Hong Kong & Mainland China News – Apr-2025

HK to be among top three IPO markets in 2025, says Deloitte

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Staff reporter

Hong Kong could host a mega initial public offering as soon as this quarter and has the potential to rank among the top three global IPO markets by fundraising this year, said Edward Au Chun-hing, managing partner for the southern region at Deloitte China.

The city's IPO market raised HK$18.2 billion in the first quarter of this year, up nearly 2.9 times from a year earlier, ranking fourth globally, according to Deloitte.

Hong Kong trailed the Nasdaq Stock Market, the New York Stock Exchange, and the Tokyo Stock Exchange in total fundraising.

The first quarter saw 15 IPOs in Hong Kong, a 25 percent rise compared to 12 listings in the same period of 2024. In the past quarter, 64 percent of IPOs were oversubscribed by more than 20 times. Meanwhile, 46 percent debuted with a price-to-earnings ratio of 10 to 20 times, up four percentage points from a year earlier, while the share of IPOs listing at a price-to-earnings ratio of 5 to 10 times rose 10 percentage points to 27 percent.

Deloitte maintained its full-year forecast of around 80 new listings in the city, raising between HK$130 billion and HK$150 billion.

The firm expects fundraising to be driven by large-capitalization A-shares, leading Chinese firms, secondary listings from the Middle East and Association of Southeast Asian Nations companies, as well as artificial intelligence and health care sectors.

Au expects four-to-five IPOs to raise over US$1 billion (HK$7.8 billion) throughout the year.

In the mainland, the A-share market's ongoing rollout of new capital market measures has slowed the pace of IPOs. In the first quarter, 27 new listings raised 16.3 billion yuan (HK$17.45 billion), marking a 10 percent decline in the number of IPOs and a 31 percent drop in fundraising compared to the 30 listings and 23.6 billion yuan raised in the same period last year.

Virtual asset policy to be updated

by news.gov.hk
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Financial Secretary Paul Chan
As a city where East meets West and tradition intertwines with innovation, we are proud to host you to collectively chart the course of Web3.

As a technology, blockchain is displaying its vast potential, significantly increasing transaction efficiency, lowering costs and enhancing market transparency. Today, we are witnessing a marked increase in the institutional adoption of Web3, with traditional banks, asset managers and brokers increasingly integrating digital assets into their offerings.

As more jurisdictions embrace cryptocurrencies, the market has been energised with optimism, marked by a bullish trend over the past year or so.

But beyond finance and the enthusiasm on cryptocurrency, we all agree that blockchain can bring real benefits to the people. For example, ReFi (regenerative finance) is gaining traction. Tokenised carbon credits enable the transparent tracking of emissions reductions, reinforcing trust in voluntary carbon markets.

Meanwhile, the convergence of Web3 and AI is unlocking new frontiers. In finance, decentralised AI algorithms enhance credit assessments, audit smart contracts with greater precision, and deliver hyper-personalised investment strategies. Beyond finance, this synergy streamlines supply chains, revolutionises healthcare data management, and creates new immersive gaming experiences. Web3 and AI are transforming businesses and public services, driving innovation and efficiency at every turn.

HK: driving Web3 innovation
Allow me to take a few minutes to talk about Web3 in Hong Kong, our attitude and approach towards Web3, and our role in this global transformation.

Hong Kong is pro-Web3. Over two years ago, we published a high-level policy statement on the development of virtual assets, affirming our commitment to a dynamic Web3 ecosystem. Central to this is the principle of the "same activity, same risk, same regulation" approach. Through a balanced and pro-innovation regulatory approach, we seek to maintain a level playing field for market participants and encourage innovative activities in this space.

We have been walking the talk, and have delivered a number of initiatives. We were among the first in the world to have established clear licensing frameworks for virtual asset trading platforms, or VATPs. Indeed, the Securities & Futures Commission has already issued 10 VATP licences. We have also authorised VA (virtual asset) spot ETFs (exchange-traded funds) last year, and Hong Kong now hosts the largest VA ETF market in the Asia Pacific, bridging traditional finance with crypto innovation.

Meanwhile, legislation for stablecoin regulation is set for imminent passage. My colleagues at the Financial Services & the Treasury Bureau and the Hong Kong Monetary Authority (HKMA) are working hard to get the relevant licensing regime to go live within this year.

The Government will also conduct consultations on the licensing regimes of over-the-counter trading services and custodian services for VAs. This will solidify Hong Kong's comprehensive regulatory architecture.

Let me make clear that Hong Kong's approach to Web3 is not simply about regulation. We aim to strike a balance, ensuring market integrity without stifling innovation. After all, innovation entails risks. The lesson we have learnt is that we need to put it under a balanced regulatory framework so as to enable the sector to grow in a responsible and sustainable manner.

One essential element in our regulatory regime is sandboxes, such as the HKMA's Project Ensemble. Project Ensemble allows innovators to test various use cases, such as tokenised real-world assets, with early regulatory feedback. This signifies our pro-innovation approach, as we put regulators and innovators in a co-creation process.

Later this year, we will unveil a second policy statement on the development of virtual assets. It will cover how to make use of Web3 to fast-track the development of traditional financial services, empower the real economy and strengthen the application of digital asset technologies.

A few thoughts on Web3

Now, looking ahead, allow me to share a few thoughts we consider important for the future development and success of Web3.

First, it is the very vision of Web3 to enable more equitable use of the Internet, and make transactions more efficient and less costly. Innovation is core to this goal, and regulators should adopt a technology-neutral approach. It would only be counterproductive if jurisdictions or regulatory authorities favour particular types of cryptocurrencies, or rule out technologies or applications at the outset. Markets, not mandates, should decide which innovations prevail.

Second, we all know Web3's true potential lies well beyond digital assets or cryptocurrencies. Combined with AI, it can be a valuable tool to optimise impact investments, promote inclusive finance, support decarbonisation initiatives, advance sustainable development goals, and more. The global Web3 community should and can strengthen collaboration to support these worthy causes.

Finally, it is essential that new technologies be developed and applied responsibly. AI, for instance, is evolving at speeds that are unexpectedly faster. Decentralised networks bring enormous benefits, but when coupled with AI, challenges such as algorithmic bias, deepfakes and cybersecurity require attention and co-operation at the regional and global levels. Here in Hong Kong, we advocate for suitable guardrails - frameworks that protect investors, consumers and users while encouraging innovation activities. We support a multi-stakeholder approach where governments, regulators and market players across different territories and regions come together to drive forward the sustainable development of Web3.

Concluding remarks

Ladies and gentlemen, to secure a promising and successful future for Web3, we need not just technological innovation, but also a common will to harness creativity and innovation for the benefit of the people. Let me assure you that Hong Kong is committed to this goal. We are here to collaborate with innovators and entrepreneurs from around the world, pushing the boundaries of what is possible, and leveraging the transformative power of Web3 for the greater good.

Financial Secretary Paul Chan gave these remarks at the Hong Kong Web3 Festival on April 7.

'HK remains free port in stormy times'

by news.gov.hk
Apr 13, 2025

Financial Secretary Paul Chan
Allow me to take a moment to highlight why Hong Kong is the ideal strategic destination for innovation and technology businesses.

In addition to our world-class infrastructure and business-friendly environment mentioned by Margaret (Trade Development Council Executive Director Margaret Fong), Hong Kong's "one country, two systems" arrangement has set us apart from any other city in Asia. To name just a few of our unique strengths, we have:

– first, convenient access to the vast Chinese Mainland and Asian markets;
– second, a trusted common law system and strong intellectual property protection;
– third, the convergence of Mainland and international data and capital; and
– fourth, a thriving international talent pool that attracts and nurtures the top minds from around the world.

These strengths have made Hong Kong a premier launch-pad for companies looking to scale up their business in Asia and beyond.

Today, we are home to over 4,700 startups, and 28% of their founders come from outside the city. For a glimpse of this dynamism, I encourage you to visit InnoEX, which showcases the ingenuity of our startups and talent, with groundbreaking innovations ranging from AI and robotics to green tech, smart mobility, and much more.

Hong Kong's appeal extends beyond these. We offer a comprehensive funding ecosystem, spanning angel investments, venture capital and private equity, to one of the world's deepest and most liquid stock markets. Besides, together with Greater Bay Area cities like Shenzhen and Guangzhou, we offer you a vibrant ecosystem that caters to the needs of innovative companies from different sectors and different stages of development. In fact, we have been ranked the world's second most innovative cluster for five consecutive years.

Ladies and gentlemen, we gather at a pivotal moment. We are witnessing a shifting global landscape marked by a daunting trade war and technological fragmentation. Trade patterns, industrial chain, supply chains and partnerships are being reshaped. In this "new normal", many businesses will have to find new collaborators, explore untapped markets and embrace more agile business models.

In these turbulent times, Hong Kong remains open and welcoming to businesses and talent from all over the world. We are eager to establish new connections and forge new partnerships. These are in our DNA. Rest assured that our free port status and free trade policy remain unshaken. We are firm in our commitment to the free flow of capital, goods, talent and information.

Let me conclude by extending my gratitude to my government colleagues, the HKTDC, and all the exhibitors and partners who have brought the BIT Week to life. To our visitors: beyond networking and conducting business, please take some time to explore this vibrant city, not just our scenic hills, stunning coastlines and beautiful outlying islands, but also the 200+ Michelin-recommended restaurants. We impose no duty on wine. Coldplay was performing in our world-class Kai Tak Stadium. The Palace Museum and M+ museum are just across the harbour.

I am sure you will enjoy the city, and wish you all the best of business and health for the time ahead.

Financial Secretary Paul Chan made these remarks at the BIT Week 2025's opening ceremony on April 13.

China 'fully backs HK ramping up digital transition'

by www.rthk.hk
Apr14, 2025

Beijing will fully support Hong Kong in "riding the tide of global digital transition", according to a senior national political adviser.

That came as he criticised "technological bullying" as well as the zero-sum game by some countries.

The remarks came on the opening day of the World Internet Conference Asia Pacific Summit in Hong Kong, the first time the conference is being held in Hong Kong.

At the opening ceremony, Wang Yong, vice-chairman of the Chinese People's Political Consultative Conference, noted said the digital transition has become a driving force in boosting industrial productivity.

He added that China is committed to sharing the opportunities brought about by the development of the internet industry with other regions in the world, noting that mainland firms such as DeepSeek, which has shared its open-source AI models with the global tech community, aim to remove such digital gaps between nations.

"We have worked with other countries to build a fair and 'just cyberspace governance system, and we firmly uphold the basic concepts and principles enshrined in the United Nations charter," Wang told some 1,000 participants.

"We call for respecting the sovereignty and management model of each country's network and rejecting the zero-sum game and technological bullying," he added.

While Wang did not name the parties involved in such practices, Beijing has been calling for relations between China and the United States to not be a zero sum game and for both sides to seek common ground to gain a "win-win" outcome.

Echoing Wang, Zheng Yanxiong, the director of the central government's liaison office in Hong Kong, said the SAR plays a critical role in driving the industry's development in the region.

"Hong Kong is a pioneer in the development of the internet," he said.

"It has not only its traditional advantages being a global financial, shipping and trade centre but also new advantages such as artificial intelligence research and development, accumulated talent and industrial synergy," he said.

"Moreover, it has unique advantages such as institutional innovation, trilingualism, cultural inclusiveness, and internal and external communication... It will certainly be a new development highland of the internet industry."

Separately, Zheng called on the SAR to play its role by speeding up the building of an ecosystem for digital-related sectors, covering artificial intelligence, big data, cloud computing and block chains, that spans upstream and downstream industries.

He also urged the SAR to give full play to the advantages of the "One Country, Two Systems" principle, establishing a cross-border data flow mechanism that's also in line with international rules, and promote the safe and orderly cross-border data flow and sharing of resources.

The summit ends on Tuesday.

China's growth beats forecasts with 5.4pc spike

by www.rthk.hk
Apr16, 2025

Beijing said on Wednesday the economy grew a forecast-beating 5.4 percent in the first quarter as exporters rushed to get goods out of factory gates ahead of swingeing new US tariffs.

Beijing and Washington are locked in a fast-moving, high-stakes game of brinkmanship since US President Donald Trump launched a global tariff assault that has particularly targeted Chinese imports.

Tit-for-tat exchanges have seen US levies imposed on China rise to 145 percent and Beijing setting a retaliatory 125 percent toll on US imports.

"At the moment, the imposition of high tariffs by the US will put certain pressures on our country's foreign trade and economy," said Sheng Laiyun, Deputy Commissioner of the National Bureau of Statistics.

China's GDP grew 5 percent year on year last year, and the country has set a full-year economic growth target of around 5 percent for 2025.

Retail sales, a key gauge of consumer demand, climbed 4.6 percent in the first quarter – rising 5.9 percent in March alone – while industrial output soared 6.5 percent, up from 5.7 percent in the final three months of 2024.

Noting the partial impact from front-loading by exporters, Louise Loo, lead economist at Oxford Economics, said the growth figure still indicated that the momentum has become more "organic" domestically, following a slate of policy stimulus from last year.

"If you look at components, household appliances, furniture, communication, equipment, all those have actually grown at a double-digit pace," she told RTHK.

"So we know that stimulus is working, and it's part of the reason why we have that strong retail spending.

"And if you look at sales of other items that were not supported by the government, it's still quite strong.

"So that gives us encouragement that perhaps the stimulus is not just working in the targeted segments that it wants to work, but it's also giving people the confidence to spend more on other areas as well," she said.

For his part, Xu Tianchen, a senior economist at the Economist Intelligence Unit who is based in Shanghai, said: "China normally has a tendency of having a high-flying first quarter growth, and then an underwhelming second quarter, that's the pattern."

He said that the country's growth in the second quarter might slow further, due to the additional "pains" caused by Trump's tariffs, which he said "is effectively causing an embargo on trade between the two nations".

"So there will be considerable pressures throughout the second and third quarters, which will then prompt government officials to offer more intervention and stimulus measures to keep the economy afloat," he told RTHK.

However, Xu struck a positive note, saying the economy can still hit its 5 percent growth target this year as Beijing still has a lot of fiscal "firepower" to prop up consumer spending and industrial growth.

"But it doesn't really matter whether China will hit its growth target or not as I think the key is to use the 5 percent growth target as a rallying call for the economy," he said.

"Ultimately, China needs to let its economy not be outstripped by the US, and that would be enough," Xu said.

Loo expects the economy to slow to a growth rate of 4 to 4.5 percent in the coming three quarters and that the country will miss its growth target for the year.

But she said the upcoming Communist Party Politburo meeting could offer clues to whether there are more measures on the way.

"It's really about designing the policy stimulus so that they would have an immediate impact on the economy," Loo said.

"And the type of stimulus that would have the most immediate impact would be consumption-oriented stimulus. So we should see more of that.

"[But] from a political standpoint, it might be, perhaps, more feasible to miss a growth target than to really back down on Trump's request," she said.

"I think President Xi Jinping could probably look at this and think 'we missed a growth target because of our external shock, but that was highly unanticipated'. Politically, I think missing the growth target is probably not such a bad outcome as it was before."
(With contributions from AFP)

Businesses 'are getting smart over duty-free HK'

by www.rthk.hk
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Secretary for Commerce and Economic Development Algernon Yau said he thinks people in business are smart over where opportunities lie and Hong Kong's being a tariff-free economy makes it operationally convenient for them.

Speaking on RTHK's Overview Policy programme on Wednesday, he said the government will step up promotion as Hong Kong seeks to enter into more free-trade agreements with other economies.

Small and medium enterprises, Yau added, need to adjust their operational strategies according to the global situation, and the key to helping them lies in extending Hong Kong's business network.

"The business sector is very smart," he said.

"People in business are surely aware of where the opportunities are.

"Hong Kong is tariff-free. But many economies, many countries, are not."

Yau noted that e-commerce firms have been a major source of inspiration for the retail sector.

He said smaller local companies can look for opportunities in Belt and Road countries, especially those in the Middle East and Asean.

The commerce chief stressed that InvestHK has done very well last year in bringing in nearly 10,000 new firms from the mainland and overseas, up around 10 percent from 2023.

He said this was a testament to the commerce sector expressing confidence in Hong Kong's business environment.

Steady GDP growth expected for Q1: Paul Chan

by www.rthk.hk
Apr 27, 2025

Financial Secretary Paul Chan on Sunday said Hong Kong's GDP growth in the first quarter is expected to remain stable.

Writing in his weekly blog, Chan said Hong Kong saw over 12 million visitor arrivals in the first quarter, up nine percent year-on-year, thanks to a series of mega events and international conferences.

"Among them, non-mainland visitors accounted for about 2.98 million which increased significantly by 18 percent year-on-year. The number of mainland visitors also went up by six percent," Chan said.

"This shows that events which are creative with distinctive themes, helped draw more mainland and overseas visitors to Hong Kong," he added.

Chan pointed out this helped boost the retail and catering sectors.

He also said the city's exports to markets, including the mainland and Asean countries, recorded a significant increase in the first quarter, while exports to the United States grew slightly.

All these factors have contributed to the SAR's GDP performance Chan said, ahead of advance estimates for the January-March period, expected to be announced later this week.

Meanwhile, Chan said the US' "bullying" and unilateralism would still weigh on the global economic outlook, and Hong Kong will inevitably be affected by challenges in the external environment.

The finance chief however expressed confidence in the SAR's economic development which is being boosted by the nation's steady growth and strong support.

Chan also said the SAR government has prepared a series of measures to help enterprises deal with future challenges.

China 'fully confident' to meet economic targets

by www.rthk.hk
Apr 28, 2025

China on Monday said it is "fully confident" that the country will reach its 5 percent economic growth target this year despite the tariff war with the United States.

The National Development and Reform Commission (NDRC) said in a press conference that Beijing will accelerate the implementation of measures to stabilise employment and the economy, and to boost domestic consumption.

Zhao Chenxin, deputy head of the NDRC, said China has ample policy reserves and the government will fully prepare contingency plans.

"We will intensify efforts to ensure the implementation of current policies, including the special campaign to boost consumption. We'll make good use of the 5 trillion yuan of investment funds at the national level this year, and speed up the establishment of the national venture capital guidance fund, among others," he told reporters.

"The majority of these policies will be implemented in the second quarter. No matter how the international situation evolves, we will stay focused on our development goals... and concentrate on managing our own affairs well. We are fully confident we'll achieve this year's economic and social development targets."

Zhao also said Beijing is "on the right side of history" in the trade war with Washington.

"We firmly believe that if you are against the world and the truth, you will only isolate yourselves," he said. "Only by travelling with the world and with morality can we win the future."

Yu Jiadong, vice minister of human resources and social security, spoke about the adverse effects from the US tariffs on businesses and jobs, especially export-oriented companies.

Yu said the central government will take steps to improve workers' skills while increasing funds and loans for enterprises affected by the tariffs.

"Recently, we have allocated 66.7 billion yuan of the central employment subsidy funds to provide guarantees for the implementation of the policies," he said.

"At the same time, we will speed up the introduction of incremental policies to increase support for enterprises to expand jobs, to increase employment subsidies for individuals and raise the proportion of the job-retention refunds from unemployment insurances for those firms significantly impacted by the tariffs."

Speaking at the same event, deputy central bank governor Zou Lan reiterated that mainland authorities would free up more cash for banks and cut interest rates at an appropriate time.

Zou also affirmed a moderately loose monetary policy and the need to maintain the yuan's stability.