

Transcript of remarks by SFST

Thursday, January 21, 2010

Following is the transcript of remarks (English portion) by the Secretary for Financial Services and the Treasury, Professor K C Chan, after attending the HKEx and Shanghai Stock Exchange Joint News Conference today (January 21):

Reporter: (There were a lot of reports about "semi-through train", but no one seems to have a timetable and how this could benefit Hong Kong?)

Secretary for Financial Services and the Treasury: If you are actually referring to the ETF (exchange-traded fund products), it's a product that we have been studying for some time. We also explain to the media, actually the public, that we are interested in introducing such a product. In fact, this product also receives endorsement in the recent Supplement VI of the CEPA, so it is clear that we are in a direction of introducing such a product in order to allow for access by investors on the mainland to Hong Kong shares.

Reporter: Do you think Shanghai's international board will compete with Hong Kong?

Secretary for Financial Services and the Treasury: As you can see from this announcement as well as the cooperation they (Hong Kong Exchanges and Clearing Limited and Shanghai Stock Exchange) are reaching in terms of product launches and product cooperation, the Shanghai market and the Hong Kong market will actually do very well by cooperating and by working to complement each other.

(Please also refer to the Chinese portion of the transcript)

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