

13 November 2024

**HSBC ASIA-PACIFIC COMPLETES ISSUANCE OF  
RMB4.5 BILLION PANDA BOND**

*Milestone Move to Support China's Capital Market Liberalisation  
Commitment to Reinforce Hong Kong as the World's Offshore RMB Centre*

The Hongkong and Shanghai Banking Corporation Limited (HSBC Asia-Pacific) announced it has completed the issuance of RMB4.5 billion Panda Bond in the China Interbank Bond Market (CIBM) as part of its RMB10 billion programme.

This three-year Panda Bond is the second-ever issuance by HSBC Asia-Pacific. The basic issuance size is RMB3 billion. After executing the over-issuance right, HSBC Asia-Pacific raised RMB4.5 billion, priced at 2.15%. The book was oversubscribed by 1.88 times. The funds will be remitted from onshore to offshore to support businesses' growing demand for RMB, and broader RMB internationalisation.

**David LIAO, Co-Chief Executive, Asia-Pacific, HSBC**, said, "It is great to see the positive response from onshore and offshore investors who have been looking for high-quality assets in the domestic market. The issuance attests to HSBC's commitment to meet our global clients' demand for RMB, to support China's capital markets, and enhance Hong Kong's unique position as an offshore RMB centre."

With regard to the issuance, China Chengxin Credit Rating Group (CCXI) assigned an issuer credit rating of AAA to HSBC Asia-Pacific, with a stable outlook, and a bond rating of AAA to the November 2024 issuance. HSBC China acted as the Lead Underwriter and Joint Bookrunner on the deal. In 2015, HSBC Asia-Pacific was one of the first offshore financial institutions to issue Panda Bonds, with an issuing size of RMB1 billion.

Over the years, the Panda Bond market has been growing with more diversified issuers and investors. The increasing use of RMB in international trade, cross-border settlement and global investment has contributed to the

sustained demand for RMB assets, thus further developing the Panda Bond market.

Launched in 2005, “Panda Bond” refers to RMB-denominated bonds issued by offshore incorporated entities in China’s domestic bond market. In 2023, a total of 94 bonds were issued, raising a record RMB154.5 billion. This year is expected to be another record year for the Panda Bond market. There have been 100 issuances raising RMB178 billion from January to October 2024.

HSBC is committed to supporting China’s capital market liberalisation. It has been at the forefront of RMB internationalisation with RMB products and services for cash management, trade financing, investment, and currency risk management across 50 markets globally. HSBC is an active participant in the Connect Schemes, the mutual capital market access programme between Hong Kong and mainland China in equity, bond, wealth management product, and interest rate swap.

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#### **Note to editors:**

##### **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 60 countries and territories. With assets of USD3,099bn at 30 September 2024, HSBC is one of the world's largest banking and financial services organisations.

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