



BANK OF ENGLAND

News release

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People's Bank of China swap line

The People's Bank of China and the Bank of England have today announced that they have signed an agreement to renew the existing reciprocal sterling/renminbi (RMB) currency swap line for a further three years. The maximum value of the swap line has also been increased to RMB350bn to reflect the continuing growth of renminbi trading in London.

Commenting, the Governor of the Bank of England said: "The renewal of this swap line and its increased size reflect the constructive approach that the Bank of England and the People's Bank of China are taking to support the development of an effective and resilient renminbi market in London."

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Notes to Editors

1. The original reciprocal 3-year, sterling/renminbi currency swap line, for maximum value RMB 200bn, was signed in June 2013. Please see <http://www.bankofengland.co.uk/publications/Pages/news/2013/082.aspx>
2. This agreement follows the announcement of an impending renewal and expansion of the Bank of England/People's Bank of China currency swap line at the China-U.K. Economic and Financial Dialogue on 21 September, 2015. Please see page 7, paragraph 40:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/462160/efd_combined_POP_21_Sept_web.pdf
3. Offshore RMB, widely denoted as CNH, refers to any RMB used outside of mainland China which trades on a free-floating basis. Liquidity can move freely between a number of other offshore centres, including Hong Kong (the H in CNH), London, Singapore and Taiwan.
4. For further information on the City of London Corporation's initiative to develop London as a centre for renminbi business, please see <http://www.cityoflondon.gov.uk/business/support-promotion-and-advice/promoting-the-city-internationally/china/Pages/Priority-areas-of-focus.aspx>