

RMB capability a key switch point for big customers

(17 May 2012 – Australia) For regular users of Renminbi (RMB) among Australia's top 500 companies, a bank's ability to provide direct RMB support would encourage 78 percent to switch providers, research from leading industry consultants East & Partners has found.

East's latest research shows that of the 500 enterprises that make up Australia's Institutional market, 75 percent have needs for direct RMB trading. Of these companies that do trade with RMB there is roughly a 40/60 split between regular users and those that use RMB more occasionally.

A huge 78 percent of "regular" RMB users would be encouraged to switch providers based on their ability to offer RMB support; for "occasional" users, 40.6 percent see RMB support as a trigger to consider a change in cross border payment or FX provider.

East & Partner's Head of Client Service, David Brown commented, "The importance of direct RMB capability by trade banks is having a substantial impact on where Australia's very large corporates bank their FX relationships. These new figures are supported by East's Trade Finance Markets program which identifies broadly three quarters of this institutional market segment either actively export, import or both with China, a ratio which goes well beyond the obvious resource and mining exporters."

"The business benefits of using such capability are also being recognised by smaller exporters and importers and we see RMB offerings becoming increasingly important to middle market business customers," Mr Brown added.

About East & Partners

East & Partners is Asia-Pacific's leading business banking and advisory firm. East's research programs and expertise in the Institutional, Corporate, SME, Business, Investment and Financial services markets has enabled the firm to work with virtually every major bank within the region and international clients based in North America and Europe.

Focusing on the needs and priorities that make every client different, East devises and implements a strategic action plan that has a measurable return on investment for its clients through the delivery of bespoke, thought-leadership and multi-client research programs. This enables the firm's clients to execute bullet-proof regional, national and global strategies based on the "real voice" of many thousands of business customer interviews annually.

Note: Business customer Segments

- > Institutional – A\$530+ million
- > Corporate – A\$20-530 million
- > SME – A\$5-20 million
- > Micro – A\$1-5 million

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