

Hong Kong rose to third place globally in Global Financial Centres Index

Hong Kong ranked third globally in the Global Financial Centres Index (GFCI) 36 Report published today (September 24) by Z/Yen from the United Kingdom and the China Development Institute from Shenzhen, moving up one place from the March issue of the index this year. Hong Kong also ranked first in the Asia-Pacific region. The overall rating increased by eight points, the largest improvement among the top five financial centres.

â€‹ A Government spokesman said, "The report clearly affirms Hong Kong's status and strengths as a leading global financial centre. Hong Kong's scores were rated among the top in various areas of competitiveness, including 'business environment', 'human capital', 'infrastructure', and 'reputational and general'. Hong Kong's rankings in various financial industry sectors also rose significantly, including 'investment management', 'insurance', 'banking' and 'professional services'. Among them, the ranking in 'investment management' advanced to first globally. In addition, the report assessed the financial centres' fintech offerings, and Hong Kong's ranking rose five places to ninth, making it among the top 10 fintech hubs."

â€‹ Hong Kong's asset and wealth management business is booming, with assets under management growing by about 2 per cent from the previous year to more than HK\$31 trillion in end-2023. Net fund inflows reached HK\$390 billion, representing a year-on-year increase of over 3.4 times. The development of the family office business in Hong Kong continues to gain momentum. The New Capital Investment Entrant Scheme has continued to receive overwhelming response since its launch in March, with more than 550 applications received so far. It is expected to bring in more than HK\$16.5 billion in investments to Hong Kong.

â€‹ The spokesman added, "As an international financial centre, Hong Kong brings together the world's top financial institutions and talent, provides professional financial services, and owns a deep and broad capital market. Our regulatory system aligns with those of major overseas markets, with the free flow of information and capital. Under 'one country, two systems', Hong Kong's unique position of having the strong support of the motherland while being closely connected to the world empowers us to fully leverage our role as a 'super connector' and 'super value-adder'.

â€‹ "The Government will continue to actively understand, respond to and embrace changes to promote the high-quality development of the financial sector. In the stock market, we are proactively enhancing its breadth and depth as well as boosting market efficiency and competitiveness, including establishing the listing regime for specialist technology companies, reforming GEM, maintaining trading under severe weather, facilitating share buyback and introducing the new treasury share regime, and further attracting listing. We are also endeavouring to deepen financial mutual access between

the Mainland and Hong Kong so as to further strengthen Hong Kong's role in connecting the Mainland and international capital markets. Measures include expanding the eligible scope of exchange-traded funds under Stock Connect, and taking forward a series of enhancements to Swap Connect. Regarding green finance, Hong Kong is working on the full adoption of the International Financial Reporting Standards – Sustainability Disclosure Standards (ISSB Standards) for sustainability reporting. We also seek to create healthy and suitable conditions for the development of virtual assets (VA) by improving the regulatory framework with the proposed licensing regimes for fiat-referenced stablecoin issuers and VA over-the-counter service providers, so as to promote the sustainable development of Hong Kong's Web3 ecosystem. We are also strengthening the nurture of talent in various financial fields through launching a series of internship and training schemes, with a view to building a sustainable talent pool for the financial sector in Hong Kong."

â€‹ The GFCI Report is released in March and September every year since 2007. In GFCI 36, 121 financial centres were assessed, and Hong Kong ranked third globally with an overall rating of 749.