

HKSAR Government strongly opposes US's restriction on investment in China including Hong Kong

In response to the United States (US)'s measure restricting investment in China including the Hong Kong Special Administrative Region (HKSAR) on semiconductors and microelectronics, quantum information technologies, and artificial intelligence systems, a spokesman for the HKSAR Government today (October 29) expressed strong objection to the US for intentionally targeting China and the HKSAR using various excuses out of political interests, causing damage to normal trade and investment activities as well as severely undermining the principles of a free market and economic order. The US will ultimately reap the consequences, in particular the impact on the trade surplus it has realised in bilateral trade with Hong Kong throughout the years.

The spokesman said, "In 2023, the US was the third-largest trading partner of Hong Kong, with the total merchandise trade value amounting to HK\$472.2 billion (US\$60.3 billion). Meanwhile, Hong Kong is the US's 27th largest trading partner. As at end 2022, the US ranked sixth in inward direct investment (IDI) into Hong Kong, with an IDI stock of HK\$351.4 billion (US\$45 billion). It ranked eighth in outward direct investment (ODI) from Hong Kong, with an ODI stock of HK\$164.2 billion (US\$21 billion). Furthermore, the US has realised a trade surplus of US\$271.5 billion with Hong Kong during the past 10 years, the largest among its global trading partners. These figures demonstrate the close economic interaction between Hong Kong and the US, as well as the vast business interests of US businesses in Hong Kong.

"The US politicians once again have shown that they have acted out of their own political interests, causing damage to normal trade and investment, the free market and economic order. The so-called restriction not only cause damage to normal business activities between Hong Kong and the US, but also affect the stability of the global supply chain. Such restriction, which also harm US enterprises as well as their business interests and adversely impact bilateral economic activities, was politically driven and in nobody's interest. The HKSAR Government would work with our country to safeguard our national interests and protect the interests of Hong Kong enterprises," the spokesman stressed.