

China Exports Show Big Increase

by RTHK News, Hong Kong

Sunday, June 10, 2012

China's exports increased by 15.3 percent year-on-year in May, the customs agency said – significant increase after a lackluster performance the previous month.

The country recorded a total of US\$181.1 billion in exports, the agency said.

Imports also rose by 12.7 percent in May, and the trade surplus widened slightly for the third consecutive month.

HKMA Provides RMB Funding for HK Banks

by RTHK News, Hong Kong

Friday, June 15, 2012

The Monetary Authority says it will allow banks to borrow renminbi from the de facto central bank, starting tomorrow/ This will give local banks another way to secure short-term RMB funding, apart from borrowing the currency from the market. The Authority said the move would further consolidate Hong Kong's status as an offshore RMB trading centre.

HK, Mexico sign tax treaty

by news.gov.hk, Hong Kong

Tuesday, June 19, 2012

Hong Kong and Mexico today signed an agreement for avoidance of double taxation and the prevention of income tax evasion.

Financial Secretary John Tsang and Mexican Secretary of Finance & Public Credit Jose Antonio Meade Kuribrena signed the agreement in Los Cabos.

Mr. Tsang said the deal will strengthen the flow of investment and talent between Hong Kong and Mexico.

Tax paid in Hong Kong will be allowed as credit against tax payable in Mexico. Mexico's withholding tax for Hong Kong residents receiving interest from Mexico will be capped at 10%. The Mexican withholding tax on royalties will be capped at 10%.

Profits from international shipping transport earned by Hong Kong residents that arise in Mexico, which are currently subject to tax there, will not be taxed in Mexico under the agreement, which will come into force after completion of ratification procedures on both sides.

So far, 27 avoidance of double taxation agreements on airline income, six on shipping income, and two on airline and shipping income have been reached.

Cross-Border Collateral Agreements Signed

by news.gov.hk, Hong Kong

Wednesday, June 20, 2012

The Monetary Authority has signed bilateral agreements with Euroclear Bank and JP Morgan to co-operate in delivering a new cross-border collateral management service from June 25.

The new service enables international financial institutions to use securities held with Euroclear Bank or JP Morgan as collateral in triparty repo transactions with members of the authority's Central Moneymarkets Unit, to access liquidity from Hong Kong, in particular the Hong Kong dollar and offshore renminbi.

Euroclear Bank or JP Morgan will act as triparty collateral management agents to repo transactions, ensuring administrative obligations, such as collateral valuations, eligibility, haircuts, and substitutions are carried out automatically on behalf of the two counterparties to the securitised deal.

The arrangement is the first add-on service following the March launch of the pilot platform for the cross-border investment and settlement of debt securities.

Further collateral management developments are foreseen with the authority to further expand the cross-border collateral management service to allow local financial institutions to use their securities as collateral to obtain foreign currency liquidity such as the US dollar from international financial institutions in the second half of this year.

The collateral management service aims to develop and promote a cost effective and efficient repo market in Hong Kong. This in turn helps enhance financial stability through the greater use of collateral to cover exposures in secured lending and borrowing. It also opens an efficient channel for financial institutions to widen their liquidity sources and obtain offshore renminbi liquidity from Hong Kong.

President Hu Jintao To Visit HK

by news.gov.hk, Hong Kong

Sunday, June 24, 2012

President Hu Jintao will visit Hong Kong from June 29 to July 1 to attend Hong Kong Special Administrative Region 15th Anniversary festivities.

He will also attend the fourth-term HKSAR Government inauguration ceremony.

Chief Executive Donald Tsang said Hong Kong people are honoured to have Mr. Hu visit the city and his presence shows the Central Government's strong support for Hong Kong.

Development Projects Backed

by news.gov.hk, Hong Kong

Monday, June 25, 2012

At its meeting today, the Land & Development Advisory Committee advised the Government to support three land development projects handled by the Development Opportunities Office.

Members considered a proposal by the Sailors' Home and Missions to Seamen to redevelop the Mariners' Club in Tsim Sha Tsui into a composite building with new club facilities and a hotel.

Members generally supported the project as it will enable the proponent to redesign the club facilities to meet the needs of seafarers today and better utilise the land at this prime site. The proposed hotel would help ease the shortage of hotel rooms and support tourism development.

The committee also discussed a proposal to refurbish its building at Fenwick Pier in Wan Chai.

They supported the proposed refurbishment because it would allow the project proponent to provide better hospitality services to visiting naval personnel and help maintain Hong Kong's status as an international transport hub and an attractive destination for overseas visitors.

The committee also considered a proposal by Polytechnic University to extend its campus to Ho Man Tin to provide more space for academic facilities and student hostels.

Members supported the project and felt it would better utilise land resources and relieve the university's shortage of academic facilities and student hostel places to meet its long-term development needs.

Visitor Arrivals Up 12.7%

by news.gov.hk, Hong Kong

Monday, June 25, 2012

Visitor arrivals to Hong Kong reached 3.63 million in May, up 12.7% year on year, the Tourism Board announced today.

More than 2.52 million arrivals came from the Mainland, up 19.4%. Of these, 65%, or more than 1.64 million, travelled under the Individual Visit Scheme, up 23% on May last year.

Short-haul arrivals recorded a 0.5% year-on-year decrease. Those from Taiwan decreased 7.5% but those from North Asia rose 2%.

Long-haul arrivals increased 0.7% on the figure in May last year. Those from Australia, New Zealand, and the South Pacific decreased 7.7% while those from the Americas grew 2.6%.

Cumulative arrivals in the first five months increased 14.8% year-on-year, reaching 18.7 million.

Mortgage Loans Up 11.6%

by news.gov.hk, Hong Kong

Tuesday, June 26, 2012

Mortgage loans drawn down in May increased 11.6% on April to \$19.5 billion, the Monetary Authority announced today.

Mortgage loans approved increased 5.2% to \$26.7 billion.

Mortgage loans financing primary market transactions increased 39.7% to \$4.2 billion, and those financing secondary market transactions decreased 1.5% to \$19.7 billion.

Mortgage loans for refinancing increased 17.9% to \$2.8 billion and the number of applications increased 6.8% to 14,290.

In May, 91.2% of mortgage loans were priced with reference to best lending rates, similar to April, with the majority priced at rates of 2% to 2.25% .

New mortgage loans priced with reference to the Hong Kong Interbank Offered Rate increased from 4.9% in April to 5.4% in May.

Total Exports, Imports Grow

by news.gov.hk, Hong Kong

Tuesday, June 26, 2012

The values of Hong Kong's total goods exports and imports recorded year-on-year increases of 5.2% and 4.6% in May, the Census & Statistics Department said today.

The value of total goods exports, comprising re-exports and domestic exports, grew 5.2% over a year earlier to \$294.5 billion, after a year-on-year increase of 5.6% in April. The value of re-exports increased 5.6% to \$289.2 billion and the value of domestic exports dropped 13.5% to \$5.3 billion.

The value of goods imports grew 4.6% over a year earlier to \$330.1 billion in May. A visible trade deficit of \$35.6 billion, equivalent to 10.8% of the goods imports' value, was recorded.

The value of total goods exports rose 1.3% in the first five months over the same period in 2011. Within this total, the value of re-exports increased 1.8%, whereas the value of domestic exports dropped 21.2%.

As the value of goods imports increased 2.4%, a visible trade deficit of \$177 billion, equivalent to 11.7% of the value of goods imports, was recorded in the first five months.