



Dear Members,

I would like to take this opportunity to wish you all a happy 2018 and Year of the Dog. May the New Year bring you joy, health and success.

2018 indeed began with a bang. Not only has the Hang Seng Index climbed to its all-time high, our stock market is poised for some very significant advancements. As you all know,

the Stock Exchange will soon admit companies with weighted-voting rights shareholding structure and pre-revenue biotech companies for listing. This move should bode well for Hong Kong and help maintain its edge as the key capital formation centre for China and the region.

China is now the second largest economy in the world and much of the country's GDP is derived from the new economy sectors. Take our closest neighbour Shenzhen as an example, its nominal output in 2017 was 2.2 trillion yuan (US\$338 billion), of which 40% came from "innovative" businesses such as Internet, biotech and telecom. It can be expected that many of the companies that are engaged in these sectors, not only in Shenzhen but across the country, may consider a listing in Hong Kong under the new rules. The new listings would greatly boost our market capitalisation and liquidity, and will generate additional benefits to our financial industry and economy as well.

In the past decade, only 3% of the companies listed in Hong Kong in terms of market capitalisation came from the new economy sectors. This pales in comparison with 12% in Shenzhen Stock Exchange, 60% in NASDAQ and 47% in New York Stock Exchange. Hopefully this would change soon and Hong Kong can compete with the other exchanges for these fast-growing companies, and our investors can enjoy a wider range of investment choices.

While Hong Kong's capital markets would enjoy a boost from this development, it is not without its challenges. We all read about the rigorous enforcement against certain companies and directors recently, as well as the increasingly frequent directives for suspension and delisting by the Securities and Futures Commission and HKEX. To further examine the effects of such stepped-up regulatory and disciplinary efforts to companies and the market as a whole, and to study the opportunities arising from increased market integration with the mainland and the rolling out of the "One-Belt-one-Road" and "Guangdong-Hong Kong-Macau Greater Bay Area" initiatives, we will host a large scale market forum in Hong Kong on April 27, 2018. By organising this forum, we hope to provide a common platform for regulators and market participants, from Hong Kong and the mainland, to come together and deliberate important market issues, with a view to finding the right way forward for Hong Kong's capital markets to enjoy a sustainable success. Our Secretariat will have more information on this forum later on. In the meantime, please save the date. I hope to see you all there.

Yours sincerely,

Francis Leung Pak To
Chairman

各位會員：

我想藉此機會祝願各位於2018狗年萬事如意、新春愉快、身體健康、馬到功成。

2018年伊始已先聲奪人；不但恒生指數升至歷史高位，股票市場亦準備好迎來重大的進程。眾所周知，港交所即將容許採用同股不同權架構的公司及未錄得盈利的生物科技公司上市。此舉應能令香港受惠，並有助香港保持作為中國及區內主要融資中心的優勢。

中國現時是世界第二大經濟體，國內生產總值很大部分來自新經濟行業。以毗鄰我們的深圳為例，其2017年的名義產量為人民幣2.2萬億元（3,380億美元），當中40%來自互聯網、生物科技及電訊等「創新」業務。預期在新規則實施後，會有許多在深圳以至全國從事這些行業的公司考慮來港上市，從而大幅增加我們的市值和交投量，並為我們的金融業和經濟帶來額外裨益。

過去十年間，以市值計，只有3%的香港上市公司來自新經濟行業，比起深圳的12%、納斯達克指數的60%和紐約證券交易所的47%實在相形失色。此情況有望即將改善，令香港能與其他交易所力爭這些發展迅速的公司前來上市，也為我們的投資者帶來更廣泛的投資選擇。

雖然上述發展能推動香港資本市場增長，但亦會帶來挑戰。我們皆知當局近期對部分公司及董事嚴厲執行法規，證監會及港交所發出暫停買賣及除牌指令亦愈見頻繁。為了進一步研究上述加強監管及懲處工作對公司及整體市場的影響，以及探討與內地市場日趨融合及推行「一帶一路」與「粵港澳大灣區」方案所帶來的機遇，商會將於2018年4月27日在香港舉辦一場大型市場論壇，以期為中港兩地監管人員及市場參與者提供一個溝通平台，讓各方能聚首研討重要的市場議題，務求尋找香港資本市場持續成功之道。本會秘書處稍後將公佈論壇詳情。現階段請先預留時間出席，希望屆時能與各位會面。

誠致謝意。

梁伯韜
主席