

Hong Kong & Mainland China News – Nov-2025

HK ranked 4th globally in digital competitiveness

by www.rthk.hk

Nov 04, 2025

Hong Kong has climbed three spots to rank fourth in the latest World Digital Competitiveness Ranking.

The ranking of economies' ability to adopt and explore digital technologies for economic and social transformation is compiled by the Switzerland-based International Institute for Management Development.

The SAR's position this year is the highest since it came second in 2021.

Among the areas of improvement, Hong Kong climbed two spots to rank first in "adaptive attitudes" in the area of "future readiness".

Switzerland topped the ranking, with the United States and Singapore in second and third respectively.

A government spokesman said in a statement that the rankings show Hong Kong is recognised as one of the most digitally competitive economies in the world.

"Going forward, the HKSAR Government will continue to promote closer collaboration among the Government and the industry, academia, research and investment sectors, consolidate and enhance our competitive edge in the global market, as well as foster the cultivation of new quality productive forces," it added.

Writing on social media, Secretary for Innovation, Technology and Industry Sun Dong said the government and various sectors of society have been promoting the development of innovation and technology.

He said the administration is actively seizing opportunities brought about by AI, promoting the technology as a key industry.

Many local institutions have already set up AI-related programmes, and five universities are ranked in the top 50 globally in AI and data science, the minister noted.

HK to surpass London as No.2 global financial center next year, says GCM's CEO Michael Sacks

by www.thestandard.com.hk

Nov 05, 2025

Hong Kong is expected to overtake London as the world's second-best financial center next year, said Michael Sacks, chairman and chief executive of GCM Grosvenor, citing its well-positioned talent and financial services.

When asked for his biggest surprise for next year, he said he expects everyone will be celebrating this honor when they gather for the Global Financial Leaders' Investment Summit.

"That's a prediction, but I don't know if that's a surprise," he added.

Hong Kong has various fundamental advantages, such as the talent pool, the educated workforce, and the high quality of life, he noted in the summit.

For the financial service business, Hong Kong stands unrivaled in the region and will continue to lead, driven by its international market access, the freedom to trade, and a strong rule of law, Sacks said.

Additionally, as the Chinese people seek to diversify their assets from sectors like real estate into equity markets, Hong Kong is positioned to be a major beneficiary, said Hermes Li, founder of Aspex Management.

He said that the internationalization of the domestic A-share market would also help Hong Kong, citing the largest listing CATL (3750) in the city this year.

With the advancement of technology, he estimated that more A-share-listed technology companies will seek for initial public offering in Hong Kong to raise funds.

Chinese economy to exceed US\$23.8 trillion by 2030, premier says

by www.thestandard.com.hk

Nov 05, 2025

Premier Li Qiang said on Wednesday that China's economy will exceed 170 trillion yuan (\$23.87 trillion) by 2030, presenting a big market opportunity for the world as trade restrictions rise globally.

In his speech at the opening ceremony of the China International Import Expo in Shanghai, Li criticized tariffs and said that China wanted to reform the global economic trading system to make it more reasonable and transparent, especially for developing countries.

Tariffs are "seriously undermining international economic and trade rules, and also disrupting the normal operation of enterprises in various countries," he said, without mentioning the United States.

"In five years, China's economy is expected to exceed 170 trillion yuan, which will make new and important contributions to global economic growth," Li added.

China has said its GDP will top 140 trillion yuan this year, and the projection by 2030 is in line with proposals for its upcoming five-year plan that predicted annual growth of 4.17 percent over the next five years.

CIIE was launched under President Xi Jinping in 2018 to promote China's free trade credentials and counter criticism of its trade surplus with many countries.

But the expo has its sceptics, as the country's trade surpluses with other markets have only grown in the years since.

While China's supply of manufactured goods to the world is growing, its contribution to global demand is less significant, with imports barely growing - a dynamic economists have said fuels trade tension abroad and deflationary pressure back home.

Global trade this year has been heavily disrupted by tariffs imposed by U.S. President Donald Trump and have launched the US and China into a fresh trade war that has ebbed and flowed in tit-for-tat actions through this year.

Last week, Xi and U.S. President Donald Trump met in South Korea to reach a trade truce. The U.S. agreed to reduce some tariffs on Chinese goods and pause some export controls, and China agreed to pause new export restrictions on rare earth minerals and magnets and resume purchases of American soybeans.

But analysts say it may be no more than a fragile truce in a trade war with root causes still unresolved.

Li in his speech said China wanted to increase its imports of high quality products and repeatedly stressed that it was open to business and trade.

"Let enterprises from all over the world develop in China with more peace of mind, more comfort and more confidence," he said.

China's trade surplus is set to exceed last year's record of roughly US\$1 trillion as exporters offset a plunge in U.S. sales due to higher U.S. tariffs by selling more to the rest of the world, often at a loss in pursuit of market share.

Exports to the U.S. fell about 27 percent in September versus the same month a year prior, while shipments for the European Union, Southeast Asia and Africa grew 14 percent, 16 percent and 56 percent respectively.

More than 155 countries, regions and organisations plan to participate in this year's CIIE, the commerce ministry said.

Over 4,100 overseas enterprises will take part, with US companies maintaining the largest exhibition area for the seventh consecutive year.

REUTERS

Client confidence in HK as top wealth centre hit 3-year peak: PWMA

by www.thestandard.com.hk

Nov 06, 2025

Client confidence in Hong Kong as a preferred wealth management center has risen to a 3-year high, with 44 percent of wealth management firms reporting that clients are choosing Hong Kong this year, according to the latest report from the Private Wealth Management Association and KPMG China.

The findings are based on a survey of PWMA member institutions, supplemented by interviews with senior industry executives in Hong Kong, which were conducted between June and August. PWMA members include top global private banks such as HSBC (0005), UBS, JPMorgan, and Citi.

The report showed that 100 percent of member firms expressed optimism about the Hong Kong PWM market over the next five years, up from 76 percent in 2024, despite ongoing concerns about geopolitical instability and macroeconomic uncertainty, which remain the top concerns for the PWM industry.

As the gateway to mainland China and the development of a refined financial infrastructure, the city saw nearly double the client demand for opening new accounts and allocating assets, with 59 percent of firms reporting increased demand, up from 34 percent last year, the report said.

The report also highlighted that allocations to alternative assets would rise in the next three to five years. Currently, 44 percent of client portfolios allocate less than 5 percent to alternatives, while one in three firms expects this figure will rise to 11–15 percent by 2030.

Regarding digital assets, the report found that 52 percent of firms are either already investing in or planning to invest in virtual asset trading platforms, custody, or product services in the next two to three years. which is double from 2024.

Besides, Mainland China remains the largest source of Hong Kong-based AUM, accounting for 57 percent of the total, while the figure is projected to rise to 63 percent over the next five years, according to the report.

HSBC raises GDP forecast for HK on new growth drivers

by www.rthk.hk

Nov 07, 2025

HSBC on Friday raised its 2025 GDP forecast for Hong Kong from 2.5 percent to 3.2 percent, exceeding the government's estimate of a range between 2 and 3 percent.

"Monetary easing on the back of US Federal Reserve cuts, improving connectivity, and emphasis on fostering new growth drivers round out the reasons we have turned more positive on Hong Kong's economy," its Greater China economist, Erin Xin, wrote in a report.

The bank also raised its full-year forecast for the SAR from 2.1 percent to 2.4 percent for 2026 and from 2.2 percent to 2.5 percent for 2027.

HSBC said trade was a key support factor in the city's economy, which turned out better than expected in the third quarter with 3.8 percent growth in gross domestic product.

"We expect there will be further demand drivers from still relatively buoyant trade flows in the rest of the year as well as stronger tailwinds for consumption, which have been improving since [the second quarter]," Xin said.

The economist expected there would be further drivers for consumption to improve amid signs of stabilisation in the residential property market.

Hong Kong likely to post HK\$15.6 bln fiscal surplus, Deloitte says

by www.thestandard.com.hk

Nov 17, 2025

Hong Kong is on track to record a fiscal surplus of about HK\$15.6 billion this year, Deloitte said, adding that the city's public finances are steadily moving toward a healthier and more sustainable trajectory.

Fiscal reserves are expected to reach about HK\$669.9 billion by the end of March, the firm said.

Looking ahead to the 2026/27 budget, Deloitte set out three priorities: developing the Northern Metropolis as a new growth engine, strengthening Hong Kong's capital markets, and preserving the city's competitiveness as a regional asset and wealth management hub.

For the Northern Metropolis plan, the firm recommended investment tax credits, subsidies and tax incentives linked to financing activities to attract companies to set up and expand in the district.

To bolster capital markets, Deloitte proposed measures to draw more dual listings to Hong Kong and to enhance the tax regime for corporate treasury centres.

It also suggested expanding tax concessions for qualifying fund managers, licensed digital-asset market participants and single-family offices, as well as further enhancing exemptions for foreign-sourced investment holdings and strengthening the city's philanthropic ecosystem.

Hong Kong emerges as safe haven for global capital, Paul Chan says

by www.thestandard.com.hk

Nov 23, 2025

Hong Kong has increasingly become a safe haven for global capital as investors re-evaluate risks amid geopolitical tensions, Financial Secretary Paul Chan Mo-po said in his blog, adding that many international financial institutions are planning to expand headcount in the city.

Chan highlighted that Hong Kong is evolving from a springboard for international firms entering the Chinese mainland to a multifunctional platform enabling both domestic and foreign companies to access each other's markets.

Bank deposits in the city have risen over 10 percent this year to more than HK\$19 trillion, after rising 7 percent last year.

Several high-profile initial public offerings this year have attracted cornerstone investors from the West to the Middle East, while visiting international financial leaders have indicated plans to expand their headcount and operations in Hong Kong, he added.

On trade and shipping, Chan said Hong Kong's merchandise exports have grown year-on-year for 19 consecutive months, rising 11.3 percent in the first three quarters of 2025, despite global protectionist pressures.

The SAR government is working to promote Hong Kong's shipping sector globally and support its transformation through higher-value services, expanded commodity trade, new markets, and innovative technology, Chan said.

The government is also pushing for digital, green, and smart port development to boost efficiency, positioning Hong Kong as a strategic hub for global shipping innovation.

EY forecasts Hong Kong IPO proceeds to hit \$280 bln in 2025, retaking global top spot

by www.thestandard.com.hk

Nov 27, 2025

Hong Kong is expected to raise HK\$280 billion in initial public offerings this year, more than tripling the 2024 total and reclaiming the title of the world's top listing venue, Ernst & Young said on Thursday.

The projected proceeds, which would be the second-highest in nearly five years, mark a sharp rebound from last year when the Asian financial hub ranked fourth globally. The number of IPOs in the city is also expected to surpass 100 this year, up 43 percent from 2024.

The robust performance was driven by large listings, with the top 10 IPOs accounting for over half of the total proceeds at HK\$154.7 billion, EY said in a report. The average fundraising size surged 137 percent year-on-year, with eight of those IPOs raising more than HK\$10 billion each.

EY attributed part of the market's strong performance to new listing rules implemented by Hong Kong's bourse on August 4, which included adjusting the clawback mechanism and introducing a public offer proportion locking mechanism.

Among the 36 new listings since the rules took effect, only six have fallen below their issue price, EY said. The average first-day return for IPOs this year hit 38 percent, the highest in five years, while the first-day slump rate dropped to 24 percent.

Meanwhile, mainland China's A-share IPO market saw moderate growth, with more than 100 companies expected to list this year, raising over 110 billion yuan (HK\$120.85 billion), up more than 53 percent year-on-year.

The Shanghai and Shenzhen stock exchanges are expected to rank fifth and eighth globally, respectively, by total fundraising this year, EY said.