



Message from CEO

2021 is coming to a close and I am glad to report that the AoF has had a very fruitful year, thanks to your support and participation. Our leadership development and research efforts have focused on and made contributions to key contemporary developments in the financial sector, including fintech and digitalisation, green finance and ESG, and GBA and China. We have also expanded significantly the reach of our events and reports, not only to many more senior executives in the local financial sector, but also to stakeholders outside of Hong Kong, including regional central banks and the audience in Mainland China. The webinar on the RMB exchange rate in August, for example, attracted over 1.16 million viewers and has set a new benchmark for our future efforts in increasing our impact and promoting our brand.



Kwok-chuen Kwok
CEO, Hong Kong Academy of Finance

Impact and branding are important because the AoF/HKIMR should aim at making itself a premium platform for informed and insightful discussions on economic and financial issues, particularly those related to Hong Kong, China and this region. This would contribute towards building Hong Kong's thought leadership as it develops further as a global financial centre.

An important, new initiative we have introduced is the [Financial Leaders Programme](#). This aims to nurture the next generation of top leaders for our financial services industry. I encourage our Members to consider seriously nominating their promising, experienced colleagues to this Programme if you have not already done so.

I wish you a healthy and prosperous 2022, and I look forward to seeing you in coming AoF activities!

Kwok-chuen Kwok
CEO, Hong Kong Academy of Finance Limited



New Initiative

AoF Launches Financial Leaders Programme

The AoF launched the [Financial Leaders Programme](#) on 8 November 2021. The Programme is an important initiative to groom Hong Kong's future top-level financial leaders, and receives full support from the Financial Services and the Treasury Bureau and all the financial regulators in Hong Kong. Participants will be offered a unique opportunity to engage in dialogue with and learn from top leaders in the Government, regulatory authorities, financial institutions and the business sector. They will be able to expand their network with other financial talents from a diverse background in financial services and build strong bonding across cohorts of the Programme. Each year, the Programme will admit around 15 promising financial talents from a diverse background at approximately two levels below the Chief Executive Officer position. The Programme will be offered on a part-time basis and lasts for about 9 months, with the 2022 cohort commencing in April 2022.

Application is open until 9 January 2022. Programme details and the application form are available from the [programme website](#).

**FINANCIAL
LEADERS
PROGRAMME**

**HONG KONG
ACADEMY OF
FINANCE**
金融學院

Financial regulators come together to promote the AoF Financial Leaders Programme.



Events

The Eleventh Annual International Conference on the Chinese Economy

The Hong Kong Institute for Monetary and Financial Research (HKIMR) successfully hosted the Eleventh Annual International Conference on the Chinese Economy (the Conference) on 11 November. Over 3,000 people participated, both online and offline, including many from central banks, international financial institutions, the financial sector, the academia, and professional institutions.



Mr Eddie Yue,
Chief Executive of HKMA

The theme of the Conference this year is “On the Path to Common Prosperity: China’s Economic Development in Dual Circulation”. In his Opening Remarks, Mr Eddie Yue, Chief Executive of Hong Kong Monetary Authority, highlighted a range of important policy issues of the Chinese economy, including income inequality problems and a rapidly aging population.



Mr Long Guoqiang,
Vice President of the Development Research Center of the State Council

During his keynote speech, Mr Long Guoqiang, Vice President of the Development Research Center of the State Council, elaborated on the policy of common prosperity in depth. He also had a candid conversation with participants on the latest development of the property sector in China.

This is the first year that the Conference was conducted in a hybrid format. Around 30 Economists, AoF Members and guests attended the Conference in person.



[To watch the video replay of the Conference and find out more insightful views from other speakers.](#)



Interview Series – Professor Edward Chen

Following the success of Interview Series on “Navigating through Uncertainties and Chaos” last year, AoF proudly presented a brand [new episode](#) featuring Professor Edward Chen, Chairman of HKU SPACE in October.

Professor Chen has had many outstanding achievements. In his academic career, he was a renowned economist who focused on economic development and regional economic cooperation. He is also a born teacher. Before joining HKU SPACE, Professor Chen championed the development of a liberal arts education when he was the President of Lingnan College. He was also a Member of the Executive Council and the Legislative Council of Hong Kong.

In this AoF's Interview Series, Professor Chen shares his views on the following areas:



Navigating through Uncertainties And Chaos

Interview with Professor Edward Chen





Events

AoF Members Gatherings October 2021

To enable Members to get to know each other and more about the AoF, we organised 3 sessions of small-scale Members gatherings in October 2021. 29 Members from different sectors of the financial industry attended the gatherings and exchanged views on various opportunities and challenges facing us today. Discussion topics included digitalisation & technology, ESG, new regulatory developments, talent development and China/Greater Bay Area. We will continue to organise Members engagement activities with flexible format to adapt to the pandemic situation and we look forward to your active participation.





Events

Collaborative Events

Banking Talent Programme

Webinar - "Asset Management Industry: Interaction with Other Financial Services Segments and Opportunities"

The AoF and the HKMA co-hosted a webinar under the professional training series of the Banking Talent Programme on 8 November 2021, featuring Ms Janet Li, Wealth Business Leader of Asia, Mercer Investment (HK) Limited. During the webinar, Ms Li gave an overview of the asset management industry and shared her insights on business and career opportunities of the industry.



Ms Janet Li (Left), Wealth Business Leader of Asia, Mercer Investment (HK) Limited and Ms Carrie Leung, Chief Executive Officer of The Hong Kong Institute of Bankers.

Asian Insurance Forum 2021

Panel Discussion - "Shaping Fintech up for the New Normal"

The AoF and the IA co-organised a panel discussion titled "Shaping Fintech up for the New Normal" at the Asian Insurance Forum (AIF) on 7 December 2021. The AIF is the annual flagship event of the Insurance Authority, connecting financial regulators, industry leaders, academics and professionals in the insurance industry to exchange views on development prospects and opportunities in the Asian insurance market. Speakers shared their experience in fintech adoption and investment, in order to inspire insurance practitioners in speeding up the adoption of Insurtech.



[To watch the video of AIF 2021 panel discussion](#)



The panel was moderated by Mr Stephen Yiu, Non-Executive Director of the IA, featuring Ms Angel Ng, Chief Executive Officer of Citi Hong Kong and Macau, Mr Colin Pou, Executive Director (Financial Infrastructure) of HKMA, Mr Chibo Tang, Managing Partner of Gobi Partners and Mr John Tsang, Senior Adviser of Bowtie.



Events

Collaborative Events

AoF-CSC Joint Seminar

Leveraging on Hong Kong's Competitive Edge as an International Financial Centre

On 16 December 2021, the AoF and the Civil Service College co-organised a seminar titled "Leveraging on Hong Kong's Competitive Edge as an International Financial Centre" as one of the inaugural events of the Civil Service College of the HKSAR. During the seminar, Mr Darryl Chan, Executive Director (External) of HKMA gave an overview on the recent developments in Hong Kong's financial services industry, followed by a panel discussion moderated by Mr Kwok-chuen Kwok, Chief Executive Officer of Hong Kong Academy of Finance. The panel discussed the future of Hong Kong's economy, growth prospects, as well as opportunities and challenges Hong Kong faces as an international financial centre.



Mr Patrick Nip, Secretary for the Civil Service, taking a photo with speakers from AoF including Ms Bonnie Chan, Head of Listing of HKEX, Mr Cheah Cheng-hye, Co-Chairman, Co-Chief Investment Officer and Co-Founder of Value Partners Group, Mrs Ann Kung, Deputy Chief Executive of Bank of China (Hong Kong) and Mr Edward Moncreiffe, Chairman of the Hong Kong Federation of Insurers and Chief Executive Officer of HSBC Life (International).



Events

HKIMR Disseminating its Research Report

Panel Session at Hong Kong Fintech Week 2021

At the Hong Kong Fintech Week, Dr Giorgio Valente 2021, Head of the Hong Kong Institute for Monetary and Financial Research (HKIMR), together with Mr Larry Cao, Senior Director of the CFA Institute, Professor Kar Yan Tam, Dean of the HKUST Business School and Prof Lapman Lee, Professor of Practice of the Hong Kong Polytechnic University, discussed the latest HKIMR report on Artificial Intelligence and Big Data in the Financial Services Industry and shared insightful views on talent flows and strategies for talent development.



Dr Giorgio Valente, Head of the Hong Kong Institute for Monetary and Financial Research



Prof Kar Yan Tam, Dean of the HKUST Business School



Mr Larry Cao, Senior Director of the CFA Institute



Prof Lapman Lee, Professor of Practice of the Hong Kong Polytechnic University



Events

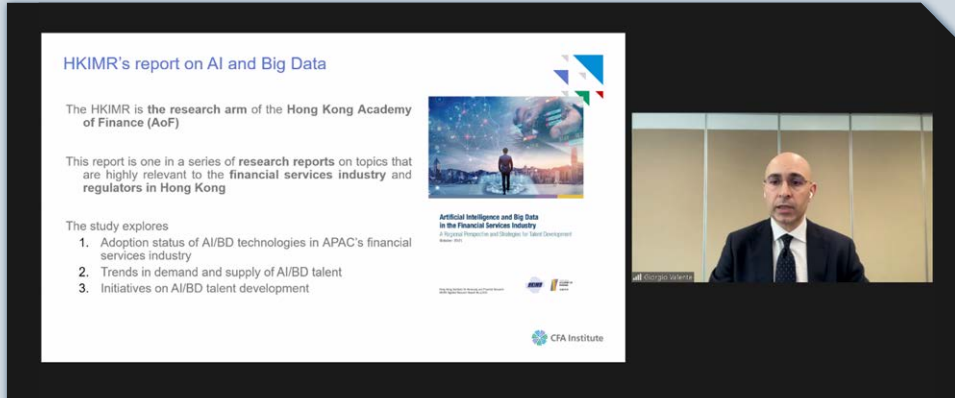
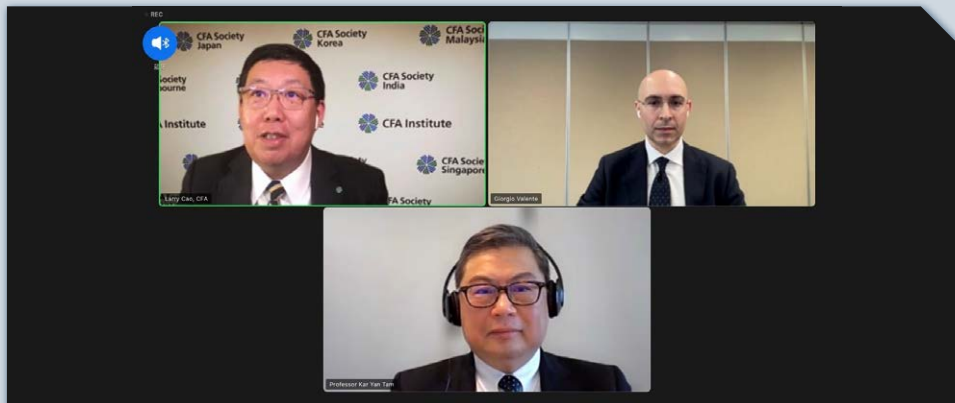
HKIMR Disseminating its Research Report

Webinar by the CFA Institute - AI and Big Data Adoption in APAC Financial Services and Strategies for Talent Development

The HKIMR report on Artificial Intelligence and Big Data in the Financial Services Industry was also shared by Dr Valente, Mr Cao, and Professor Tam in a webinar organised by the CFA Institute in December 2021. The event was attended by CFA charter holders in the APAC region and the video recording has been further disseminated in other regions worldwide.



[To watch the recording of the webinar](#)





Research

Applied Research

The HKIMR released a new Applied Research report on **Artificial Intelligence and Big Data in the Financial Services Industry: A Regional Perspective and Strategies for Talent Development** in October 2021.

The key takeaways of the report are:

- **71% of the survey respondents** across financial sectors in the Asia-Pacific region have either adopted or planned to adopt AI/BD technologies in the next 12 months;
- Market participants see clear benefits from AI/BD adoption, but **they also highlight that the shortage of talent** is one of the key challenges **now and in the next 5 years**;
- **Professionals with both finance and AI/BD skills will be in demand** over the next 2 years, with **85% of AI/BD professionals currently employed in non-financial sectors**;
- While all financial centres in the region **experienced net inflows of AI/BD talent** during the past year, talent gaps are still present; and
- Strategies to **narrow the existing talent gap** and **support talent recruitment** are key to developing a critical mass of professionals that can support further AI/BD adoption in Hong Kong's financial services industry.



The full report can be viewed [here](#).



[To watch the video clip of a summary of the report.](#)



Research



Monetary Research

Since last September, the HKIMR has published the following studies on relevant topics in monetary and financial economics:

WP NO. 27/2021	Rise of Bank Competition: Evidence from Banking Deregulation in China (by Haoyu Gao, Hong Ru, Robert Townsend and Xiaoguang Yang)
WP NO. 26/2021	Effect of Climate-Related Risk on the Pricing of Bank Loans: Evidence from Syndicated Loan Markets in Asia Pacific (by Kelvin Ho and Andrew Wong)
WP NO. 25/2021	On the Geographical Dispersion of Euro Currency Trading: An Analysis of the First 20 Years and a Comparison to the RMB (by Frank Westermann)
WP NO. 24/2021	Is the Renminbi a Safe-Haven Currency? Evidence from Conditional Coskewness and Cokurtosis (by Xin Cheng, Hongyi Chen and Yinggang Zhou) Published in <i>Journal of International Money and Finance</i> , Volume 113, January 2021, Article 102359
WP NO. 23/2021	Household Indebtedness and the Consumption Channel of Monetary Policy: Evidence from China (by Michael Funke, Xiang Li and Doudou Zhong)
WP NO. 22/2021	Payments on Digital Platforms: Resiliency, Interoperability, and Welfare (by Jonathan Chiu and Tsz-Nga Wong) Accepted by the <i>Journal of Economic Dynamics and Control</i>
WP NO. 21/2021	The Design of a Central Counterparty (by John Kuong and Vincent Maurin)
WP NO. 20/2021	Market-Friendly Central Bankers and the Signal Value of Prices (by Prasanna Gai, Edmund Lou and Sherry X. Wu)
WP NO. 19/2021	The Rise of China's Service Sector (by Chong-En Bai, Xilu Chen, Zheng (Michael) Song and Xin Wang)

All HKIMR working papers can be viewed [here](#).

Research Seminars/Webinars



HKIMR Webinar – “Household Indebtedness and the Consumption Channel of Monetary Policy: Evidence from China” on 8 October 2021 by Michael Funke, Hamburg



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