

Hong Kong & Mainland China News – Mar-2014

New companies law to start

by News.gov.hk

Friday, February 28, 2014

The new Companies Ordinance (Cap. 622) and its subsidiary legislation will come into effect on March 3.

Most provisions of the existing Companies Ordinance (Cap. 32) and its subsidiary legislation will then be repealed, and the ordinance will be retitled as the Companies (Winding Up & Miscellaneous Provisions) Ordinance (Cap. 32), with provisions mainly related to insolvency matters.

Secretary for Financial Services & the Treasury Prof KC Chan said the new ordinance is for enhancing corporate governance, facilitating business, ensuring better regulation, and modernising the law.

Companies should comply with the new ordinance and use new forms to submit returns to the Companies Registry.

Retail sales value up 14.5%

by News.gov.hk

Monday, March 3, 2014

The total retail sales value in January, provisionally estimated at \$54.6 billion, rose 14.5% over a year earlier, the Census & Statistics Department announced today.

After netting out the effect of price changes over the same period, the total retail sales volume rose 16.8%.

Analysed by broad type of retail outlet and comparing January 2014 with January 2013, the sales value of miscellaneous consumer durable goods rose the most, by 90.5%. This was followed by footwear, allied products and other clothing accessories (+23.6% in value); commodities in supermarkets (+20.1%); and, food, alcohol and tobacco (+20%).

Meanwhile, the sales value for electrical goods and photographic equipment fell 18.2%, while that of motor vehicles and parts fell 13.7%, and furniture and fixtures fell 8.8%.

Retail sales recorded an appreciable year-on-year rise in January, partly due to the difference in timing of the Lunar New Year, which fell in late January and early February this year but in mid-February last year.

China sets 7.5% growth target for 2014

by rthk.org.hk

Wednesday, March 5, 2014

The mainland has set its economic growth target at 7.5 percent for 2014 -- the same as for the previous two years. It also said it hoped to keep inflation at around 3.5 percent.

In his work report to the annual session of the National People's Congress, Premier Li Keqiang said that in the light of the instability and uncertainties in the world economy, China's economic growth was facing downward pressure.

But he said he expected to see "a medium-to-high rate of growth for some time to come".

Mr Li also said the government would open up some areas to private capital.

PBoC widens yuan trading band

by rthk.org.hk

Saturday, March 15, 2014

China's central bank says it will allow its tightly controlled currency to fluctuate more widely in value against the dollar as part of reforms aimed at making the country's economy more efficient.

The People's Bank of China said it will double the size of the band in which the yuan is allowed to fluctuate against the dollar every day.

The yuan will now be allowed to gain or lose 2 percent each day.

The widely expected move follows promises by the ruling Communist Party to give market forces a bigger role in the state-dominated economy in hopes of making it more efficient and productive.

HK-Finland trade pact in force

by news.gov.hk

Sunday, March 16, 2014

The Investment Promotion & Protection Agreement between Hong Kong and Finland came into force today.

The Trade & Industry Department says that under the agreement, the two sides will provide equal treatment of investors, compensation for expropriation of investments, free transfer abroad of investments, and settlement of investment disputes in accordance with internationally accepted rules.

It will facilitate investment and trade flows between Hong Kong and Finland, benefiting both places' economic development.

The agreement will be effective for 15 years, and remain in force unless either party terminates it.

Hong Kong has so far signed the same agreement with 17 economies.

Investment fund study starts

by news.gov.hk

Thursday, March 20, 2014

The Financial Services & the Treasury Bureau today launched a three-month public consultation on introducing a new open-ended fund company structure to expand Hong Kong's legal structure for investment-fund vehicles.

The Financial Secretary announced in the Budget that Hong Kong would provide the legal and regulatory frameworks to strengthen its position as a premier international asset-management centre.

The consultation will seek views from the public and the financial services industry on the policy and legal frameworks for open-ended fund companies.

Currently, an open-ended investment fund may be established under Hong Kong law in the form of a unit trust, but not in corporate form due to restrictions on capital reduction under the Companies Ordinance.

It is proposed that the new open-ended fund company vehicle will be established under the Securities & Futures Ordinance and be regulated and supervised by the Securities & Futures Commission.

Consumer prices up 3.9%

by news.gov.hk

Thursday, March 20, 2014

Overall consumer prices rose 3.9% year-on-year in February, compared to the corresponding increase of 4.6% in January, the Census & Statistics Department announced today.

Netting out the effects of the Government's one-off relief measures, the underlying inflation rate was 3.6%, also smaller than that in January (4.3%).

The smaller increase was mainly attributable to the difference in timing of the Lunar New Year, resulting in a smaller increase in the charges for package tours and the costs for meals bought away from home. Another contributing factor was the moderation in the increase in private housing rents.

Year-on-year price increases were recorded for electricity, gas and water (5.6%); housing (5.5%); meals bought away from home (4.2%); food (excluding meals bought away from home) (4.1%); miscellaneous services (3.5%); and, miscellaneous goods (3.2%). A year-on-year decrease in prices was recorded for durable goods (-3.1%).

The department forecast generally mild imported inflation, adding the feed-through of the milder increases in fresh-letting residential rentals last year should help contain the upside risks to inflation in the near term.

It said the Government will monitor the inflation situation, particularly its impact on lower-income people.

Yuan fully convertible in 'few years'

by rthk.gov.hk

Thursday, March 27, 2014

HSBC says it expects the yuan to become a fully convertible currency within the next two or three years, earlier than market forecasts.

Speaking during a forum, the bank's chief executive, Stuart Gulliver, said that it was just a question of time before this happened.