

IMF reaffirms Hong Kong's role as major international financial centre

Following the International Monetary Fund (IMF) Executive Board's conclusion of the 2023 Article IV consultation with the Hong Kong Special Administrative Region (HKSAR), the IMF released a Staff Report today (May 31). The Staff Report, prepared by the IMF Article IV Mission as endorsed by the Executive Board, provides a detailed analysis and assessment of Hong Kong's economic and financial situation.

The Staff Report affirms Hong Kong's status as a major international financial centre with robust institutional frameworks, substantial capital and liquidity buffers, high-quality financial sector regulation, and a well-functioning Linked Exchange Rate System (LERS). It recognises Hong Kong's strongly recovering economy with post-COVID normalisation of economic activities. It also points out that the HKSAR Government is proactively solidifying Hong Kong's status as an international financial centre, and strengthening impetus for economic growth and competitiveness.

The Financial Secretary, Mr Paul Chan, said, "I once again welcome the IMF's highly positive evaluation of Hong Kong. The Staff Report commends Hong Kong's financial resilience amid the pandemic and challenging external environment, and recognises the HKSAR Government's efforts in bolstering Hong Kong's long-term economic and financial developments."

The Chief Executive of the Hong Kong Monetary Authority, Mr Eddie Yue, said, "I welcome the IMF's reaffirmation of the robustness and resilience of our banking and financial system. As pointed out by the IMF, the LERS continues to function smoothly, providing a solid anchor to the economy and financial system."

The IMF Article IV Mission visited Hong Kong from March 20 to March 31, 2023. Discussions were held with HKSAR Government officials, financial regulators and private sector representatives. The Concluding Statement setting out the Mission's preliminary assessment was published on May 5, 2023. The Staff Report was endorsed by the IMF Executive Board on May 17, 2023.

The IMF's press release on the Staff Report is attached in the Annex. The Staff Report can be accessed from the websites of the Financial Services and the Treasury Bureau (www.fstb.gov.hk) and the IMF (www.imf.org).