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Photo: Elson Li

TOP STORY

Hong Kong seeks changes to copyright law to bolster AI development

SCMP, by Ng Kang-chung - 08 July

Hong Kong authorities are seeking input to update its copyright law to support artificial intelligence (AI) technology. The proposed changes aim to allow the use of copyrighted content for AI-powered applications, balancing the interests of copyright owners and the public. The government believes these updates will help Hong Kong become a regional intellectual property trading hub.

SWEDCHAM says: Allowing the use of copyrighted content for AI development could facilitate collaborative AI projects between Swedish and Hong Kong-based firms. Additionally, if Hong Kong becomes a regional intellectual property trading hub, Swedish businesses can leverage this platform to commercialise their AI-related IP or acquire complementary technologies.

FINANCE

HKMA in talks to expand wealth management program with mainland

China Daily, by Oswald Chan - 05 June

The Hong Kong Monetary Authority (HKMA) is in discussions with financial industry stakeholders about expanding the cross-boundary Wealth Management Connect program with mainland China. Key areas under consideration include raising investment quotas, diversifying product types, and streamlining the sales process to better serve private banking customers.

SWEDCHAM says: With increased investment quotas and a broader range of financial products, Swedish companies can diversify their investment portfolios and potentially achieve higher returns.

The program's facilitation of cross-border financial transactions simplifies fund transfers and currency exchange, enhancing operational efficiency for Swedish firms involved in trade between Hong Kong and mainland China. Moreover, Swedish expatriates in Hong Kong could benefit from improved access to wealth management services, optimising their financial planning and asset growth.



Chief Executive of Hong Kong Monetary Authority Eddie Yue Wai-man
Photo: Andy Chong





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FINTECH

Hong Kong to launch Asia's first inverse bitcoin ETF

Reuters, by Summer Zhen - 22 July

Hong Kong has launched Asia's first inverse Bitcoin ETF, allowing investors to bet against the cryptocurrency's price movements. Debuting on 31 July, the ETF will track an index that shorts Bitcoin futures. This move comes as regulatory authorities globally grapple with the growing interest in cryptocurrencies. The inverse Bitcoin ETF aims to provide investors with a new tool to manage their exposure to the volatile crypto market.

SWEDCHAM says: Swedish companies with exposure to cryptocurrencies or the broader technology sector can use the inverse Bitcoin ETF as a hedging instrument to mitigate risks associated with Bitcoin's price volatility, thereby stabilising their financial performance.

The ETF also offers diversification options for corporate treasury holdings or investment portfolios. Monitoring the ETF's performance and trading volume provides insights into market sentiment towards cryptocurrencies, informing strategic decisions related to digital assets and fintech initiatives. Moreover, the ETF's launch reflects Hong Kong's commitment to developing its fintech ecosystem, prompting Swedish businesses to closely track regulatory developments relevant to their operations.



Photo: Bobby Yip



Secretary for Labour & Welfare Chris Sun (right, back row), with Liaison Office and CPC Shanghai Municipal Committee officials
Photo: news.gov.hk

Hong Kong and Shanghai signs talent exchange deal

Hong Kong Business - 12 June

Hong Kong and Shanghai have signed a memorandum of understanding (MOU) to deepen talent exchanges and cooperation between the two cities. The agreement aims to promote the "southbound and northbound" two-way flow of talent, allowing talent in both places to pursue career, business, and investment opportunities. It will strengthen cooperation in global talent attraction, services, employment, and development, with the goal of developing Hong Kong and Shanghai into talent hubs.

SWEDCHAM says: The talent exchange agreement between Hong Kong and Shanghai offers significant benefits for Swedish businesses by enhancing access to a broader pool of skilled professionals. This MOU facilitates smoother talent mobility, enabling Swedish firms to deploy and attract top talent across both cities. It also supports the development of joint initiatives in talent services and employment, fostering collaboration with local partners and enhancing operational capabilities. Swedish firms can leverage this agreement to enhance their competitive edge by tapping into the diverse talent landscape, driving innovation, and expanding their market presence in both Hong Kong and Shanghai.



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E-COMMERCE

HK e-payment system Octopus rolls out new offers to counter AlipayHK amid surge in northbound travel

Global Times, by Feng Fan - 10 July

Local e-payment system Octopus has rolled out new incentives to counter the rising popularity of AlipayHK amid increasing northbound travel from Hong Kong. This includes waiving transfer fees for the first HK\$10,000 in monthly transactions for commercial users, aiming to retain local spending as more Hong Kong residents use AlipayHK for shopping and travel in the mainland

SWEDCHAM says: Waiving transfer fees for the first HK\$10,000 (around US\$1,300) in monthly transactions can alleviate the financial burden on Swedish SMEs in Hong Kong, allowing them to reinvest cost savings into their operations.

The potential for reduced fees on transfers between business accounts and Octopus cards provides greater flexibility, crucial during economic challenges. This can help Swedish businesses better manage their cash flow and navigate market fluctuations.

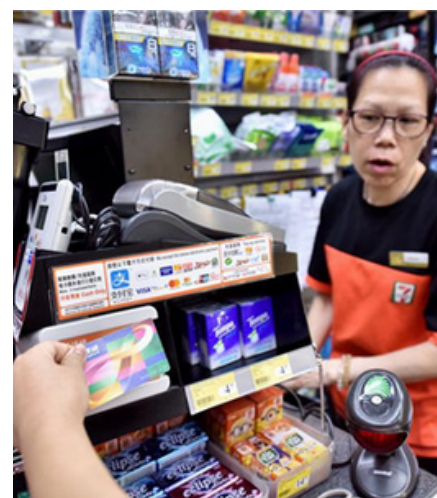


Photo: Wang Xi



Photo: Yik Yeung -man.

INTEREST RATES

Hong Kong keeps rate steady for seventh time as traders shift hope of cuts to later this year

SCMP, by Enoch Yiu - 13 June

Hong Kong has maintained its base interest rate at 5.75% for the seventh consecutive time, aligning with the US Federal Reserve's decision to keep its target rate unchanged. Major local banks, including HSBC, Standard Chartered, and Bank of China (Hong Kong), have also kept their key lending and deposit rates unchanged. The Hong Kong Monetary Authority (HKMA) has cautioned that high interest rates may persist following the US Federal Reserve's decision, while traders still expect rate cuts to begin in September.

SWEDCHAM says: Stable interest rates directly influence borrowing costs, allowing companies to plan their financial strategies and investment decisions with greater certainty. The consistency reflects broader economic stability in Hong Kong, which is crucial for making informed business decisions. Furthermore, the HKMA's alignment with the US Federal Reserve's policies and the currency peg to the US dollar provide a reliable economic environment, minimizing currency exchange risks. For Swedish businesses, the predictable financial landscape enhances investor confidence and supports effective long-term planning and operations.



SWEDCHAM

Swedish Chamber of Commerce in Hong Kong

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Kreab is a global strategic communications consultancy committed to creating value. Our global team is skilled in advising organizations, from scale-ups to established multi-nationals, on how best to promote, protect and enhance their enterprise value.

We capitalize on our extensive experience and expertise to manage complex and sensitive cases, including crisis, reputational issues and change management. Our consultants are specialists in corporate communications, financial communications, crisis communications, and public affairs with proven experience of integrating these disciplines to fully support our clients.



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SWEDISH CHAMBER OF COMMERCE IN HONG KONG

www.swedcham.com.hk

The Swedish Chamber of Commerce in Hong Kong (SwedCham Hong Kong) is a non-profit, nongovernmental organization with over 220 Swedish and Swedish related companies and individuals. SwedCham Hong Kong was established 36 years ago with a mission to promote and advance Swedish businesses and values while providing a broad spectrum of services to its members. Swedish values such as sustainable, innovative, open, and caring, are guiding principles of the Chamber and embedded in its approach.

SwedCham Hong Kong is a dynamic platform – by members for members. With a network of over 220 companies and individuals, from a wide range of sectors and industries such as financial services, logistics, legal, retail, sourcing and production.

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... see you next month!