

18 August 2022

HSBC OFFERS 1-YEAR FIXED RATE RESIDENTIAL MORTGAGE PLAN

Mitigating the risk of interest rate volatility for customers

HSBC is launching a new one-year fixed rate mortgage plan¹ to give customers the option of predictable monthly repayment amount on their mortgages during the fixed-rate period.

From now until 15 October 2022, besides the prevalent HIBOR²-based mortgage, new mortgage customers can choose to borrow at a fixed-rate of 2.75 per cent for the first year of the loan tenure. Subsequently, the mortgage rate will be based on HIBOR with an interest rate cap. Customer will need to draw down the loan no later than 15 December 2022.

“Under a floating rate mortgage plan, monthly repayment goes up and down in line with market’s interest rate movement. The US Fed raised its benchmark rate for two consecutive months in June and July and the HIBOR is also rising. At a time like this, some customers may prefer a mortgage solution which offers predictability and stability. HSBC is committed to providing comprehensive mortgage services to our customers and we are pleased to launch a new fixed rate mortgage plan that allows customers to lock a mortgage rate at an early stage of the loan tenure and gives them a peace of mind in managing their finances,” said **Catherine Chui, Head of Mortgages, Wealth and Personal Banking, Hong Kong, HSBC.**

As usual, customers are eligible to enjoy a preferential interest rate³ on their savings under the Deposit-linked Mortgage Repayment Plan, which helps to offset part of their mortgage interest expense.

In addition, HSBC will raise the cap rate of the HIBOR-based plan from P-2.5% to P-2.25%⁴ effective 18 August 2022.

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Note to editors:

1. The Fixed-rate Mortgage Plan is applicable to loan amount between HKD1 million and HKD20 million.
2. Hong Kong Interbank Offered Rate (HIBOR) as at any date means the Hong Kong Interbank Offered Rate for the interest period of 1 month for Hong Kong Dollars quoted by The Hongkong and Shanghai Banking Corporation Limited at or about 11:00 a.m. (Hong Kong time) on such date. This HIBOR quoted by The Hongkong and Shanghai Banking Corporation Limited is not necessarily the same as HKD Interest Settlement Rates published by The Hong Kong Association of Banks
3. Customers can enjoy a preferential saving interest rate, the same as the mortgage interest rate for your savings deposit balance – not exceeding 50 per cent of the outstanding principal amount of your mortgage loan.
4. Applicable to new applications.

Terms and conditions apply.

To borrow or not to borrow? Borrow only if you can repay!

The Hongkong and Shanghai Banking Corporation Limited

The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group. HSBC serves customers worldwide from offices in 63 countries and territories in its geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$2,985bn at 30 June 2022, HSBC is one of the largest banking and financial services organisations in the world.

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