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Switzerland

Swiss SEBA gets approval-in-principle to offer crypto services in Hong Kong

The HK arm of Swiss crypto-focused SEBA Bank is aiming to become one of the first licensed companies in the city to “conduct investment services with crypto capabilities”, following an approval-in-principle from local regulators. Once full approval comes through, SEBA Hong Kong will be able to deal in securities including virtual asset-related over-the-counter derivatives and structured products. It will also be able to provide advice on securities and crypto and conduct asset management for discretionary accounts in both traditional and virtual assets. The Swiss bank is looking to provide investment services to crypto clients in the city and support responsible growth of the digital assets industry. [SCMP Bloomberg](#) Aug 30

Coronavirus: Highly mutated variant found in new countries but pandemic in ‘a different phase’

The Covid-19 variant BA.2.86 has now been detected in Switzerland and South Africa in addition to Israel, Denmark, the United States and Britain, according to the WHO. Scientists said while it was important to monitor BA.2.86, it was unlikely to cause a wave of severe disease and death given worldwide vaccination rates. [SCMP](#) Aug 25

CS shareholder to file lawsuit over UBS merger; CS to cut 80% of investment bank jobs in HK

Only about 20 bankers will be spared the cuts that will impact Credit Suisse’s 100-strong investment banking team in the territory. Meanwhile, CS shareholder to file lawsuit on Monday 18 Sept. in Zurich, Arik Roschke of the Swiss shareholders’ defence association (SASV) said. He further adds, that around 1’000 small shareholders have joined the complaint by becoming SASV members. [SCMP1](#) [SCMP2](#) Aug 7& 14

Government no need to compensate Swiss photographer, court rules

A high court judge has overturned an order requiring the Department of Justice to pay for a Swiss-born photographer’s legal costs in a case related to the 2019 protests. Marc Progin, who has lived in HK for over four decades, was acquitted of charges of aiding and abetting disorder, after he was accused of blocking the way of a mainland Chinese man who was subsequently confronted by protesters. [SCMP](#) Aug 8

Foreign Policy / International Relations

HK’s London Trade Office defaced as UK seeks detente with China

The HK government blasted the vandalism of its trade office in London as a “nefarious” act by foreign forces, an act of rebellion that came as UK and Chinese officials prepared for talks to mend ties. A photo of the building in question, published by the South China Morning Post, showed red paint and writing around its entrance, although it was unclear from the image exactly what it said. [Bloomberg](#) Aug 31

The wanted 8 – HK, Beijing hit back at US condemnation

China’s foreign affairs office in HK and the SAR government slammed Washington for ‘demonising’ the city’s law enforcement actions after the US issued another statement to address the ‘ongoing harassment’ against the family members of Joshua Wong and five other wanted activists. [HKgov](#) [USgov China’s foreign affairs office in HK](#) Aug 25, 26, 27

American firms not leaving Hong Kong, but worries persist

Consul General Gregory May says city remains important place to build mutual understanding in US-China relations, given its ‘relative freedom’ and wealth of analysts. National security law has prompted concerns among business community, but the 1’300 US companies in the city at present ‘want to remain’, he says. [SCMP](#) Aug 22

Govt slaps ban on Japanese seafood imports

Hong Kong, one of the world’s biggest buyers of Japanese fish, will indefinitely ban aquatic products from 10 prefectures including Tokyo and Fukushima starting Thursday, after Japan announced its discharge plan of nuclear-contaminated wastewater. The curb will encompass all seafood products – whether live, chilled, frozen, or dried – as well as sea salt and seaweed. Japanese Consul General Kenichi Okada calls ban ‘extremely regrettable’ and notes discharge plan was endorsed by International Atomic Energy Agency. [SCMP](#) Aug 22

Hong Kong government strongly condemns EU annual report

The Hong Kong SAR government issued a statement ‘strongly disapproving and firmly rejecting’ the EU annual report, just hours after it was published. A spokesperson slammed the report for launching ‘groundless attacks, slanders and smears’ on the administration’s commitment to safeguard the city’s national security and human rights. [RTHK](#) [HKgov](#) Aug 19

Biden orders new investment ban on China, including Hong Kong

President Biden announced plans to prohibit or restrict US investments in Chinese entities in three sectors: semiconductors and microelectronics, quantum information technologies, and certain AI systems. The executive order listed China, HK and Macao as the ‘countries of concern’. Meanwhile, the HKSAR

government issued a statement urging the US to walk back the restrictions. It called the latest measures 'unreasonable and restrictive'. On the other hand, experts said they are not too worried. Lawmakers, including Ronick Chan of the finance sector and Duncan Chiu of the technology and innovation sector, said the ban would not have a major impact, as US companies have reduced investment in HK enterprises since Washington announced sanctions against SAR officials in 2019. [SCMP](#) [Guardian](#) [Reuters](#) [ST](#) Aug 10, 11

Mainland

Beijing's top official in Hong Kong urges unity, appeals to businesses

Zheng Yanxiong, the director of the central government's liaison office, said the city should be more creative and proactive in exploring ways to drum up international and domestic business. Seek common ground and it doesn't matter if a company is from Hong Kong, the mainland or overseas, Zheng added. At the same symposium, CE John Lee unveiled plans for more overseas trips, saying Hong Kong can prosper by tying into the nation's development while expanding international links. [SCMP](#) [RTHK](#) Aug 2

Domestic Policy / Politics

HK 12 – The last of 12 to be returned to Hong Kong

Tang Kai-yin will be transferred back to Hong Kong this morning, multiple media reported. Tang was sentenced to three years for organising others to cross the border illegally. According to the court diary, he is expected to appear in the Wan Chai District Court on Wednesday for being re-arrested on warrant. [RTHK](#) [SCMP](#) Aug 21 & 23

Chief Executive's first public consultation

Chief Executive John Lee brought Chief Secretary Eric Chan, Financial Secretary Paul Chan, Justice Secretary Paul Lam, and 18 other principal officials to his first session of public consultation for the upcoming policy address on Sunday. Lee said he will look for ways to boost the declining birth rate. A Ming Pao column noted that no political issue was ever mentioned during the session, with a focus strictly on social and economic topics. [SCMP](#) Aug 20

CE brings senior civil servants in charge of economics and commerce to meet with EU diplomats

In continued reporting about the luncheon between Chief Executive John Lee and EU diplomats, multiple media outlets headlined the event with Lee's emphasis on the economic relationship with Europe. They quoted Lee's social media post that recapped his key messages to the EU Head of Office Thomas Gnecchi and 13 other consuls general from the bloc's member states. On the front page, SCMP cited insider sources who disclosed that some envoys raised concerns about the national security law. 'The consuls general suggested that Hong Kong's image in Europe had been tainted by "developments" in national security and related trials', a source told SCMP. [SCMP](#) Aug 17

10 more National Security Law arrests in lieu of 2019 protests

In the latest sweep of arrest, four men and six women were taken for violating the national security law in affiliation with the now-defunct 612 Humanitarian Relief Fund. The arrestees, including core members of a Chinese medicine clinic, were suspected of conspiring to accept donations from overseas organisations to provide financial support to those who had fled Hong Kong. Veteran activist Bobo Yip was taken to a Catholic bookstore in Yau Ma Tei where she works for gathering evidence. [RTHK](#) [HKFP](#) Aug 10

Justice department takes aim at judge over protest song row

The Department of Justice filed a temporary junction request on 'Glory to Hong Kong', after the Court of First Instance refused to ban the broadcasting of the song. The DoJ criticized high court judge Anthony Chan for failing to recognise a lack of expertise in assessing national security risks. Beijing mouthpieces Ta Kung Pao and Wen Wei Po highlighted that matters of national security should override and the court should obey the judgments made by the administration. [RTHK](#) [SCMP](#) Aug 9

More family members of NSL suspects questioned

National security agents have taken the parents of Anna Kwok in for questioning, one of the eight with a HKD1 million (~EUR116'000) bounty on her head, multiple media outlets cited sources. Like other family members who were interviewed, Kwok's parents were questioned over whether they had contacted daughter or offered financial support, but no arrests were made. Anna Kwok, 26, is a core member of the Hong Kong Democracy Council. [RTHK](#) [SCMP](#) Aug 8

Security chief says 'foreign forces' plotted even before 1997

In a social media video, the Secretary for Security Chris Tang chronicled the mass pro-democracy rallies in Hong Kong since 2003 and blamed foreign powers for cultivating locals to oppose the administrations and endanger national security. He also claimed that the anti-article 23 legislation rally in 2003, which attracted half a million to the streets, was a trial run of instigation. [TS](#) Aug 3

Economy

Hong Kong's Belt and Road Summit to feature new session devoted to Middle East

The Belt and Road Summit that Hong Kong is hosting in September will feature a new session dedicated to the Middle East, as well as a record number of speakers and investment projects from the region. The development was announced Thursday as the city continued efforts to forge stronger links with emerging economies amid a shifting geopolitical situation. [SCMP](#) Aug 31

Hong Kong Dollar set for worst month since 1985

The Hong Kong dollar is poised for its biggest monthly retreat since 1985 as interest rates in the city drop and pessimism toward China's economy weighs on the stock market. The currency has declined 0.6% in August — or almost half the maximum swing possible under its trading band with the greenback — to approach the weak end of its permitted range. [Bloomberg](#) Aug 30

CE John Lee pledges to work to make cross-border science and tech hub reality by 2035

Hong Kong's leader has pledged to promote a better flow of innovation ideas between the city and Shenzhen in mainland China to ensure development by the mid-2030s of a border cluster of top laboratories and research institutes. John Lee Ka-chiu on Tuesday also promised to work to integrate the city's innovation and technology ecosystem with national development plans in a bid to further cement Hong Kong's role as a bridge between the mainland and the rest of the world. [SCMP](#) Aug 29

Hong Kong economic woes continue as exports fall 15th month in a row with a 9% decline

HK exports stayed on a downward trend for the 15th month in a row with a fall of more than 9% year on year in July as the contraction in trade with mainland China, the United States and Europe continued. The value of goods sold abroad dropped to HKD345.2 bn (USD44 bn) in July and imports were down 7.9% to HKD375.1 bn, a trade deficit of HKD30 bn for the month, the Census and Statistics Department revealed on Thursday. The last time HK saw a 15-month contraction in exports was in 2015-16. [SCMP](#) Aug 24

Jobless rate dips to 2.8%, a four-year low

The unemployment rate declined across most major economic sectors, with the jobless population shrinking from 113'600 in April-June to 111'700 in May-July. Meanwhile, the underemployment rate stayed at 1.1%. [RTHK](#) [SCMP](#) Aug 17

Paul Chan brushes aside concerns of public funding drain the city's megaprojects

Hong Kong's finance chief has brushed aside concerns over the impact of two multibillion-dollar megaprojects on the public coffers amid a faltering global economy. Financial Secretary Paul Chan Mo-po on Wednesday described the Lantau Tomorrow Vision and Northern Metropolis schemes as "the golden key" to economic development and boosting the housing supply. [SCMP1](#) [SCMP2](#) Aug 23

HK to organize night bazaars, more conferences and exhibitions to drive economic recovery

Hong Kong will launch night bazaars and organize more conferences and exhibitions in a bid to boost the city's economic recovery, the finance chief has said after the government narrowed its full-year gross domestic product (GDP) growth forecast. Financial Secretary Paul Chan Mo-po on Sunday said the city needed to improve its competitiveness and ability to attract tourists through innovation, quality services and outdoor experiences as visitors had changed their habits after the Covid-19 pandemic. The government on Friday revised its GDP growth forecast to a range of 4 to 5% for 2023, a shift from the previous target of between 3.5 and 5.5%. Second-quarter GDP growth hit 1.55% year on year, tapering off from a 2.9% increase in the first three months amid weak global demand and higher interest rates. [SCMP](#) Aug 13

HK retail sales increased 19.6% (HKD33.1 bn) in June, boosted by tourism and consumer demand

Provisional statistics released by the Census and Statistics Department on Tuesday showed retail sales in June hit HKD33.1 bn (USD4.2 bn), equaling 19.6% rise compared with the same month last year., but down on the HKD34.5 bn recorded in May. Retail sales for the first half of 2023 jumped 20.7% over the same period the year before. The government remained bullish and said the outlook for retail sales was favorable. However, Financial Secretary Paul Chan said on 13 Aug, that Hong Kong must continue to improve its attractiveness to tourists, even as the number of arrivals rebounds. [SCMP1](#) [SCMP2](#) Aug 1 & 13

Society / Culture

Exodus to UK continues

9'800 applications for British National (Overseas) visa scheme were made in second quarter of year. Data from the Home Office showed a continued trend where the figure hovered around the 10'000 mark every quarter over the past year. [SCMP](#) Aug 24

Arts hub desperate to stay afloat

Henry Tang, chairperson of the West Kowloon Cultural District Authority, expected that its available capital will all be spent by March 2025, and by then the Palace Museum and the M+ Museum will no longer be

able to organise more exhibitions and events. The cultural district was granted HKD21.6 bn (EUR 2.5 bn) from the public coffers in 2008. [SCMP ST RTHK](#) Aug 18

Birth rate plummets to new low

A new survey by the Family Planning Association highlighted growing concerns about HK's declining birth rate and ageing population as childlessness increases sharply and average family size hits a new low. Meanwhile, the Census and Statistics Department announced that the city's population has rebounded sharply since its borders reopening in February. [SCMP TS](#) Aug 15

Macao

Job vacancy rate in retail trade up 3.1% year-on-year

In the government's latest survey on manpower needs and wages for Q2 2023, number of persons engaged in wholesale and retail trade increased by 3.2% year-on-year to 63 934. In June 2023, average earnings of full-time employees rose by 5.9% year-on-year to MOP14 810 (EUR 1 673), mainly due to the low base of comparison caused by the pandemic. [survey](#) Aug 28

GDP grows 117% in Q2

Macao's economy saw the highest quarterly growth since the second quarter of 2021. The 117.5% year-on-year GDP leap was mainly driven by the thriving tourism and gaming sectors. Meanwhile, both the general unemployment rate (2.6%) and the unemployment rate of local residents (3.3%) have seen slight decreases. [MN](#) Aug 28

MICE almost doubled in second quarter

A total of 493 MICE events were held in Macau, leaping by 185.9% (or 171 events) year-on-year to 263 in the second quarter of 2023. The number of participants and attendees surged by 66.4% year-on-year to 509'000 owing to a spike in large exhibitions. [MDT](#) Aug 25

Macao government reaction to EU annual report

On Saturday afternoon, the Macao government issued a statement expressing its firm opposition to the EU annual report. It called the report another attempt of 'political manipulation based on bias' and urged the EU to upkeep its support for the 'one country, two systems' as stated in the report. [MPD MDT statement](#) Aug 19

Bill amending CE election law submitted to legislature

A new bill proposing amendments to the Chief Executive Election Law could see the leader' allegiance to Beijing scrutinised more closely. Additionally, the bill also proposes to criminalise those who publicly incite others to cast blank or invalid votes, or to abstain from voting, in the CE election. [MPD MN](#) Aug

CE forecasts deficit at least until 2025

Chief Executive Ho Iat Seng told lawmakers that next year's fiscal budget is going to be a tight one. He promised "no cuts" to areas of public spending including education and medical services. [MN](#) Aug 14

Airport sees steady passenger volume recovery in July - Airport expansion to begin in 2024

Compared with the same period of pre-pandemic 2019, the number of aircraft movements recovered by 58%, while the number of passengers recovered by about 60%. Macau airport operator CAM also highlighted the importance of mainland China routes, accounting for 53% of the airport's total passenger volume. Meanwhile, the Macau International Airport is set to boost its capacity to 13 million passengers per year, with the land reclamation process starting in the second half of 2024. The expansion is a priority project of Macao's five-year economic diversification plan newly proposed by the government. [MPD MB MN](#) Aug 7, 8

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