

# Clearstream Spotlight

## Helping satisfy demand for offshore Renminbi liquidity

Giving customers multiple options and flexibility to manage their offshore Renminbi (RMB\*) liquidity is vital to the success of internationalising this growing currency.

Since 2010, Clearstream has offered RMB as a full settlement currency via our Hong Kong cash correspondent banks (CCB), Bank of China (BOC) Hong Kong and Standard Chartered Bank Hong Kong. From March, we are opening another three CCB accounts with BOC Frankfurt, International and Commercial Bank of China (ICBC) Luxembourg and ICBC Singapore, giving our customers the choice of five RMB CCB accounts in four leading financial centres.

This next important step in facilitating access to RMB liquidity will help satisfy investors increased demand for this currency by giving them additional options to manage their RMB liquidity in both Asian and European time zones.

Other recent RMB initiatives include the opening of our direct link with Taiwan last year to support development of the local offshore RMB-denominated bond market. We also launched comprehensive settlement and custody services for China A-shares via the Shanghai-Hong Kong Stock Connect programme. In 2013, Deutsche Börse Group and Bank of China signed a MOU regarding a strategic cooperation with the intention to jointly promote the development of the offshore Renminbi market in Europe combining each other's strengths in all possible business areas.

Clearstream's RMB business volume has developed very positively in recent years and we expect this trend to continue in 2015: the total number of RMB bonds distributed by Clearstream increased by a factor of 10 (2012-2014); settlement volumes rose almost three times while assets under custody quadrupled between the start of 2013 and the end of 2014.



\*Clearstream uses the official ISO currency code of CNY for technical documentation

### Our extensive range of services for RMB

#### Cash and banking

- Choice of five RMB CCB accounts in four leading financial centres
- RMB cash deadline extended beyond the Asian operating day (Bank of China Hong Kong, ICBC Singapore and ICBC Luxembourg till 21:00 HKT).

#### Issuance

- Comprehensive primary issuance services including Asia same day syndicated distributions for RMB-denominated securities
- Established network of common depositories in Asia to support Asian issuers accessing international markets and RMB liquidity.

#### Settlement

- Settlement of all HKEx listed securities including RMB-denominated H-shares
- Support of market development for RMB-denominated "Formosa" bonds via our direct link to Taiwan
- Launch of Shanghai-Hong Kong Stock Connect settlement services: only ICSD to give foreign investors direct access to China A-shares
- Real-time settlement available to Asian-market participants during their local operating hours
- Improved securities settlement input deadline for domestic transactions via our Hong Kong link

#### Global Securities Financing

- Triparty repo facility for offshore RMB market in Hong Kong granting international customers access to RMB liquidity.

#### Investment Funds Services

- Full suite of investment fund services for RMB-denominated funds.

### More information

For more information on these topics, please contact your Relationship Manager. If you would prefer not to receive our email news, please ask your RM to remove you from the mailing list.