



20% countries crossing the RMB river

As volumes continue to rise, 31 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?

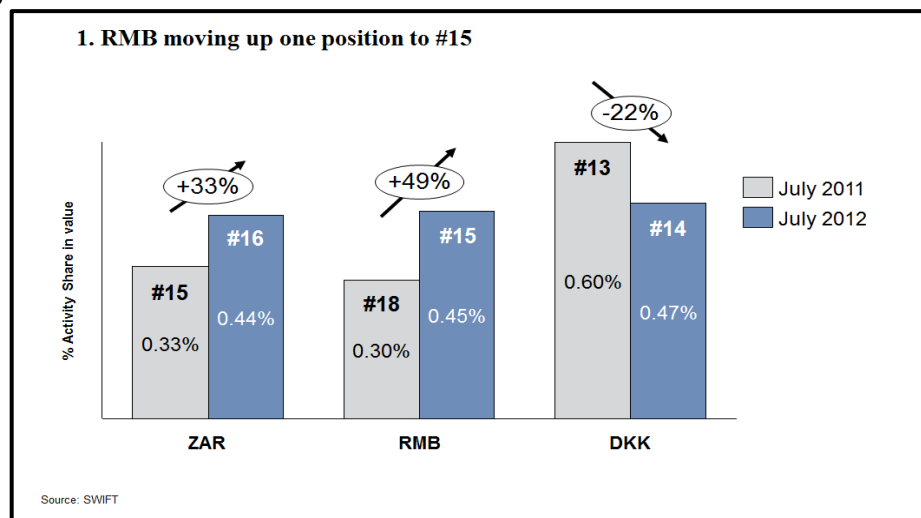
28 August 2012

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 #15** most used payments currency with a market share of 0.45% (versus 0.43% in June 2012). As per last month's RMB Tracker, the renminbi has overtaken the South African Rand, which remains at 0.44%. It also gets closer to the Danish Krone currently at position #14 with 0.47% market share.
- Of the 158 countries that had payments with China and Hong Kong in July 2012, **20% of countries had at least 10% of their payments value in renminbi**. On average, 4% of all payments value with China and Hong Kong was in RMB. Strong performers are the Gulf countries, Singapore and the UK, and also Canada and Germany show good take-up, whereas adoption by the US, Japan and Australia remains low.

1. RMB moving up one position to #15

This first graph shows the RMB's market share in July 2011 and July 2012 in customer and institutional payments versus its immediate neighbours, the South African Rand (ZAR) and the Danish Krone (DKK). RMB is now #15 with 0.45% market share compared to #18 and 0.30% one year ago. It has overtaken the ZAR remaining at 0.44% market share and getting closer to the DKK with 0.47%.



To be part of the top five payments currencies, the RMB market share has to reach 2%. The EUR and USD remain the main top payments currencies with 43% and 31% respectively.

2. Countries to focus RMB payments

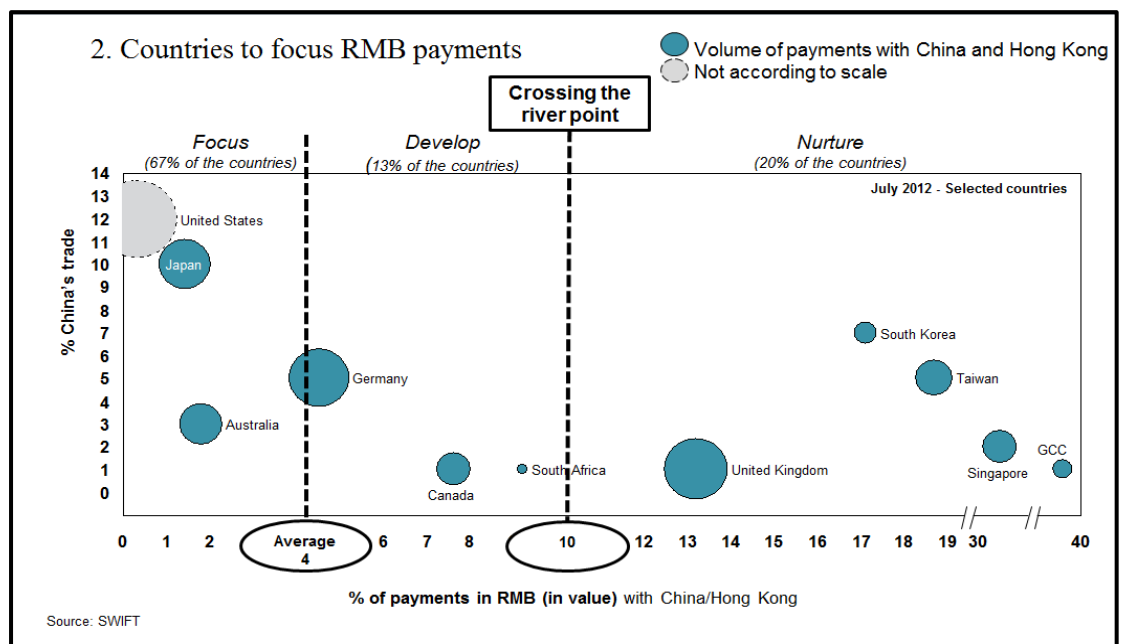
Our second graph takes a closer look at a selection of key countries that used the RMB for payments with China and Hong Kong in July 2012.

On average, 4% of the total payments value worldwide was made in RMB. If we exclude the United States (with a disappointing 0.3%), the average increases to 10%.

The **Nurture** category (countries with over 10% payments value in RMB) represents 20% of all countries doing business with China/Hong Kong. The Gulf Cooperation Countries (GCC) reach nearly 40% adoption, Singapore has over 30%, and Taiwan, South Korea and the United Kingdom too show strong take-up.

The **Develop** category (between 4% and 10% in RMB) represents 13% of countries. Here we see Germany, Canada and South Africa developing their RMB payments.

The **Focus** category (less than 4% in RMB) represents 67% of countries. The United States, Japan and Australia have currently low RMB payments volumes and thus present good opportunity for financial institutions to focus their RMB business development.



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