



Press Release

2nd Edition of the Shanghai / Paris International Financial Forum *Driving economic growth: Shanghai / Paris initiatives* Friday, October 31, 2014

Shanghai, October 31, 2014 – **Common initiatives on RMB internationalization, deepening our privileged partnership with the Municipality of Shanghai and the Chinese financial institutions, new areas for business and cooperation:** these are the key messages of the 2nd edition of the Paris EUROPLACE international financial forum held in Shanghai.

- **A new step for the role and commitment of Paris and French financial institutions in the RMB Internationalization: Paris EUROPLACE and the French Banking Federation announce today the launch before the end of S1 2015 of the Real Time Gross Settlement (RTGS) clearing system for RMB in Paris.**

After the recent and strong initiatives taken in the same way:

- a RMB80bn Qualified Foreign Institutional Investor agreement (RQFII) coupled with a Qualified Domestic Institutional Investor (QDII) agreement;
- the agreement of direct Euro/RMB Forex activities by the People's Bank of China (PBOC) in September 2014, with 4 French banks among the 6 European banks designed as market makers - BNP Paribas, Crédit Agricole, HSBC France and Société Générale;
- September 15, at the second France-China High-Level Economic and Financial Dialogue, the designation of Bank of China by the PBOC to operate as a clearing platform in Paris;

this highlights the well-organized and methodic process to position Paris and the French financial marketplace as one of the most credible and efficient partner in the RMB internationalization.

Nowadays, **Paris is the leading marketplace in the EuroZone for the RMB transactions** (with more than RMB20bn, France is the largest banking deposit pool in the EuroZone...) and moreover, **one of the most dynamic place among the Western countries for the RMB market** (45% of Sino-French trades are already settled in RMB, compared with 6.5% two years ago...).

- **France offers to Chinese companies and investors, unique opportunities, deeply rooted in the financing of innovative and dynamic firms, in particular SMEs:** actually, as underlined by Gérard MESTRALLET, Chairman and CEO of GDF Suez,

Chairman of Paris EUROPLACE, “the French market can benefit from several trump cards:

- **The presence of worldwide companies:** Paris is n°1 in Europe, and n°4 in the world in terms of the localisation of the largest companies of the Global Fortune Index 500;
- **Euronext Paris is the most vibrant Stock Exchange in Europe**, with 40% of the EuroZone market capitalisation. And the CAC40 is an attractive international stock index;
- **Paris leads the European corporate bonds market**, with 35% of issues and 40% of the market outstanding; French banks lead also European banking system (4 French banks in the top20);
- **And, on the investors’ side, the French investment fund industry ranks 2nd in the world, after the USA, with about €3000bn of AUM.** And the French private equity industry is n° 2 in Europe.”

➤ **New areas for business and cooperation:**

- Just before our forum, **Global Financiers Forum and Signing Ceremony of a Memorandum of Understanding between the Shanghai Financial Association (SFA), the Institute of International Finance (IIF) and Paris EUROPLACE.** This Memorandum signed by NIU Ximing, Chairman of the SFA, Chairman of Bank of Communications, Douglas FLINT, Chairman of the IIF, CEO of HSBC Group, and Gérard MESTRALLET, Chairman of Paris EUROPLACE, Chairman and CEO of GDF Suez, aims to establish a framework for a strong cooperation on a regular basis between these institutions, in order to build solid ties in the long run between Chinese, American and European financial markets, and to promote globalization of efficient and well-regulated financial markets;
- Fostering a win-win approach, **Paris EUROPLACE welcomes warmly the opportunities offered by the implementation of the Shanghai Free Trade Zone (FTZ) and the development of the “Hong-Kong/Shanghai Stock connect”**, as well as new opportunities for Chinese investors to invest in Paris and in Europe. Financial institutions as well as big companies are already engaged in these new areas, with the establishment of branches or subsidiaries in Shanghai.

About us:

Paris EUROPLACE is the professional organization, which supports the France-based financial services industry and promotes Paris as an international financial centre. It brings together and represents a great variety of international players active in the financial industry: issuers, investors, banks, insurance companies and financial intermediaries, as well as market authorities. Paris EUROPLACE aims at strengthening the attractiveness of the Paris financial marketplace, establishing constructive relations with international promotion and stimulating research and initiatives in financial innovation.