

May 31, 2021

Quartz  
The Editor

Dear Editor,

Re: Your online article “HKEX is key to China’s plan to internationalise its economy” (May 28).

It is totally inaccurate and misleading to insinuate that the Law on Safeguarding National Security in the Hong Kong Special Administrative Region (HKSAR), somehow creates “uncertainty” or that our cherished fundamental strengths are being “dismantled”.

Let facts and figures tell the accurate story.

Since the Law took effect last June, following months of violent protests and chaos in society, order has been restored and stability has returned to our city.

Far from being an “authoritarian crackdown”, the Law supports the effective implementation of “one country, two systems” – it will not change Hong Kong’s high degree of autonomy or in any way undermine legitimate rights and freedoms enjoyed by Hong Kong people under the Basic Law.

Freedom of speech, of the press and of publication are among the rights and freedoms explicitly highlighted in Article 4 of the National Security Law as being protected in accordance with the law in Hong Kong.

Any allegation of interference with judicial independence is also totally groundless.

Back to Hong Kong’s financial markets, we have weathered the storm and are performing exceptionally well. For example on the listed equity side, funds raised through IPO were more than US\$17 billion in the first quarter of this year, more than nine times compared to the same period of 2020.

At a broader scale on the monetary side, we have witnessed the inflow of close to US\$50 billion since the second quarter of last year and our foreign reserves now stand at 1.8 times of the HK-dollar monetary base.

On a more daily basis, the average daily turnover of our equity market in the first quarter reached over US\$28 billion, up 86 per cent year-on-year reaching a record high. These all are testimony to the strengths and resilience of our financial markets.

Hong Kong also provides unrivaled connectivity with the financial markets of Mainland China, offering direct two-way access through the Stock Connect and Bond Connect programmes, as well as the proposed Guangdong-Hong Kong-Macao Greater Bay Area Wealth Management Connect.

With the restoration of stability in Hong Kong, our city will continue to evolve and develop its vital role as a global financial centre and a secure, efficient and effective bridge linking Mainland China markets with the rest of the world and vice versa.

Yours sincerely,

Christopher Hui  
Secretary for Financial Services and the Treasury  
Hong Kong Special Administrative Region Government