



Think Asia, Think Hong Kong

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Director, Midwest



The Asian Opportunity

● GDP growth (IMF figures)

➤ Emerging & Developing Asia

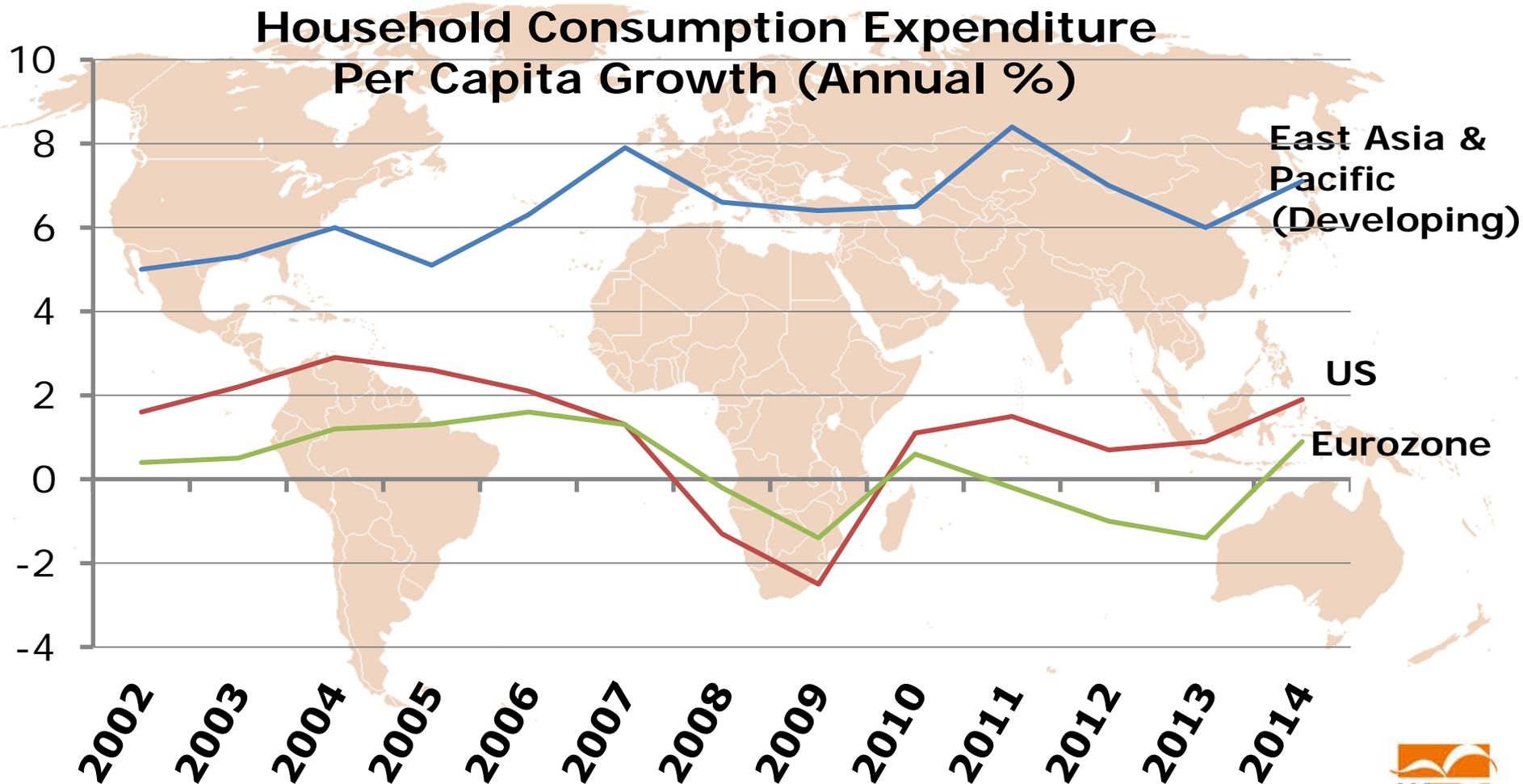
- **2009-2014: 10.8%** (vs 5% for world)
- **2015: 6.6%** (vs 3.1% for world)
- **2016: 6.4%** (vs 3.1% for world) (projections)

● Consumer expenditure (Euromonitor)

- **2010-2015**
- **Asia Pacific: 5%**
- **World: 2.3%**



Developing East Asia & Pacific



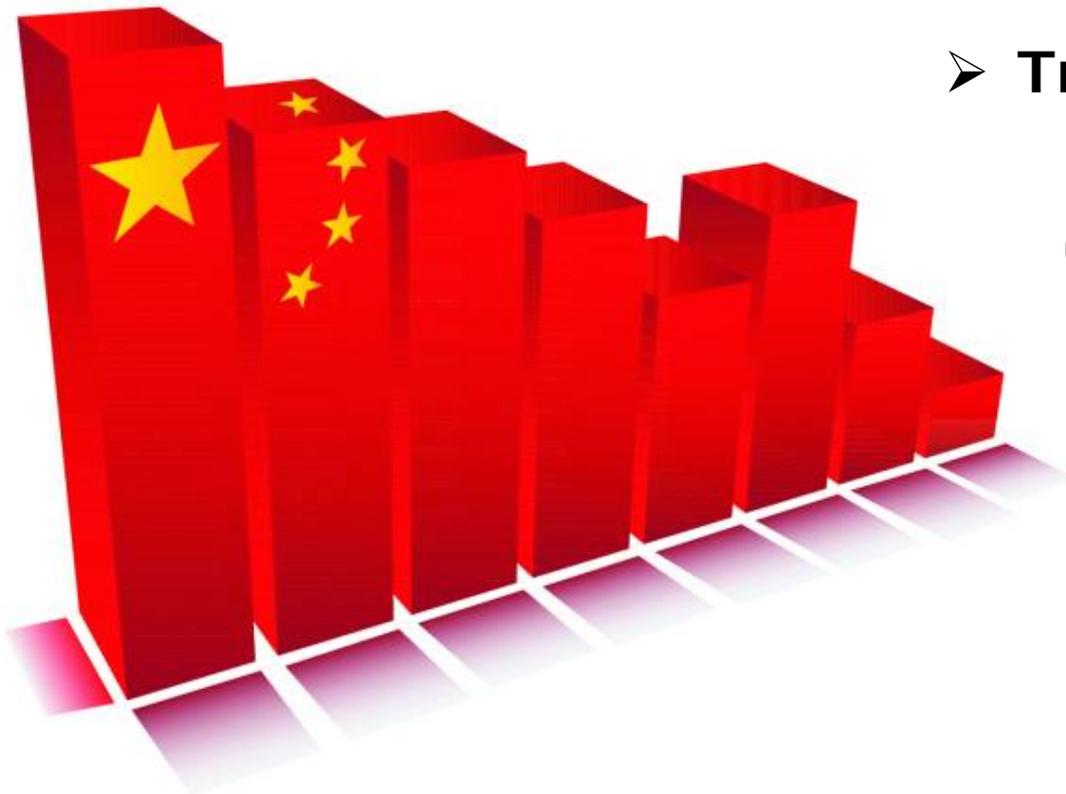
Source: World Bank

The China Opportunity

- **Average annual growth 2003-2014**

- **GDP: 10%**
- **Trade: 18.5%**

- **2015 GDP growth: 6.9% (much higher than global growth of 3.1%)**



China's Development: A New Phase

- **External measures:** → **source of funding and partnerships**
 - “Going out” policy (upgrade and find new technology)
 - Outward Direct Investment (ODI)
 - Currency reform (RMB internationalization)
- **Internal measures:** → **demand for products**
 - Urbanization
 - Boosting of domestic demand
 - Investment in clean energy, environmental projects
 - Encouraging innovation and start-up



China: Growing Consumer Market

- No longer “just” a production base
- Rising consumption — consumer goods imports up 15.7% a year (2010 and 2015)
- Growing middle class — about 230 million
- Urban population — from 56% in 2015 to 60% by 2020



China: It's a "Buyers' Market"

- 1.3 billion+ mobile phone users
- 688 million+ Internet users
- World's largest car market: 24.6 million sold in 2015
- Wine imports: up 35% p.a. avg 2006-2015



China: Growing Technology & Services Demand

13th Five-Year Plan: Innovation as the prime driver

➤ R&D expenditure:

- **2.5% of GDP by 2020** (2.1% in 2015)
- RMB1.4 trillion in 2015 (RMB34.9 billion in 1995)

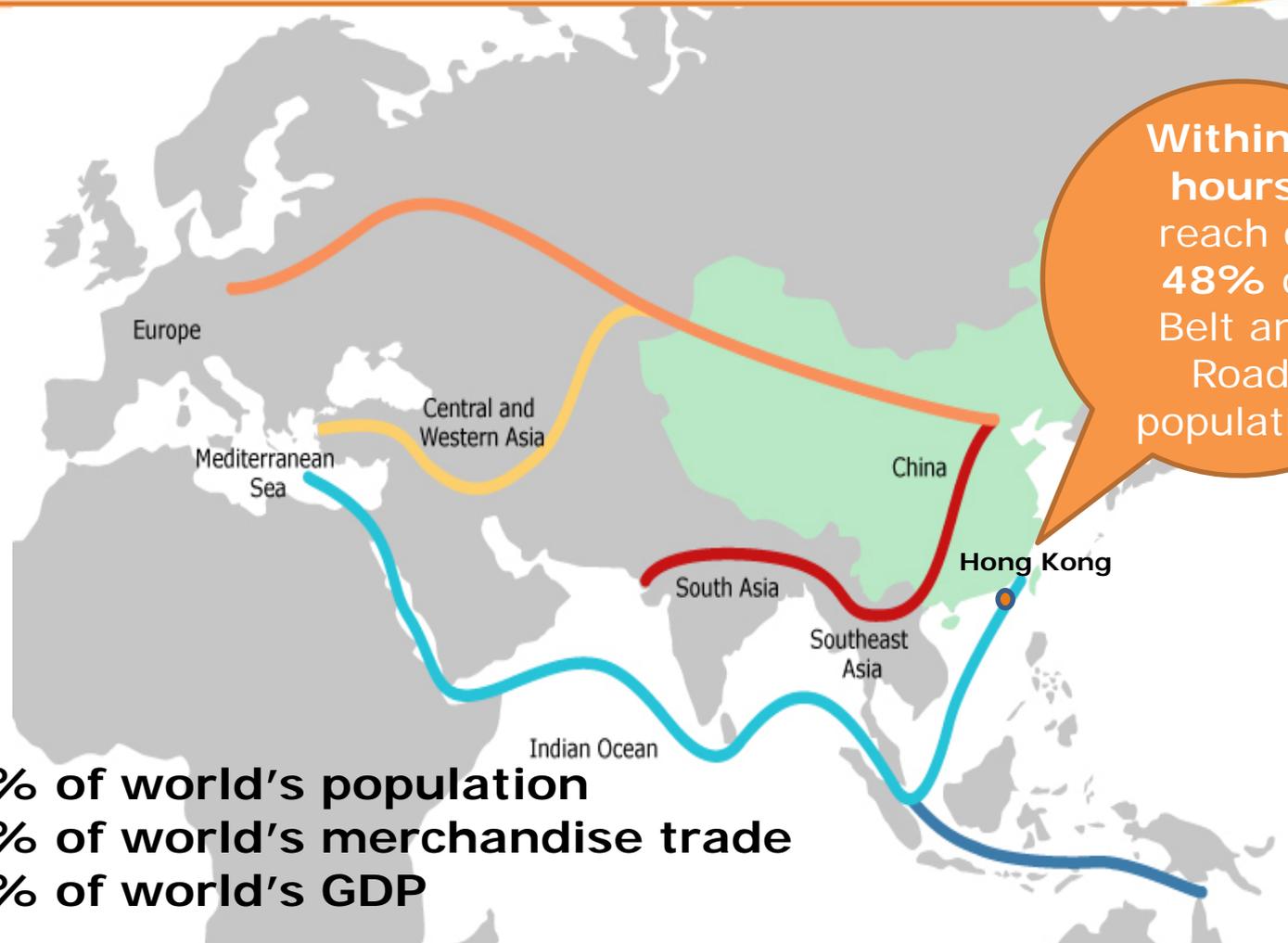
➤ Raise network speeds and expand online economy

- Internet-fixed broadband penetration: 70% by 2020 (40% in 2015)
- Internet-mobile broadband penetration: 85% by 2020 (57% in 2015)
- Building safe, high-speed next-generation information infrastructure
- Developing wireless broadband, the IoT and big data analytics technology and application

15.46 million private enterprises: Tech and services needed



A Major China Strategy: The Belt and Road Initiative



Within 5
hours'
reach of
48% of
Belt and
Road
population

> 63% of world's population
> 35% of world's merchandise trade
~ 30% of world's GDP

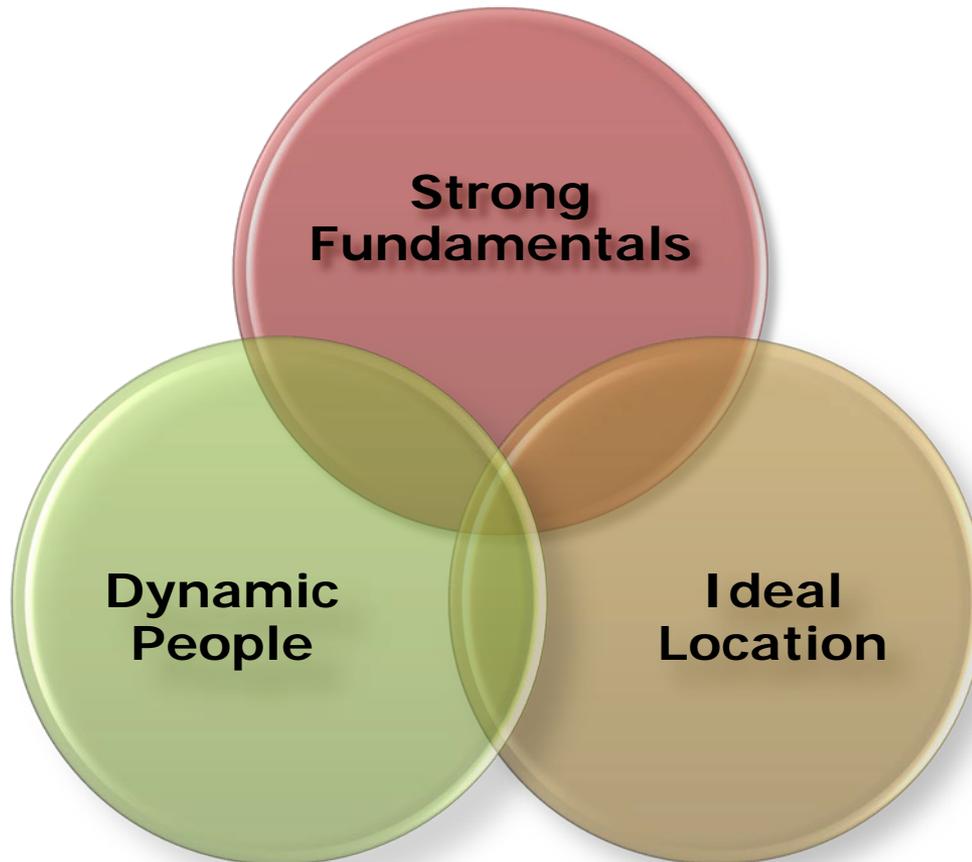
This preliminary map is based on the proposed geo-economic cooperation as described in the *Vision and Actions on Jointly Building the Silk Road Economic Belt and 21st-Century Maritime Silk Road* document. Actual routes may differ and may also extend to encompass other territories as the project develops.

Hong Kong Can Help Overseas Companies Capture Belt and Road Opportunities



Hong Kong Helps Overseas Companies Seize Asian Opportunities

Hong Kong Advantages



Strong Fundamentals

- Rule of law: protection of contracts & IP
- Free flows of information, people, goods & capital
- Level playing field



Hong Kong's Economic Vibrancy

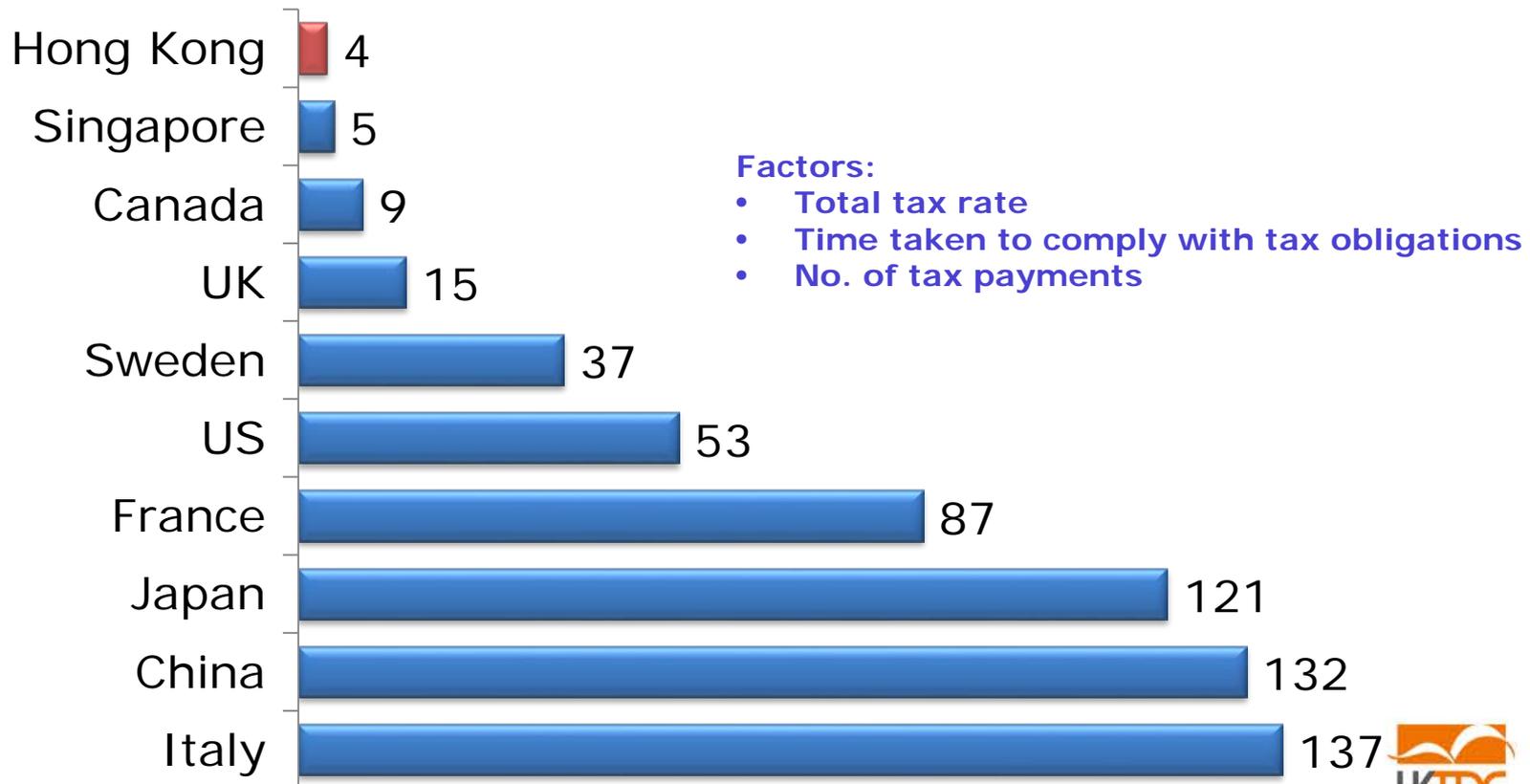
- Ranked world's most competitive economy 2016 (IMD, Switzerland)
- Rated world's freest economy for each of the past 22 years (Heritage Foundation, US)
- Outperforming many other advanced economies

Real GDP % Growth Projections (IMF, July 2016)			
Economies	2016	2017	2021
Hong Kong	2.2	2.4	3.1
Advanced Economies*	1.8	1.8	1.8
Japan	0.3	0.1	0.7
Singapore	1.8	2.2	2.8
Taiwan	1.5	2.2	2.9

* Including US, Canada, Euro area, UK, Switzerland, Sweden, Norway, Denmark, Czech Republic, Israel, Australia, New Zealand, Japan, Korea, Singapore, Taiwan, Hong Kong, etc (Source: IMF World Economic Outlook, July 2016)

Low & Simple Tax System

Ease of paying taxes rankings 2016 (PwC & World Bank)



Hong Kong: International Financial Center

- **World's largest IPO center**, Asia's 4th largest stock market
 - Many top international brands are listed in Hong Kong, eg: Prada, L'Occitane, Coach, Samsonite
 - Largest offshore capital-raising hub for Chinese companies
- **Asia's 2nd largest private equity center**
- **Asia's 3rd largest foreign exchange market**
- **Largest offshore RMB market**
- **Global hub for RMB bond issuance**



Hong Kong: Platform for Chinese Outbound Investment

**57.8% of mainland's
outward foreign direct
investment goes to or via
Hong Kong**

China

Hong Kong

Hong Kong: Asia's lifestyle trendsetter

🔴 Fashion center



Hong Kong: Asia's lifestyle trendsetter

● Distribution center for fine wine & food



HKTDC Hong Kong
International Wine &
Spirits Fair



HKTDC Food Expo

Hong Kong: Regional Trading Hub

- **World's 7th largest exporter in merchandise trade**
- **2015 trade: US\$981 billion**
- **Chinese mainland's most important entrepôt**
- **Free trade agreement with Chinese Mainland**



Hong Kong: An international technology marketplace

An international technology marketplace

- Tech commercialization and R&D capabilities
- Overseas tech companies' gateway to mainland market
- Asia's IP trading hub
- World-class technology fairs



HKTDC Hong Kong Electronics Fair (Autumn Edition) 2015

Hong Kong: Ideal Location



All of Asia's key markets within **4** hrs

5 hrs from half the world's population

Hong Kong: Logistics & Maritime Services Hub

No. 1 air cargo hub

- 4.38 million tons (2015)
- 100+ airlines
- 190 destinations



One of world's busiest container ports

- 20.1 million TEUs (2015)
- 340 container liner services weekly, 470 destinations

Dynamic People

**Hong Kong is the Chinese city that speaks your language
... and the language of international business!**

- Generations of entrepreneurial spirit
- Unrivalled China market and international business experience
- Diverse international workforce



Photo credit: mastertravelphoto.com

Global Business Hub

Bridge linking Asian and global companies



- Voted “Best Business City in the World”
2015: *Business Traveller Asia Pacific*
- High number of regional headquarters & offices representing overseas companies:
~ 3,800, June 2015
(led by US companies)

Creating opportunities in international trade

Providing
Information

Matching
Business Partners

Connecting
Customers

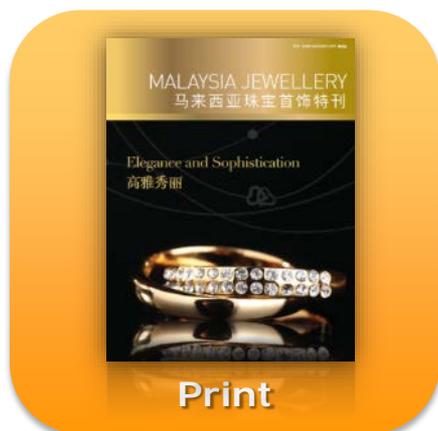


HKTDC: Connecting Buyers & Suppliers



Integrated Marketing Solution

- Trade fairs
- Online marketplace
- Product magazines
- Mobile applications



HKTDC: Marketing & Sourcing Trade Fairs

- 30+ world-class trade fairs
- Around 37,000 exhibitors, over 760,000 buyers a year
- Forming 11 largest marketplaces in Asia

World's
Largest
Marketplaces



Watch & Clock



Gifts & Premium



Fashion
Fall/Winter



Electronics
(Spring)



Electronics (Autumn)
+ electronicAsia



Jewellery +
Diamond, Gem & Pearl



Lighting (Autumn) +
Outdoor Lighting



Toys & Games



Houseware



Licensing



FILMART

HKTDC: hktdc.com Online Marketplace

The screenshot displays the HKTDC website interface. At the top, there are navigation links for 'About HKTDC', 'Media Room', 'Contact HKTDC', 'Wish List (0)', 'My HKTDC', 'Register Now', and 'Login'. Below this is a search bar with filters for 'All', 'Products/Services', 'Company Name', 'Buying Leads', 'Events', 'News', and 'Multimedia'. The search results show 'Top Search: Belt and Road, Hoverboard, Two Wheel Board, Custom PVC Box, LED Bulb'. The main content area features a 'Belt and Road Portal' banner with the URL 'www.beltandroad.hk' and a video player. Below the banner is a 'Register NOW' button. The left sidebar contains a 'Find Service Providers' section with categories like Accounting Service, Advertising, Marketing & Public Relations Service, Design & Brand Strategy, Information Technology Service, Legal Service, Logistics & Transport, Quality Inspection & Testing, and Technology, R&D. Below this is a 'Find Product Suppliers' section with categories like Auto Parts & Accessories, Baby Products, Book & Printed Items, Building Material, Hardware & Machinery, Computer & Peripherals, Electronics & Electrical Appliances, Environmental Protection Equipment & Product, Eyewear & Accessories, Food & Beverage, Footwear, Furniture & Furnishing, Garment, Textile & Clothing Accessories, Gift & Premiums, Handbags & Travel Goods, and Health & Beauty. The main content area also includes 'HKTDC Events' with listings for 'HKTD Hong Kong International Lighting Fair (Spring Edition)', 'HKTD Hong Kong Electronics Fair (Spring Edition)', 'HKTD International ICT Expo', and 'HKTD Hong Kong Houseware Fair'. There are also sections for 'HKTDC Research' and 'Blog and Forum'.

- 1.7M+ registered buyers
- 130,000+ quality suppliers
- 5M monthly user sessions
- 20M+ business connections generated annually

HKTDC: Product Magazines

- 20+ product magazines & industry supplements
- 5 million+ readers from 200+ countries/regions

Print Version



- Mailed to buyers
- Distributed FREE at trade fairs worldwide

Online Version



- Emailed to buyers
- E-advertisements linked to advertisers' webpages on *hktdc.com*

Appgazine Version



- World's first B2B appgazine
- Free download for mobile device users

HKTDC: Market Intelligence at Your Fingertips

Search Advanced Search

Keywords: Internet of Things | Canada | Hong Kong-Zhuhai-Macau Bridge | Vietnam | franchising



Canadian Technology: The Hong Kong Bridgehead into Asia

Philippines: Business Opportunities in Asia's Rising Star

Production in Sri Lanka: The Higher Added-Value Alternative

Looking Ahead: Hong Kong Export Growth in 2015

HKTDC Services Conferences

- Asian Financial Forum
- Asian Logistics and Maritime Conference
- Business of Intellectual Property Asia Forum



HKTDC: A Global Organisation

13 offices on Chinese mainland, more than 40 worldwide



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