

## **China CITIC Bank International to launch market's first Cross-border Banking Demand Index**

Upsurge in mainland's demand for Hong Kong's banking service underscored by  
first-quarter index of 63.6

(Hong Kong: 24 March 2014) China CITIC Bank International Limited (the "Bank" or "CNCBI") announces the launch of the quarterly CNCBI Cross-border Banking Demand Index (the "Index") – Hong Kong's first quarterly leading index that unveils the changes in Hong Kong's banking service demand from companies and individuals from mainland China. The 1Q2014 index stands at 63.6, which is well above the threshold of 50 and indicates that mainland demand for Hong Kong's cross-border banking service sores significantly.

Mr. Zhang Xiaowei, President and Chief Executive Officer, CNCBI, says that the Bank has always been at the forefront of cross-border business development and that it has been successful in pioneering new corporate banking, personal banking as well as treasury products and services. The launch of the Index stands testimony to the Bank's determination and capability in cross-border business development. It also aims at providing the Hong Kong public a reference and fostering the prosperity of Hong Kong's cross-border banking business.

The 1Q2014 CNCBI Cross-border Banking Demand Index stands at 63.6, while the Corporate Demand Index and Individuals Demand Index are 62.6 and 69.4.

Dr. Liao Qun, Chief Economist and General Manager of Research Department, CNCBI, points out, all these indices were above the 50-mark threshold. This suggests that 1Q2014 demand for Hong Kong's banking service from mainland companies and individuals from across the border is noticeably stronger than the previous quarter.

Dr. Liao continues, "The companies polled revealed stronger interest in settlement & cash management services, currency transactions, asset management & financial consultancy and loans, with the respective sub-indices hitting 65 or above. The stronger momentum of RMB internationalisation and resultantly faster development of RMB business in Hong Kong, an accelerating growth in mainland companies' outbound investments, and tighter liquidity in the mainland banking market from time to time as a result of a change in the PBOC's liquidity management strategy, are believed to underpin the strengthening corporate demand."

The findings reveal there are two common factors for the cross-border demand upsurge with the first being confidence in Hong Kong's banking service, and the second confidence in the prospects of business or of Hong Kong.

For the full CNCBI Cross-border Banking Demand Index report, please log on to: [www.cncbinternational.com/cross-border-index](http://www.cncbinternational.com/cross-border-index).

**Editor's notes:**

CNCBI Cross-border Banking Demand Index

The CNCBI Cross-border Banking Services Demand Index is the first quarterly leading index in Hong Kong to reveal changes in cross-border demand for Hong Kong banking services. The findings are based on the results of a quarterly survey over mainland corporate and individuals.

The Index is a weighted average of the Corporate Demand Index and the Individuals Demand Index. While the former is a weighted average of eight service-specific corporate demand sub-indices, the latter is of six service-specific individuals demand sub-indices.

Each of the sub-indices is a diffusion index and is calculated from the replies of survey respondents to the question: Do you expect the cross-border demand of your corporation or you for the banking service (as specified) will increase, decrease or be unchanged in the next quarter as compared to the current quarter? The value of the diffusion index is the sum of the responses of "Increase" plus a half of those responding "Unchanged" in percentage terms.

The survey for the Index was conducted by international market research firm Ipsos and it covered 15 cities across the Pearl River Delta, Yangtze River Delta, Pan-Bohai and Central & Western areas of China. The quarterly survey involved 500 companies and 500 affluent mainlanders who are currently using cross-border banking services or indicated an intention to do so. Data is collected mainly through telephone interviews.

The corporate sample represents a wide spectrum of industries including import/export trade, manufacturing, real estate, construction, power & energy, etc, with quotas on small, medium and large enterprises based on their annual turnover. Finance managers or directors of qualified companies are interviewed. The individuals sample consists of high-net-worth (>US\$1 million liquid assets) and upper affluent (>HK\$1 million liquid assets) individuals.

China CITIC Bank International Limited

China CITIC Bank International Limited (the “Bank” or “CNCBI”) is a wholly-owned subsidiary of CITIC International Financial Holdings Limited (“CIFH”), which in turn is 70.32%-owned by China CITIC Bank Corporation Limited and 29.68%-owned by Banco Bilbao Vizcaya Argentaria, S.A. (“BBVA”) of Spain. By providing value-creating financial solutions to define and exceed both the wealth management and international business objectives of our Greater China and overseas customers, the Bank aspires to be the “China Bank of Choice”, with the best international standards and capabilities. The Bank’s footprint in Greater China includes 36 branches in Hong Kong, as well as branches and presence in Beijing, Shanghai, Shenzhen and Macau. The Bank also has overseas branches in New York, Los Angeles and Singapore. More information about the Bank can be found on its website at [www.cncbinternational.com](http://www.cncbinternational.com).

For media inquiries, please contact:

Woobie Wu

Senior Manager

Corporate Communications

Tel: (852) 3603 6332

Fax: (852) 3603 4312

Email: [woobieyp\\_wu@cncbinternational.com](mailto:woobieyp_wu@cncbinternational.com)

Christopher Law

Senior Officer

Corporate Communications

Tel: (852) 3603 6635

Fax: (852) 3603 4312

Email: [christopherst\\_law@cncbinternational.com](mailto:christopherst_law@cncbinternational.com)

- End -