ASF 2013
Hong Kong Market Report

25 October 2013
ECONOMIC PERFORMANCE OF HONG KONG
## Key Economic Indicators

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP (yoy, %)</td>
<td>6.8</td>
<td>4.9</td>
<td>1.4</td>
<td>3.3</td>
</tr>
<tr>
<td>CPI (yoy, %)</td>
<td>2.4</td>
<td>5.3</td>
<td>4.1</td>
<td>4.1</td>
</tr>
<tr>
<td>Unemployment rate (%)</td>
<td>4.3</td>
<td>3.4</td>
<td>3.3</td>
<td>3.3</td>
</tr>
<tr>
<td>Foreign reserve (US$ billion)</td>
<td>268.74</td>
<td>285.4</td>
<td>317.3</td>
<td>303.58</td>
</tr>
<tr>
<td>Balance of Payments (US$ billion)</td>
<td>7.58</td>
<td>11.13</td>
<td>24.22</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Source: Census and Statistics Department, the HKSAR Government
Year-on-year GDP Growth

Source: Census and Statistics Department, the HKSAR Government – In chained (2011) dollars
Year-on-year Rates of Change in the Consumer Price Index

Source: Census and Statistics Department, the HKSAR Government
Hong Kong Dollar Interest Settlement Rates

Source: Census and Statistics Department, the HKSAR Government
SECURITIES MARKETS
### Key Statistics of Securities Listed on SEHK

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013 (June)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of listed companies</td>
<td>1,413</td>
<td>1,496</td>
<td>1,547</td>
<td>1,567</td>
</tr>
<tr>
<td>Total market capitalization (HK$Bil)</td>
<td>21,077</td>
<td>17,537</td>
<td>21,950</td>
<td>20,706</td>
</tr>
<tr>
<td>Number of listed securities</td>
<td>7,900</td>
<td>6,723</td>
<td>6,903</td>
<td>8,174</td>
</tr>
<tr>
<td>Number of equity warrants</td>
<td>23</td>
<td>15</td>
<td>11</td>
<td>10</td>
</tr>
<tr>
<td>Number of derivatives warrants</td>
<td>5,148</td>
<td>4,027</td>
<td>3,747</td>
<td>4,895</td>
</tr>
<tr>
<td>Number of Callable Bull/Beqr Contracts</td>
<td>1,064</td>
<td>901</td>
<td>1,214</td>
<td>1,222</td>
</tr>
<tr>
<td>Number of mutual funds</td>
<td>79</td>
<td>88</td>
<td>111</td>
<td>121</td>
</tr>
<tr>
<td>Number of debt securities</td>
<td>169</td>
<td>169</td>
<td>269</td>
<td>355</td>
</tr>
</tbody>
</table>

Source: HKEx
Total Fund Raised-Equity Capital Market

Source: HKEx
2012 Global IPO League Table By Equity Funds Raised

Source: HKEx
Movements of Hang Seng Index

Source: HKEx
Trading Statistics

Source: HKEx

Equity Market Average Daily Turnover By Value ($ mil)  Futures and Options Market Turnover by Contract

Source: HKEx
MAJOR DEVELOPMENTS IN HONG KONG SECURITIES MARKET
Market Developments

• Mutual market access
• Dual-counter trading
• Acquisition of LME
• After-Hours Futures Trading
Regulatory Developments

• Regulating ATS and dark pools
• Implementing risk control of clearing houses
• Reporting short positions in stocks
• Implementation of continuing disclosure regime for listed companies
• Enhanced IPO Sponsor regime
Infrastructure Developments

• Next Generation Data Centre
• Establishment of a clearing house for OTC derivatives
PROSPECTS
PROSPECTS

Offshore RMB Centre
• Expansion of RQFII regime
• broadening scope of RMB products

Enhancement the status of asset management hub
• open-ended investment company structure
• mutual recognition of funds

Market Infrastructure
• the HKEx Orion central gateway

Regulations
• electronic trading regulations
• OTC derivatives regulation
• alternative liquidity pools
The End