limit was lifted.”

The surveys also covered the investment appetite with respect to the Shanghai-Hong Kong Stock Connect scheme. A total of 60% of investors said they would increase their proportion of RMB asset when Stock Connect was launched by allotting an additional 9% of their current assets to RMB products. Only 8% said they would take action at the start, with 60% stating that they would wait and observe market sentiment before acting.

The surveys also revealed that many respondents considered themselves lacking knowledge of RMB products. In particular, 60% of respondents who were interested in investing via Stock Connect said they would want to take advice from a professional financial consultant.

Will Leung, Head of Investment Strategy, Wealth Management, Hong Kong & Greater China of Standard Chartered Hong Kong, said, “Hong Kong people are looking forward to the investment opportunities that are arising from RMB internationalisation. However, many people lack knowledge about the investment environment and the relevant regulations in the Mainland. I would recommend that interested investors seek professional advice to help them understand the market situation before making any investment decisions. Alternatively, investors should consider diversifying risks by investing in funds.” Mr. Leung also predicted that although the RMB would remain on the strong side for the future, investors holding RMB should pay attention to changes in savings interest rates, and consider increasing their returns by buying RMB investment products.

Annie Chen, Head of Managed Investment & Product Management, Wealth Management of Standard Chartered Hong Kong, said, “We are seeing rising demand from customers for RMB wealth management products, their most popular choices are in RMB bonds, securities and funds. The sales volume of RMB denominated funds by end of September this year is nearly 3 times more than that of the same period last year. Their interest is particularly reflected in RMB denominated fixed income or equity fund with income distribution feature. We expect the easing of the daily conversion limit will further drive demand, in particular for foreign exchange products, such as yield enhancement Premium Deposit. By then, RMB would also enjoy the same level of liquidity as other major currencies. With the increasing flexibility we expect to see a greater variety of RMB products in future, and more RMB denominated wealth management products emerging.”

Standard Chartered has launched the RMB Marathon Savings Account promotion offering preferential interest rates of up to 4% p.a. for investors, giving them an opportunity to enjoy higher returns on their savings while they are looking for investment opportunities. Customers opening a Marathon Savings Account before 31 October with RMB deposit of new funds equivalent to HK\$50,000 or above will enjoy preferential interest rates in different phases. The preferential interest rate for October is 2% p.a., for November and December is 3% p.a., and for January is 4% p.a.. The offer is available until 31 October. Meanwhile, Standard Chartered also offers preferential deposit interest rate for RMB. Customers can enjoy 3.4% p.a. for RMB 12-month time deposit. The offer,

coupled with the benefits of the Marathon Savings Account, means that Standard Chartered is meeting its customers' needs by offering both short- and longer-term savings solutions.

Standard Chartered's All-round RMB Investment Solutions include:

- Professional market analysis: a professional team dedicated to researching markets, exploring market opportunities, and managing investments so that they suit customers best
- Diversified RMB investment products: a wide range of investment products such as RMB savings, exchange services, remittance, funds, stocks, bonds, etc to choose from
- Earn 360° Reward Points from banking accounts and credit card spending. Redeem exciting rewards via online reward redemption platform with the accumulated points

Photo download: <http://www.fingertips.hk/download/RMB-PC-press.zip>

*Note: The surveys were conducted online in January and August 2014, with a total of over 1,000 respondents between the age of 18 and 64.

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Standard Chartered

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

The history of Standard Chartered in Hong Kong dates back to 1859. It is currently one of the Hong Kong SAR's three note-issuing banks. Standard Chartered incorporated its Hong Kong business on 1 July 2004, and now operates as a licensed bank in Hong Kong under the name of Standard Chartered Bank (Hong Kong) Limited, a wholly owned subsidiary of Standard Chartered PLC.

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