

Hong Kong rises one place in Global Financial Centres Index

Hong Kong was ranked fourth in the Global Financial Centres Index (GFCI) 29 Report published today (March 17) by the Z/Yen from the United Kingdom and the China Development Institute from Shenzhen.

A Government spokesman said, "Hong Kong is one of the top four leading financial centres in the world, rising by one place from the September issue of the index last year. We note that the overall ratings of financial centres ranked number two to four in the Report were very close, with a marginal difference of only one point among these centres. Among the five areas of competitiveness (namely Business Environment, Human Capital, Infrastructure, Financial Sector Development, and Reputational and General) which were formulated based on data, Hong Kong was ranked top five in all these areas."

The spokesman added, "The overall ratings of financial centres have yet to recover to the levels in 2019. The Report pointed out that this reflects the continuing uncertainty brought about by international trade, the impact of the COVID-19 pandemic and the geopolitical environment.

"With the evolving situation of the COVID-19 pandemic, coupled with other uncertainties in the global environment, financial markets globally have become more volatile over the past year or so. Nevertheless, Hong Kong's financial system has been operating smoothly, the Linked Exchange Rate System and various facets of the markets have been functioning in an orderly manner. At the same time, Hong Kong has the institutional strengths of an international financial centre. Our markets are highly open and internationalised, with robust infrastructure support, internationally aligned regulatory regimes, rule of law, a large pool of financial talents and a full range of financial products as well as free flow of information and capital. These competitive edges will continue to consolidate Hong Kong's status as a leading international financial centre.

"Hong Kong is the premier listing venue of choice for enterprises around the globe. We have been the second largest listing venue for biotechnology companies, the world's largest offshore Renminbi (RMB) business hub and the second largest private equity centre in Asia.

"The National People's Congress has just approved the 14th Five-Year Plan ("Outline of the 14th Five-Year Plan for National Economic and Social Development of the People's Republic of China and the Long-Range Objectives Through the Year 2035"), in which Hong Kong's functions in the overall development of our country are recognised. Those in relation to developments of Hong Kong's financial services sector include supporting Hong Kong to enhance its status as an international financial centre, consolidating our function as a global offshore RMB business hub, international asset and risk management centre, and deepening and widening of mutual access between the

financial markets of Hong Kong and the Mainland.

"Capitalising on the unique advantages of Hong Kong under the 'one country, two systems' principle, we will continue to enhance our role as the gateway between the Mainland and international markets, leverage the vast opportunities presented by the Guangdong-Hong Kong-Macao Greater Bay Area and the Belt and Road Initiative, and contribute to our country's 'dual circulation'," the spokesman added.

The GFCI Report is released in March and September every year since 2007. In GFCI 29, 114 financial centres were assessed. Hong Kong came fourth with an overall rating of 741.