

Message from CEO



The AoF had a very busy April-June quarter as activities revived along the stabilisation of local pandemic situation. Five webinars under the Conversation with Financial Leaders series and four modules of the Thematic Programme on Fintech & Digitalisation were organised. To enable more finance executives to benefit from these online events, proactive efforts were made to significantly increase the number of “Friends of AoF”. Video replays of the events circulated to

Members and Friends attracted a lot of views. We also continued to organise Members’ Engagement Meetings.

In line with the decision made by the AoF Board earlier this year, AoF events would focus on, apart from ongoing global financial issues, three main strategic themes going forward: (a) Green Finance and ESG, (b) FinTech and Digitalisation, and (c) Greater Bay Area and China. We will continue to engage Members to solicit their views on our future programmes and activities.

The HKIMR has introduced a new series of webinars to allow overseas Scholars to present and discuss their research work, while visits to Hong Kong are still unfeasible because of the ongoing pandemic. The webinars focus on relevant issues in monetary and financial economics. The HKIMR is also planning larger-scale research webinars which will take place later in the year.

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

Leadership Development

Conversation with Financial Leaders

The AoF has successfully organised five webinars under its Leadership Development Programme from April to June. These include conversation sessions with Mr Laurence Fink, Mr Ray Dalio, Mr John Dugan, Mr David Rubenstein and Sir Howard Davies respectively. Mr Norman Chan, Senior Adviser of the AoF, moderated the webinars. A total of 16 senior financial practitioners also joined the conversation sessions by raising questions in the Q&A sessions.



Mr Norman Chan, Senior Adviser of the AoF

The webinars covered a wide range of topics, such as global economic, financial and political issues, talent development and personal stories of success. Responses to these webinars were encouraging, with altogether more than 800 participants joining real-time and more than 850 people watching video replays afterwards.



Mr Laurence Fink
Founder Chairman and CEO
BlackRock

Mr Ray Dalio
Co-Chairman and
Co-Chief Investment Officer
Bridgewater Associates



Mr John Dugan
Chair
Citigroup Inc.

Mr David M. Rubenstein
Co-Founder and
Co-Chairman
The Carlyle Group

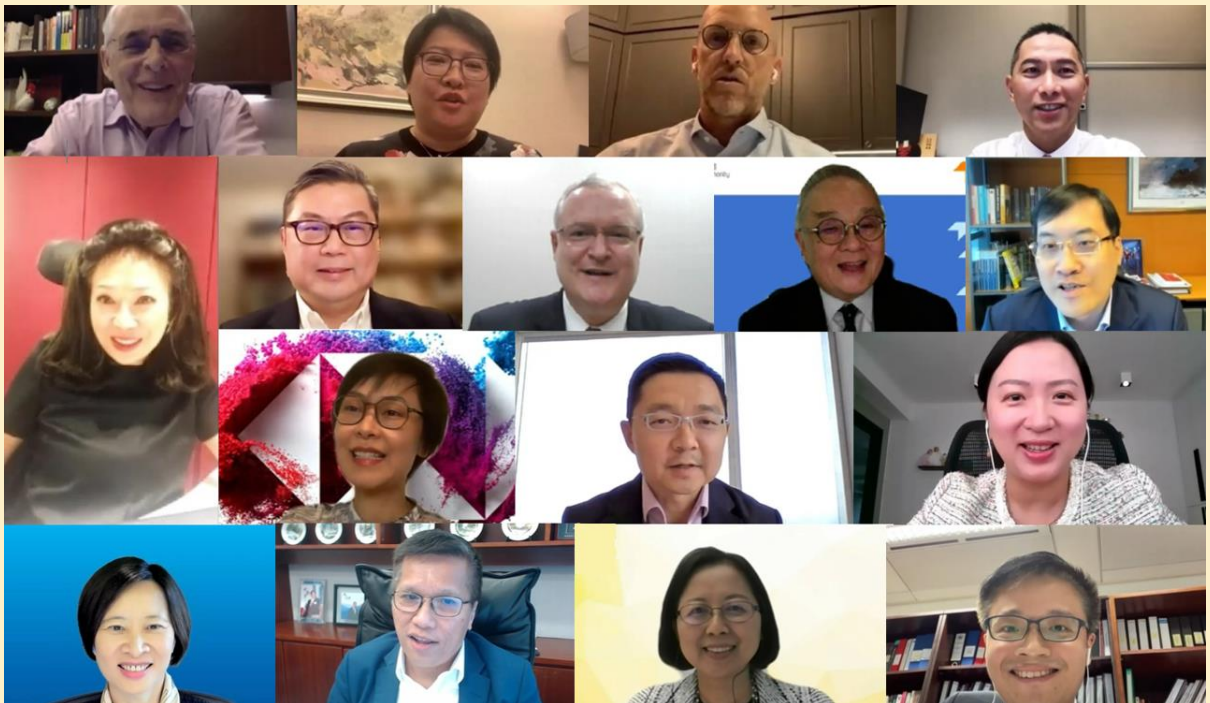


Sir Howard Davies
Chairman
NatWest Group plc

Leadership Development

Conversation with Financial Leaders

Thanks to our AoF Members who raised questions in the Q&A sessions during the conversation sessions. The conversation sessions would not be so successful without your participation.



More information about Conversation with Financial Leaders can be found [here](#)

Upcoming Events

The AoF will continue to organise in the next few months different events under the Leadership Development Programme. The upcoming session is the webinar on "Economic Recovery from Covid-19 and Beyond" at **4:30 - 5:30 p.m. (Hong Kong Time)**/ 10:30 -11:30 a.m. (Basel Time) on **6 July 2021 (Tuesday)**. The webinar will be a joint effort of the AoF and the Bank for International Settlements (BIS) to deepen the link between the BIS and Hong Kong/Asia and to promote an intellectual dialogue on important economic and financial issues. It will feature a live dialogue between **Mr Agustín Carstens**, General Manager of the Bank for International Settlements and **Mr Eddie Yue**, Chief Executive of the Hong Kong Monetary Authority. If you are interested but have yet to register, please click [here](#) and fill in the registration form.

Leadership Development

Thematic Programme on Fintech and Digitalisation

The AoF successfully conducted the Thematic Programme on Fintech and Digitalisation with four modules in the second quarter. Fourteen leaders from the business, academia and regulators shared with members and friends on a wide range of fintech and digitalisation concepts and applications, including AI, machine learning, cryptography, cyber security, regtech, algo-trading and the transformation in financial industry. The Programme was well received with a total of around 480 participants joining in online.

Module 1



From left: Mr Henry Ma, Vice Executive President and Chief Information Officer of WeBank and Prof Tam Kar Yan, Dean of Business and Management of the Hong Kong University of Science and Technology.

Module 2



From top-left to bottom-right: Mr Ericson Chan, Group Chief Information and Digital Officer, Zurich Insurance; Ms Clara Chiu, Director of Licensing & Head of Fintech Unit, Securities and Futures Commission;



Dr K.P. Chow, Associate Professor of the Department of Computer Science, the University of Hong Kong; and Mr Henri Arslanian, FinTech & Crypto Leader, Asia, PwC Hong Kong.

Leadership Development

Thematic Programme on Fintech and Digitalisation

Module 3



From left: Mr Arthur Yuen, Deputy Chief Executive, Hong Kong Monetary Authority; Prof Douglas Arner, Kerry Holdings Professor in Law, the University of Hong Kong; Ms Irene Lee, Co-Chair of Regtech Committee of Fintech Association of Hong Kong; and Prof S.M. Yiu, Professor of Department of Computer Science, the University of Hong Kong.

Module 4

From top-left to bottom-right:
Ms Vanessa Colella, Chief Innovation Officer of Citi and Head of Citi Ventures & Citi Productivity;
Mr Piyush Gupta, Chief Executive Officer of DBS Group;



Mr Simon Pomeroy, Head of Digital and Customer Experience of Citi Global Consumer Bank, Asia Pacific; and
Mr Vishal Kappor, Head of Treasury and Trade Solutions of Citi Hong Kong.



More information about thematic programme can be found [here](#)

Leadership Development

Members Engagement

Meeting on 28 May 2021

As the local pandemic situation has stabilised recently, the Hong Kong Academy of Finance (AoF) organised a small-scale Members engagement meeting on 28 May 2021 for Members to network and exchange views.

Our new Member Mr Sun Yu, Vice Chairman and Chief Executive of the Bank of China (Hong Kong) Limited, who joined the AoF in April 2021, was invited to share his insights on renminbi internationalisation.

Members had a lively and in-depth discussion on the topic, including the pace and ways to further promote renminbi internationalisation through the offshore market in Hong Kong.



More information about members engagement meetings can be found [here](#)

Research

Applied Research

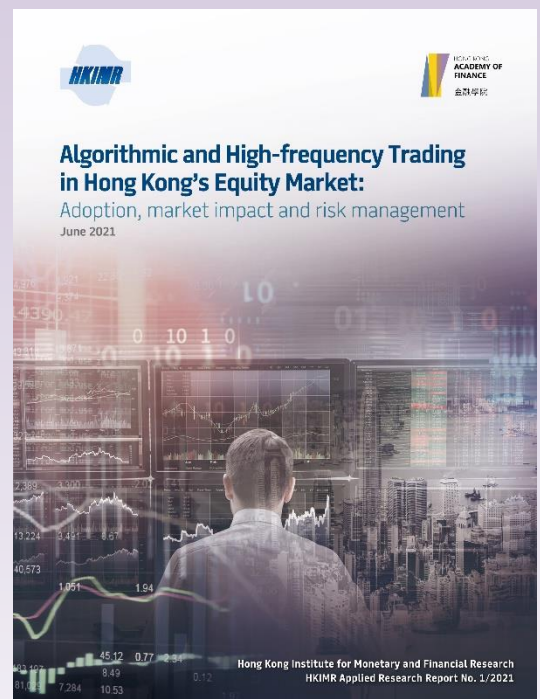


The HKIMR released an Applied Research report titled “Algorithmic and High-frequency Trading in Hong Kong’s Equity Market: Adoption, Market Impact and Risk Management” in June 2021.

The study, carried out with the help of external collaborators, finds that algorithmic and high-frequency trading (AT/HFT) in Hong Kong accounts for about 11% of all cash equity trades occurring on the Main Board. AT/HFT has remained modest and stable over the period between August 2018 and July 2020.

The results of a survey, administered to market participants in Hong Kong, show that respondents view that AT/HFT technologies have provided benefits to adopters. However, they also highlight that there are challenges and risks to be monitored and managed.

Risk mitigating measures have been put in place by market participants and exchanges, and regulators have integrated the monitoring of AT/HFT into their supervisory frameworks. In view of the high speed and data complexity involved in AT/HFT, continuing efforts to develop market-quality metrics and enhancing data-analytics capabilities for surveillance and policy developments are desirable goals to pursue in the near future.



The full research report can be viewed [here](#) and a relevant video clip can be viewed [here](#)

Research

Monetary Research

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

- WP No. 11/2021** Does cash redemption amplify the outflows of ETFs?
(by David Leung, Joe Wong and Tom Fong)
- WP No. 10/2021** Dynamics of Secured and Unsecured Debt over the Business Cycle
(by Paul Luk and Tianxiao Zheng)
- WP No. 09/2021** Do Countries Adjust the Carbon Intensity of Energy Towards Targets? – The Role of Financial Development on the Adjustment
(by Cho-Hoi Hui and Andrew Wong)
- WP No. 08/2021** A Robust Textual Analysis of the Dynamics of Hong Kong Property Market
(by Ken Wong, Max Kwong, Paul Luk and Michael Cheng)
- WP No. 07/2021** Assessing Trends and Risks of US Dollar Corporate Bonds in the EMEAP Region
(by Angela Sze, Wilson Wan, Iris Tang and Ip-Wing Yu)

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

For any enquiry about this Newsletter, please contact us through hotline (+852 2597 0900), email (info@aof.org.hk) or at AoF's address (Units 1005-1011, 10th Floor, One Pacific Place, 88 Queensway, Hong Kong).

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