

## Korea's Shinhan Bank Implements J.P. Morgan's RMB Clearing and Trade Services

### J.P. Morgan Named "Best RMB Cross-border Trade Settlement Bank for 2010" by CFO China magazine

**HONG KONG, October 27, 2010** - J.P. Morgan is continuing to expand its renminbi ("RMB") international trade settlement services to its clients across Asia Pacific, with Shinhan Bank, one of Korea's oldest and most esteemed financial institutions, the latest client regionally to implement RMB clearing and trade solutions.

Shinhan Bank's decision to implement J.P. Morgan's RMB clearing and trade services further strengthens a long relationship between the two firms, which began with J.P. Morgan providing U.S. dollar clearing services for the Korean bank's treasury and commercial payments operations in 1983. Through this broader relationship, Shinhan Bank's corporate clients will now benefit from fast and efficient clearing of cross-border trade payments with China, reduced operating costs and the mitigation of foreign exchange risk.

Byung Sun Chang, Head of Financial Institution Sales, Korea, J.P. Morgan Treasury Services, said: "We're extremely pleased to have deepened our existing relationship with Shinhan Bank, which has been one of our key clients for almost 30 years. We leveraged our on-ground expertise and our innovative global clearing platforms, delivering a great product that will ultimately provide significant ongoing benefits to Shinhan Bank's clients, who are eager to further grow their business and deepen their trade links with China."

Korea, one of J.P. Morgan's largest cash and trade services markets in the region, has continued to experience strong trade growth with China. In 2009, aggregate cross-border trade between the two countries reached USD 141 billion, with flows in 2010 increasing to USD 121 billion as at the end of August. Of this, Shinhan Bank handles more than USD 15 billion.

Sam Xu, Senior Product Manager, China, J.P. Morgan Treasury Services, noted that the growing trade volumes between Korea and China and the rising demand for RMB-related products and services were indicative of the wider Asia Pacific story.

"When it comes to implementing RMB clearing services, we have been having conversations with our global, regional and local clients on a daily basis. Intra-region trade flows are continuing to grow, and many of our clients are now moving to incorporate the RMB into their cross-border activities," he said.

J.P. Morgan, which provides RMB Nostro accounts through its Shanghai branch and clearing services to its clients globally, was one of the first foreign locally-incorporated banks in China to function as a domestic agent bank offering RMB international settlement services. Further cities within China are expected to go live soon, and the firm continues to expand the range of products and services that it offers its clients globally, including RMB bond clearing along with DDA and time deposits through Hong Kong, among others.

Since the People's Bank of China expansion of the RMB international settlement program and the recent announcement regarding the partial opening up of China's onshore interbank bond market, J.P. Morgan has been engaging corporate and financial institutions globally on the benefits of the program, conducting a series of educational road shows in Asia Pacific, Europe and the United States.

The firm's ongoing international commitment to helping its clients integrate RMB into their treasury operations as part of the currency's recent developments has seen J.P. Morgan voted "The Best RMB Cross-border Trade Settlement Bank for 2010" by the readers of CFO China magazine. The magazine, which is read by CFOs, treasurers and financial controllers in China, said the award recognized the bank's strength in innovation and service, and the company's efforts in RMB international trade settlement and the global promotion of the program.

Lisa Robins, Head of Treasury & Securities Services, China, J.P. Morgan, said: "We're delighted that J.P. Morgan has been recognized with this award from the readers of CFO China, one of China's leading professional publications for the industry. The firm has worked tirelessly to ensure our clients remain well placed to capitalize on these recent RMB developments at global, regional and local levels, and we look forward to continuing to deliver the highest levels of client service as we move forward into 2011."

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provides solutions to corporate and institutional clients across the region.

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