

Transcript of SFST's remarks

Thursday, August 18, 2011

Following is a transcript of remarks (English portion) by the Secretary for Financial Services and the Treasury, Professor K C Chan, at a media session after attending a radio programme today (August 18):

Reporter: How popular would you expect ETFs to be with the Mainland investors?

Secretary for Financial Services and the Treasury: I think this offers a real choice for Mainland investors who are interested in buying in the Hong Kong market through a means that is accessible to them in their own market. In other words, we are putting Hong Kong stocks listed as an ETF on their own market, so that they have access to them in their market daily, day in, day out, while they are investing in Hong Kong stocks. I believe there is certain attraction to these investors.

Reporter: Who will be actually be running the ETFs?

Secretary for Financial Services and the Treasury: It would be fund management companies approved by the Chinese securities regulator.

Reporter: Do you have an estimate about the quota?

Secretary for Financial Services and the Treasury: I don't have the information at this point.

Reporter: Yesterday it was announced that about RMB20 billion will be set aside for qualified local companies to invest in Mainland securities. Will the figures be expanded in future?

Secretary for Financial Services and the Treasury: As it was explained by Vice-Premier Li, this is a starting point. The RMB20 billion is an initial size as a starting point, which means as the programme continues, we should expect to see more.

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

Ends