

Hong Kong & Mainland China News — Feb-2014

2013 retail sales up

By news.gov.hk

Tuesday, February 4, 2014

Total retail sales in 2013 grew 11% in value and 10.6% in volume over a year earlier to reach \$494.5 billion, the Census & Statistics Department announced today.

The total retail sales value in December, provisionally estimated at \$49.7 billion, increased 5.7% year-on-year. After netting out the effect of price changes, total retail sales volume rose 6.1%.

The revised estimate for total retail sales value in November showed 8.5% growth year-on-year, while total retail sales volume increased 9.1%.

The department said figures for December reflected positive consumer sentiment and inbound tourism expansion, and said the retail business should continue to be underpinned by favourable job and income conditions and sustained inbound tourism growth in the near term.

HK business conditions improve - index

By rthk.hk

Thursday, February 6, 2014

New figures suggest business operating conditions in the territory improved significantly last month, driven by faster expansion of both output and new business.

The HSBC Hong Kong Purchasing Managers' Index reached 52.7 in January, from December's 51.2. The reading was the highest that has been recorded in 23 months. The bank said the January data indicated that output and new orders were growing at the fastest rate in nearly two years. It also said the growth momentum was likely to continue in the near future.

China trade surplus jumps to \$32bn

By bbc.co.uk

Wednesday, February 12, 2014

China's trade surplus jumped to \$31.9bn (£19.4bn) in January, easing concerns the world's second-largest economy may be stuck in a slowdown.

The figure was up 14% from a year earlier and stronger than forecasts for a \$23.7bn surplus.

Imports rose by 10% from a year earlier to \$175.27bn - led by record shipments of crude oil, iron ore and copper.

Exports increased by 10.6% from a year earlier, far faster than analysts' forecasts, to \$207.13bn.

The positive trade figures also add to expectations China will overtake the US as the world's largest trading nation this year.

China is the world's largest exporter, and analysts had been expecting the data to reflect effects of the Lunar New Year holiday, which fell in January this year.

HK, Guangdong co-operation bolstered

By news.gov.hk

Friday, February 14, 2014

Hong Kong and Guangdong can co-operate and achieve progress together, Chief Executive CY Leung says.

Mr Leung visited Guangdong today to meet with provincial government leaders, including CPC Guangdong Provincial Committee Secretary Hu Chunhua. He also visited Shenzhen Bao'an International Airport.

Noting that Shenzhen's airport operates mainly local flights while Hong Kong's airport operates more international flights, Mr Leung said there is room for co-operation between the two.

Both sides will study how to enhance such co-operation, including simplifying cross-boundary clearance procedures, he added.

China January inflation flat at 2.5%

By rthk.hk

Friday, February 14, 2014

The mainland's inflation rate remained steady at 2.5 percent year-on-year in January.

The Consumer Price Index (CPI) figure announced by the National Bureau of Statistics was unchanged from December, but higher than economists had expected.

The increase in CPI was mainly driven by a 3.7 percent rise in food prices last month, which included both the Western and Chinese New Year holidays, according to a separate statement from the bureau.

China's CPI, a main gauge of inflation, rose by 2.6 percent in 2013, unchanged from 2012, and well below the 3.5 percent target set by Beijing.

Inflation has slowed markedly since 2011 when annual CPI spiked to 5.4 percent. Maintaining growth in the face of domestic and overseas economic woes has since become a higher priority for Beijing.

HK, Israel boost industrial ties

By news.gov.hk

Monday, February 17, 2014

Hong Kong and Israel today signed a co-operation agreement on industrial research and development.

Secretary for Commerce & Economic Development Gregory So signed the memorandum of understanding with Israeli Consul-General Sagi Karni.

Mr So said promoting the development of technology as a means of fostering economic development is of mutual interest to both places.

The deal provides a framework for the Innovation & Technology Commission and Israel's Office of the Chief Scientist of the Ministry of Economy to jointly encourage industrial research and development collaborations and technology development between Hong Kong and Israeli entities.

Mr So said he is confident the collaboration will inspire more joint innovative activities between the two places.

Budget well thought out: CE

By news.gov.hk

Wednesday, February 26, 2014

Chief Executive CY Leung has praised the 2014-15 Budget as a well-thought-out and responsible one, which responds to community aspirations while making long-term plans for public finances.

Mr Leung said today's Budget provides financial resources to support the Policy Address in implementing initiatives to alleviate poverty, care for the elderly, support the disadvantaged, nurture youths, and enhance healthcare quality.

He agreed with Mr Tsang that Hong Kong must improve efficiency in the flow of people, goods, capital and information, and enhance the quality of the living environment and Hong Kong's position as a global hub.

"We will increase investment in infrastructure, sharpen Hong Kong's competitive edge and create a better living environment for our people," Mr Leung said.

The Budget has analysed Hong Kong's economic strengths and constraints, in addition to the Government's efforts in promoting industry, and solving labour and land shortages.

Mr Leung said the Budget strictly follows the principle of keeping expenditure within the limits of revenue while making long-term investments for sustained economic development.

"I hope the public and the Legislative Council will support this Budget."

Yuan could challenge US dollar: Mersch

By rthk.hk

Thursday, February 27, 2014

China's yuan currency is gaining importance in international trade and investment and might ultimately challenge the US dollar, European Central Bank Executive Board member Yves Mersch said.

Speaking at a conference on the renminbi, or yuan, in Luxembourg, Mersch urged the Chinese government to continue reforming its economy and its financial sector because the yuan was taking the first steps towards establishing itself as an international investment currency.

"If it can do so successfully, it might one day become a leading reserve currency," Mr Mersch said.

"Due to the size of China's economy and its importance in global trade and, potentially, finance, the renminbi might ultimately come to challenge the US dollar," Mr Mersch added.

Luxembourg is competing with other European financial centres, including London, for a major role in the growing market for offshore yuan.

Mr Mersch said that from a euro zone perspective, the yuan's growing internationalization also called for closer monitoring of risks stemming from increased exposure to yuan-denominated assets and liabilities in euro zone banks.

"The increasing presence of Chinese banks within the euro area also brings its own challenges regarding banking supervision, including the need for greater cooperation and exchange of information between home and host authorities," Mr Mersch said.