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## Switzerland

### UBS and Julius Baer experimenting client meetings in the metaverse

UBS and JB, have each trialed the use of clunky headsets and pixelated avatars to interact with clients, according to people involved in the research. But neither bank is close to rolling out the virtual reality offering to their ultra-rich customers after the experiments causes concern over the technology's ease of use and the ability to share documents securely. [FT](#) Nov 6

### Swiss bank Julius Baer plans expansion in HK after pandemic to tap on wealth in China

Swiss private bank Julius Baer will expand its Hong Kong office in the coming years, as it aims to use the city as a hub from which to develop its wealth management and family office businesses in China and other Asian markets, according to its global chief Rickenbacher. [SCMP](#) Nov 2

### Credit Suisse eyes China's booming wealth management industry

In view of the 'huge growth of the middle class' in mainland China, Credit Suisse is ready to grab a 'fantastic opportunity'. The Swiss investment bank seeking a makeover to overcome years of losses and management upheavals. [SCMP](#) Nov 1

## Mainland

### China says must resolve stability issues in Hong Kong and Macao

According to a 20<sup>th</sup> Communist Party Congress party supplementary document reading published in October, Director of China's Hong Kong and Macau affairs office Xia Baolong wrote that China should 'resolutely deal with' and 'rectify' whatever is needed to resolve any long-term stability issues in Hong Kong and Macao. [TS](#) Nov 2

## Foreign Policy / International Relations

### Hong Kong and Indonesia strengthen partnership

The Indonesian Chamber of Commerce and Industry plans to send a high-level delegation to visit Hong Kong next year to explore more collaboration opportunities, says Financial Secretary Paul Chan Mo-po. During his trip to the G20 leaders' summit last week, Chan said many countries agreed that China has pushed the development of the world. Chan added that he exchanged ideas with various country representatives to enhance business collaboration. One such proposal included having Hong Kong be the platform for the Indonesian government and enterprises to raise funds for - and provide world-class professional services to - the country's infrastructure constructions. [TS](#) [SCMP](#) [RTHK](#) Nov 21

### Hong Kong leader signals 'satisfaction' as first overseas trip as Hong Kong's leader ends

John Lee was leading a 20-strong group, comprising financiers, professionals and commerce leaders, to Bangkok to talk business on his first overseas trip to Thailand, packing the first day with a full schedule to greet the premier of the Southeast Asian country and Chinese President Xi Jinping, ahead of his official debut at a high-powered regional economic forum. Lee had met some of Thailand's most influential business leaders and the meetings were 'a promotion programme to introduce Hong Kong's new era'. Lee also met Joko Widodo, President of Indonesia, and Lee Hsien Loong, Prime Minister of Singapore during his trip for the APEC forum. [SCMP1](#) [SCMP2](#) [RTHK](#) [SCMP](#) Nov 17 & 20

## Domestic Policy / Politics

### National security law interpretation may extend to seized assets in Hong Kong

Forecast points to wider scope in changes to law than previously thought, as Chief Executive John Lee asks Beijing to interpret legislation. Foreign lawyers will be barred from national security cases involving seized assets should Beijing grant an interpretation sought by the Hong Kong government on the legislation, experts based locally and beyond have predicted. [SCMP](#) Nov 30

### Lai's trial national security trial could be deferred by month or more

The Court of Final Appeal upheld a written ruling that Jimmy Lai, founder of the now-defunct Apple Daily, could hire King's Counsel Timothy Owen to defend for him in his national security trial. The ruling rejected the appeal filed by the Department of Justice. It was the last chance for the government to secure a court ban on Owen defending Lai at the trial scheduled to begin on 1 December. Meanwhile, John Lee said the Secretary for Justice would apply for an adjournment in Lai's case while waiting for the interpretation from the NPC. The [government](#) announced at 23h30 that Lee has submitted a report to the central government and requested interpretation from the Standing Committee of the National People's Congress. According to Tam Yiu-chung, Hong Kong's sole delegate to the national legislative body, the next standing committee meeting is on 30 December. [TS1](#) [RTHK](#) [HKFP](#) [SCMP](#) [TS2](#) [HKFP1](#) [RTHK2](#) Nov 28

### **Six former senior staff of pro-democracy tabloid Apple Daily plead guilty to collusion charge**

Six ex-Apple Daily executives pleaded guilty to conspiring with their former boss and founder of the now defunct media outlet Jimmy Lai to allegedly collude with foreign forces. These are the first convictions of news editors and media directors under the NSL since it took effect in June 2020. Three of them may enjoy a greater deduction of their sentences, for they will be appearing as tainted witnesses in Lai's trial beginning on 1 December. They are former CEO of Next Digital Cheung Kim-hung, former associate publisher Chan Pui-man and ex-editorial writer Yeung Ching-kee. [HKFP TS SCMP](#) Nov 22 & 23

### **Six hopefuls given green light to run in by-election for LegCo**

At least six pro-establishment hopefuls, mostly professionals, have been given Beijing's blessing to run in a by-election on 18 December to fill four seats in the LegCo vacated by those who joined the government. The names include Wong Kam-fai, an engineering professor from Chinese University, Gary Wong, a board member at the Chinese Association of Hong Kong & Macau Studies, and New People's Party member Adrian Ho, the nephew of former Macao leader Edmund Ho. [SCMP TSRTHK](#) Nov 9 & 14

### **Hong Kong must strive to educate young people on rule of law, says top judge**

On the last day of the Hong Kong Legal Week last Friday, Chief Justice Andrew Cheung said the authorities have to let youngsters understand why it is superior to the 'rule of man or mob rule'. Meanwhile, Chief Executive John Lee said that in light of increasingly complex geopolitics, he expected countries would pay more attention to national security on their own soil. [SCMP](#) Nov 11

### **Overseas gay marriage fight to go to top court**

Gay rights activist Jimmy Sham has been given permission to take his fight to get Hong Kong to recognise overseas same-sex marriages to the Court of Final Appeal. A three-judge Court of Appeal panel said that the issues involved are of great general public importance and Sham's points, while not particularly strong, have met the threshold of being reasonably arguable. [RTHK SCMP](#) Nov 10

### **KPIs show government's commitment to deliver, says John Lee**

Speaking on RTHK's show, Chief Executive said the 110 key performance indicators proposed in his recent policy address show the government is committed to delivering results and will not work behind closed doors. Lee also said that a planned Chief Executive's Policy Unit will serve a much different role from that of the Executive Council and that they will complement each other. [RTHK](#) Nov 9

### **John Lee hails rule of law in Hong Kong as Legal Week kicks off**

Chief Executive John Lee hailed the rule of law in Hong Kong at the start of Legal Week on Monday, while stressing that the city is back on the international stage. The CE added that an office will be set up in the city to prepare for the establishment of the International Organisation for Mediation - a new inter-governmental platform for dispute resolution. He said the SAR's involvement shows there is international confidence in legal structures here. [RTHK](#) Nov 7

## **Economy**

### **Sky-high rates will hold peg, says creator**

According to John Greenwood, the architect behind the currency board mechanism created in 1983, Hong Kong is willing to tolerate sky-high borrowing rates 'to whatever level is necessary' and near term economic pain to defend its currency peg with the dollar. [TS](#) Nov 30

### **Hong Kong agency to lure food and green tech enterprises to the city**

Council chairman Sunny Tan was referring to the mission of the Office for Attracting Strategic Enterprises (OASES), which the government will set up next month, to increase the number of smart production lines in the city from about 30 at present to more than 130 in five years. [SCMP](#) Nov 29

### **Retail sales rise 0.2% year on year in September while October trade plunges double digits**

Provisional [figures](#) released by the Census and Statistics Department also showed total retail sales for the first nine months declined 1.3% compared with the same period in 2021. In the meantime, exports plunged 10.4% last month to HK\$374.7 bn from a year earlier, falling for the sixth consecutive month and outpacing a 9.1% drop in September, the Census and Statistics Department said yesterday. Whereas imports fell 11.9% to HK\$395.5 bn last month from the previous year, after a decrease of 7.8% the month before. [SCMP Reuters TS](#) Nov 1 & 29

### **Home prices fall to five-year low**

Home prices have fallen for a fifth consecutive month to their lowest since November 2017, government figures published on Monday showed. October home prices fell 2.4% on month - widening from the 2.1% decline recorded in September. Compared to a year ago, prices were 11 percent lower. [RTHK](#) Nov 28

### **Mainland firms in Hong Kong outnumber US firms for first time in 31 years**

According to data released by the Census and Statistics Department dating back to 1991, there were 240 US companies with regional headquarters in HK as of 1 June, down 14 from the previous year and the lowest number since 2002. Mainland Chinese firms with regional hubs in Hong Kong fell by one to 251. Mainland Chinese firms accounted for 18% of the city's regional headquarters, compared to 17% by American companies. [TS](#) Nov 25

### **Power giants offset energy pain**

CLP is hiking its electricity tariff to 19.7% and HK Electric to a whopping 45.6% next year, with the power giants pointing to rising global fuel prices amid an energy crisis caused by the Russia-Ukraine war. Comparing the tariff this month and the new rate with effect next January, the increment is 6.4% for CLP and 5.5% for HKE. [TS](#) Nov 23

### **Hong Kong salaries seen growing 3.8% in 2023**

Logistics and non-manufacturing sectors to post the slowest increments, with cross-border business disruptions cited for cautious view. Talent attraction and retention continues to be a top priority among HK companies amid higher-than-usual staff turnover. [SCMP](#) Nov 17

### **Financial chief predicts hundred billion deficit this year, considering economic support measure**

Financial Secretary Paul Chan said HK showed worse economic performance than expected for the third quarter of this year and the fiscal year could run an over HK\$100bn (EUR12.8bn) deficit. However, with a fiscal reserves of about HK\$800bn (EUR102.4bn), he emphasized the government will take counter-cyclical measures to boost the economy. Chan will deliver Budget on 22 Feb 2023. [TS](#) [SCMP](#) [RTHK](#) Nov 14

### **Cathay won't return to pre-pandemic capacity until 'end of 2024'**

The city's flagship carrier Cathay Pacific said it was 'on track to achieve its target of operating up to one third of its pre-pandemic passenger flight capacity levels by the end of 2022'. It hoped to be operating at around 70% 'by the end of 2023 with an aim to return to pre-pandemic levels by the end of 2024'. [TS](#) [HKFP](#) [SCMP](#) [RTHK](#) [Reuters](#) [Bloomberg](#) Nov 14

### **HK signs deal to increase investment in Zhuhai airport in bid to benefit air industry in both cities**

Hong Kong is in talks to invest more cash into Zhuhai airport and create an aviation industrial park in the mainland Chinese city, as part of an agreement signed on Wednesday. The news came as the government moved to strengthen ties with a memorandum of understanding between Hong Kong airport and Zhuhai's in a bid to boost the city's status as an international air travel hub for the region. [SCMP](#) Nov 9

### **Customs seize smuggled goods worth HKD 300m and HKD 210m worth of suspected cocaine**

Customs officers on Monday said they recently made their biggest sea smuggling bust this year, seizing goods worth about HKD 300m (USD 38.5m) and arresting two people from a logistics company. Products including dried seafood, wine and endangered species were found in 10 cargo containers at the Kwai Chung Container Terminals in late October. The cargo also includes 30 tons of waste comprising old batteries, circuit boards and ground plastic items. In addition, HK customs seizes HKD 210m (USD 26.9m) worth of suspected cocaine hidden in quinoa flour shipment from Peru, 3 arrested. [RTHK](#) [SCMP](#) Nov 7

### **Hong Kong set for entry into world's largest free-trade pact RCEP**

Declaring the city was "onstage again" at the inaugural Hong Kong-Asean Summit organised by the Post on Thursday, Lee revealed the city was set to gain early admission to the Regional Comprehensive Economic Partnership (RCEP), the world's largest free-trade deal, with the support of all 10 Asean members. [SCMP](#) Nov 3

### **Hong Kong's base rate rise to a fresh 14-year high of 4.25 per cent**

Hong Kong's de facto central bank raised its base rate by a widely expected 75 basis points, increasing the city's cost of money for the sixth time in eight months in lockstep with the Federal Reserve's tight monetary policy to tamp down inflation. The base rate would rise to a fresh 14-year high of 4.25 per cent with immediate effect, the Hong Kong Monetary Authority (HKMA) said in a statement before financial markets opened on Thursday. Hours earlier, the Fed raised its target rate by the same quantum to between 3.75 and 4 per cent. [SCMP](#) Nov 3

### **Gulf investments into Hong Kong and GBA set to rise, especially in fintech**

HK and the Greater Bay Area (GBA) can expect to see substantial growth in investment inflows from Saudi Arabia and its oil-rich neighbours, a top Bahrain-based fund manager has predicted. The Middle East's two richest economies are on the lookout for minority stakes in medium-sized corporations, while their investment targets will include joint ventures with major conglomerates based in the GBA. [SCMP](#) Nov 3

## 116 600 young Hongkongers left workforce in past 2 years

Numbers consolidated by the Home and Youth Affairs Bureau showed that there were almost 1.42 million people aged 18 to 39 in work in the second quarter of 2020, a number that fell to about 1.30 in the same period in 2022. [HKFP](#) Nov 2

## Culture / Science / Education

### Rugby Sevens returns to the city after three years of absence

Hong Kong's Rugby Sevens returns to the city after a three-year absence. Chief Executive John Lee calls the tournament 'one of the most popular sporting events in Asia' and 'living proof' Hong Kong has returned to the world stage. [SCMP](#) Nov 6

## COVID-19 / Health

### Restrictions eased on amber-code arrivals and reduced PCR test from 4 to 2

From 17 November, overseas arrivals with an amber health code can visit venues for mask-on activities, including theme parks and hair salons. Eating and drinking will also be allowed in outdoor areas and spectator stands of racecourses and sports venues. Over 40 country park campsites will also reopen. And from 21 Nov onwards, PCR tests for arrivals will be reduced from 4 to 2. [TS HKFP](#) Nov 11 & 18

## Macao

### GDP drops 33% year-on-year to MOP 37 billion (EUR4.47 billion) in third quarter

Due to a 50.8% decline in the number of visitor arrivals amid Covid outbreak in the third quarter, exports of services fell by 46.7% year-on-year. For the first three quarters of 2022, GDP declined by 27.8% in real terms. [MN MPD MDT](#) Nov 18

### Government to plug MOP 35.6 billion (EUR 4.43billion) budget deficit from extraordinary reserves

The Legislative Assembly passed the outline of the government's 2023 budget bill during yesterday's plenary session. Secretary for Economy and Finance Lei Wai Nong said that the government will allocate MOP 35.62 bn (EUR4.43 bn) from the extraordinary reserves to plug a gap in the 2023 budget, the fourth consecutive year it has run a deficit. [MN MPD MDT](#) Nov 11

### Fiscal reserves fall MOP 45.85 billion (EUR 5.7 billion) in six months

Lawmaker-cum-nurse Wong Kit Cheng, who heads the Legislative Assembly's Follow-up Committee for Public Finance Affairs, has warned that Macao's fiscal reserves amounted to MOP597.31 bn (EUR74.2 bn) as of June this year, a decrease of MOP45.85 bn (EUR5.70 bn) compared to the end of last year, and questioned the way public money is being invested and called for an explanation as to how so much money was lost. [MN MDT](#) Nov 9

## Special Focus: Global Financial Leaders' Investment Summit

### High-level banking summit shows HK has returned to normality, another summit planned in 2023

The Global Financial Leaders' Investment Summit kicked off in Hong Kong on 1 Nov 2022. According to the Hong Kong Monetary Authority, more than 200 international and regional leaders from around 120 global financial institutions were attending the three-day summit. According to Global Times, HK summit attracted Wall Street titans, financial elites, 'showing confidence in HK as hub under One Country, Two Systems'. Finance chief Paul Chan wraps up summit as a success and regards it as HK's return to normality. Chan also said in his weekly blog that the city needed to strengthen investment by wooing firms and talent amid a pessimistic economic outlook this year, with the latest gross domestic product (GDP) in the third quarter shrinking by 4.5 per cent compared with the same period during the previous year. Chan revealed that HK will host another financial summit in 2023. Chan is confident that HK is developing into a leading centre for green and sustainable finance and for fintech. [RTHK1](#) [RTHK2](#) [TS SCMP1](#) [TS Reuters](#) [GT SCMP2](#) [RTHK](#) Nov 2, 3 & 6

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#### Contact

62/F, Central Plaza, 18 Harbour Road, Wan Chai, Hong Kong

Phone: +852 3509 5000

[hongkong@eda.admin.ch](mailto:hongkong@eda.admin.ch), [www.eda.admin.ch/hongkong](http://www.eda.admin.ch/hongkong)

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