



## Gateway to Growth

**Bank of China (Hong Kong)** is building on a solid foundation and its extensive network in China

**B**ank of China (Hong Kong) Limited (BOCHK) is a relative newcomer to private banking in the city, but far from being a stranger to the industry. Backed by considerable experience and a comprehensive network, it has been building on its solid financial standing to offer personalised private banking services to discerning clientele. Wendy Tsang, Managing Director and Head of Private Banking at BOCHK, explains how the bank has managed to establish itself in such a competitive market. “We are new in the sense that we set up this unit recently, but we are not new in terms of expertise and experience,” she says. “BOCHK is a leading commercial banking group in Hong Kong; we are building upon a solid foundation with a strong balance sheet.”

Tsang explains that her department works closely with key internal stakeholders, such as global markets, asset management, corporate banking and a substantial retail banking network in order to provide a full range of private banking products and services in the form of a total solution. “We put together investment products and non-investment services to help the clients with their portfolio, liquidity and life cycle management,” she says.

As China continues to be the spark that ignites world growth, BOCHK is in an enviable position to take advantage of this. Says Tsang, “Our parent company, Bank of China (BOC), has an extensive network in mainland China while BOCHK has a huge network in Hong Kong. Equally important, we have a good understanding of the Chinese culture and the needs of Chinese clients in general. So, with all this, we can leverage our network and our experience in the market to really offer a full range of cross-border services – and I think that makes the difference.”

Tsang says her department works with clients on the Mainland who have a well-established relationship with the BOC Group. The department provides cross-border financial planning as well as comprehensive estate planning. “We are not just offering services and advice for individuals, but also serving their family and business needs.”



Cross-border clientele has been a major part of BOCHK's business, as evidenced by its Capital Investment Entrant Scheme (CIES), which has seen a tenfold increase in applicants, from 600 in 2003 to 6,058 in 2012 – and 90 per cent of those came from mainland China. “We put a bit more focus on the new wealth development in mainland China, such as entrepreneurs and first- or second-generation business owners,” says Tsang. “We aim to be their banking partner for their cross-border business needs.”

Tsang is eager to stress that is not the bank's sole focus, and that BOCHK always aims to bring the best of both markets, pointing out that the Hong Kong market is relatively mature. “We see a lot of interest to expand business as well as individual investment into mainland China. We can help make this a reality with our knowledge. We are able to help with direct investments by leveraging BOC's expertise and their network,” she says.

Another positive aspect of China's strong economic growth is the strength of the renminbi (RMB). Says Tsang, “We have always enjoyed a leading role in the RMB market, in addition to having been appointed the sole clearing bank for RMB business in Hong Kong since 2003. In the past two years there have been quite a few developments. We are currently the only

market maker in the world to provide market quotes of the CNH futures on both the Chicago Mercantile Exchange and the Hong Kong Futures Exchange. We have also partnered with the FTSE Group to set up the ‘FTSE-BOCHK Offshore RMB Bond Index Series’. The new index series allows investors to easily benchmark and access the markets of offshore RMB-linked fixed income products. All of these landmark developments strengthen our capability and unique competitive position in the provision of RMB products and services.”

More recently, BOC has launched Family Office wealth management services in five major cities in mainland China. Tsang explains, “We see this as a timely strategic move with the double-digit growth of new wealth in mainland China. We also see this as an opportunity to further develop cross-border services.”

To sum up, Tsang says, “Our vision has always been about long-term planning and sustainable growth, rather than short-term profitability. A lot of people talk about a one-stop solution, but it is not easy when you look at all the different institutions and their various centres. We are lucky in that we have our huge network. Coupled with our management vision, it allows us to work together to provide a total solution.” ■

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Wendy Tsang, Managing  
Director and Head of Private  
Banking at BOCHK