

Sharpening our yuan advisory edge

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Jerry Zhang, our Global head of RMB Commercialisation, explains how our cross-border network is built to unlock opportunities for clients.

Jerry Zhang Global Head, Renminbi (RMB) Commercialisation & Global Head, Banks & Brokers Dealers (BBD)

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Amid continuing geopolitical tensions and market uncertainty, greater use of the yuan for international trade settlements, raising funds, managing liquidity and allocating investments is a logical strategy for executives overseeing treasury and finance functions.

At the end of 2025, the People's Bank of China (PBOC) had bilateral currency-swap agreements with more than 30 countries and regions, with an aggregate value in excess of 4.3trillion yuan (USD641 billion), confirming ever-wider interest in accessing yuan liquidity to support trade and investment.

There has also been steady progress in terms of regulation. At the Lujiazui Forum financial gathering held in June, PBOC governor Pan Gongsheng announced a pilot programme for offshore yuan foreign exchange trading in the Shanghai Free Trade Zone. In addition, during an early July visit to Hong Kong, Pan set out 11 financial policy measures aimed at enhancing the city's role as a global offshore yuan hub and boosting cross-border market connectivity.

With that in mind, Standard Chartered has built a dedicated structure to coordinate its yuan strategy, appointing Jerry Zhang as global head of RMB commercialisation, in addition to her existing role as global head, banks and broker dealers.

"There are a number of reasons for this, but first and foremost, the macro environment is super-conducive, if you look at today's geopolitical dynamics and marketplace," Zhang says.

She adds: "Every one of those [PBOC] measures is very tangible, very down to earth and certain to have huge implications for business development."

Zhang's role, in coordination with her colleagues across Standard Chartered's global network, is to meet current and future client needs by mobilising capabilities, identifying commercial opportunities, accelerating execution and creating distinct positioning.

"Among international banks, Standard Chartered is one of the forerunners in the RMB space. Now is the right time to upgrade ourselves and get more focused, with a bank-wide organisational set-up," she says. "It's not just about thought leadership, policy advocacy or interpretation – we're trying to connect our competitive advantage with client demand and solutions."

In this respect, Standard Chartered made an important move in June by becoming one of the first foreign banks admitted as a direct participant in the Cross-border e-CNY Transfer Services (CBETS)

platform, a PBOC-backed initiative that uses blockchain to speed up and secure cross-border digital yuan settlements.

CBETS will help advance internationalisation of the yuan, in turn creating new opportunities for corporate and institutional investors across Hong Kong, mainland China and fast-evolving global markets.

A key part of that involves making companies and foreign investors more familiar with the full range of yuan-denominated services now available, along with the frameworks for their use. To a large extent, change will be market-driven – a consequence of China's current status as the single largest trade counterpart for more than 130 countries, with a surging volume of cross-border settlements made in yuan.

"There are live cases across our network, from Africa and the Middle East to Europe and the Asean region," Zhang says.

If the ultimate goal is to see the yuan ranked alongside the US dollar, euro, pound sterling and Hong Kong dollar as an international currency, Zhang takes real encouragement from the accelerating issuance of dim sum bonds. Also known as offshore yuan-denominated bonds, their sales grew more than 60 per cent year on year in the first half of 2026, while panda bonds – yuan-denominated debt sold by foreign entities in mainland China's domestic market – showed a 69 per cent increase for the same period.

One essential step in yuan internationalisation is to identify potential for change with the corporate treasury ecosystems of mainstream companies. Standard Chartered's own Renminbi in Motion for Corporates report found that, among such enterprises, 23 per cent of revenue and 25 per cent of procurement costs are now yuan-linked, but only 14 per cent of their debt is denominated in the currency. That leaves companies more exposed to possible currency swings than they should be.

"They are still using the familiar funding channels, so the RMB debt component needs to be gradually embedded," Zhang says. "That is actually very important, and the market needs to come along."

Finding the necessary liquidity to support such moves should not be a problem. The RMB Business Facility, managed by the Hong Kong Monetary Authority (HKMA), was expanded in stages this year from 100 billion to 500 billion yuan, making it easier for banks to extend loans for working capital and other financing to corporate clients. As a result, eligible businesses can balance yuan-denominated debt and revenue more efficiently, while also reducing currency exposure.

"At the moment, Hong Kong is the largest centre for offshore RMB liquidity, so there is a responsibility to channel that to markets where it is in short supply," Zhang says. "There is still a huge gap that needs to be filled."

On the investor side, Standard Chartered already provides clients with access to mainland Chinese markets via the Stock Connect and Bond Connect schemes. However, there is clear scope for wider use of these holdings as collateral to enable more efficient deployment of capital.

"That would be very appealing, and I see strong momentum building among corporate banks and investors," Zhang says.

That momentum also means investing in Standard Chartered's own people, she notes: "We have to make sure that we maximise the reach of relevant information and skill sets across the bank."

Looking ahead, Zhang is excited about the opportunities unfolding across everything from cross-border digital transfers and supply chains to financing instruments and new funding options that enhance capital deployment.

She is also confident that Standard Chartered has the positioning, network and expertise to meet client demands as more international companies and investors realise the benefits of using the yuan for corporate treasury and day-to-day transactions.

“This is a long-term trend and is only going one way: up,” she says.

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