Global Markets

Stephen Li
Head, Global Markets

UOB Greater China
Corporate Day
31 August – 1 September 2015

Disclaimer: This material that follows is a presentation of general background information about the Bank’s activities current at the date of the presentation. It is information given in summary form and does not purport to be complete. It is not to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. This material should be considered with professional advice when deciding if an investment is appropriate. UOB accepts no liability whatsoever with respect to the use of this document or its content.
Market Landscape

Customer Dynamics

• Increasing external trade and cross-border business present more Global Markets business opportunities i.e. foreign exchange and interest rates related business

• Market volatilities driving customers’ needs to hedge against risk exposures in foreign exchange, interest rates and commodities

• Strong demand for more sophisticated products for hedging and liability management covering different asset classes

• Require closer synergy between Global Markets and other business segments, such as Transaction Banking, Corporate Banking, Commercial Banking and Financial Institutions Group
Global Markets team has placed greater emphasis on growing fee-based income from sales business.

The growth in sales business was mainly due to the expansion of product diversity and enhanced collaboration with other business segments.
## Growth Drivers

<table>
<thead>
<tr>
<th>CAPABILITIES DEVELOPMENT</th>
<th>PROXIMITY TO CUSTOMERS</th>
<th>SYNERGIES WITH COVERAGE TEAMS</th>
</tr>
</thead>
</table>
| • Expanding Corporate and Financial Institutional Sales Teams within Global Markets | • Placing the CNH centre of excellence within Greater China  
  • Seizing “One Belt, One Road” opportunities by reaching out to clients with regional operations, through the close coordination between Greater China and Head Office | • Close collaboration amongst Greater China Global Markets Sales, RMs and other product teams  
  • Deepen relationships with Financial Institutions beyond Global Banknotes business |
| • Diversifying product offerings into different asset classes | | |
| • Leveraging Head Office’s product capabilities to cater to clients’ needs | | |
Strong Growth in Customer Flow Income

Total Customer Flow Income in Greater China

- 2010
- 2011
- 2012
- 2013
- 2014
- 1H14
- 1H15

Greater China’s Global Markets 1H15 Revenue Split by Coverage Team

- Corporate Banking, 22%
- Commercial Banking, 14%
- Financial Institutions Group, 64%

+50% CAGR

+9%
## UOB’s Value Proposition in RMB Business

### Dedicated team to promote RMB business across the Group
- RMB Solutions team works together with Global Markets and Group Wholesale Banking teams to drive synergies and flows across the region
- Identify market trends and harness opportunities arising from RMB internationalisation

### On-the-ground understanding of regulatory changes
- On-the-ground specialists in China to engage regulators to obtain timely information on new rules and regulations
- Provide timely and relevant advice to clients

### A single team to advise clients on tailor-made structures
- Bring “one team” with multiple expertise to clients
- Proactive in offering advice and structuring solutions across products such as blending Trade with Global Markets product features
## Case Study: Leverage UOB’s Network Strengths across Singapore and Greater China

<table>
<thead>
<tr>
<th>Value</th>
<th>Collaboration</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Client Shanghai</strong></td>
<td><strong>Client Shanghai</strong></td>
<td>Within a short period of time, after the loan transaction, UOBHK closed a number of hedging deals with the client.</td>
</tr>
<tr>
<td>In need of cheap offshore funding</td>
<td>Offshore loan from UOB Hong Kong</td>
<td></td>
</tr>
<tr>
<td><strong>UOB Hong Kong</strong></td>
<td><strong>UOB Hong Kong</strong></td>
<td>UOB Singapore amongst 1st batch of banks to issue “Lion City” bonds</td>
</tr>
<tr>
<td>Strong demand for CNH funding</td>
<td>Assist client to obtain approval to inject capital</td>
<td></td>
</tr>
<tr>
<td><strong>UOB Singapore</strong></td>
<td><strong>UOB Singapore</strong></td>
<td></td>
</tr>
<tr>
<td>Well-regarded in the industry</td>
<td>UOB Singapore issued a “Lion City” bond</td>
<td></td>
</tr>
</tbody>
</table>

### Leverage UOB’s network as the competitive edge

- **Strengthen client relationship**
- **More cross-sell deals**
Capturing RMB Opportunities

- Singapore as regional platform to help Chinese customers expanding to ASEAN
- Leverage UOB’s competitive strengths in Thailand, Myanmar, Vietnam, Malaysia and Indonesia to assist clients’ expansion

- Assist strong Chinese names to tap local bond markets in SGD, MYR, THB, and IDR
- Offer Chinese companies multicurrency offshore loan packages, which include CNH, USD and regional currencies

- Cross-border RMB cash-pooling through the Transaction Banking teams within Greater China and ASEAN
- UOB Global Market provides hedging solutions for trade financing transactions to meet customers’ needs

Use UOB network to assist Chinese companies expand into ASEAN

Focus fund raising in offshore markets for Chinese companies

Expand product offerings and enhance collaboration
Questions & Answers
THANK YOU