

SFST expresses gratitude for various listed issuers' support in setting up Renminbi stock trading counter

The Secretary for Financial Services and the Treasury, Mr Christopher Hui, today (October 3) expressed his gratitude to various listed issuers in Hong Kong for their support to the proposal of setting up a Renminbi (RMB) stock trading counter.

Mr Hui said, "Further to the support rendered by the Legislative Council (LegCo) Panel on Financial Affairs today regarding the Government's proposed measures to promote the issuance and trading of RMB stocks in Hong Kong and enhance the trading mechanism, a number of listed issuers have also backed the proposal, and will actively explore the feasibility of setting up a new RMB trading counter for their issued shares. I am sincerely grateful for the enthusiastic responses from LegCo members and listed issuers.

"Promoting the issuance and trading of RMB stocks in Hong Kong will take RMB internationalisation to the next level, catering for the escalating demands from global investors for RMB asset allocation and further consolidating Hong Kong's status as an offshore RMB business hub. Meanwhile, the China Securities Regulatory Commission has earlier indicated its support to study setting up an RMB securities trading counter under Southbound Trading of Stock Connect. We are deeply encouraged by the positive responses from listed issuers. We will continue to assist the issuers in setting up RMB trading counters, and actively take forward the implementation work with relevant Mainland institutions," he supplemented.

"Listed issuers who indicated their support today include Hang Seng Index constituent stocks with promising turnover. Their participation is a vote of confidence to the development of RMB securities in Hong Kong, which will be conducive to our promotion work to other issuers, enabling Hong Kong to gradually enhance its dual-currency stock market to be denominated and traded in both Hong Kong dollars and RMB," Mr Hui said.

The Financial Services and the Treasury Bureau briefed the LegCo Panel on Financial Affairs today on the legislative proposal to exempt the stamp duty on stock transfers for specified transactions conducted by market makers for dual-counter stocks, so as to promote the liquidity of RMB-denominated stocks and price efficiency, and facilitate trading by investors. The Government is preparing the legislative amendments with a view to introducing the Bill into LegCo within this year.