

Asia Market Intelligence

Brunei Darussalam

Presence

The Group's history in Brunei dates back to 1947, when the Bank opened its first branch. Today, HSBC has 10 branches in Brunei, including two Premier Centres, which offer a comprehensive range of financial services from commercial, investment and private banking to securities services.

In addition, one wholly-owned subsidiary, HSBC Finance Sdn Bhd, has two offices offering hire purchase services.

The Bank offers a complete suite of products and services, including HSBC Premier, PowerVantage Plus, Headstart, Statement Savings account, Current accounts, Time Deposits account. Also offered are consumer loan products such as educational loans, computer loans, home mortgage loans, personal loans, car loans and overdrafts.

HSBC offers 24-hour banking services through an extensive network of 38 in-branch and off-branch automated teller machines (ATMs), Phone banking is available through an integrated contact centre and Internet banking — online@hsbc — through its website, "www.hsbc.com.bn" and www.hsbcnet.com.

Population:
390,000

Total area:
5,765 sq km

Currency:
Brunei dollar or ringgit (BND)

Capital:
Bandar Seri Begawan

Major Languages:
Malay, English, Mandarin and other Chinese dialects

Time zone:
GMT + 8 hrs

Central bank:
Brunei Currency and Monetary Board and Financial Institutions Division (regulators)

Gross domestic product:
19.6bn total (2007 est.); 0.4% real growth rate (2007 est.);
51,005 per capita (2007 est.)

Inflation rate (consumer prices):
0.4% (2007 est.)



Clearing Systems and Payment Instruments

- A popular domestic payment instrument in Brunei is the cashier's order; in the absence of a central clearing system, the banks meet daily at the HSBC offices where these orders are exchanged. Clearing typically takes two or three days. Cheques are also commonly used and have the same clearing period, unless the payer and receiver use the same bank, in which case, value is same-day. Telegraphic transfers and drafts are also available.
- The manual nature of the clearing process means that an early daily cut off time of 9.30am is necessary; any payments arriving after that time are processed on the following business day.

Banking System and Bank Accounts

- Brunei has no central bank. The Ministry of Finance, through the Brunei Currency and Monetary Board and the Financial Institutions Division, exercises most of the functions of a central bank.
- Brunei currently has a total of eight banks; two local and six foreign.
- The following types of bank account are currently available:

ACCOUNT TYPE	LOCAL CURRENT	LOCAL SAVINGS ²	FOREIGN CURRENT ¹	FOREIGN SAVINGS
Resident	Yes	Yes ³	Yes ²	Yes ³
Non-resident	Yes	Yes ³	Yes ²	Yes ³
Credit interest	No	Yes ³	No	Yes ³

1. Overdrafts are not permitted and cheque books are not available for foreign currency current accounts.
2. Subject to approval.
3. Statement saving accounts only.

Cash management products and services at a glance*

INVESTMENT PRODUCT	TRANSACTION MANAGEMENT		LIQUIDITY MANAGEMENT
	PAYMENTS	COLLECTIONS	
<ul style="list-style-type: none"> • Local currency/foreign currency Current Accounts • Local currency/foreign currency Statement Savings Account • Time deposits Account • Structured Products(i.e. Capital Guaranteed / Secured / Protected Funds) • Unit trusts • Treasury-related products 	<ul style="list-style-type: none"> • Cheques/demand drafts/cashier's order/travellers' cheques • Telegraphic transfer • Electronic payments (high/low-value bulk) • ATM/corporate credit cards • Payments Advising 	<ul style="list-style-type: none"> • Electronic batch collection • USD cheque collection • ATM • In-branch service • SecurePak • Drop-in box • Credit Card Merchant (incl. Internet Payment Gateway) 	<ul style="list-style-type: none"> • Pooling (local currency/foreign currency; in-country; for residents only) • Sweeping (local currency/foreign currency; in-country; for residents only) • Netting (local currency/foreign currency; resident /non-resident; in-country only)

* Cash management services are also delivered via HSBC*net*, HSBC's global Internet banking platform.

Alliance Network

With 10 branches across Brunei, HSBC is able to deliver a range of convenient banking services to customers.

Australia Bangladesh **Brunei** Hong Kong SAR India Indonesia Japan Korea Macau SAR Malaysia
Mauritius New Zealand People's Republic of China The Philippines Singapore South Africa Sri Lanka Taiwan Thailand Vietnam

Legal, Company and Regulatory

- The Brunei Currency and Monetary Board issues Brunei's currency and is responsible for maintaining monetary stability, while the Financial Institutions Division acts as the principal licensing and monitoring agency for banks and finance companies operating in Brunei.
- There are few restrictions on the type of business that can be set up in Brunei. However, businesses considered as affecting public interests directly – such as banks, finance companies, money lenders and travel agents – must obtain special licences from the appropriate government authorities. All companies with businesses in Brunei must be registered with the Registrar of Companies and have a registered place of business.

Liquidity, Currency and Tax

- Liquidity management such as notional pooling or cash concentration are not generally practised, even on an in-country basis.
- There are no exchange control laws in Brunei. Previous legislation was repealed in 2000.

Market Watch

- No recent or anticipated change of significance.

Contacts

Ms Lim Lih Fang

Head of Global Payments and Cash Management, HSBC, Brunei Darassalam

Corner of Jalan Sultan/Jalan Pemancha, 2nd Floor, Bandar Seri Begawan BS8811, Brunei Darussalam

Tel: (673) 2252 339

Fax: (673) 2252 482

E-mail: lihfanglim@hsbc.com.bn

Banking hours:

Mon – Fri

8:30am – 5:30pm (office hours)

8:45am – 4:00pm (business hours)

Sat

08:45am – 11:30am (business hours)

The information contained herein is for general information purposes only. It is not intended to provide professional advice and should not be relied upon in that regard. Readers should seek appropriate professional advice where necessary before taking any action based on the information contained in this document. HSBC makes no guarantees, representations or warranties and accepts no responsibility or liability as to its accuracy or completeness. Information in this document is subject to change without notice.

Australia Bangladesh **Brunei** Hong Kong SAR India Indonesia Japan Korea Macau SAR Malaysia
Mauritius New Zealand People's Republic of China The Philippines Singapore South Africa Sri Lanka Taiwan Thailand Vietnam