

Speech by FS at HKCGI Cocktail Reception in Celebration of International Council Meeting and HKCGI's 75th Anniversary (English only) (with photos)

Following is the speech by the Financial Secretary, Mr Paul Chan, at the Hong Kong Chartered Governance Institute (HKCGI) Cocktail Reception in Celebration of International Council Meeting and the HKCGI's 75th Anniversary today (October 4):

Mr John Heaton (President of CGI, Mr John Heaton), Edith (Past International President of CGI, Ms Edith Shih), David (President of HKCGI, Mr David Simmonds), Consul Generals, fellow members, ladies and gentlemen,

Good evening. This January, I was right here at the Hong Kong Club for the HKCGI's 75th anniversary celebration.

I am delighted to be back again tonight, on this special occasion, which gathers guests from the nine divisions of the CGI from across all five continents.

A very warm welcome to all our international friends. I hope you have been enjoying your stay in the Asia's world city.

Hong Kong going forward

Since we last gathered, we have been seeing encouraging developments in our economy and the financial market. You must have noticed the recent bullish sentiments. The Hang Seng Index gained over 5 600 points – over 30 per cent – in around three weeks' time, representing an increase of \$8 trillion in market capitalisation.

The IPO market of Hong Kong has also rebounded, and this year to date, we have raised more than \$55 billion, surpassing last year's total and putting us back to the fourth place globally in terms of IPO funds raised. By the way, over 100 companies are waiting to be listed on our stock exchange.

The surge in the stock market can be attributed to a number of favourable factors. One of them, of course, is the staunch support from our country. In April, the CSRC (China Securities Regulatory Commission) announced a series of measures to strengthen the capital market co-operation between the Mainland and Hong Kong. Besides enhancing the mutual market access schemes, the CSRC encouraged leading Mainland enterprises to come to Hong Kong for listing.

And of course, the stimulus package announced last week by the Central

Authorities to cut interest rates, reduce reserve requirement ratios and provide more support to the real estate sector has boosted market confidence substantially.

Coupled with the onset of the interest rate cut cycle in the US, investment sentiment and appetite have turned for the better. Indeed, global investors have been optimistic about the Chinese economy and Hong Kong in the medium to long term, and they are keen to invest here, just waiting for the right timing.

As the premier international financial centre in Asia, Hong Kong connects the international capital markets and investors, and those of the Mainland. Last week, the Global Financial Centres Index announced that Hong Kong is among the world's top three international financial centres, just behind New York and London.

Telling good Hong Kong stories

Hong Kong's edges and advantages are compelling. We remain steadfastly committed to upholding "one country, two systems" principle and all the unique characteristics that define this international city. But we need to do more to reach out to the world to showcase our value proposition, particularly in light of the three-year disruptions caused by the pandemic, and the misconceptions about Hong Kong caused by geopolitics.

That's why my colleagues and I headed to different countries recently, including the UK, Spain and Australia, last month.

My trips focused on reinforcing our business and commercial links with these markets reconnecting with old friends, and making new ones.

For the UK and Spain trip, I also led a delegation of start-ups from the Hong Kong Science and Technology Parks and Cyberport, with a view to connecting them with the innovation circles there, including technology institutions, accelerators, venture capital funds, start-ups, and more, to explore more collaboration and investments opportunities.

Our observation is this: despite the prevailing political atmospheres, the business and innovation communities in these countries have displayed a strong interest in the opportunities that Hong Kong offers, and have a refreshed willingness to work with us.

They recognise the promising prospects of China, and the unique role that Hong Kong can play in connecting the Mainland and the world. They see the advances Hong Kong has made in various areas of innovation and technology, particularly AI and biotech, and the vibrancy, vitality and creativity of our start-ups. They are also excited about the Greater Bay Area development.

They were impressed by our efforts in attracting enterprises and talent. Indeed, such efforts are bearing fruit. Since the end of 2022, we have attracted over 100 strategic innovation and technology enterprises, which together will invest some \$52 billion in Hong Kong and create more than 15

000 management and R&D positions. Household name AstraZeneca is one of them.

Our talent admission schemes have received an overwhelming response as well. By the end of August this year, more than 360 000 applications had been received, of which 226 000 applications had been approved, and 150 000 professionals have already arrived in Hong Kong, I'm pleased to report.

Going forward, we will continue to play the role of "super connector" bridging the East and the West. This has been, and will continue to be, our greatest strength. That's why we will be heading to Saudi Arabia towards the end of this month, together with a large delegation comprising key members from the financial and innovation communities, to strengthen our relationships and co-operation, to make new friends, and create more mutually beneficial opportunities.

Concluding remarks

Ladies and gentlemen, before I close, let me convey my regards to the HKCGI once again for its remarkable 75th anniversary. It has all the way been the Government's staunch partner for different policy initiatives over the years. The Institute has always furnished us with expert insights on issues ranging from corporate governance, tax to anti-money laundering and more; and of course, valuable suggestions for the Policy Address and the Budget every year.

Finally, for guests coming from abroad, I hope you enjoy this city. I trust you are able to see for yourselves that Hong Kong remains as vibrant and welcoming as ever. We remain a safe, open, free and globally connected metropolis, not to mention its shining beauty in this perfect autumn weather. Don't miss the chance to explore the seaside, enjoy the hiking trails, and visit our world-class museums at the West Kowloon Cultural District – it is where the best of the East and West meet.

Thank you and I wish you all the best in health and business in the time to come.

