



press release

OCBC Bank and Standard Chartered complete Singapore's first Overnight Indexed Swap (OIS) trade based on the Singapore Overnight Rate Average (SORA)

14 November 2019, Singapore – OCBC Bank and Standard Chartered announced today that they have completed Singapore's first overnight indexed swap (OIS) derivatives transaction using the Singapore Overnight Rate Average (SORA)¹ as the interest rate benchmark. This came after the Association of Banks in Singapore and the Singapore Foreign Exchange Market Committee (ABS-SFEMC)'s 30 August 2019 [consultation report](#), which set out a roadmap for the development of new SORA-based markets.

As a leading financial centre in Asia, Singapore provides a wide range of hedging instruments that financial market participants can benefit from. As the first financial institutions in Singapore to successfully transact in derivatives that reference SORA, the two banks have taken the first step to help pave the way for further SORA adoption as an important interest rate benchmark. The trade completed is a one-year interest rate swap fixed against SORA.

Daniel KOH, Global Head of Treasury Markets of Standard Chartered Bank, said, "Standard Chartered is very pleased to have successfully completed this first SORA-

¹ SORA is a transaction-based interest rate benchmark underpinned by the SGD overnight interbank funding market, and has been published by the Monetary Authority of Singapore since July 2005.

based OIS transaction with OCBC Bank. This marks a key first step in our efforts in Singapore to develop a vibrant and active interest rate derivatives market based on SORA. We will continue to work with the industry to develop best practices and market conventions to encourage the adoption of SORA-based products.”

LAM Kun Kin, Head of Global Treasury and Investment Banking, OCBC Bank, added, “The global financial industry is moving towards referencing overnight Risk Free Rates as they are anchored on active and liquid underlying market transactions as part of daily liquidity management or cash management balancing. With this first derivatives transaction involving the use of SORA, we hope to set out the market conventions for SORA-based products and develop some baseline activity for market participants to gain confidence in SORA. The financial industry needs to come together to build a liquid market to allow for an easier transition to SORA.”

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Note to Editors:

About Standard Chartered

Standard Chartered Bank in Singapore is part of an international banking group, with more than 150 years of history in some of the world's most dynamic markets. Our purpose is to drive commerce and prosperity through our unique diversity, and our heritage and values are expressed in our brand promise, Here for good.

The Bank has a history of 160 years in Singapore, where we opened our first branch in 1859. In October 1999, we were among the first international banks to receive a Qualifying Full Bank (QFB) licence, an endorsement of the Group's long-standing commitment to our business in the country.

Singapore is home to the majority of our global business leadership, our technology operations, as well as SC Ventures, our innovation hub. In 2013, the Bank transferred our Singapore Retail and SME businesses to a locally-incorporated subsidiary, Standard Chartered Bank (Singapore) Limited ("SCBSL"). And in May 2019, we fully consolidated our business operations in Singapore through the transfer of our Commercial Banking, Corporate & Institutional Banking and Private Banking businesses to SCBSL. SCBSL is one of the highest-rated banks globally: A1/Stable by Moody's Investor Services, A/Stable by Standard & Poor's and A/Stable by Fitch Ratings.

In Singapore, we support both individual and corporate needs to build wealth and drive commerce at every step of their journey. We do this by offering an entire range of financial services across personal, priority and private banking as well as our business, commercial and corporate banking teams. The Bank has a network of 16 branches, 6 Priority Banking centres and 27 ATMs.

For more information please visit www.sc.com/sq.

About OCBC Bank

OCBC Bank is the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is now the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with an Aa1 rating from Moody's. Recognised for its financial strength and stability, OCBC Bank is consistently ranked among the World's Top 50 Safest Banks by

Global Finance and has been named Best Managed Bank in Singapore by The Asian Banker.

OCBC Bank and its subsidiaries offer a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has about 560 branches and representative offices in 19 countries and regions. These include over 290 branches and offices in Indonesia under subsidiary Bank OCBC NISP, and over 90 branches and offices in Mainland China, Hong Kong SAR and Macau SAR under OCBC Wing Hang.

OCBC Bank's private banking services are provided by its wholly-owned subsidiary Bank of Singapore, which operates on a unique open-architecture product platform to source for the best-in-class products to meet its clients' goals.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the oldest and most established life insurance group in Singapore and Malaysia. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia.

For more information, please visit www.ocbc.com.