



**One Belt
One Road
One Bank**

**Ready to turn 150 years of local knowledge into
global opportunities for your business**

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The Belt & Road overview

What is the Belt & Road? The Belt & Road initiative, also known as the New Silk Road Plan, was initiated by the Chinese government in 2013 to promote free trade and connectivity between the Asian, European and African continents.

The Belt refers to the ancient Silk Road that once connected China to Europe. Known as the Silk Road Economic Belt today, the Belt consists of a network of overland roads and rail routes, oil and natural pipelines, as well as other infrastructure projects.

The route focuses on:

- Linking China to Europe through Central Asia and Russia
- Connecting China with the Middle East through Central Asia

The Belt & Road accounts for

61.9%

World's population



31%

Global GDP



The Road denotes the new 21st Century Maritime Silk Road, stretching from Chinese coastal ports to:


- Link China with Europe through the South China Sea, South Asia, Indian Ocean, Middle East and Mediterranean
- Connect China to Africa via South China Sea, South Asia and Indian Ocean

Implications for China and other regions along the Belt & Road routes

At present, two thirds of the countries along both routes are either unrated or rated below investment grade.

The Belt & Road initiative has the capacity to transform the economies along its routes.

- Asia stands to benefit the most from infrastructure investment with an estimated USD8 trillion required between 2010 and 2020 to maintain its current growth momentum.
- The initiative will encourage sovereigns in MENAP (Middle East, North Africa and Pakistan) and Africa to open up their economies.
- China-Pakistan Economic Corridor, Bangladesh-China-India-Myanmar Economic Corridor, China-Mongolia-Russia Economic Corridor, New Eurasian Land Bridge, China-Central Asia-West Asia Corridor and China-Indochina Peninsula Economic Corridor are fostering connectivity among corridor countries and promote social and economic development.
- Regional connectivity and trade will boost demand for Chinese capital, consumer goods and service exports.
- As of May 2017, the Asian Infrastructure Investment Bank has provided USD1.7 billion of loans for 9 projects in Belt & Road countries and the Silk Road Fund has invested USD4 billion.
- The Chinese government will scale up financial support for the Belt & Road initiative by contributing an additional RMB100 billion (USD14.5 billion) to the Silk Road Fund. China Development Bank and China Export and Import Bank will set up special lending schemes worth RMB250 billion (USD36.2 billion) and RMB130 billion (USD18.8 billion) respectively to support Belt & Road cooperation in infrastructure, industrial capacity and financing.
- Connected to the new Maritime Silk Road, China's free trade zones (FTZs) led by Shanghai, Tianjin, Fujian and Guangdong will have a key role in championing free trade. China FTZs have been developing industries such as logistics, shipping, trade and finance, helping to drive the Belt & Road initiative.

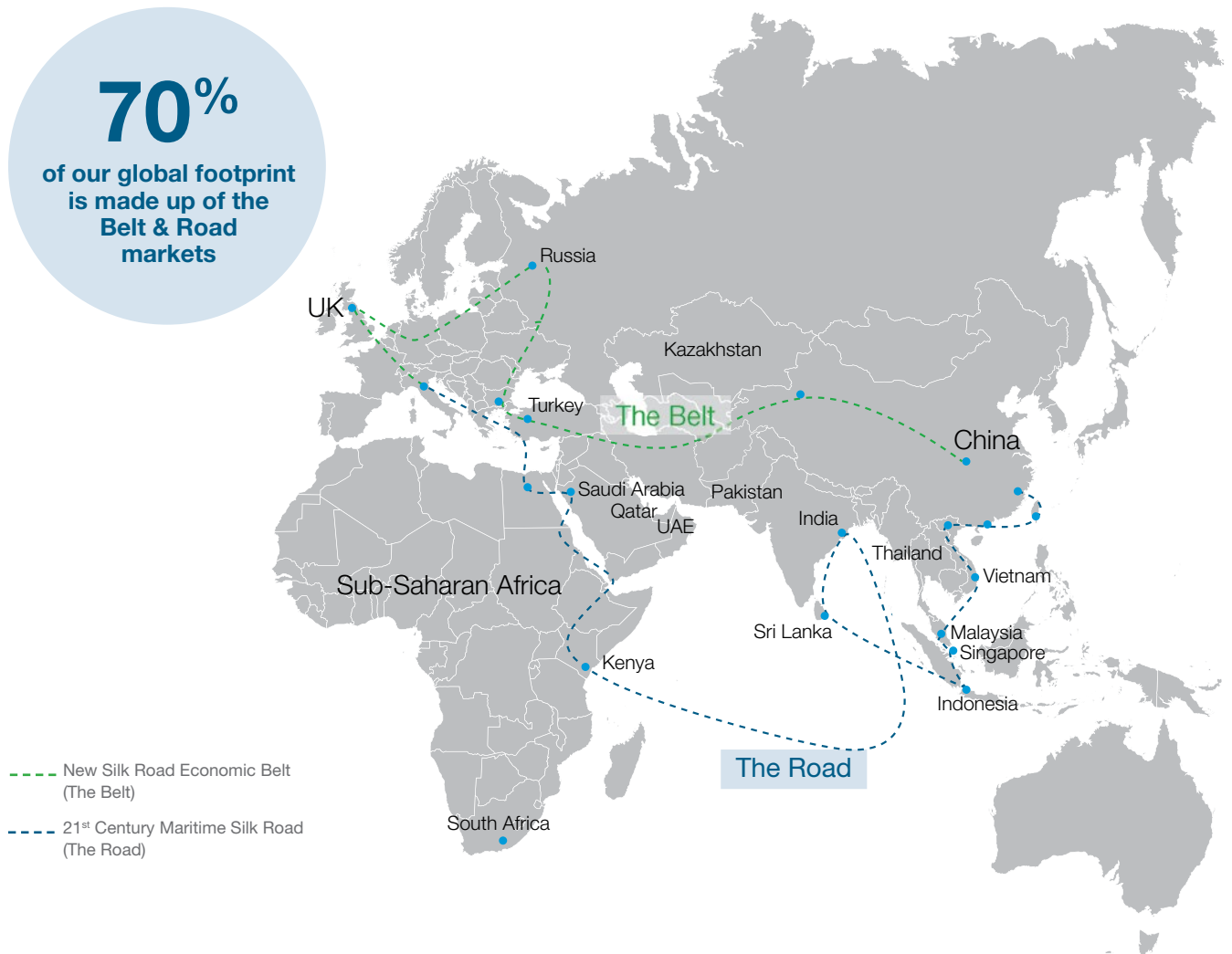


Our in-depth knowledge of the regions' political, economic and cultural environment together with our comprehensive products and services make us an indispensable partner.

Standard Chartered's Belt & Road footprint

Standard Chartered's footprint extends along the Belt & Road

With around 1,000 branches and outlets in 63 countries and regions, Standard Chartered has an extensive local presence in some of the world's fastest growing economies, with a particular focus on Asia, Africa and the Middle East.



- New Silk Road Economic Belt (The Belt)
- 21st Century Maritime Silk Road (The Road)

EUROPE

Turkey
United Kingdom

SUB-SAHARAN AFRICA

Angola
Botswana
Cameroon
Cote d'Ivoire
Ghana
Kenya
Mauritius
Nigeria

Sierra Leone
South Africa
Tanzania
The Gambia
Uganda
Zambia
Zimbabwe

MENAP

Bahrain
Egypt
Iraq
Jordan
Lebanon
Oman
Pakistan
Qatar
Saudi Arabia
United Arab Emirates

GREATER CHINA

Mainland China
Hong Kong
Macau
Taiwan

ASEAN

Brunei Darussalam
Cambodia
Indonesia
Laos
Malaysia
Myanmar
Philippines
Singapore
Thailand
Vietnam

SOUTH ASIA

Bangladesh
India
Nepal
Sri Lanka

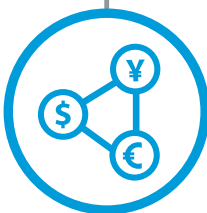
Our value proposition



Institutions

Standard Chartered leverages its strong and strategic partnerships with the Silk Road Fund, Asian Infrastructure Investment Bank, New Development Bank, Chinese policy banks, and Chinese commercial banks to ensure clients have full institutional support as they go global.

- › Standard Chartered was able to draw upon its close relationships with Chinese banks to ensure that one of its clients in Pakistan, an electric utility provider, could access a more diversified lender base as it sought funding.



Currencies

Standard Chartered can provide you with access to the RMB market and other currencies worldwide, and offer guidance on ways to leverage liquidity.

- › Standard Chartered recently used its currency markets expertise to help a local branch of a Chinese state-owned enterprise (SOE) in Malaysia execute a sizeable spot USD-MYR transaction. This allowed our client to inject the necessary local currency into a large development project.



Industries

Standard Chartered possesses the knowledge of a range of different industries including:

- Infrastructure and public utilities
- Energy
- Telecommunications, auto, chemical, household appliances and medical equipment manufacturing industry
- Other related industries: water/waste treatment

- › Standard Chartered has a renowned Chinese SOE client which has a wholly-owned subsidiary primarily engaged in project management for the construction of thermal power plants. Leveraging its knowledge of the utilities sector, Standard Chartered helped the SOE identify other overseas opportunities, especially in Southeast Asia where Standard Chartered has a full network coverage.



Products

Standard Chartered regularly offers tailor-made products for clients in the form of project and export finance, mergers and acquisitions financing, loan syndication, debt capital markets products, trade and cash management solutions, and financial market products.

- › Standard Chartered worked with a Chinese policy bank to facilitate a c.USD340 million, 20 year term loan to the Ministry of Economy of an African country. This will be used by a telecommunications company for a base station facility construction project and was the Bank's first escrow account for this policy bank. Standard Chartered has been involved in multiple new transactions, providing diversified products as well as local expertise in project finance to the Chinese government and companies.



Geographies

Operating in 45 Belt & Road markets, Standard Chartered can draw upon our global capabilities as an international bank whilst leveraging our local on-the-ground knowledge and experience.

- › Standard Chartered's international and local exposure allows us to offer unique products for our clients. For example, we were able to help a well-known client improve their offering by pricing a senior unsecured Sukuk which was fully guaranteed by the Export Credits Guarantee Department of the UK government. Our reach across the region also meant we were able to garner interest in the Sukuk from numerous investors in London and the Middle East.

Our services

All-round solutions to support you throughout your business cycle:

Bidding/
Investment

Preparation/
Expansion

Construction/
Operation

Completion/
Continuation



Transaction Banking

- Cash Management
- Trade Services
- Securities Services
- Electronic/Mobile Banking

Our wide coverage, deep understanding of the Belt & Road markets and pioneering transaction banking services have made Standard Chartered a strategic partner for Chinese firms looking to invest overseas.

600

sales in 47 locations

Standard Chartered helped one of China's largest state-owned Banks to beat their competitors and successfully bid to become the financial services provider for an engineering procurement construction (EPC) contractor's project to construct a USD800 million power plant at an inland site in Oman.



Financial Markets

- Foreign Exchange and Interest Rates
- Commodities
- Debt Capital Market
- Capital Market Solutions

Our presence around the world means we are unrivalled in our ability to develop close relationships with investors.

600

sales in 38 locations

A local Indonesian bank and one of our clients sought to raise CNH (China's offshore currency) to invest in Belt & Road projects. However, universal currency was in US dollars and the local banks in Indonesia only have a limited amount of CNH on their balance sheets, have limited access to CNH liquidity and are unable to enter the RMB offshore centre to trade.

Standard Chartered was perfectly placed to offer a solution, with our trades and quotes of foreign exchange spots in 49 emerging markets and our access to RMB liquidity; we arranged a four year cross-currency swap for our client. This swap was tailor-made to include the Indonesian bank's local day-count convention and effectively hedged the currency mismatch.



Corporate Finance

- Loan Syndications
- Project Export Finance
- Leveraged Finance
- Merger and Acquisition
- Shipping Finance

Our expertise meant we are able to successfully guide our client through the end-to-end process, leading on all aspects of the transaction, including identifying investment opportunities, valuations and carrying out negotiations.

500

professionals in 27 locations

We identified an opportunity in Germany for a Chinese client to acquire one of the largest producers of fire-fighting vehicles globally. The acquisition was a strategic gain for the client as it complemented its airport facilities segment.

Competitive advantage – ASEAN

Growing in tandem with ASEAN



Last year, Standard Chartered supported one of our Chinese EPC contractors engaged in the project management and construction of power plant in Philippines. The project is connected to Philippines electrical grid with capacity of c.1400MW. By leveraging our network and in-depth local knowledge, Standard Chartered was also able to provide a comprehensive solution to the client's banking needs, including regional treasury centre, cross-border cash pool, receivable services and payable finance etc.

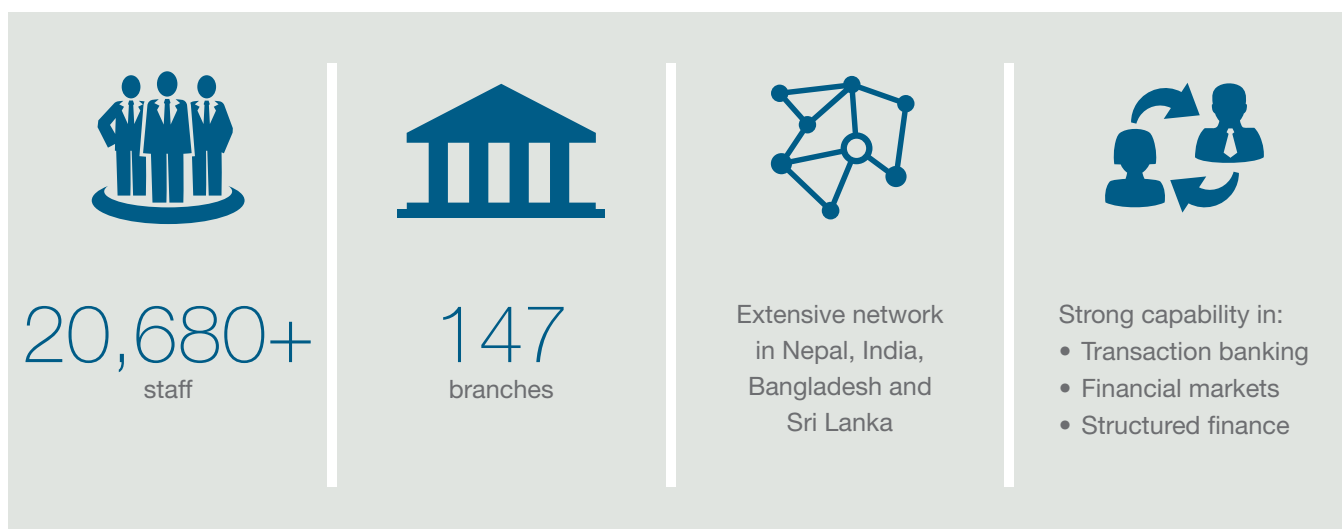
We believe that business expansions aren't being driven by the interests of individual enterprises, but are more strategically driven by the Belt & Road initiative. Like others, our business is also venturing out along the two Belt & Road routes.

From the initial planning stage to successful implementation, a project cannot go far without the support of a financial organisation behind it. The development of our international business would not have happened without the strong support of Standard Chartered; a client centric bank with in-depth knowledge of international markets and a deep understanding of the Belt & Road countries and regions.

Mr Yong Zhao
Chief Representative of Indonesia Office
PowerChina Resources/International Group

Competitive advantage – South Asia

Delivering unrivalled solutions in South Asia



Standard Chartered has financed, acted as a global coordinator and has been the Mandate Lead Arranger for a power generation company developing a dual fuel combined cycle power plant in Bangladesh. This marked the first time that the company has financed a power facility construction project through the commercial lending market. The transaction opened new funding sources, enabling it to move forward with its expansion plans.

Weichai is the only domestic corporation which manufactures entire vehicles, engines, luxury yachts and auto-parts in China. It has subsidiaries and affiliates throughout Europe, North America, Southeast Asia and other regions. Weichai is committed to expanding its global business and network, since 2012 it has successfully completed a series of mergers and acquisitions (M&A) in Europe, including an M&A and IPO of the KION Group, a world-renowned German brand.

It's been our pleasure to work with Standard Chartered Bank, who have helped us expand globally. Standard Chartered Bank is very experienced in the overseas project M&A and financing. Having a powerful network in the Belt & Road region, the Bank has provided excellent support to the day-to-day operations and project loan needs of our overseas subsidiaries.

Li Xia
Head, Finance Department
Weichai Power Co., Ltd.

Competitive advantage — Sub-Saharan Africa

China's closer ties with Africa

As Chinese organisations go global, Africa has seized the opportunity to forge a new trading relationship with China. Over the last decade, trade between the two grew from USD29.5 billion in 2004 to USD149.1 billion in 2016. This is set to only rise further as Africa continues to develop on its current trajectory as the fastest growing region in the world.



Strong capabilities in Africa

Standard Chartered brought together an offshore commercial bank and a development finance institution to invest in the development of a new 300MW coal-fired power plant in Zambia. Backed by the new China Export and Credit Corporation, the financiers contributed over USD500 million towards the development, which will provide critical electricity supplies to Zambia and will enable the country to move away from its heavy reliance on seasonal hydro generated energy. We also helped the client to develop a long-term offtake contract to guarantee the plant's future cash flows.

Aside from the ease of our transaction banking services in Africa, we have delivered a whole host of sophisticated hedging, investment strategies and solutions as well as FX and currency swap arrangements for our clients. The quality of our service has earned us a strong reputation in the region, with Standard Chartered ranking top in terms of credit and rates trading across most of the continent. We have also consistently been in first place across various rankings relating to transactions, mergers and acquisitions, as well as project and export finance.



7,500+
staff



186
branches



15 countries
direct presence



Transaction support in
non presence countries 14



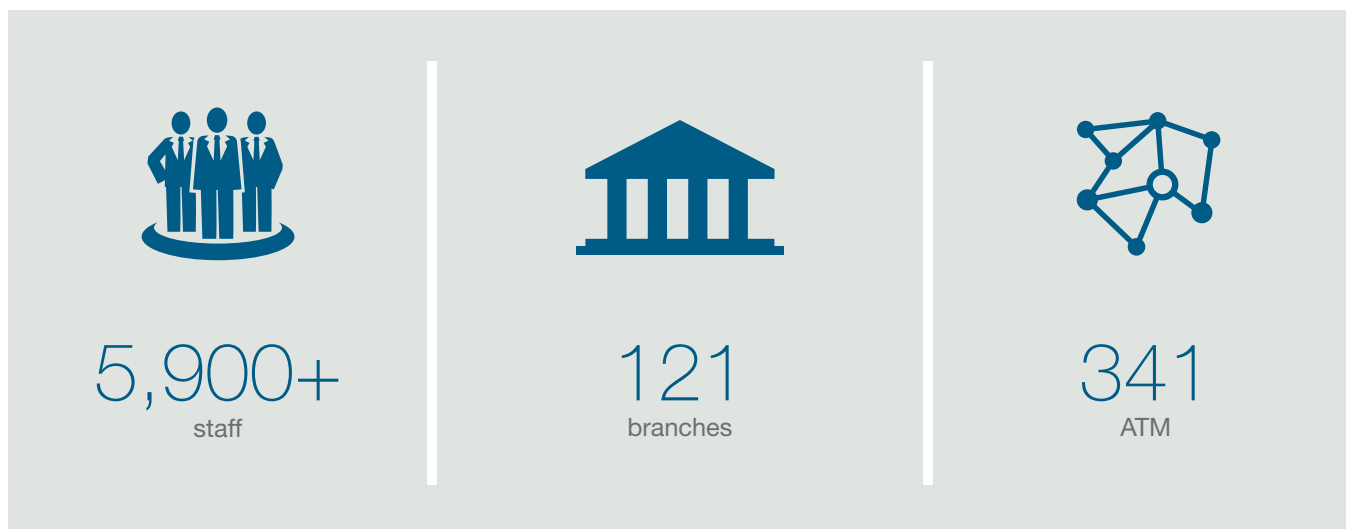
Contributed USD 12.8
billion to Sub-Saharan Africa's GDP



Supported USD 7.2
billion worth of trade

Competitive advantage — MENAP

Catering to the needs of our Middle East, North Africa and Pakistan (MENAP) clients



Islamic banking

Our dedicated global Islamic business, Saadiq (which means “truthful”) provides Islamic banking products and services through an extensive network across Asia, Africa and the Middle East. Saadiq has worked closely with governments, regulatory and industrial bodies to design and structure numerous high quality Islamic financings and Sukuk issuances for sovereigns, supranational bodies, corporates and financial institutions, and ensures the products are in line with the Sharia principles that govern Islamic banking and finance.

Standard Chartered along with a consortium of Chinese and local banks signed a c.USD3 billion Project Financing Facilities to finance the development, construction, operation and maintenance of a ultra-supercritical green-field power plant on a Build, Own and Operate (“BOO”) basis. The project represents the first coal fired power generation plant in the Gulf Cooperation Council (GCC) region, and is the first transaction of the Silk Road Fund (as an equity and debt provider) in the Middle East as a part of the Belt & Road Initiative.

Our global research capabilities

Award-winning Global Research Team delivers insightful, relevant analyses and incisive views



14

locations



63

analysts



831

years of experience



26

nationalities

Economic Research: Global thought leadership with insightful analysis and forecasts, through ongoing discussions with clients, regulators and central banks.

Macro Strategy: Macro-thematic investment and trading strategies applicable to all client segments.

Thematic Research: Deep-dive analyses including economic and market impact of globally significant themes.

Geopolitical Research: Analysis of global geopolitical risks and their economic implications; identification of systematic risks such as populism, key elections, climate change and cyber wars.

FX: Award-winning client-centric FX research and strategy, supported by FX fundamental, flow, quantitative and technical analysis.

Rates: Local insights, quantitative analyses and actionable strategies across rate derivatives and government bonds within our footprint economies, as well as advice on international bond markets.

Credit: In-depth, bottom-up fundamental research combined with thematic and differentiated top-down credit strategy; the team covers over 300 sovereign, corporate and financial sector credits across Asia, Africa and the Middle East.

Commodities: On-the-ground analysis across our footprint, combined with fundamental and quantitative global insights on commodities markets, to provide recommendations and opportunities to clients.





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