



For Immediate Release

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The United Arab Emirates and Qatar drive RMB adoption in the Middle East

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SWIFT's RMB Tracker shows that the RMB is now the most active currency used by the UAE and Qatar for direct payments with China and Hong Kong

Brussels, 28 January 2016 – Recent SWIFT data shows that the United Arab Emirates (UAE) and Qatar are the most active Middle East countries using the RMB for direct payments with China and Hong Kong.

In 2015, the UAE's use of the RMB accounted for 74% of payments by value to China and Hong Kong, an increase of 52% compared to 2014. In Qatar, the RMB was used for 60% of all payments, a huge rise of 247% compared to 2014.

However, looking at all cross-border flows worldwide, SWIFT data reveals that the majority of payments between these Gulf States and China/Hong Kong are in USD and subsequently intermediated, mainly by USD clearing banks.

"Use of the RMB has been rising across the Middle East region over the last few years. Adoption has been supported by developments such as the establishment of an RMB clearing centre in Qatar last year - the first in the Middle East – and the recent memorandum of co-operation signed between the People's Bank of China and the Central Bank of the United Arab Emirates to set up RMB clearing arrangements in the UAE," says Sido Bestani, Head of Middle East, Turkey and Africa at SWIFT. "We anticipate these and similar efforts will continue to drive RMB adoption across the region."

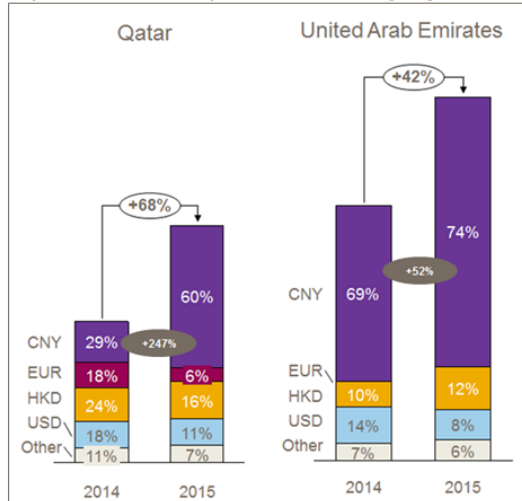
In December 2015, the RMB remained stable in its position as the fifth most active currency for global payments by value and accounted for 2.31% of global payments, with an increased market share compared to 2.28% in November 2015. Overall, RMB payments value increased by 15.92% compared to November 2015, whilst in general all payments currencies increased by 14.43%.

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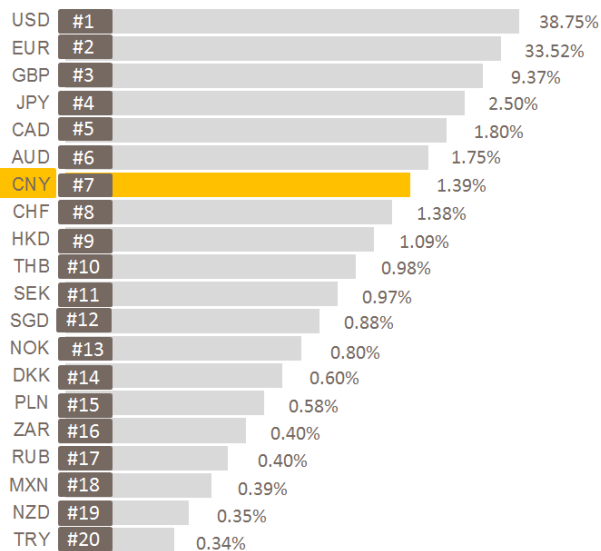
Currency usage for direct payments between UAE/Qatar and China/Hong Kong

Payments sent and received by value with China and Hong Kong, 2015 vs 2014

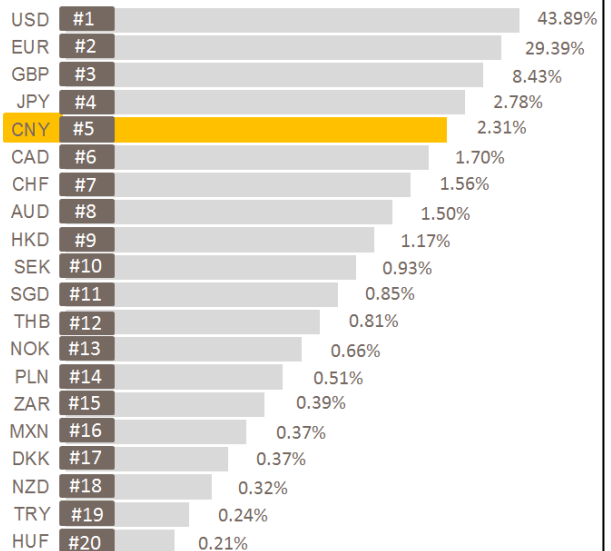


Source: SWIFT Watch

Jan 2014



December 2015



Notes to the editor

SWIFT data permits to differentiate direct payments flows from indirect/intermediated payments. The tracker considers direct payments when the payment route is directly between Gulf States and China and Hong Kong. Indirect payments flows, shows that there is a different payment route used for the settlement of the transactions (as an example US based financial institutions clearing USD).

About SWIFT and RMB Internationalisation

Since 2010, SWIFT has actively supported its customers and the financial industry regarding RMB internationalisation through various publications and reports. Through its Business Intelligence Solutions team, SWIFT publishes key adoption statistics in the RMB Tracker, insights on the implications of RMB internationalisation, perspectives on RMB clearing and offshore clearing guidelines, supports bank's commercial RMB product launches and provides in-depth analysis and

business intelligence, as well as engaging with offshore clearing centres and the Chinese financial community to support the further internationalisation of the RMB.

The SWIFT network fully supports global RMB transactions, and its messaging services enable Chinese character transportation via Chinese Commercial Code (CCC) in FIN or via Chinese characters in MX (ISO 20022 messages). It offers a suite of dedicated RMB business intelligence products and services to support financial institutions and corporates. In addition, SWIFT collaborates with the community to publish the Offshore and Cross-Border RMB Best Practice Guidelines, which facilitate standardised RMB back office operations.

Please click [here](#) for more information about RMB Internationalisation or join our new 'Business Intelligence Transaction Banking' LinkedIn group.

About SWIFT

SWIFT is a member-owned cooperative that provides the communications platform, products and services to connect more than 10,800 banking organisations, securities institutions and corporate customers in over 200 countries and territories. SWIFT enables its users to exchange automated, standardised financial information securely and reliably, thereby lowering costs, reducing operational risk and eliminating operational inefficiencies. SWIFT also brings the financial community together to work collaboratively to shape market practice, define standards and debate issues of mutual interest.

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