

**OCBC SECURITIES IS THE FIRST BROKERAGE IN  
SINGAPORE TO OFFER TIERED INTEREST RATES FOR  
SHARE FINANCING**

*The new feature – Quality-Priced Loan – offers lower interest rates on customers' Share Financing loans when they charge higher quality securities to their OCBC Share Financing accounts*

Singapore, 17 Jul 2012 – OCBC Securities Private Limited (“OSPL”) today announced that it is the first brokerage in Singapore to offer tiered interest rates for financing the purchase of over 2,500 listed securities – in multiple currencies, namely USD, HKD, AUD and SGD – across seven global exchanges: SGX, ASX, HKEx, Bursa Malaysia, NYSE, NASDAQ and AMEX.

The new feature – Quality-Priced Loan – goes beyond the current industry norm where a flat interest rate for share financing is charged at an average of 6% p.a. Customers who choose the new feature can lower the interest rates levied on their SGD loans when higher quality securities are charged as collaterals to secure their OCBC Share Financing facilities.

For example, the highest quality securities (or “Blue chip” category) will be charged an interest rate of only 3.5% p.a. on a SGD loan, while small cap stocks will be charged an interest rate of between 6.5% and 7.5% p.a. By reducing the interest charged on their loans, customers can lower their borrowing costs, hence enhancing their potential investment returns.

Response from customers has been encouraging since the Quality-Priced Loan feature was launched in April this year. Sign-ups for the new feature has increased by about 33% month-on-month, and new OCBC Share Financing accounts opened has increased by more than 50% month-on-month.

Mr Hui Yew Ping, Managing Director of OSPL, said: “With this feature, we are offering customers an avenue where they can take advantage of their good quality securities to lower borrowing costs. Given today’s volatile investment climate, investors look for opportunities to increase investment returns, either by investing in products with higher returns or by lowering borrowing costs, or by being able to do both.”

### **OSPL’s Quality-Priced Loan feature**

The Quality-Priced Loan feature was developed based on OSPL’s analysis of its customers’ investment portfolio holdings. OSPL found that a majority of its customers held Grade 1 or Grade 2 type securities, and sought preferential interest rates in order to maximise the returns on their investments. The feature appeals to customers who have idle blue-chip securities in their CDP accounts like SingTel shares, or those with quality foreign portfolio like HSBC (listed on HKEx) or Apple Inc (listed on NYSE).

Tiered interest rates according to security quality:

<b>Stock Quality</b>	<b>Description</b>	<b>SGD Lending Rate*</b>
Grade 1	Major Global Index Component Securities	3.5%
Grade 2	Large Cap Securities with Market Capitalisation of more than S\$1 billion	4.5%
Grade 3	Mid/Small Cap Securities	6.5%
Grade 4	All Other Marginable Securities	7.5%

*\*Share Financing Lending Rates for SGD loans currently stand at 6% p.a.*

Illustration of interest rates based on varying proportions of securities in customer’s Share Financing account:

<b>Proportion of Grade 1 securities</b>	<b>Proportion of securities in other Grades</b>	<b>Blended Rate Range</b>
20%	80%	4.3% - 5.7%
60%	40%	4.0% - 5.15%
90%	10%	3.6% - 3.8%

## **About OCBC Securities Pte Ltd**

OCBC Securities Private Limited ("OCBC Securities") is a wholly-owned subsidiary of OCBC Bank and member of the Singapore Exchange Securities Trading Limited (SGX-ST) and the Singapore Exchange Derivatives Trading Limited (SGX-DT).

Established in 1986, it is one of the leading securities and futures broking firms in Singapore providing full brokerage services for securities, derivatives and leveraged foreign exchange trading.

OCBC Securities is mandated to provide the best electronic platform for its retail and institutional customers to execute trades in listed products, futures and foreign exchange contracts in the most efficient way using technology. Customers can trade both locally and globally with its extensive network of connectivity.

For more information, please visit: [www.iocbc.com](http://www.iocbc.com)

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