

Hong Kong & Mainland China News – Nov-2022

This is HK's moment, John Lee tells finance summit

by news.rthk.hk

Wednesday, Nov 02, 2022

Chief Executive John Lee on Wednesday told top-level bankers and financial industry leaders from around the world that "this is the moment" to do business in Hong Kong as the worst is behind the SAR and abundant opportunities await.

"Opportunity and timing are right here, right now in Hong Kong. This is the moment you have been waiting for. Go for it, get in front, not behind," said Lee in a keynote speech to about 200 guests attending the Global Financial Leaders' Investment Summit.

The summit, organised by the Hong Kong Monetary Authority, is taking place at the Four Seasons Hotel. Key figures from some of the biggest names in global finance are among the participants.

The CE told them Hong Kong was unique and irreplaceable, with both global advantages and the China advantage coming together in a single city. He said that Hong Kong reaped the benefits from both the East and the West.

"As the centre of economic gravity in the world shifts eastward, the mainland along with fast-growing economies throughout the region will be a major engine of global growth, and an abundant source of economic opportunities," Lee said.

The SAR is "perfectly positioned," he added, to glean the benefits of "this irreversible trend."

"Hong Kong always bounces back, better than ever," Lee said.

"We have full confidence in its tenacity, and its future. We are already seeing encouraging rebound."

The Hong Kong leader also introduced major initiatives set out in his Policy Address for attracting talent and enterprises.

HK primed to become fintech, green finance hub: FS

by news.rthk.hk

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Financial Secretary Paul Chan on Wednesday told top global finance leaders that Hong Kong is confident in developing into a leading centre for green and sustainable finance, and for fintech.

In a keynote speech at the Global Financial Leaders' Investment Summit, Chan said the opportunities Hong Kong offers to the world as an international financial centre are "boundless."

Citing the city's "unique connectivity" with both the mainland and international markets, the finance chief said, "Hong Kong has the vision to become a premier centre for green and sustainable finance that serves the green transformation in the the mainland, the region, and the world. On this we have much confidence."

Backed by the national 14th Five-Year Plan, Chan said Hong Kong's strategic position as part of the Greater Bay Area, coupled with its adherence to high international standards, is "why we have good prospects to succeed."

Chan added that the government has been working to facilitate the city's development as an international fintech centre, providing the needed infrastructure and support for companies while attracting top talent to the city.

He also said the government's electronic consumption schemes – where adult permanent residents were given thousands of dollars' worth of electronic vouchers – had helped spur a boom in electronic payment systems.

"From shopping centres to wet markets, from hawkers to taxi drivers... we have come a long way in a short time," Chan said.

"Five years ago, Hong Kong counted no more than 180 fintech companies. Today, we are home to more than 800 companies."

He said the government is working on various other initiatives such as setting up Hong Kong's own digital currency and further developing the virtual assets sector.

"In short, our prospect of green and sustainable finance and of fintech are highly promising," he concluded.

HK is the best financial centre in Asia: Paul Chan

by news.rthk.hk

Wednesday, Nov 02, 2022

Financial Secretary Paul Chan said on Thursday that the authorities have been monitoring local market volatility and have found no cause for alarm, as he touted Hong Kong as "the best financial centre in Asia" in a speech on the last day of the city's Global Financial Leaders' Investment Summit.

"Hong Kong's stock market is vibrant, active, highly liquid, efficient and transparent, attracting investors from all over the world," said Chan, who stressed that protecting investors is also important to officials.

"We set clear rules for our markets, stringent requirements on the participants, maintain high transparency of its functioning, ensuring that policies and practices are implemented in a consistent and predictable manner," he said.

The Hang Seng Index slid more than 300 points on Thursday morning following the US Federal Reserve's decision to lift its key interest rate by another 75 basis points. A week ago, the local benchmark lost more than 1,300 points.

Chan acknowledged the market volatility, but said the authorities have been monitoring local market movements daily for any risks and irregularities and have found no cause for concern.

Aside from its regulatory and monitoring regime, Chan pointed out that Hong Kong has also built strong buffers for turbulence and a war chest to defend its currency.

He noted that the local banking system had assets of HK\$3.3 trillion as of the end of last year, and that the Monetary Authority also holds around US\$430 billion in foreign currency reserves.

"If you bet against the Hong Kong dollar, you are bound to lose," he warned.

Chan said he hopes he has inspired more trust in Hong Kong's systems and markets.

"Hong Kong is an IFC (international financial centre) with an internationally aligned regulatory regime, deep liquidity, great transparency and much resilience, with proper safeguards to protect investors. We are simply the best IFC in Asia."

HSBC chief has 'total confidence' in Hong Kong

by news.rthk.hk

Wednesday, Nov 02, 2022

HSBC chief executive Noel Quinn on Wednesday said he has "total confidence" in Hong Kong, which he thinks will remain a "very strong international financial centre".

Quinn made the comments in an exclusive interview with RTHK on the sidelines of the Global Financial Leaders' Investment Summit.

"I've got no doubt whatsoever that Hong Kong will remain a very strong international financial centre, as evidenced today by so many people from around the world coming back in to Hong Kong, so I have total confidence in Hong Kong," he said.

Quinn said while the city has gone through a "difficult time" dealing with the Covid-19 pandemic, he and other industry leaders want to "see it reopen and continue to develop."

He added that the bank hasn't had any problems recruiting people, despite a shrinking workforce in the SAR.

"We have tremendous local and international talent in Hong Kong," Quinn said. "We've made some senior external hires in the last twelve months, even with Covid, and I'm very confident talent will come back to Hong Kong because Hong Kong represents opportunity."

The HSBC chief also said the bank is maintaining a regular dialogue with its largest shareholder, Chinese insurer Ping An, which has been pushing the banking giant to spin off its Asian business.

But Quinn signalled that there was no change in HSBC's position.

"We made it clear on the half year we thought the best strategy for the bank was to remain an internationally-connected bank driving international connectivity on behalf of our clients," he said.

"We think that's the fastest, safest and best way to drive improved performance and improved returns."

Quinn also reiterated that the bank would revert to quarterly dividends from 2023.

CE John Lee touts 'China advantage' to rebuild city's image as financial hub

by www.thestandard.com.hk

Wednesday, Nov 02, 2022

Hong Kong leader John Lee pitched the city's connection with China in an address to some of the world's top financial executives, as he pushes to rebuild the Covid-ravaged city's image as a major financial hub.

Chief Executive Lee told the Hong Kong Monetary Authority's Global Financial Leaders' Investment Summit on Wednesday the city would continue working towards lifting Covid restrictions.

Some of the world's biggest banking bosses, including Goldman Sachs' David Solomon and Morgan Stanley's James Gorman, are in Hong Kong for the first time in almost three years.

For foreign financial firms operating in China and Hong Kong, the summit comes as they navigate tensions between the United States and China while a depleting pool of talent in what is touted as "Asia's world city" is creating a major challenge, analysts previously told Reuters.

"Hong Kong remains the only place in the world where the global advantage and the China advantage come together in a single city," Lee said.

"This unique convergence makes Hong Kong the irreplaceable connection between the mainland and the rest of the world," Lee added at the summit.

In the summit's first session, China Securities Regulatory Commission (CSRC) Vice Chairman Fang Xinghai said Hong Kong was a 'very, very important' financial centre for China.

Authorities, he said, were keen for more international companies to list in Hong Kong to grow the city's capital markets activities.

Hong Kong new shares are worth US\$10.77 billion so far in 2022, the lowest level since 2017, compared with US\$37.7 billion at the same time last year, according to Refinitiv figures.

Global investors are grappling with several challenges this year, with the Ukraine war, rising inflation, soaring energy prices and tightening interest rates all hammering risk appetite.

Goldman Sach's Solomon told the summit it could take up to six quarters for the world to 'rebalance' after a period of uncertainty.

"There's still a significant amount of uncertainty as we get into 2023," he said.

"And we'll start to have a clearer understanding of the trajectory of the capital markets ... My expectation is that equilibrium will come more into balance in the coming quarters."

Earlier, Lee said that Hong Kong was working to attract top talent to offset a major brain drain seen in the past three years due to the strict coronavirus rules.

"As have many other major cities worldwide, Hong Kong has been through ups and downs over the years, but our resilience remains remarkably unmatched," he told the summit.

Summit shows HK is open for business: InvestHK

by news.rthk.hk

Wednesday, Nov 02, 2022

Invest Hong Kong chief Stephen Phillips on Wednesday said the flurry of international events taking place in Hong Kong this week amplifies the message that Hong Kong is "well and truly back open for business."

Speaking on RTHK's Hong Kong Today programme, the director-general of the government's investment promotion unit said the Global Financial Leaders' Investment Summit that started on Wednesday, coupled with ongoing Hong Kong FinTech Week and the Rugby Sevens at the weekend, sends an unequivocal message to the world.

"All of these events are global in nature but combining them will really send out this very strong message to business communities and wider communities across the world... that Hong Kong really is well and truly open for business," Phillips said. "That's really important, because it's a signal that the international business community has been looking for."

He added that the finance leaders' summit is a "great opportunity" for participants to discuss a very complex global economic situation.

Phillips also said InvestHK is working to attract more family offices to set up shop or expand in the SAR, as this is a growing sector he believes can "add a new dimension to our status as an international finance centre."

Family offices are investment companies that help to manage the wealth of high-net-worth individuals. Phillips says while they are a distinct segment within the financial services sector, they can have an outsized contribution to the economy at large.

"They will support our asset management industry, our lawyers, our accountants... they deploy their capital either in listed assets but also many of them invest in early stage companies, so they can add growth to our start-up ecosystem," he said.

The InvestHK chief said they are working with various industry organisations to try to attract family offices across the world, from the mainland and Asean, to Europe and the Americas.

'Top bankers in HK show HK's importance to them'

by news.rthk.hk

Thursday, Nov 10, 2022

The head of the Monetary Authority, Eddie Yue, said last week's high-profile investment summit is an indication of Hong Kong's significance to the global financial system, as it was almost a "mission impossible" to gather so many top bankers in one place even before the pandemic.

In a blog post published on Thursday, Yue wrote that by being here for the Global Financial Leaders' Investment Summit, the executives had demonstrated the "high importance" they attach to the Hong Kong and mainland markets, adding that they're planning to develop their business here as Hong Kong returns to normalcy.

The three-day event that ended on November 3 saw more than 200 leaders from around 120 global financial institutions gathering in the SAR.

"Perhaps some would wonder why just having some financial heavyweights speak on stage would help strengthen Hong Kong's status as an international financial centre," Yue wrote.

"It was almost a 'mission impossible' to get them all to attend the same event in Hong Kong... as chiefs of their institutions, these financial leaders did not come all the way to Hong Kong just for show."

Yue added that many financial leaders had told him that they will be inviting senior management or key clients and investors to Hong Kong, while some have started preparing for large-scale international conferences here.

Authorities earlier said they plan to bring back the summit next year.

Chinese premier says economy on 'upward trend', vows further support

by www.thestandard.com.hk

Sunday, Nov 13, 2022

China's economy has grown 3% over the past three quarters and is stabilising on an "upward trend", Chinese Premier Li Keqiang said, vowing to continue to support the economy with policy measures.

The comments were made in a meeting with International Monetary Fund (IMF) Managing Director Kristalina Georgieva on Saturday during the ASEAN summit in Cambodia, according to a statement released by the Chinese foreign ministry on Sunday.

Premier Li also said China was working hard to keep market operations, employment and prices stable, the statement said.

"We will continue to promote the comprehensive implementation of a package of policies and measures for stabilising the economy with full effect ...and strive to achieve better results throughout the year," Li said.

While the government has sought to support the world's second-largest economy with more than 50 measures since late May, the latest figures out of China have pointed to a slowdown.

Recent data showed exports and imports unexpectedly contracting, inflation slowing and new bank lending tumbling.

China on Friday also eased some of its strict pandemic restrictions, offering some respite from the zero-COVID strategy that has curbed economic and industrial activity in the country.

China has created more than 10 million new urban jobs in the first 10 months of the year, Li said. China aims to keep the urban jobless rate below 5.5% and to create more than 11 million new urban jobs this year.

"Countries should strengthen cooperation and macroeconomic policy coordination, so as to form synergy to maintain the stability of the world economy and prevent recession," Li said.