

UOB offers two new foreign exchange solutions in China to support companies' cross-border financial needs

First foreign bank to execute R5-SHCH Connect transactions;

Among the first market makers in China to offer direct trading between the Renminbi and Thai Baht

Shanghai, China, 13 February 2018 – United Overseas Bank (UOB) today announced that it has added two foreign exchange (FX) solutions to its expanding suite of cross-border financial products and services in China.

The first solution enables onshore banks in China to trade directly with banks overseas via the R5-SHCH Connect¹ without having to source for counterparties and to negotiate trade prices individually. UOB is the first foreign bank to execute offshore Renminbi (RMB) transactions using R5-SHCH Connect, an FX trading platform set up as part of a partnership between the Shanghai Clearing House (SHCH) and London-based financial technology firm R5FX Ltd. Banks registered for the R5-SHCH Connect service can conduct clearing for spot transactions in the US dollar against the Hong Kong dollar, the British pound against the US dollar and the euro against the US dollar. The service is expected to extend to other currencies and derivatives in the future.

The second new FX solution is direct trading between the RMB and the Thai Baht. UOB is among the first market makers able to support direct trading for its clients through the China Foreign Exchange Trade System (CFETS). CFETS launched direct trading between the RMB and the Thai Baht on 5 February 2018.

With the Belt and Road Initiative (BRI) creating business opportunities in Thailand and the neighbouring Southeast Asian countries, more Chinese companies require settlement of trade and investment activities in Thai baht. In Myanmar, the Thai baht is also one of the preferred currencies for local businesses. However, direct trading between the two currencies was allowed only in limited Chinese regional interbank markets in the past. As such, Chinese companies have faced challenges to fund projects. The FX solution UOB provides will be able to help the companies overcome these challenges.

¹ The launch of the R5-SHCH Connect was announced by UK Prime Minister Theresa May on 2 February 2018 as part of the China-UK collaboration on the BRI to build financial infrastructure.

Mr Mark Yang, Head of Global Markets of UOB (China), said “Given our strong Southeast Asian presence, we are one of the most active market makers of the Thai baht in the region. With our RMB-Thai baht direct trading service, our clients in China can not only meet their overseas financing needs but can also enjoy easier access to a wider range of Thai baht solutions including spot, forward and swaps, while also managing their related FX costs and risks.”

UOB (China) has been recognised by the CFETS as the Best Market Maker between the RMB and the Singapore dollar for the past three consecutive years.

“At UOB, we are committed to providing our clients with convenient, efficient and secure FX solutions that suit their growing cross-border financial needs. As one of the first banks in China to offer these two new FX solutions, we are able to tap the first-mover advantage and to deepen our onshore and offshore support of clients as they expand their business overseas,” Mr Yang said.

- Ends -

About United Overseas Bank (China)

United Overseas Bank (China) Limited (UOB (China)) is a wholly-owned subsidiary of the United Overseas Bank Limited (UOB), a leading bank in Asia. Headquartered in Shanghai, UOB (China) was incorporated in the People’s Republic of China on 18 December 2007 and commenced operations on 2 January 2008. With a stable and far-sighted approach, UOB (China) has grown its network to 16 branches and sub-branches in the major cities across China.

UOB (China) is committed to our people who have carried through the entrepreneurial spirit, the focus on long-term value creation and an unwavering commitment to do what is right for our customers and our colleagues.

We believe in being a responsible financial services provider and we are committed to making a difference in the lives of our stakeholders and in the communities in which we operate. Just as we are dedicated to helping our customers manage their finances wisely and to grow their businesses, UOB (China) is steadfast in our support of social development, particularly in the areas of art, children and education.

For more information about UOB (China), please visit www.UOBChina.com.cn

For media queries, please contact:

Sabrina Fu
Strategic Communications and Client Advocacy
Email: Sabrina.fuy@UOBgroup.com
Tel: 86-21-6061 8647

Tracy Cui
Strategic Communications and Client Advocacy
Email: Tracy.CuiYX@UOBgroup.com
Tel: 86-21-6061 8646