



RMB Tracker

February 2016

RMB Tracker – What is it?

Monthly reporting and statistics on renminbi (RMB) progress towards becoming an international currency.

Press release

20% countries crossing the RMB river

As volumes continue to rise, 21 countries now use the renminbi for at least 10% of their payments with China. Which are they, and where to focus your next business development effort?

23 August 2012

This month's SWIFT RMB Tracker continues to monitor the steady progress of the RMB as international payments currency and takes a closer look at those countries adopting – or not yet – the RMB for their payments with China and Hong Kong.

- In July 2012, the RMB moved up one position to 8th most used payments currency with a market share of 2.4% (up from 2.4% in June 2012). As per last month's RMB Tracker, the nearest challenger is the South African Rand, which retained at 2.4%, it also gets closer to the Cuban home currency at position #14 with 0.4% market share, on the two countries that had payments with China and Hong Kong in July 2012, 28% of all payments value at least 10% of their payments value is renminbi. On average, 4% of all payments value with China and Hong Kong was in RMB. Strong momentum on the call countries, Singapore and the UK. And also, Canada and Germany show good momentum, whereas Australia remains low.

1. RMB moving up one position to 8th

This first graph shows the RMB's market share in July 2011 and July 2012 in customer and institutional payments value to immediate neighbours, the South African Rand (ZAR) and the Cuban home currency (CUP), made to rise #14 with 0.4% market share compared to #9 and 0.3% one year ago. It has overtaken the ZAR remaining at 0.44% market share and getting closer to the CUP with 0.4%.

To be part of the top five payments currencies, the RMB market share has to reach 1%. The EUR and USD remain the main top payments currencies with 43% and 31% respectively.

SWIFT RMB Tracker, July 2012

RMB x 17

Value of RMB payments increased 17-fold since October 2010, the most spectacular growth of any major currency.

31 July 2012

This month's SWIFT RMB Tracker takes a look back at the growth of the renminbi for offshore payments since October 2010, unless SWIFT began tracking the currency and value of certain messages. Compared to any other top 20 payments currency, RMB had the most spectacular growth and continues its monthly progression.

- Offshore RMB payments grew in value by 17.4 times from October 2010 to June 2012. No other currency has had a more rapid increase during this period (except payments to/from Hong Kong). As a result, RMB jumped from position #18 to October 2010 #15 to June 2012 #8. One of the most used world payments currencies, RMB is behind the South African Rand (ZAR) currency at #10.
- SWIFT also saw a 48% to 10% increase in the number of countries and institutions processing RMB payments from June 2011 to June 2012. Top RMB payments banks increased the number of RMB relationships by 65% in that same period, from an average of 91 to 153 correspondents. Another good indication for growing international adoption.

1. RMB payments spectacular growth by 17.4 times

This first graph shows the evolution of payment currencies from October 2010 to June 2012. The RMB has gone spectacularly (mostly driven by institutional payments) as its value grew by 17.4 times compared to an increase of 1.1 times for all currencies on average. The only other major currency with a significant increase was the Russian Ruble (RUB), which grew by 3.2 times in that same period.

SWIFT RMB Tracker, July 2012 Page 1

SWIFT RMB Tracker, June 2012

The yuan-yen tango

Ample opportunities for China and Japan to promote their domestic currencies for bilateral trade settlement

23 June 2012

This month's SWIFT RMB Tracker takes a closer look at payments between China and Japan, following the latest of direct trading between their currencies at the end of May. There is plenty of opportunity for the world's second and third largest economies to promote their respective currencies, their currency. The majority of payments between them is done in a 3rd currency, namely the US dollar.

- USD is the most used currency between China/Hong Kong and Japan with a share of 52.4% in customer initiated payments in May 2012. JPY comes second with 43.9%, followed by RMB with 1.8%, CNY at fourth with 1.3%, and EUR in the fifth currency with 0.4%.
- May 2012 was a good month for RMB payments overall, with a growth of 82.3% in value versus April 2012. Payments across all currencies grew by 12.1%, reducing its market share to 0.45% (vs 0.4% in April 2012). RMB is still world payments currency #15.

1. USD is still the most used currency between China/Hong Kong and Japan

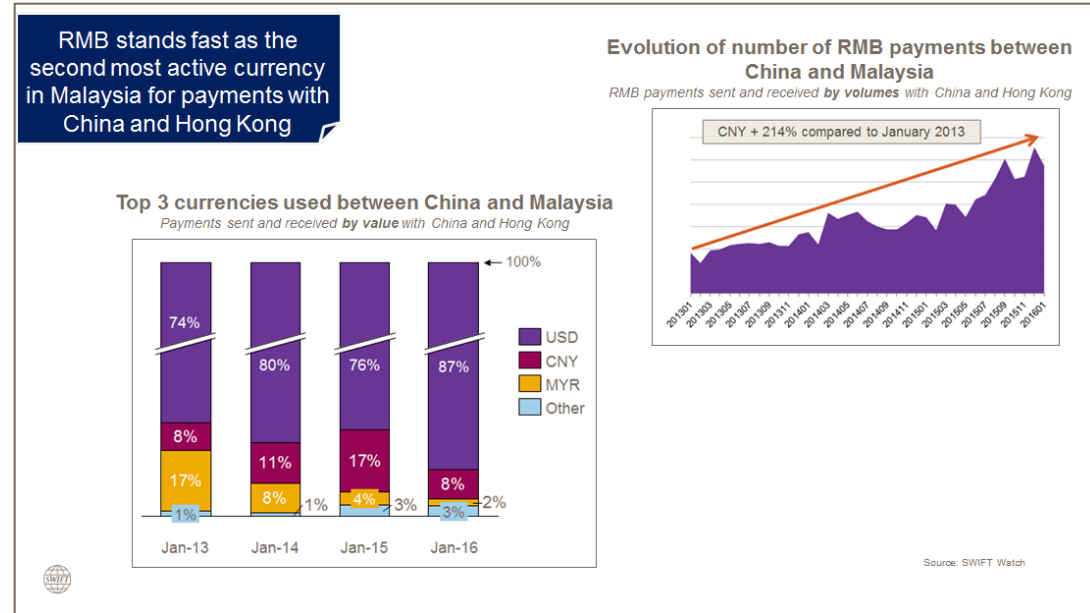
Our first graph shows that the US dollar is the most used currency between China/Hong Kong and Japan for customer initiated payments in May 2012, with a share of 52.4%. The second most used currency is the yen with 43.9%. From Japan's perspective, the yen is used in 54.5% of exports to China/Hong Kong payments received by Japan, and 25.0% for imports/shipments sent to Japan. Overall, RMB was only used in 1.3% of customer initiated payments between China/Hong Kong and Japan.

SWIFT RMB Tracker, June 2012 Page 1



February RMB Tracker:

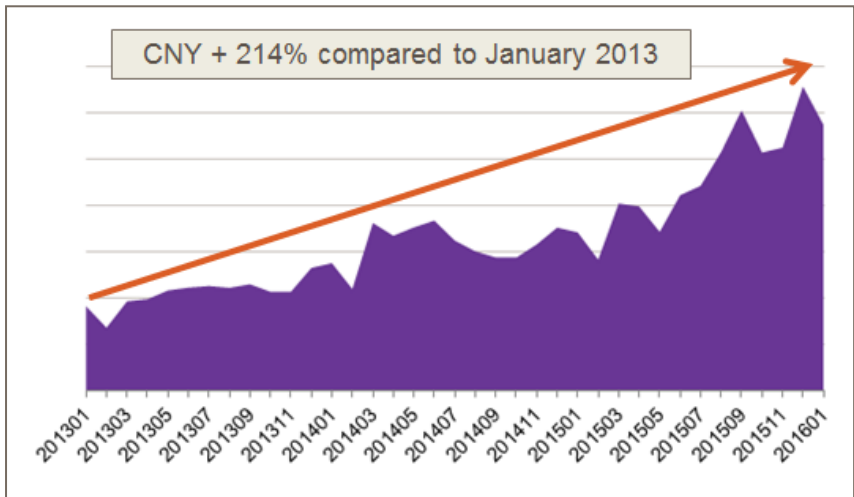
- SWIFT's RMB Tracker shows the Renminbi holds a steady second place for payments between Malaysia and China/Hong Kong, while the US dollar continues to dominate the corridor
- Malaysia's use of the RMB for payments with China and Hong Kong increased by 68% over the last 12 months and by 214% over the last three years. Since January 2013, the Chinese currency moved from position number three to position number two for payments by value, overtaking the Malaysian Ringgit.
- Despite volatility in China, and widely reported economic slowdown, the South-East Asian markets, such as Singapore, Thailand and Malaysia, have been enhancing RMB payment capabilities, including the establishment of RMB clearing centres. This growth reflects the extensive trading relationships between South-East Asia and China, which continues to be very important for the region.
- In January 2016, the RMB remains the fifth most active currency for global payments by value and accounted for 2.45% of global payments, a slight increase from 2.31% in December 2015. Its activity share is higher than last month even though RMB payments decreased by 5.7% in value, while at a global level, all currencies decreased by 11.2% in value over the same period.



RMB stands fast as the second most active currency in Malaysia for payments with China and Hong Kong

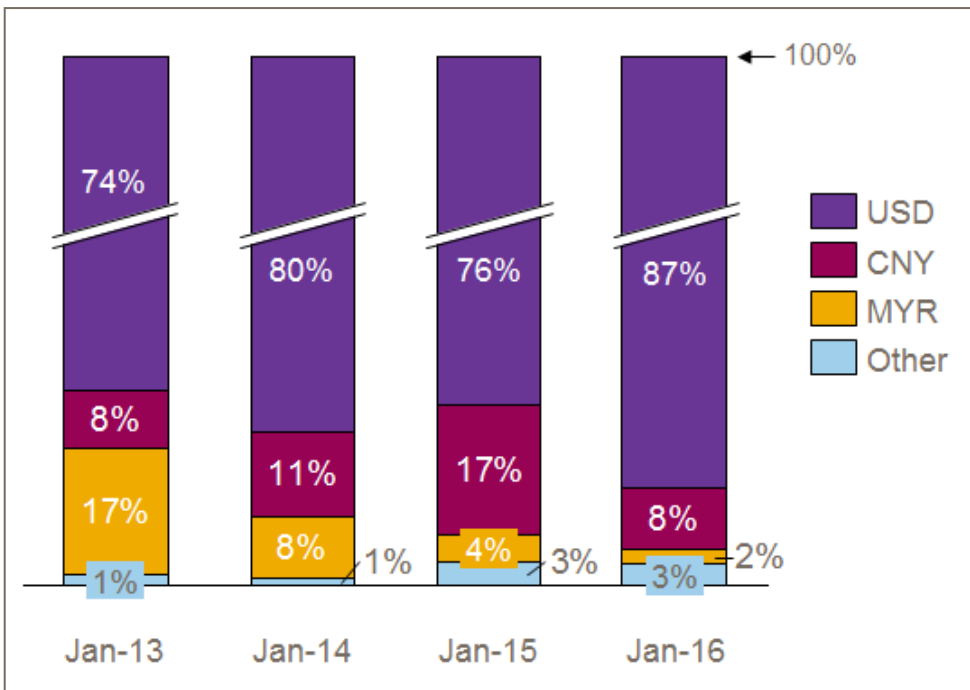
Evolution of number of RMB payments between China and Malaysia

RMB payments sent and received *by volumes* with China and Hong Kong



Top 3 currencies used between China and Malaysia

Payments sent and received *by value* with China and Hong Kong



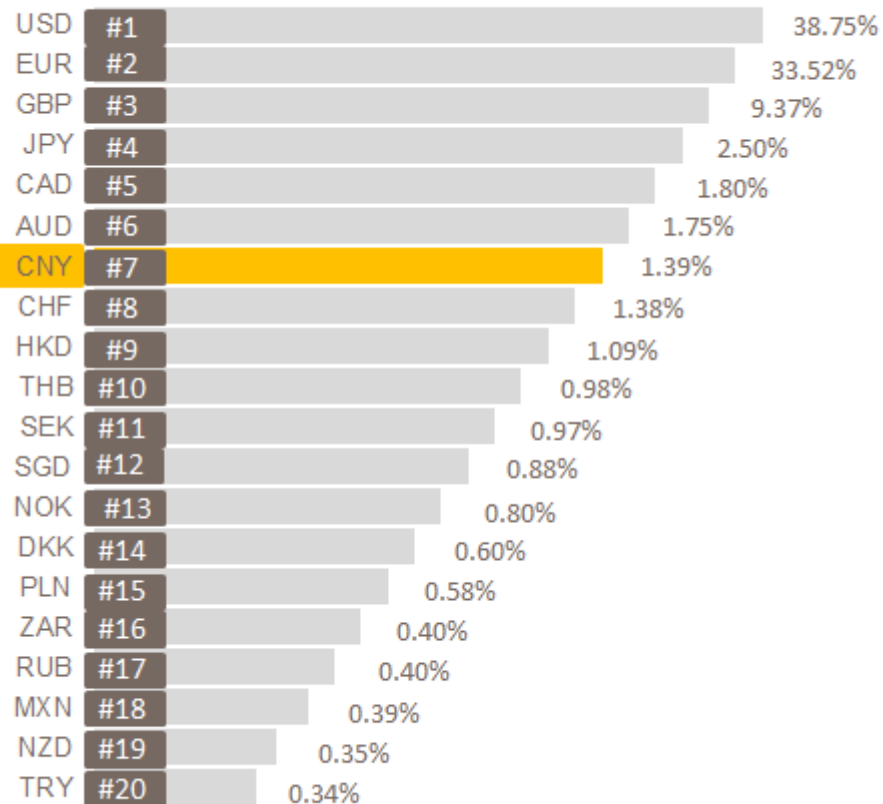
Source: SWIFT Watch



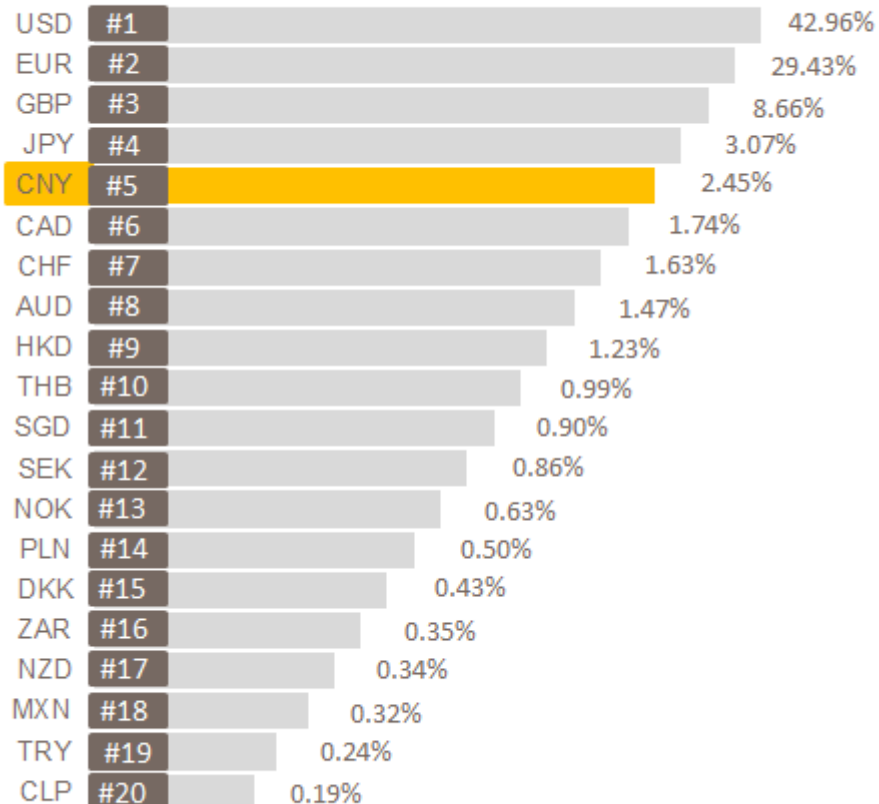
RMB's share as an international payments currency

Customer initiated and institutional payments. Messages exchanged on SWIFT. Based on value.

January 2014

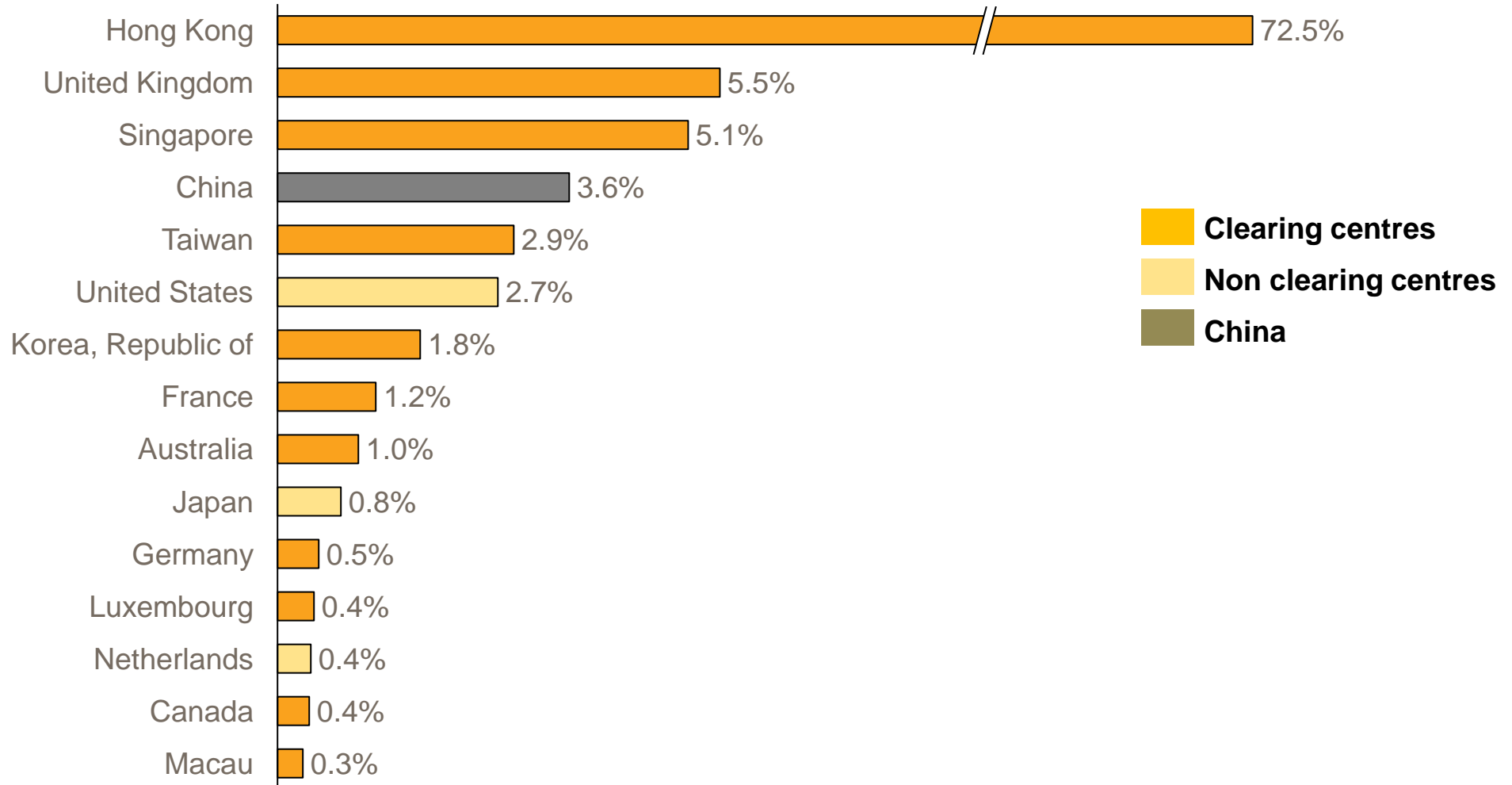


January 2016



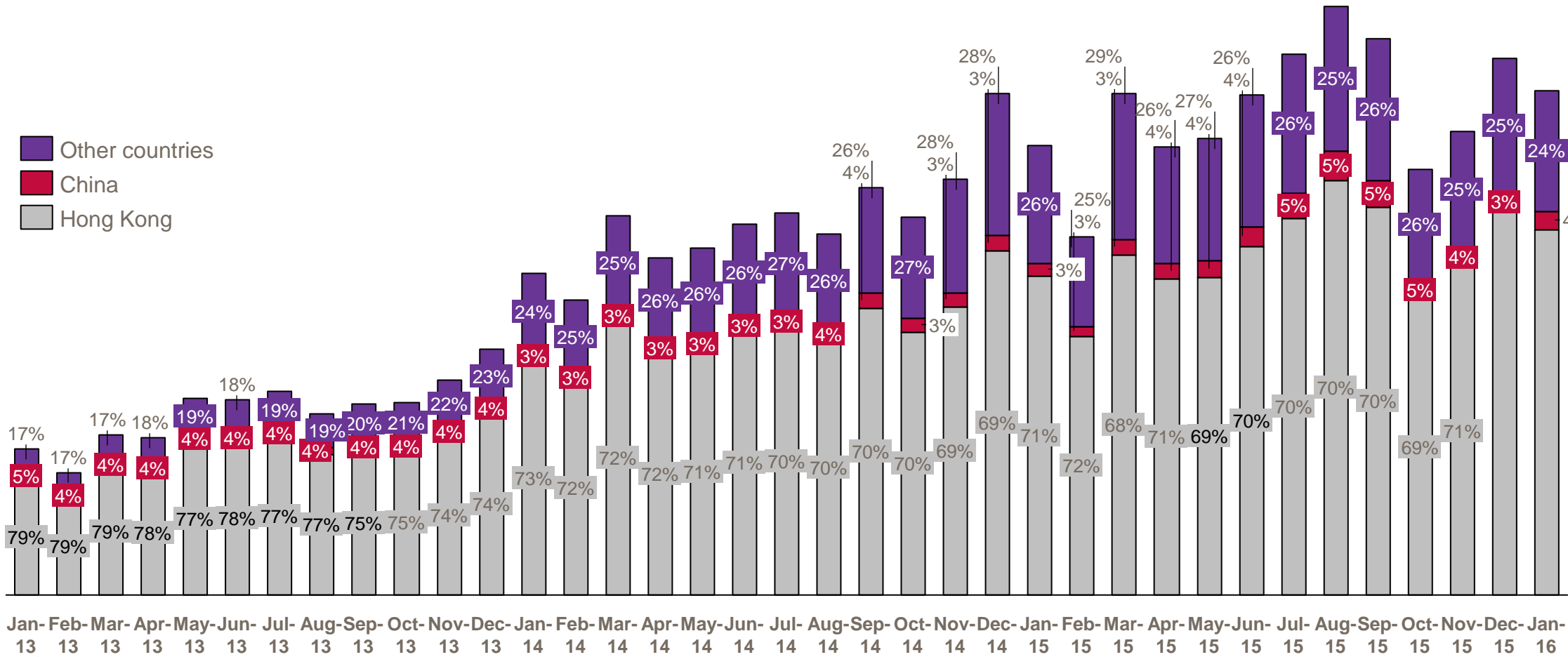
Top 15 RMB economies by weight – January 2016

Customer initiated and institutional payments. Inbound + Outbound traffic. Based on value.



RMB payments evolution

Customer initiated and institutional payments. Messages exchanged on SWIFT. Based on value.



Source: SWIFT Watch

Want to know more?

SWIFT enables **YOU** to gain unique insights at any time on the RMB progresses in becoming an international currency:

- Market intelligence
- Your financial institution activity
- Your activity share and/or peer benchmark

Key resources for more information:

- [RMB Package](#)
- [Business Intelligence solutions](#)

Linked in [Business Intelligence Transaction Banking](#)

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