

Press release

HKSARG welcomes joint venture to be set up by Shanghai, Shenzhen and Hong Kong exchanges

Thursday, June 28, 2012

The Hong Kong Special Administrative Region Government (HKSARG) today (June 28) welcomed the establishment of a joint venture company in Hong Kong by the Hong Kong Exchanges and Clearing Limited (HKEx), the Shanghai Stock Exchange and the Shenzhen Stock Exchange to develop index and equity derivative products and compile cross-market indexes.

The Vice Chairman of the China Securities Regulatory Commission, Mr Yao Gang; the Financial Secretary, Mr John C Tsang; the Secretary for Financial Services and the Treasury, Professor K C Chan; the President of the Shanghai Stock Exchange, Mr Zhang Yujun; the President of the Shenzhen Stock Exchange, Ms Song Liping; and the Chief Executive of HKEx, Mr Charles Li Xiaojia, attended the signing ceremony of the joint venture company this afternoon.

Addressing the ceremony, Mr Tsang said, "The proposal for establishing a joint venture company by the exchanges of Shanghai, Shenzhen and Hong Kong for developing index and equity derivative products is one of the initiatives announced by Vice-Premier of the State Council, Mr Li Keqiang, to support Hong Kong's financial development under the 12th Five-Year Plan during his visit to the city last August.

"The joint efforts of the three exchanges have great strategic significance and mark a milestone in financial co-operation amongst Shanghai, Shenzhen and Hong Kong. First, the joint venture will support the opening up and reform of our nation's capital market. Secondly, the joint venture will enhance the internationalisation of the three exchanges. Thirdly, the joint venture, which will be established in Hong Kong by the three exchanges with equal contribution, fully reflects their complementary roles and the benefits of mutual assistance to achieve a win-win situation," he added.

Mr Tsang noted that the establishment of the joint venture will mark a new platform of financial co-operation between the Mainland and Hong Kong. It will not only help open up, develop and reform of the Mainland's capital market, but will also increase its competitiveness.

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