

To business desks
25 March 2015

Press release

CBK CCBI RQFII Money Market UCITS ETF launched on London Stock Exchange

- First UCITS regulated RQFII Money Market ETF in Europe
- First Renminbi denominated money market ETF which can be traded and settled in RMB, GBP, EUR outside of Asia
- An optimal solution for investment professionals in Europe offering relatively high liquidity and attractive returns

Today Commerzbank and CCB International Asset Management Limited (CCBI), the asset management arm of CCB International (Holdings) Limited (CCB International) announced the launch of the CBK CCBI RQFII Money Market UCITS ETF. It trades on the London Stock Exchange and is available to investors in the UK, Germany and Luxembourg.

In an environment where the options for offshore Renminbi ('RMB') investment are limited, the CBK CCBI RQFII Money Market UCITS ETF aims to provide European investors with an effective offshore RMB investment vehicle with access to RMB denominated Government, Policy Bank and Corporate Bonds. The RQFII quota* allows offshore RMB investment into and repatriation from the People's Republic of China (PRC) money markets. When backtested over the past five years, the PRC money markets showed average returns greater than 4.0 per cent per annum **.

More detail on CBK CCBI RQFII Money Market UCITS ETF:

- CCB International Asset Management Ltd will be responsible for the active investment management of the Fund.
- Commerzbank Asset Management will provide a UK Open Ended Investment Company (OEIC), providing a money market RMB offering.
- As the leading European ETF market maker, the Equity Markets and Commodities division at Commerzbank will provide the market making for the Fund.

Thomas Timmermann CEO of Asset Management at Commerzbank Corporates & Markets commented: “RMB is an increasingly important currency for investors and we are delighted to be able to offer this product in partnership with CCB International. This ETF provides our customers an opportunity to invest in the region and offers further flexibility by trading and settling in Euro, RMB or Sterling. The ETF provides offshore investors the opportunity to use offshore renminbi deposits to invest in the mainland securities markets, with the aim of maintaining capital value and generating returns linked to the RMB money markets.”

China Construction Bank (London) Limited (CCB) is the first and only RMB clearing bank in London and is utilising London's role as a global financial centre and the largest offshore RMB trading market. Hu Zhang Hong, CEO of CCB International, said: “Not only does this mark an important historical milestone in the internationalisation process of the CCB and CCB International, it also demonstrates the significant achievement of the Chinese banking industry reform and the internationalisation of the RMB. This heralds an innovative and important step in the financial cooperation between China and the United Kingdom.”

The CBK CCBI RQFII Money Market UCITS ETF will invest in PRC government bonds, policy bank bonds, cash, central bank bills, commercial paper, and corporate bonds with a weighted maturity of no more than 6 months and an AAA Long- term rating or A-1 short- term rating by the local rating agency.

The ETF can be bought and sold each trading day through The London Stock Exchange, as well as in off-exchange trading through Commerzbank and other direct banks. The minimum investment is RMB 100 and the All-In fee of the ETF is 0.65 per cent per year.

As China opens up its currency to global trade and investment, Commerzbank continues to offer its clients access the new global currency. Commerzbank has over three decades of experience in China, working with industry, financial institutions and policymakers. Today, Commerzbank operates at the forefront of onshore and offshore RMB developments to service clients effectively.

About the CBK CCBI RQFII Money Market UCITS ETF

- Share class A (RMB) ISIN GB00BVJF7G73 WKN A14QCU
- Share class B (GBP) ISIN GB00BVJF7H80 WKN A14QCV
- Share class C (EUR) ISIN GB00BVJF7F66 WKN A14QCT

- Annual dividend payment
- All-in fee: 0.65% p.a.

ENDS

Press contacts:

Claire Tappenden +44 (0)20 7475 5161

Tim Seifert +49 69 136 81771

*** RFQII is the renminbi qualified foreign institutional investor scheme. Launched in December 2011 it allows a small number of Chinese financial firms to establish renminbi-denominated funds in Hong Kong for investment in the mainland. The aim being to allow overseas investors to use offshore renminbi deposits to invest in mainland securities markets.**

**** PRC money markets fund Index. Before taxes and fees. Past performance is not a reliable indicator of future results.**

About Commerzbank

Commerzbank is a leading international commercial bank with branches and offices in more than 50 countries. The core markets of Commerzbank are Germany and Poland. With the business areas Private Customers, Mittelstandsbank, Corporates & Markets and Central & Eastern Europe, its private customers and corporate clients, as well as institutional investors, profit from a comprehensive portfolio of banking and capital market services. Commerzbank finances more than 30 per cent of Germany's foreign trade and is the unchallenged leader in financing for SMEs. With its subsidiaries comdirect and Poland's mBank it owns two of the world's most innovative online banks. With approximately 1,100 branches and approximately 90 advisory centres for business customers Commerzbank has one of the densest branch networks among German private banks. In total, Commerzbank boasts approximately 15 million private customers, as well as 1 million business and corporate clients. The Bank, which was founded in 1870, is represented at all the world's major stock exchanges. In 2014, it generated gross revenues of almost EUR 9 billion with an average of approximately 52,000 employees.

About Commerzbank Asset Management

Commerzbank Asset Management is part of the Corporates & Markets division of Commerzbank. It is the provider of Comstage ETFs as well as acting as a highly specialised investment service provider. It offers a full range of ETFs across asset classes through the Comstage platform and a spectrum of funds

and asset management services invested in a range of asset classes worldwide. The offering is designed for both institutional and retail investors.

Its primary activities are based in Frankfurt, London and Luxembourg – where its own fund management company, Commerz Funds Solutions S.A. is based. Its flexibility, reliability and service orientation are highly valued by clients and partners alike. Client services cover four key areas: ETFs, Active Asset Management, Passive Asset Management and Private Labelling.

About CCB International

CCB International (Holding) Limited (CCB International) is an investment services flagship wholly owned by China Construction Bank Corporation (“CCB”) in Hong Kong, CCB International via its subsidiary CCB International Asset Management Ltd, is among the first RQFII investors to obtain the license from People’s Bank of China to invest in the CIBM for private RQFII products. CCB is the second largest bank in China, market capitalization of the bank reached around US\$208 billion by the end of 2014, its wholly-owned subsidiary, China Construction Bank (London) Limited (“CCB London”) was designated as the London RMB clearing bank, the first time such a title has been granted by the People’s Bank of China outside of Asia, and CCB London Branch was authorised by the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) on 22 December 2014.

This communication is issued by Commerzbank AG and approved in the UK by Commerzbank AG London Branch, authorised by the German Federal Financial Supervisory Authority and the European Central Bank. Commerzbank AG London Branch is authorised and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority. Details about the extent of our regulation by the Financial Conduct authority and Prudential Regulatory Authority are available on request.