



China Insights

Bank of China (Hong Kong) Private Banking's unique understanding of Mainland China's economic transitions makes it an invaluable partner for investors navigating policy change

Mainland China's transition to a more balanced model of economic growth has been one of the most important themes of the past few years. However, this policy has not always been well understood by outside observers. "It is true that the economy is slowing down, but this is a deliberate move to get away from investment-led expansion towards a more sustainable, consumption-driven economy," says Wendy Tsang, managing director and head of Bank of China (Hong Kong) (BOCHK) Private Banking.

Understanding the motives and policy priorities behind this shift are crucial in capturing market opportunities—and BOCHK, with its huge network onshore and offshore, is well-prepared for the new normal.

One such opportunity is China's One Belt, One Road initiative. With short-term economic growth now slightly undershooting expectations, the government is once again committing to invest through the creation of a dedicated infrastructure investment bank. The programme aims to build an infrastructure network that connects China with its neighbours to spur regional growth throughout Central, South and Southeast Asia.

"We expect to see massive changes in the economic landscape with the establishment of the Asian Infrastructure Investment Bank," says Tsang.

BOCHK was named Bank of the Year in Hong Kong 2015 by *The Banker* magazine in recognition of BOCHK's innovation capabilities, broad-based strength and consistently solid performance—it's the second time it has been granted the award, after winning in 2013. It was also named the Strongest Bank 2015 in Asia Pacific and Hong Kong by *The Asian Banker*.

Tsang believes the strong presence allows the bank to provide a comprehensive suite of products and services to overseas private banking clients who want to gain access to the China market, as well as providing a bridge to international markets for Mainland Chinese entrepreneurs and first-generation business owners.

"China's continued policy liberalisation is favourable to Hong Kong," says Tsang. "Though the Shanghai Stock Connect and Mutual Fund recognition have not led to huge fund movement yet, it is an important step to open up the fund flow channels. We will expect more encouraging traffic onshore and offshore when the market is performing." ■

EXPERT GUIDANCE
Wendy Tsang, head of
Private Banking, BOCHK