

Hong Kong & Mainland China News – June-2014

China's PMI rises in May

By rthk.hk

Tuesday, June 03, 2014

Growth in China's manufacturing sector continued to accelerate in May, rising to the highest level for this year and adding to signs of a stabilizing economy, official data showed on Sunday.

The purchasing managers' index (PMI) increased to 50.8 in May, up from 50.4 in April, according to data released by the National Bureau of Statistics (NBS) and the China Federation of Logistics and Purchasing.

A number over 50 denotes expansion, and a number below 50 indicates contraction.

Gov't committed to competitiveness

By news.gov.hk

Wednesday, June 04, 2014

The Government is committed to enhancing Hong Kong's competitiveness, and will continue to explore new markets, support the development of pillar industries, and seek to diversify the economy, Secretary for Commerce & Economic Development Gregory So says.

In response to a lawmaker's query today, Mr So said the city's pillar industries of trading and logistics; financial services; tourism; and business and professional services have been driving forces of Hong Kong's economic development, adding there is still room for growth as they move up the value chain.

He said the Government will also continue to invest in education to nurture talent and promote social mobility, while examining population policy to address the impact of the ageing population on the labour market in the long run.

The Government is also committed to upholding the principles of fairness and neutrality regarding taxation, he added, as Hong Kong's simple tax regime and low tax rates are among the essential factors underpinning the city's success.

In addition, the Chief Executive has established the Economic Development Commission to provide visionary direction and advice on strategies and policies to enhance Hong Kong's long-term economic development.

"The Government will strive to retain the strengths in this regard so as to maintain the long-term competitiveness of Hong Kong."

Gross national income up 3.5%

By news.gov.hk

Friday, June 13, 2014

Hong Kong's gross national income rose 3.5% year-on-year to \$537.3 billion in the first quarter, while Gross Domestic Product grew 4.6% to \$530 billion, the Census & Statistics Department said today.

Hong Kong's GNI was larger than its GDP by \$7.3 billion, representing a net external primary income inflow of the same amount, and equivalent to 1.4% of GDP in that quarter.

After netting out the effect of price changes, Hong Kong's GNI increased 1.7% in real terms year-on-year and the corresponding GDP grew 2.5%.

Total primary income inflow into Hong Kong, estimated at \$272 billion and equivalent to 51.3% of GDP rose 12.1% over a year earlier. Total primary income outflow, estimated at \$264.7 billion and equivalent to 50% of GDP, increased 15% year-on-year. Taking the inflow and outflow together, a net external primary income inflow of \$7.3 billion was recorded.

China boosted by new economic data

By rthk.hk

Friday, June 13, 2014

China's industrial output and retail sales accelerated in May, according to official mainland figures.

Consumption also picked up at its fastest pace since December indicating renewed strength in the world's second-largest economy.

According to the National Bureau of Statistics, industrial production rose 8.8 percent year-on-year in May. The figure is up from 8.7 percent recorded in April. Retail sales also rose - gaining 12.5 percent last month from a year ago.

China manufacturing grows in June: HSBC

By rthk.hk

Monday, June 23, 2014

HSBC says China's manufacturing activity expanded in June for the first time this year.

The bank said its preliminary purchasing managers index - which tracks activity in China's factories and workshops - came in at 50.8 in June, suggesting the sector is expanding.

"The improvement was broad-based with both domestic orders and external demand sub-indices in expansionary territory," HSBC economist Qu Hongbin said in a statement.

"This month's improvement is consistent with data suggesting that the authorities' mini-stimulus are filtering through to the real economy."

With growth slowing this year, since April, Beijing has announced a series of measures to boost growth, including tax breaks for small enterprises, targeted infrastructure outlays and incentives to encourage lending in rural areas.

InvestHK projects hit record high

By news.gov.hk

Thursday, June 26, 2014

Invest Hong Kong helped a record 223 overseas and Mainland companies to set up or expand in Hong Kong in the first half of this year, marking a 4.7% year-on-year increase.

Announcing InvestHK's interim results today, Director-General of Investment Promotion Simon Galpin told the media the Mainland continued to be the largest single source of growth with a total of 55 completed projects. The US followed with 30 projects, then Japan with 20, France with 19, and the UK with 18.

Companies in asset management, e-retail and enterprise solutions were attracted to set up and expand in Hong Kong. He also noted that Hong Kong continued to attract startups and entrepreneurs.

In the first half of this year the department helped 39 startups set up in Hong Kong, accounting for 17.5% of the total projects.

Nine startups are from France, six from the US, five from the UK, and four from Germany, joining the multimedia, asset management and alcoholic beverage businesses.

Mr Galpin said: "Hong Kong continues to attract not only multinationals but also a growing number of founders and entrepreneurs from Europe. Against this backdrop, we are optimistic that we will be able to meet our annual target of 350 projects this year."

The department recently rolled out the second StartmeupHK Venture Programme, which includes a global business plan competition aimed at promoting Hong Kong's hub status for global founders and entrepreneurs.

Mr Galpin added that Hong Kong's status as an international business hub and its geographical location will continue to make it an ideal platform for Mainland companies to go global, and for large multinationals to manage their global activities.

Hong Kong exports up 4.9% in May

By rthk.hk

Thursday, June 26, 2014

Hong Kong's exports have rebounded at the strongest pace in six months following a 1.6 percent contraction in April.

Exports grew 4.9 percent in May from a year ago. The u-turn was underpinned by stronger demand from advanced economies and the mainland market.

Meanwhile, imports also expanded at the fastest rate in three months - by 3.7 percent in May.

A government spokesman said despite the modest growth in imports and exports, headwinds remain in the external environment.

HK 4th in attracting FDI

By rthk.hk

Friday, June 27, 2014

Hong Kong ranked fourth in global foreign direct investment (FDI) inflows last year in the United Nations Conference on Trade & Development's World Investment Report.

Receiving US\$77 billion in investments, Hong Kong was the second biggest FDI recipient in Asia after the Mainland, and ranked after the US (US\$188 billion), the Mainland (US\$124 billion), and Russia (US\$79 billion) globally.

Director-General of Investment Promotion Simon Galpin said: "It is encouraging to see Hong Kong continues to be one of the leaders in global and regional FDI. It shows our city continues to be an important FDI conduit given its enduring advantages, including low and stable tax, free market access and easy business environment."

The report said Hong Kong had been "highly successful" in attracting transnational corporations, with almost 1,400 regional headquarters operating in the city last year.

It added that Hong Kong continues to be one of the "major destinations" for the headquarters of transnational corporations targeting Asia-Pacific markets.

Hong Kong, with US\$92 billion, ranks fifth in terms of FDI outflows, after the US (US\$338 billion), Japan (US\$136 billion), the Mainland (US\$101 billion) and Russia (US\$95 billion).