

Press release

Financial leaders share insights on new global landscape at Asian Financial Forum

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More than 60 world's leading business, finance and regulatory players, as well as government officials shared their insights on the new financial landscape at the two-day Asian Financial Forum today (January 20).

The forum, the third since September 2007, attracted more than 1,500 people from all over the world.

Carrying the theme "Asia in the New Economic Order", this annual event was co-organised by the Hong Kong Special Administrative Region Government and the Hong Kong Trade Development Council.

Delivering his opening address, the Chief Executive, Mr Donald Tsang, said the international community today expected Asia to rise to the challenge and play a more prominent role in the changing economic landscape amid the improved situation after the financial crisis.

"Governments around the world, including here in Asia, have spent vast sums of money in shielding their economies from the worst of the global financial crisis.

"Now is the time for governments to start co-ordinating exit strategies from these stimulus measures. A lack of co-ordination may lead to imbalances and financial instability that could hurt our region," Mr Tsang said.

He stressed that Asian economies, individually and collectively, stood to benefit from greater co-operation in managing risks, reinforcing systemic resilience, enhancing productivity and ensuring financial stability.

Mr Tsang said Hong Kong's fundamental strengths, coupled with its stable and vibrant economy, had helped enhance the city's role in three important areas - as a global financial centre in the Asian time zone; as a regional asset management centre and as an offshore centre for Renminbi business.

"We have become a vital testing ground for the liberalisation of our nation's capital account and the regionalisation and internationalisation of the Mainland currency, the Renminbi," Mr Tsang said. He was referring to the significant development of Renminbi business in Hong Kong last year, including the Renminbi trade settlement pilot scheme, the issuance of Renminbi bonds in Hong Kong by Hong Kong banks on the Mainland, and the issuance of the first Renminbi sovereign bonds in Hong Kong.

"We will continue to strengthen Hong Kong's role as the testing ground for the liberalisation of the Mainland currency. This includes developing other Renminbi business, such as Renminbi financing and promoting direct investment in Hong Kong," Mr Tsang said.

Mr Tsang also noted the importance of financial integration with the Mainland. He said that through closer financial co-operation, Hong Kong aimed to play an exemplary role in promoting intra-Asia financial collaboration and integration.

"In particular, we have the experience; expertise and the motivation to better connect our nation with partners in the region and around the world."

The forum today comprised a plenary session on "The Global Post-Crisis Financial Landscape" and "Asia's Role in the New Economic Order"; a policy dialogue on "Responding to the Financial Crisis - Financial Reform Impacts and Regulatory Regime Changes"; a keynote luncheon by Guangdong Governor, People's Government of Guangdong Province, Mr Huang Huahua; panel discussions on global investment opportunities and China-focused topics; and a cocktail reception.

Speaking at the cocktail reception, the Financial Secretary, Mr John C Tsang, said the global economic turmoil had brought into sharp focus how regional economies are more inter-connected as well as more inter-dependent.

"Through closer integration within Asia, we can build on the collective strength including our diversity, our dynamism, our deep pool of talent and our competitive spirit to spearhead the New Economic Order," Mr Tsang said.

The Secretary for Financial Services and the Treasury, Professor K C Chan, expressed his gratitude for the full support of all participants, without which the forum would not be so successful.

"Today's forum gives us the opportunity to discuss the best way forward now that the global economy is getting back on the track. I trust the valuable exchanges of views and experiences by speakers can pave the way for closer co-operation to overcome future challenges," Professor Chan said.

At this year's forum, speakers from overseas include the Managing Director of International Monetary Fund, Dr Dominique Strauss-Kahn; the Managing Director of Goldman Sachs and former President of the Federal Reserve Bank of New York, Dr E Gerald Corrigan; the Chairman of Morgan Stanley Asia, Dr Stephen Roach; and Professor of Economics of the NYU's Stern School of Business and Co-founder and Chairman of Roubini Global Economics LLC, Professor Nouriel Roubini. Speakers from the Mainland include the Chairman of the China Banking Regulatory Commission, Professor Liu Mingkang; the Executive Vice-Chairman of China Centre for International Economic Exchanges, Mr Wang Chunzheng; the Governor of the People's Government of Guangdong Province, Mr Huang Huahua; the Chairman and Chief Executive Officer of the China Investment Corporation, Mr Lou Jiwei; and the Vice-Mayor of Shanghai, Mr Tu Guangshao.

The forum will continue tomorrow (January 21) with a breakfast meeting on "Striking a Balance between Financial Innovation and Regulation"; panel discussions on "Environment and Natural Resources" and "Infrastructure-related Issues"; a keynote luncheon by Professor Nouriel Roubini and concurrent workshops.

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