

29 March 2023

HSBC DIGITISES LOMBARD LENDING*Shorter Time to Secure Credit Line in Days from Weeks*

To support the wealth management needs of digitally savvy investors, HSBC recently launched an industry-first, digital Lombard lending service for Premier and Jade customers in Hong Kong.

Lombard Lending offers clients a relatively low-cost* option to borrow funds by using their investment assets as collateral (also known as margin lending). Because this type of margin lending is portfolio based, clients holding diversified portfolios are able to achieve higher loan-to-value (LTV) ratios while lowering the likelihood of margin calls triggered by price volatility.

Eligible HSBC customers can now activate a Wealth Portfolio Lending (WPL) facility online in minutes and use the credit line as soon as the next business day. Borrowers stay in control 24/7 using HSBC HK Mobile Banking app to monitor collateral values, spend funds and manage their account's margin status. Previously, customers could only apply for WPL at a branch and would wait weeks for manual processing, credit underwriting and facility setup. This process has now been fully automated.

Ryan Haugarth, Head of Self-Directed Trading, Capital Market Platforms and Wealth Financing Solutions, Wealth and Personal Banking, HSBC, Hong Kong, said: "To counter inflation, investors want their cash invested and generating returns, yet also want to stay liquid for emerging opportunities and other personal needs. Wealth Portfolio Lending solves this with on-demand buying power that can be deployed 24/7 through HSBC online and offline channels. Our clients have already activated credit lines worth several billions of dollars, which costs them nothing other than a low rate of interest* on the days they make use of the funds. Half of new facilities are being set up through our mobile app, which speaks to our clients' appetite for digital wealth solutions and HSBC's ability to bring digital innovation to market."

ends/more

Note to editors:

* Annualised interest rate is HSBC's HKD Best Lending Rate minus 1.75%, terms and conditions apply.

Terms and Conditions apply.

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

For details, please visit: <https://www.hsbc.com.hk/wealth-financing/products/wealth-portfolio-lending/>

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 62 countries and territories in its geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$2,967bn at 31 December 2022, HSBC is one of the largest banking and financial services organisations in the world.

ends/all