

## Hong Kong & Mainland China News – Mar-2025

---

### Stock market rebound proves Hong Kong is no financial relic, says Chan

by [www.thestandard.com.hk](http://www.thestandard.com.hk)

Mar 10, 2025

The robust rebound of Hong Kong's stock market has proven that the city is not a global financial relic and discredited its naysayers, Hong Kong Exchanges and Clearing (0388) chief executive Bonnie Chan Yi-ting said.

In late 2023, posts that the city was a "relic of an international financial center" went viral on social media amid the stock market's downturn at the time.

But the market recovered and the benchmark Hang Seng Index ended four straight years of losses by rising nearly 20 percent in 2024.

Chan said on radio that the average daily turnover of Hong Kong-listed stocks has exceeded HK\$200 billion so far this year, jumping from 2023's level of about HK\$100 billion and 2024's HK\$132 billion.

Moreover, 11 companies went public in the city this year as of March and there are over 100 initial public offerings in the pipeline, after the new listing market saw a surge of around 90 percent in fundraising amount last year.

These achievements, Chan said, result from the efforts of various stakeholders and are strong enough to dispel the old tale that Hong Kong is a relic of an international financial center, which sprung up between the end of 2023 and beginning of 2024 when the market was down.

On three trading days this year, the full-day volume even surpassed HK\$400 billion, with the majority coming by investors all over the world, Chan revealed.

The recent influx of overseas investments was thanks to China's breakthroughs in artificial intelligence technologies made by some homegrown companies, which attracted them to invest in and explore the Hong Kong market, Chan noted.

She believes the participation of overseas investors will enhance the global recognition of Hong Kong.

Driven by the bullish outlook about China's tech sector, the HSI has advanced over 23 percent this year to 24,231 points, the highest since mid-February in 2022.

The tech gauge also jumped more than 38 percent over the same period.

China's fruit tea giant Mixue (2097), which went public on March 3, rose for four trading days in a row to HK\$355 per share last Friday, 75.3 percent higher than its offer price of HK\$202.5.

But CCB International warns that Hong Kong equities have been heavily overbought and that the additional tariffs by the United States on exports from China could hurt market sentiment in the short term.

## **HK's IPO funds could double this year: FS**

by [www.rthk.hk](http://www.rthk.hk)

Mar 12, 2025

Financial Secretary Paul Chan on Wednesday hinted that the city could double the funds raised for its initial public offering (IPO) market this year compared to that of last year, as optimism over the nation's tech sector grows.

Chan made the remarks in a speech, during which he noted that the SAR will ramp up efforts to woo leading firms to list here.

"I'm pleased to report that our IPO market has regained momentum. Last year, we raised some US\$11 billion, ranking fourth globally," he told participants.

"This year, we are benefiting from optimism in the tech sector, and the continued support from the central authorities in encouraging leading mainland companies to list on the Hong Kong Stock Exchange. We are expecting to raise some US\$17 to \$20 billion this year."

Separately, Chan noted that Hong Kong is on track to become a leading global technological and innovation centre.

He said while the city's innovation and technology sectors are growing, the transition to become a leading tech hub will not be complete without the development of the Northern Metropolis, which will link the SAR with the "innovation powerhouse" that is the Greater Bay Area.

"The Shenzhen-Hong Kong-Guangzhou science and technology cluster has been ranked second globally in innovation by the World Intellectual Property Organization for each of the past five years," Chan said.

"The Northern Metropolis will support Hong Kong's synergistic development with our sister cities in the GBA. Bordering Shenzhen and spanning nearly one third of the total landmass of Hong Kong, it comprises a 300-hectare I&T cluster that will be home to many strategic tech enterprises," he added.

## **HK-Bahrain pact effective Mar 21**

by news.gov.hk  
Mar 14, 2025

The Investment Promotion & Protection Agreement (IPPA) signed between Hong Kong and Bahrain will enter into force on March 21.

Secretary for Commerce & Economic Development Algernon Yau said the agreement enables investors of Hong Kong and Bahrain to enjoy corresponding protection of their investments in the host economies, thereby enhancing the confidence of investors, expanding investment flows and further strengthening the economic and trade ties between the two places.

Under the agreement, the two governments undertake to provide investors of the other side with fair, equitable and non-discriminatory treatment of their investments, compensation in the event of expropriation of investments, and the right to free transfers abroad of investments and returns.

The agreement also provides for settlement of investment disputes under internationally accepted rules, including arbitration.

Mr Yau also pointed out that the Government has been actively seeking to expand Hong Kong's global economic and trade networks with a view to assisting enterprises and investors in opening up markets.

“We are exploring the signing of IPPAs with Saudi Arabia, Bangladesh, Egypt and Peru, as well as exploring IPPAs or free trade agreements with emerging markets including potential partners in the Middle East and other regions along the Belt & Road.”

The IPPA with Bahrain is the second of its kind signed by the current-term Government. It is also the 24th investment agreement that Hong Kong has signed with a foreign economy.

## **HK ranked Asia's top financial centre, third globally**

by [www.rthk.hk](http://www.rthk.hk)

Mar 20, 2025

Hong Kong remains Asia's top financial hub, and third in the world behind New York and London, according to a half-yearly index of global financial centres.

Singapore is ranked fourth, while Shanghai, Shenzhen and Seoul round up the top 10 spots in the 37th edition of the Global Financial Centres Index.

The list is jointly compiled by think tanks Z/Yen Group in London and the Shenzhen-based China Development Institute. It is published every March and September.

Researchers ranked 119 financial centres based on 140 instrumental factors, as well as assessments from nearly 5,000 questionnaire respondents.

The SAR took top honours in the areas of investment management, insurance and finance, and was second in human capital and infrastructure.

A government spokesman said the report fully recognises Hong Kong's "leading status and strengths" as an international financial centre.

"With the staunch support of our country, Hong Kong will continue to leverage the advantages under 'one country, two systems', actively integrate into national development, and deepen international exchanges and co-operation, with a view to fulfilling our roles as a 'super connector' and a 'super value-adder'," a statement said.

The spokesman also noted the latest budget has rolled out a series of policy initiatives to create new growth areas for the city's financial market.

## **China vows more proactive fiscal policy at dev't forum**

by [www.rthk.hk](http://www.rthk.hk)

Mar 24, 2025

Beijing on Monday said it will implement a more proactive fiscal policy this year, with finance minister Lan Fo'an saying the nation's economic and fiscal strengths have grown significantly.

Speaking on the last day of the China Development Forum 2025, Lan said China has gained more experience in macroeconomic management and fiscal governance, and that confidence in the nation's economic development stems from solid fundamentals, numerous advantages, resilience, and vast potential.

According to Xinhua News Agency, Lan said the primary task of this year's fiscal policy is to significantly boost consumption and enhance investment efficiency.

"China has the world's most promising super-sized market, with immense potential for consumption growth," Lan said.

Speaking to global business leaders attending the forum, Lan also emphasised that China will ensure equal treatment for all types of businesses and continue to improve the business environment.

Meanwhile, senior executives of multinational giants attending the forum have highlighted the importance of strengthening global cooperation to ensure that industrial and supply chains can withstand unexpected external shocks.

The executives told broadcaster CCTV that this meant that they have to come together across borders and industries.

Judy Marks, CEO of Otis Worldwide Corporation noted there is a tremendous supply chain for the elevator industry on the mainland.

"This is our largest manufacturing location anywhere in the world. And so we take advantage of the supply chain here not just for China in China, but also in China for the world," she said.

Entrepreneurs, government officials, experts and business representatives from China and around the world attended the two-day forum – themed "Unleashing Development Momentum for Stable Growth of Global Economy"

## **HK capital market 'needs blueprint for further growth'**

by [www.rthk.hk](http://www.rthk.hk)

Mar 25, 2025

A deputy at Beijing's top office on Hong Kong affairs has called on the SAR to roll out a blueprint to further drive its capital market development, seizing on opportunities brought about by the revitalisation of the city's stock market this year.

The remarks were made by Qi Bin, deputy director of the central government's liaison office, who noted that Hong Kong's stock market is one of the best outperforming markets in the world this year, with average daily turnover reaching nearly HK\$300 billion since last month, indicating a strong return of global capital to the city.

Qi, a former vice-president of China's sovereign wealth fund China Investment Corporation, said the SAR should roll out more reforms to drive the city's capital market growth, including a blueprint that offers the market medium to long-term expectations.

Speaking at the HSBC Global Investment Summit, he pointed out that a blueprint made by the Chinese Securities Regulatory Commission in 2008 helped make the country's capital market the second largest in the world.

The blueprint offered a comprehensive analysis of the country's capital market, a slate of reform measures and clear timetables.

"This blueprint [in Hong Kong] will provide suggestions for improvements to Hong Kong's capital markets," he said.

"A dedicated task force will solicit feedback from leading global investors and financial institutions for the coordinated growth of both Hong Kong and Asia's capital market."

Other proposed measures, he added, include "accelerated integration between the city's capital markets and mainland's high-tech enterprises," such as emerging artificial intelligence and robotics firms, while ramping up market supervision to fend off systemic risks and introducing extra long-term funds, including foreign exchange reserves and social security funds.

He also noted that Beijing will offer strong support for the city's upcoming inaugural "Hong Kong Global Financial and Industry Summit" in June, when more than 1,000 chief executives from around the world will gather and discuss new projects in the SAR.

Acting Chief Executive Eric Chan said at the same event that there are signs that global capital is returning as the city's total deposits rose by 7.1 percent last year.

Chan added that the SAR will also continue to strengthen its position as an offshore yuan centre.

"Hong Kong's role as a super connector has never been more vital," he said.

"We remain the world's largest offshore renminbi business hub, each day processing close to 80 percent of cross border renminbi payments outside the mainland.

"We are now working to enable multi-currency settlements and enrich renminbi products, offering REITs under Stock Connect and exploring new initiatives with mainland regulators," Chan said.

For his part, Alibaba chairman Joe Tsai warned about a potential "bubble" from the over-construction of data centres in the world, following the rapid growth of artificial intelligence technology.

He said that some projects were being built without clear customers in mind.

"My question to them is, has Microsoft or Google or Amazon or even Alibaba agreed to start using your data centres once it's built? Do you have any agreements? And they said 'no.' So I start to see the beginning of some kind of bubble," he said.

Tsai also said that private enterprise confidence had increased on the mainland after President Xi Jinping met a group of entrepreneurs in Beijing last month.

## **Hong Kong to benefit more from capital flows out of China, HKMA says**

by [www.thestandard.com.hk](http://www.thestandard.com.hk)

Mar 26, 2025

Hong Kong's de facto central bank head said on Wednesday that he expects Chinese capital flows going through Hong Kong to provide the biggest opportunity for the financial hub in the next few years.

Hong Kong is making plans to make a wealth connect programme with China's Greater Bay area less restrictive and exploring whether it can extend its coverage to more mainland cities, Eddie Yue Wai-man, chief executive of Hong Kong Monetary Authority, said at HSBC's (0005) Global Investment Summit in Hong Kong.

Chinese investments overseas, however, have picked up and Hong Kong has benefited from these capital flows.

That trend is expected to strengthen in the years ahead, Yue added, as Chinese investors continue to utilise stock, bond and wealth management connect channels to invest in the offshore investment hub.

"I'm quite hopeful that all these Southbound capital coming out from China into the world through Hong Kong will help provide the next push for Hong Kong's capital markets," he said

Between 20 percent to 30 percent of Hong Kong stock market's turnover is capital flowing from China through the stock connect, according to Yue.

"I think the bigger opportunity in the next few years will come from what we call Southbound, Chinese capital going out to the world through Hong Kong," Yue said, compared to northbound flows that are offshore capital going into the mainland.

Global investors have been accessing Chinese assets through the offshore investment hub, but a weaker outlook for the world's second-biggest economy and geopolitical uncertainties have slowed foreign capital inflows in recent years.

REUTERS



## **HK is best for family offices: FS**

by news.gov.hk

Mar 26, 2025

### **Financial Secretary Paul Chan**

I am delighted to welcome you to the third Wealth for Good in Hong Kong Summit.

Whether you are joining us for the first time or returning, I know you will enjoy your time here in Asia's world city. And before long, it will feel like your city too.

Family offices play a vital role in preserving family wealth and building a lasting legacy for future generations. The focus extends beyond making investments that provide sustainable, long-term financial returns. You are also visionaries, philanthropists and next-generation leaders committed to creating positive social and environmental impacts that benefit humanity.

We share these values deeply. That is why we launched this summit two years ago, bringing together principals, key decision makers and senior executives of family offices worldwide, to discuss how we could harness wealth for good together.

This year, we are excited to feature another impressive line-up of distinguished speakers from influential families and institutions, who will share insights on subjects ranging from tech and Artificial Intelligence (AI) to philanthropy and culture.

### **Hong Kong the premier location for family offices**

Allow me to take a couple of minutes to tell you why Hong Kong is an ideal place for family offices to realise their objectives and ambitions.

To begin with, Hong Kong is Asia's premier financial centre, offering a wide range of investment opportunities that are particularly compelling right now.

Notably, the recent boom in the Hong Kong stock market underscores this potential. The Hang Seng index rose by some 20% since the beginning of this year, building on an 18% increase throughout 2024. This surge reflects investor optimism about the future of technology in China and highlights Hong Kong's essential role in connecting regional opportunities with global investors, showcasing the significant returns our market can deliver.

Beyond securities, Hong Kong boasts a dynamic ecosystem of angel investments, venture capital and private equity. Capital under management by private equity firms exceeded US\$230 billion last year, making us the second largest in Asia, only after the Mainland.

Our asset and wealth management industry is thriving, fuelled by the affluent population of the Greater Bay Area and the influx of ultra-high-net-worth individuals into our city. We currently manage about US\$4 trillion in assets, with two-thirds of them originating from outside Hong Kong. By 2028, we are on track to become the world's largest cross-border wealth management centre.

In the latest Global Financial Centres Index published last week, Hong Kong continues to rank third globally. Notably, we secured the top spot worldwide for investment management, insurance and finance, and came third in banking and business environment.

Above all, global capital feels at ease in Hong Kong. For compelling reasons. President Xi and the central authorities have affirmed on multiple occasions that the "one country, two systems" arrangement will remain in place over the long term.

This means Hong Kong will continue to uphold the common law system with a judiciary exercising powers independently; safeguard the free flow of capital, goods, information and people; maintain a freely convertible currency, and keep a simple and low tax system.

And here is the real gem - we have no capital gains tax, no estate tax, and no tax on dividends. In other words, you can freely invest without the usual financial hang-ups.

Then, protection of capital and private property are enshrined in our Basic Law, along with our steadfast commitment to international obligations under the United Nations, in opposition to accepting decisions unilaterally imposed by other countries.

With all these, not surprisingly, more than 2,700 family offices have already chosen Hong Kong as their home, with half of them managing assets of more than US\$50 million.

Here, family offices can leverage a robust network of world-class service professionals, including private bankers, legal experts, accountants and investment advisers, to support your endeavours. Our professionals offer a distinctive combination of global perspective and local expertise in everything they do.

This year, in addition to our existing tax concessions for single family offices, we will expand exemptions for funds, enhance concessions for family offices, and boost incentives for private equity.

That, ladies and gentlemen, is an invitation for all of you to join us in shaping a future where wealth creates value for everyone.

### **Making a real impact**

Family offices aspire to achieve more than just financial returns. Through my encounters with many family principals and executives, I have witnessed your profound desire to create a lasting impact and a brighter future for generations to come.

In this city, international foundations, charitable organisations and non-governmental organisations come together to form a vibrant philanthropy network that not only connects funding and meaningful projects, but also amplifies your efforts and fosters collaboration.

More than that, Hong Kong's value proposition has an additional dimension: innovation and technology.

We are investing heavily in our city's economic future to propel Hong Kong's development in innovation and technology. Two years ago, we outlined our vision for Hong Kong to become an international green tech and green finance centre.

That endeavour is progressing well. Alongside our leadership position in green finance, Hong Kong's green tech community is thriving. In our Science Park and Cyberport, there are some 300 green start-ups specialising in energy-efficient materials, carbon capture, electric vehicle infrastructure, and much more - all keen on addressing the world's most pressing challenges with their groundbreaking technologies. Many of these start-ups have made successful strides into global markets, creating a significant and positive impact worldwide.

In a world where AI is transforming production, business and consumption models and redefining the economic competitiveness, we have a clear vision to establish AI as a core industry. By applying and integrating AI across the community, we can unlock substantial benefits for humanity.

We possess strong foundational research capabilities and attract some of the brightest talent from around the world. Uniquely positioned as a convergence point for data from both the Mainland and international sources, we leverage our close collaboration with sister cities in the Greater Bay Area to amplify our strengths.

And we have developed a comprehensive strategy to drive the growth of the innovation and technology sector. The Hong Kong Investment Corporation, or HKIC, established with a capital of US\$8 billion, plays a vital role in this strategy. This "patient capital" supports tech firms in their nascent stages, covering hard tech, biotech, and new energy. So far, it has invested and co-invested in over 90 of such projects, attracting \$4 of long-term capital for every \$1 invested. The HKIC looks forward to collaborate with family offices, creating dynamic partnerships that fuel our innovation ecosystem.

### **Art, sports and lifestyle**

Ladies and gentlemen, beyond business and finance, Hong Kong is blessed with a thriving art and culture scene. Consider Art Basel, which has become a hallmark event of this city. Opening this Friday, it will present more than 240 galleries from over 40 countries and regions, showcasing a dazzling array of contemporary art.

Indeed, in 2023, we traded more than US\$13 billion in art and antiques, all tax-free. Our airport will soon feature a bespoke art storage facility to support this vibrant market.

Let's not forget the world-class M+ and Hong Kong Palace Museum, both located in our West Kowloon Cultural District.

If sport is your passion, you will want to be here right through the weekend. The Hong Kong Sevens kicks off this Friday at the spectacular Kai Tak Sports Park, which boasts seating for 50,000 rugby-mad fans. Bigger house. Bigger party. So why not grab your friends and prepare for a weekend of wild tries and even wilder times!

### **Looking ahead together**

Ladies and gentlemen, whatever your passion, Hong Kong is where you want to be.

Hong Kong is of the world: a meeting point for East and West, tradition and innovation. And it is for the world: a city where your ambitions can take flight and flourish, touching lives far beyond our shores.

*Financial Secretary Paul Chan gave these remarks at the Wealth for Good in Hong Kong Summit on March 26.*