

## Press Release

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### **Philippine RMB Trading Community embarks on RMB study tour in China**

Thirteen of the fourteen initial bank members of the Philippine RMB Trading Community (PRTC) recently joined a renminbi (RMB) study tour in Hong Kong and Shanghai organized by Bank of China. The learning tour served as a platform for the PRTC to gain insight into the intricacies of RMB and its benefits for the local banking industry.

“RMB is a relatively young currency in the Philippines. With this study tour, PRTC members were able to understand and immerse themselves on the complexities of RMB right at the source, providing them with the insights and knowledge of the RMB market,” said Deng Jun, Country Head of Bank of China Manila.

The study tour is part of the knowledge sharing program of the RMB Community, which signed its Memorandum of Agreement last October 2018. The initial members of the group include: Asia United Bank, Bank of China Manila, Bank of Commerce, Bank of the Philippine Islands, BDO Unibank, China Banking Corp., East-West Banking Corp., Metropolitan Bank & Trust Co., Philippine Business Bank, Philippine Bank of Communications, Philippine National Bank, Rizal Commercial Banking Corp., Security Bank Corp., and Union Bank of the Philippines.

In line with the PRTC’s mission to facilitate direct foreign exchange trading of the Chinese renminbi and the Philippine peso, the community visited five financial institutions in China—Bond Connect, Shanghai Clearing House (SCH), China Foreign Exchange Trade System (CFETS), People’s Bank of China (PBOC), and Hong Kong Monetary Authority (HKMA)—all essential institutions in learning about the structure, policies and processes of RMB.

“As we seek to develop and adapt standards in infrastructure building, trading conventions, and other standard protocols covering renminbi, we need to see what’s already in place and what we can adapt to the Philippine market,” said Philippine Business Banking (PBB) President Rolando Avante, one of the tour participants.

Each institution focused on key areas involved in the lifecycle of a renminbi trade: the PBOC and HKMA for market regulations; the CFETS for the transmission of central bank monetary policies, the SCH for clearing and depository services; and the Bond Connect for possible hedging solutions and new investment vehicles for foreign institutional investors.

According to PRTC members, the study tour will help further their RMB thrust for the Philippines. “The learning from premier RMB financial institutions is invaluable for our community and will serve as catalyst to further expand the internationalization of renminbi,” said Security Bank’s Treasurer, Raul Pedro.

This sentiment was echoed by Benedict Chan, Treasurer of Chinabank. “It will also be instrumental in expanding the use of the currency in the coming years in the Philippine renminbi market,” he said.

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