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## **WORLD BANK ('IBRD') LAUNCHES FIRST EVER RMB-SETTLED SPECIAL DRAWING RIGHTS ('SDR') BOND PROGRAMME**

The People's Bank of China ('PBOC') has approved the World Bank's SDR-denominated Bonds Issuance Programme, making this the first ever RMB-settled SDR bond programme. The programme allows World Bank to issue bonds denominated in SDR, payable and settled in RMB and issued in China's interbank bond market. HSBC will be joint-bookrunner and joint lead-manager for the inaugural SDR bond issuance and has worked closely with World Bank to prepare the programme.

A Special Drawing Rights ("SDR") is an international reserve asset, created by the IMF in 1969 to supplement its member countries' official reserves and is currently based on a basket of four currencies: the US dollar, euro, yen, and sterling. With the RMB set to become an SDR currency from 1st of October, this will widen the investor appetite for SDR and is another important step towards the RMB becoming a reserve currency.

Stuart Gulliver, Group CEO HSBC said: "We are delighted to have worked closely with World Bank to arrange this structure and bring yet another new development to the market in RMB financing. The World Bank continues to show its ability to bring innovative bond issues to the market, attracting strong investor interest. As China opens up its capital markets to international investors, HSBC is playing a key role in these developments, and remains committed to leading every innovative international Chinese transaction."

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## **World Bank Launches First Ever RMB-settled SDR Bond Programme**

### **Note to editors:**

#### **The HSBC Group**

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 4,400 offices in 71 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,608bn at 30 June 2016, HSBC is one of the world's largest banking and financial services organisations.

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