

# press release

FOR IMMEDIATE RELEASE

## **Standard Chartered Bank advised China CITIC Bank and China Merchants Bank on their first securitisation deals**

*Standard Chartered maintains its leadership in China's securitisation market*

**Hong Kong, 3 November 2008** – China CITIC Bank (“CITIC Bank”) and China Merchants Bank (“CMB”) completed their first-ever collateralised loan obligations (“CLO”) transactions on 10 October 2008 and 31 October 2008 respectively. These two transactions mark the revival of China’s securitisation market, despite the current global concern on credit products. Standard Chartered Bank (“SCB”) acted as the arranging advisor for both deals.

CITIC Bank’s Xinyin 2008-1 CLO and CMB’s Zhaoyuan 2008-1 CLO securitised CNY 4.077 billion and CNY 4.092 billion corporate loans respectively. In CITIC Bank’s CLO, the fixed and floating rate tranches of AAA rated notes were respectively priced at 4.45% and 4.65% (collectively two fixed-rate senior tranches) and 99 bps over 1yr deposit rate, and the A rated tranche was priced at 228 bps over 1yr deposit rate. In CMB’s CLO, the fixed and floating rate tranches of AAA rated notes were respectively priced at 4.26% and 140 bps over 1yr deposit rate, and the A rated tranche was priced at 235 bps over 1yr deposit rate.

As the leading joint stock commercial banks in China, CITIC Bank and CMB undertook these securitisation transactions to improve their asset liquidity and risk management. During the process of deal execution, SCB played a crucial and leading role in structuring the deals, negotiating documentation, coordinating third parties and assisting notes marketing.

Lesi Zuo, Managing Director and Head of Asset Securitisation Group, Northeastern Asia, of Standard Chartered, said, “Despite the dislocation of the international financial markets, the securitisation market in China is still growing. It is expected that there are a number of medium-sized domestic banks aiming to securitize their loan book.”

SCB is a leading arranger in China’s securitisation market. The transactions arranged and structured by SCB include the RMB securitisation deal for China Construction Bank and the CLO deals for Industrial and Commercial Bank of China, Industrial Bank of China, China CITIC Bank and China Merchants Bank.

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**For media enquiries please contact:**

Warren Lee  
Head of Asset Backed Securitisation, Asia  
Tel: (852) 2841 0260  
[Warren.lee@standardchartered.com](mailto:Warren.lee@standardchartered.com)

Doris Fan  
Corporate Affairs Hong Kong  
Tel: (852) 2820 3824  
[Doris.fan@standardchartered.com](mailto:Doris.fan@standardchartered.com)

Lesi Zuo  
MD, Asset Backed Securitisation, NEA  
Tel: (852) 2841 0258  
[Lesi.zuo@standardchartered.com](mailto:Lesi.zuo@standardchartered.com)

Note to Editor:

Hong Kong

**Standard Chartered – leading the way in Asia, Africa and the Middle East**

The history of Standard Chartered in Hong Kong dates back to 1859. It is currently one of the SAR's three note-issuing banks. Standard Chartered incorporated its Hong Kong business on 1 July 2004, and now operates as a licensed bank in Hong Kong under the name of Standard Chartered Bank (Hong Kong) Limited, a wholly owned subsidiary of Standard Chartered PLC.

Standard Chartered PLC, listed on both London and Hong Kong stock exchanges, ranks among the top 25 companies in the FTSE-100 by market capitalisation.

The London-headquartered Group has operated for over 150 years in some of the world's most dynamic markets, leading the way in Asia, Africa and the Middle East.

Standard Chartered aspires to be the best international bank in its markets through leading by example to be the right partner for its stakeholders. The group now employs 75,000 people, representing 115 nationalities, in more than 1,750 branches and outlets located in over 70 countries.

Standard Chartered Bank (Hong Kong) Limited was named the "Employer of Choice" at the prestigious Hong Kong HR Awards 2008, and also named by The Gallup Organisation as a winner of the Gallup Great Workplace Award.

For more information, please visit: [www.standardchartered.com](http://www.standardchartered.com)