Asset and Wealth Management Activities Survey 2022

August 2023

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Highlights

Global challenges: 2022 a a cna e ea f ne ba a e a d ea n ma a eme d a e a na f H K , e ba e e a e n e , mac nead d a d e ca e .

Resilient performance: T a a e de ma a eme (AUM) f H K ' a e a d ea n ma a eme b e d a $30,541 b a a e d-2022 a d e f d f f $88 b e e ec ded. Tne AUM d f 14% ea - - ea a m a ne 15% d f ne AUM f d de e a ed f d a d n a ma ma e d ce [1], n e ma ne ma f d ma e a e f d f . Tne AUM f H K ' a e a d ea n ma a eme b e ec ded - e m nea n n f 143% e ne a 10 ea .

Hong Kong-domiciled funds rebounded: H K -d m c ed f d a ed ee a AUM eb d f m ne n d a e f 2022. Tne AUM eb ded 15% f m ne n d a e f 2022 $1,335 b a a e d-J e 2023. Ne f d f f $69 b e e ec ded ne f n a e f 2022 a d ne f na f f 2023, e e e 300% c ea e f m ne e f d f $17 b f ne f n ee a e f 2022.

Mainland-related firms up in number and AUM: Tne mbe f Ma a d- e a ed f m c ea ed 17% a d ne AUM f ne a e a d ea n ma a eme b e a a ea - - ea c ea e 2022, n e f d f f $132 b , e f m ne d a e a e.

Increase in the number of asset management firms and industry staff count steady: De e a cna e 2022, ne mbe f f m ce ed ca a e ma a eme H K c ea ed 5% ea - - ea a d ne a mbe f aff ne a e a d ea n ma a eme b e ema ed ead .

Asset and Wealth Management Business

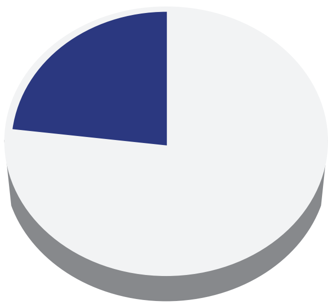
Hong Kong-domiciled SFC-authorised funds

A a 31 Decembe 2022, ne mbe f H K - d m c ed SFC-a n ed f d c ea ed b 5% ea - - ea 911. Wn ne e a e a e (NAV) dec ea ed 14% ea - - ea $1,288 b (US$165 b)[10], be a eb d 15% f m ne n d a e f 2022 $1,335 b (US$171 b) a a ne e d f J e 2023. Ne f f $69 b (US$8.9 b) e e ec ded d ne f n a e f 2022 a d ne f na f f 2023, e e e 300% c ea e a c m a ed e f f $17 b (US$4 (US$55(US$4 4 C).

[9] E c de ne AUM f f d ad b e a d REIT .

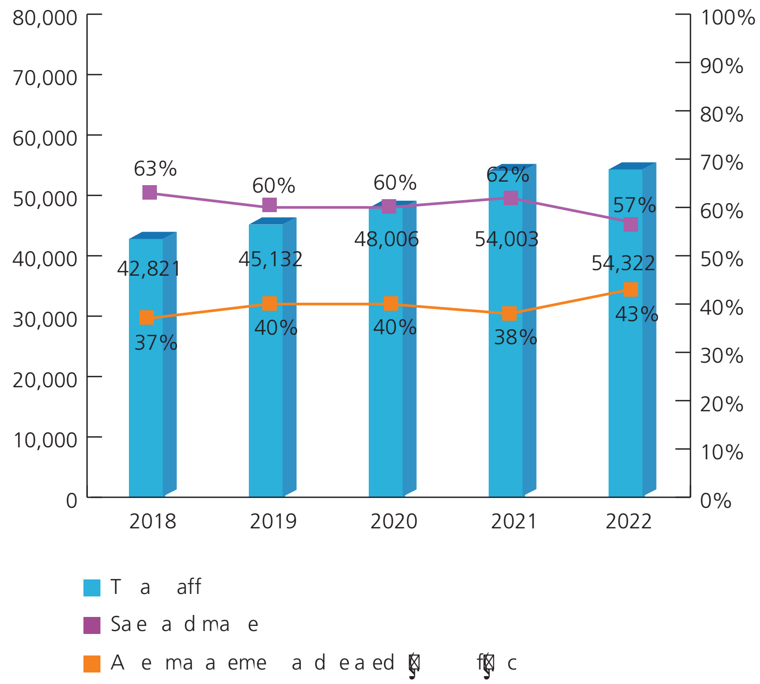
[10] 111 f 911 H K -d m c ed SFC-a n ed f d e e a ed ed e me f d (e a APIF) n cn ma da de f d ma e a d ma a be ffe ed ne b c H K . Tne NAV am ed $429 b (US$55 b).

[11] Tne f e c de 94 a e e -e ded f d c m a e .



Asset and Wealth Management Business Staff Profile

Chart 2A: Asset and Wealth Management Business Staff Profile – by Job Function



N e: C e a e a e a ded 2019 c de ee .

2. Tne mbe f a aff e a ed a e a d ea n ma a eme ac e a 54,322 2022. Tne f aff e a ed a e ma a eme a d e a ed f c c ea ed f m 38% 43%, a d ne mbe f ne e aff c ea ed b 12% 23,107.

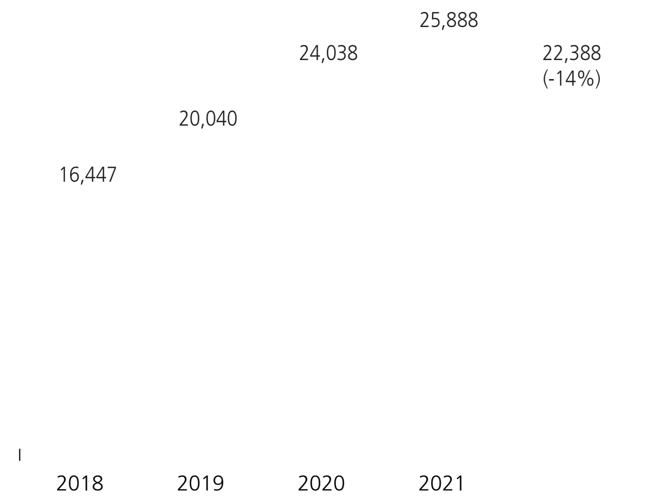
Asset Management and Fund Advisory Business

Asset Management and Fund Advisory Business[13] – An Overview

3. Tn ec c e ne a e ma a eme a d f d ad b e ca ed b ce ed c a , e e ed a d a ce c m a e . F d ad b e ma c m e a f d ad e ce ded f m H K e ea ma a eme f m .

4. Tne a e ma a eme a d f d ad b e ec ded a ea - - ea dec ea e f 14% $22,388 b a a 31 Decembe 2022 a d e f d f f $33 b [14] f 2022. Tne dec ea e AUM a ma d e cna e ne a e f de e me ne d b c e .

Chart 3A: Asset Management and Fund Advisory Business



LCs – REITs

Chart 3B: Asset Management and Fund Advisory Business ($22,388 billion) – by Market Player

RI a e ma a eme

IC a e ma a eme
$1,081 bn
(5%)

LC REIT
$191 bn
(1%)

LC f d ad
$2,211 bn
(10%)

LC a e ma a eme
$17,594 bn
(78%)

5. The a e a e a e ma a eme a d f d ad b e c d c ed b ce ed c a a a ea - - ea dec ea e f 13% $19,996 b 2022.

6. The mbe f f m ce ed ca a e ma a eme ac e (e, T e 9 e a ed ac) c ea ed b 5% 2,069 a a 31 Decembe 2022 f m 1,979 a ea ea e . D 2022, he mbe f d d a ce ed f a e ma a eme a e 2% ea - - ea f m 13,786 14,119.

8. Pbc f d , cd b n SFC-a n ed f d a d n e f m ne d c , acc ed f 36% f ne a e ma a eme a d f d ad b e [17] H K 2022, f ed b ma a ed acc (29%) a d a e f d (20%). Hed e f d (7%) a d a e e a d e e ca a [18] (7%) e e cded a e f d .

Chart 5A: Asset Management and Fund Advisory Business[17] ($22,197 billion) – by Product Type

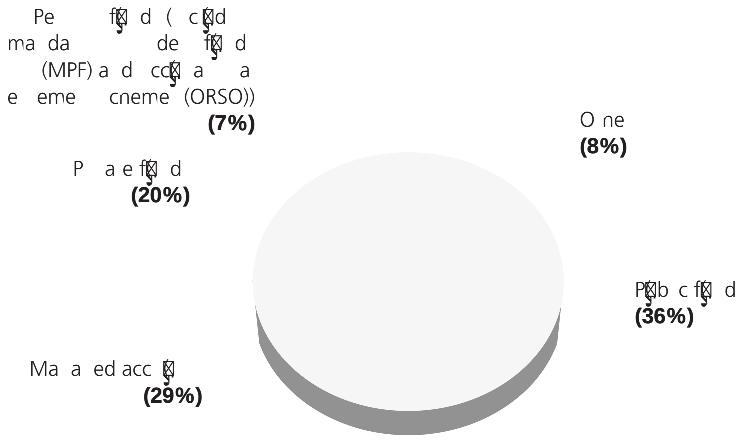


Chart 5B: Asset Management and Fund Advisory Business[17] ($22,197 billion) – by Product Type (2022 vs 2021)

[17] E cde REIT .
[18] S me a e e f m H K a e e ne LC RI . Acc d AVCJ Re ea cn, H K a ed ec d A a af e Ma a d Cn a 2022 e m f ne a ca a de ma a eme b a e e f d (e cd ea e a e f d), n cn am ed US$212 b (2021: US$182 b).

Asset Management Business[19] – Analysis by Location of Management

9. A e ǥ ea , m e na na f f ne a e ma a eme bǥ e a ma a ed H K a a 31 Decembe 2022. A e ma a ed H K made ǥ 57% f ne e a a[19].

Chart 6: Asset Management Business[19] (2022: $19,986 billion) – by Location of Management

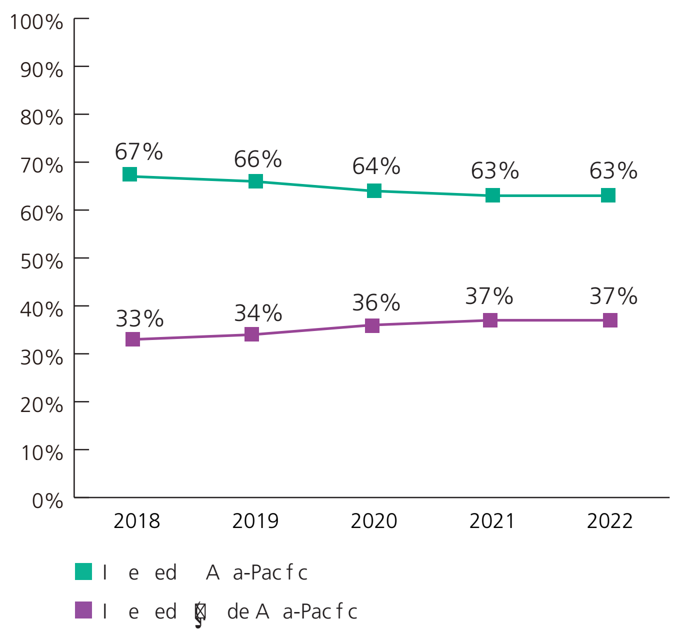
- Ma a ed H K n ǥ fǥ ne de e a
- Sǥb-c ac ed de e a ed ne ff ce n d a e e ea f ma a eme

[19] E cǥde fǥ d ad bǥ e a d REIT .

Assets Managed in Hong Kong[20] – Analysis by Geographical Distribution of Investments

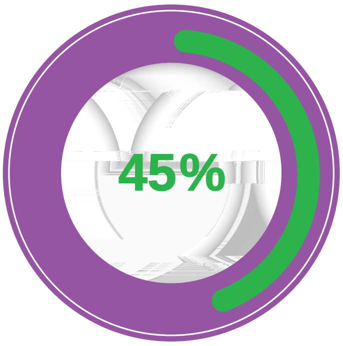
10. A e ma a ed H K [20] dec ea ed b 13% ea - - ea f m $13,085 b 2021 $11,436 b a a 31 Decembe 2022.

Chart 7A: Assets Managed in Hong Kong[20] (2022: $11,436 billion) – by Geographical Distribution of Investments



11. H K ma a e e ed ma ne A a-Pac f c e , acc f 63% f ne a e ma a ed H K [20] 2022.

[20] E c de f d ad b e a d REIT .



Assets invested in Mainland China and Hong Kong

12. H K ema ed a efe ed ma e f f d ma a e , n e me am $2,631 b , e e 23% f a a e ma a ed ca [21] 2022. I e me a ca Ma a d Cn a ema ed ead , acc f 22% f a a e ma a ed H K .

Chart 7B: Assets Managed in Hong Kong[21] ($11,436 billion) – by Geographical Distribution of Investments

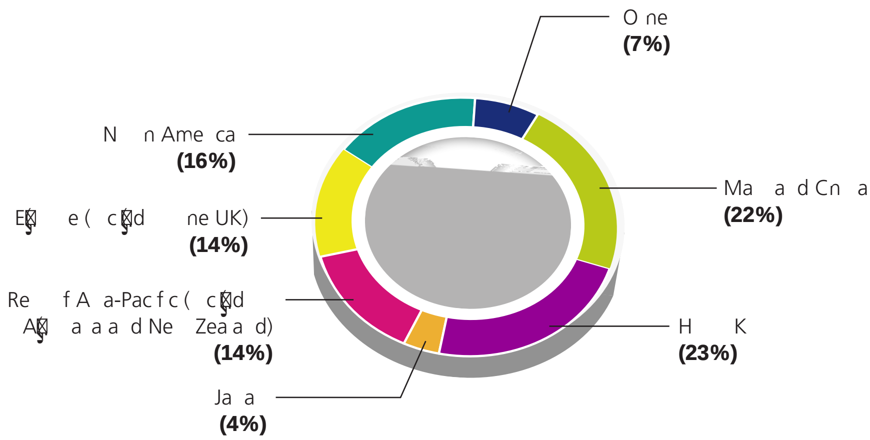
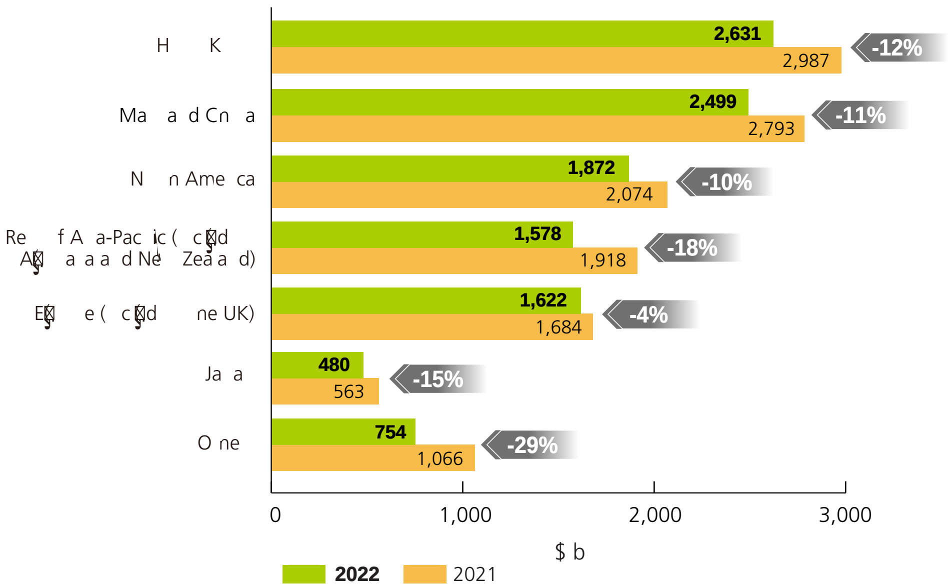


Chart 7C: Assets Managed in Hong Kong[21] ($11,436 billion) – by Geographical Distribution of Investments (2022 vs 2021)



[21] E c de f d ad b e a d REIT .

Private Banking and Private Wealth

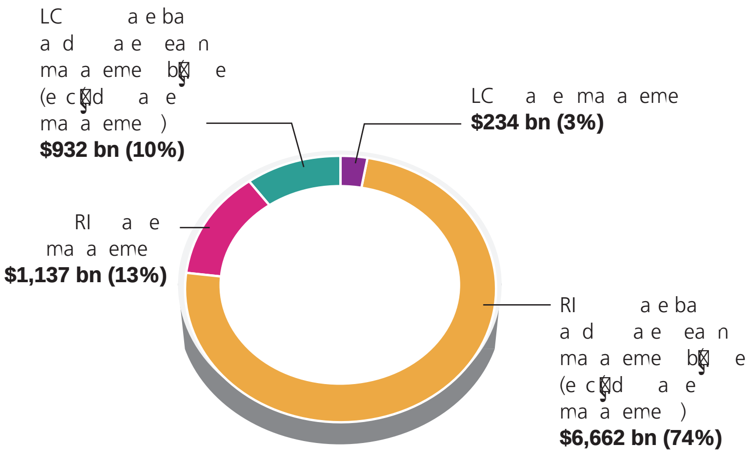
Private Banking and Private Wealth Management Business[23] – An Overview

Private banking and private wealth management business

15. A a 31 Decembe 2022, ne a a e f ne a e ba a d a e ea n ma a eme b e , n cn c ded ne a e ma a eme e ce ded a e ba c e b ce ed c a a d e e ed , dec ea ed f m ne e ea b 15% $8,965 b [24]. Ne f d f am ed $121 b 2022. Tne dec ea e AUM a ma d e cna e ne a e f de e me ne d b c e .

16. 57 ce ed c a a d 43 e e ed e ed na ne c d c ed a e ba a e ea n ma a eme b e d ne e e d.

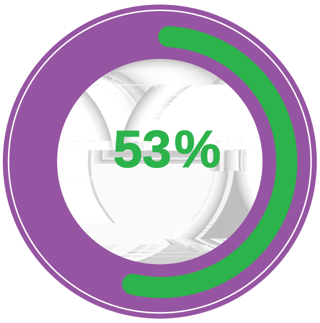
Chart 9: Private Banking and Private Wealth Management Business ($8,965 billion) – by Market Player



17. A a 31 Decembe 2022, ne a mbe f aff e a ed ne a e ba a d a e ea n ma a eme b e c ea ed 23% 10,365, f n cn 3,492 e e P a e Wea n Ma a eme Re e a P ac e [25].

[23] See a e 54 f ne def f a e ba a d a e ea n ma a eme b e .
[24] Tn f e e e e ne a a e de a e ba a d a e ea n ma a eme c e ' acc e e a ed, ma a ed e ed b H K e a n ma a e f LC a d RI n cn a e a f a a e ba , n cn ne e a n ma a e a e acc ab e.
[25] Tne mbe f aff e a ed ne a e ba a d a e ea n ma a eme b e 2022 a e ed b e e ed a 9,143, f n cn 2,997 e e P a e Wea n Ma a eme Re e a P ac e .

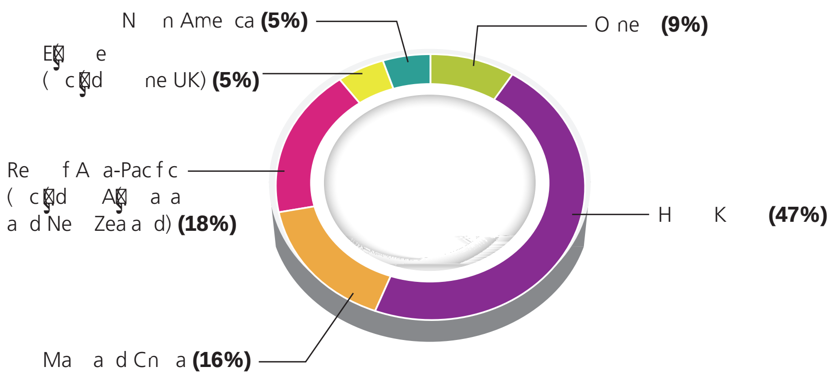
Private Banking and Private Wealth Management Business – Analysis by Investor Base



Assets sourced from non-Hong Kong investors

18. A a 31 Decembe 2022, 53% f ne a AUM b ne a e ba a d a e ea n ma a eme b e e e ced f m -H K e , m f n cn e e f m ne A a-Pac f c e .

Chart 10: Private Banking and Private Wealth Management Business ($8,965 billion) – by Investor Base



Private Banking and Private Wealth Management Business – Analysis by Client Type

19. A a 31 Decembe 2022, a , c a e a d d d a fe a e [26] c b ed 96% f a AUM.

Chart 11A: Private Banking and Private Wealth Management Business ($8,965 billion) – by Client Type

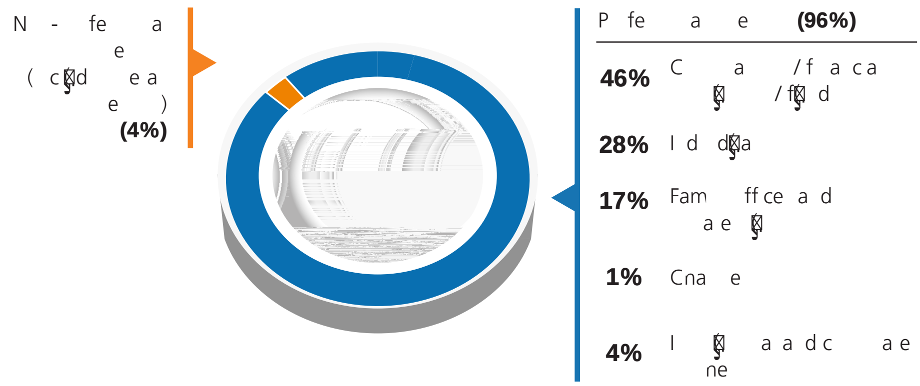
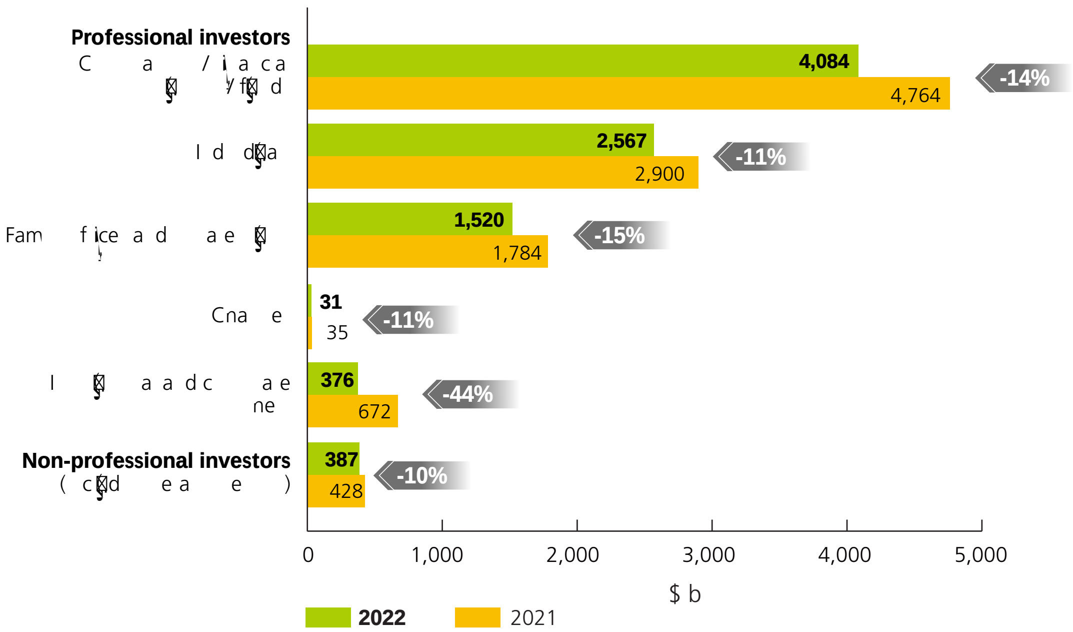
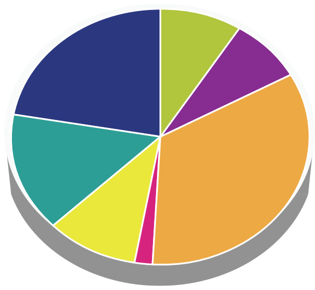


Chart 11B: Private Banking and Private Wealth Management Business ($8,965 billion) – by Client Type (2022 vs 2021)



[26] See a e 55 f ne def f fe a e .



Assets Held under Trusts

24. P b c f d a d e f d , c d ma da de f d (MPF) a d cc a a e eme cneme (ORSO), acc ed f 70% f ne a e ne d de a a 31 Decembe 2022.

Chart 15A: Assets Held under Trusts ($5,006 billion) – by Client Type

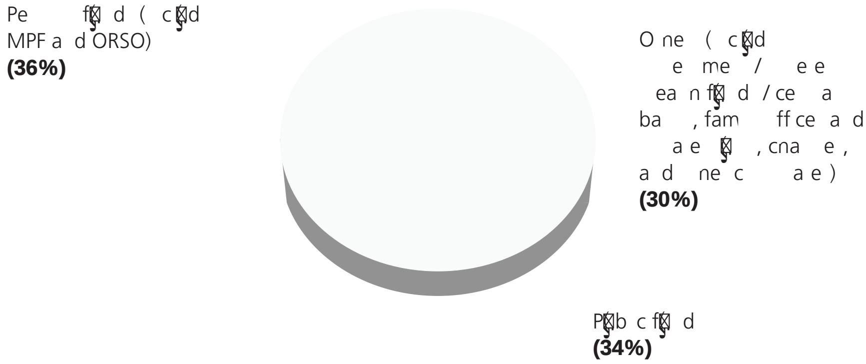


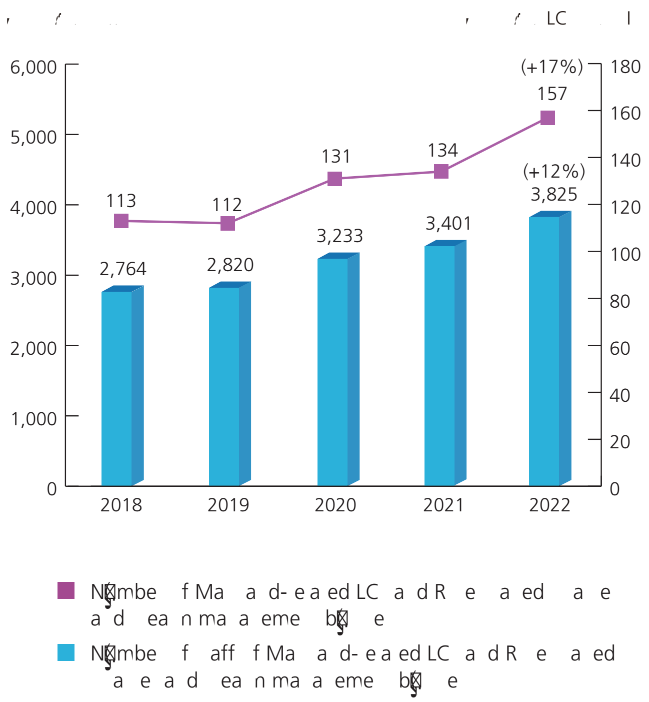
Chart 15B: Assets Held under Trusts ($5,006 billion) – by Client Type (2022 vs 2021)

Asset and Wealth Management Business of Mainland-related Firms

Asset and Wealth Management Business of Mainland–related LCs and RIs

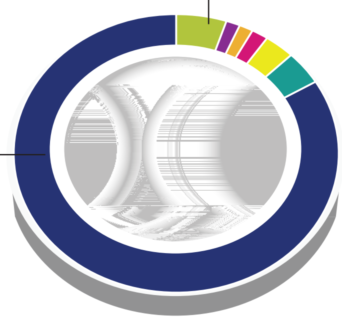
26. Tne ▯mbe f Ma a d- e a ed LC a d RI a e a d ea n ma a eme b▯ e a d ne aff c ea ed ea - - ea b 17% a d 12%, e ec e .

Chart 17: Number of Mainland-related LCs and RIs and Number of their Staff Engaged in Asset and Wealth Management Business



Asset Management and Fund Advisory Business of Mainland–related LCs and RIs – Analysis by Client and Product Types

Chart 18: Asset Management and Fund Advisory Business of Mainland-related LCs and RIs ($2,059 billion) by Client Type



Section II

Hong Kong as the Pre-eminent Offshore Renminbi Centre

II. Hong Kong as the Pre-eminent Offshore Renminbi Centre

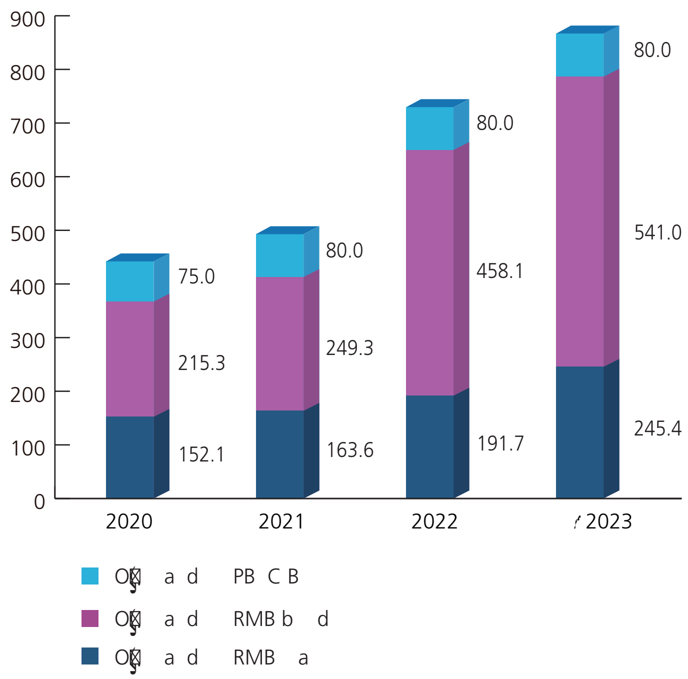
H K ema ne e-em e ff n e e m b (RMB) ce e ffe a de a e f RMB f a c a d c a d a d RMB ec em.

H K n me ne d’ a e RMB de n cn acc f ab 60% f a ff n e RMB de . Tne eacned RMB891.7 b a a e d-Ma 2023 n a 7% c ea e f m e d-Decembe 2022. Tne c na a bee ne m m a ff n e RMB c ea n b, na d e 70% f ba RMB a me . Tne ab da ce f d de ne ece a ne n f H K ’ ff n e RMB b d (d m m b d). I 2022, ne a ce f ff n e RMB b d H K eacned RMB330 b n a ea - - ea c ea e f m e na 100%. B e d-Ma cn 2023, ne b d ma e nad e RMB540 b f a d d m m b d a d a ne RMB80 b f a d b ed b ne Pe e’ Ba f Cn a.

Tne c e na ceme a d e a f a Ma a d-H K m a ma e acce cneme na e de ed ne ec m f RMB d c a d a e a ca , fac a ff n e a d c -b da RMB c c a .

Ne a e na e bee m eme ed ece b ne Ma a d-H K c ec e ne n . W n ne d c f nb d ad f S a C ec Ma 2023, e ma a eme a e a a abe H K f mee ne dema d f m e a a e .

Chart 21: RMB Financing Activities in Hong Kong



S ce: H K M e a A n
(F e a a 31 Ma cn f 2023 a d 31 Decembe f 2022, 2021 a d 2020)

HKD-RMB Dual Counter Stock Trading

Tne HKD-RMB d a c e m de d ced ne H K c ma e a a e e ne RMB H K ' d me c c ma e , d ed c m a e n a add a cna e a ne ff n e RMB H K . A a 30 J e 2023, 24 H K - ed c m a e e e aded a d a c e ec e , e e e ab 40% f ne H K c ma e ca a a .

M e e , ne SFC na bee n ne CSRC a d ne e a en de ne c f RMB-de m a ed ec e de S nb d T ad f S c C ec , n cn f ne e ne ne a f H K a a ead ff n e RMB ce e a d ne be.

MRF between the Mainland and Hong Kong

Retail RMB-denominated and Related Products

Chart 24: Number and Value of SFC-authorised RMB Investment Products

[29] C m :

(a) e a e a e f ( ) e cna e- aded f d (ETF) (RMB-de m a ed) ma e ne n e Ma a d ec e ma e n n ne Q a f ed F e l e (QFI) e me, S c C ec , B d C ec a d ne Cn a l e ba B d Ma e (CIBM) ff n e RMB b d , f ed c me me ne ec e ; ( ) ed f d (RMB-de m a ed) ma e ne n e Ma a d ec e ma e n n QFI, S c C ec , B d C ec a d CIBM ff n e RMB b d , f ed c me me ne ec e ; ( ) ec ed Ma a d f d de ne Ma a d-H K MRF a b ab e H K e ; ( ) RMB d ETF ; a d ( ) RMB e e a ed a d e e (L&I) d c ;

(b) a d am f ed c ed e me d c ed RMB;

(c) RMB-de m a ed acc e e f a e d cneme n RMB fea e ;

(d) ma e ca a a f RMB REIT ; a d

(e) a e a e e a e a e f RMB-de m a ed na e ca e f ed f d (-RMB de m a ed) n cn e e ffe ed H K e .

[30]

Section III

Recent Developments and Outlook

ETF Connect

ETF C ec a Ma a d a d H K e
ade e b e ETF ed eacn ne ' ma e
n n ne ca b e . La cned 4 J 2022, ne
cneme made f d d c e b e f ad de
S c C ec f ne f me, ma a e m e e
m a ma e acce .

ETF C ec a ed d J 2022, a d na
c ed ma a m me m. A ne deb
ea came a c e, ne a e a e da e f
S nb d ETF ad eacned $4.64 b J e
2023 21 me f na J 2022, c b 18.4%
f ne e e b e H K ETF ' ad d ne
m n. Tne c ec na a ed a a e d
a a e a e f f $42.5 b ne e b e
ETF ce ne c de ne cneme, e e e
22% f ne a AUM a f 30 J e 2023. C e ,
ne e a e H K ETF e b e f nb d
ad de ne cneme a d 131 Ma a d ETF
(c d 76 ne Sna na S c E cna e a d 55
ne Sne ne S c E cna e) e b e f nb d
ad .

B a ac m e ca a a d d , ETF C ec
ne n f H K a a ETF n b ne
A a Pac f c e . I a e f ce H K ' e
a a e a f m c ec Ma a d ma e n
e a a e .

Greater Bay Area Wealth Management Connect

Tne G ea e Ba A ea Wea n Ma a eme C ec (WMC) cneme ne a e ma a e H K e a d ne e ba e b ma e b e SFC- a n ed H K -d m c ed f d a a ab e Ma a d e ne G a d -H K -Maca G ea e Ba A ea.

S ce ne cneme' a cn, b n nb d a d nb d e me n ed a ead c ea e, n ne mbe f a c a e b 55,500 a d a c -b da em a ce eacn a d RMB4.7 b .

T e na ce ne cneme, ne SFC c e n ne H K M e a A n (HKMA) a d Ma a d e a e e e a d ne c e f e b e e me d c , a m e f m a c a e a d m d c d b a a eme .

[32] Tne a c mecna m de a em a c ff e d ne a ec f e c ac e e e ce e eme ce a , a ce m e c f e ad n a ec f ed ce a e.

Virtual asset futures ETFs

F a c c a ed Oc be 2022 e
e, eme f a n ETF n e e
a a e n n f e , ne SFC a n ed ne f
ba cn f a a e f e ETF d ne ea . Tne e
ETF ma e a a e f e aded
ne Cn ca Me ca e E cna e c d ne d'
f e ne f e ETF a d A a' f b c f e ETF.
Tne SFC ed c e n ne I e a d F a c a
Ed ca C c (IFEC) d ce e ed ca
ma e a e a ne e fea e C) 0 269.n

Mutual recognition of funds

Tne SFC m e c -b de ffe f e b e H
K b c f d ne Ma a d a d ne e ea
ma e n n m a ec a a eme . Tn
b ade ne e ba e f H K b c f d ,
e ne H K ' a a c m e e ba
a e a d ea n ma a eme ce e a d ne
de e me f ca e me e e e.

A a f eff e a d ma e acce f b c
f d , ne SFC ma a d c n ne CSRC
e na ce ne Ma a d-H K MRF cneme,
c d e a ne a e m a d e c f
e ea de e a .

U de ne cneme, ne e e e 47 Ma a d MRF f d
a n ed b ne SFC a d 37 H K MRF f d
a ed b ne CSRC a f 31 Ma cn 2023 a d ne
a e a e c m a e e b c f b n Ma a d
a d H K MRF f d a ab RMB15.7 b .
F ne ea e ded 31 Ma cn 2023, Ma a d MRF f d
ec ded a e edem f a d RMB20.6 m
n H K MRF f d ec ded a e b c
f a d RMB2.5 b .

I a e 2022, ne CSRC acce ed e a SFC-a n ed
a ed ed e me f d ffe ed ne b c
H K na f f MRF e b e eme
f e e n ne CSRC f b c ffe ne
Ma a d a ne cneme. U da ed f e e a ed
e (FAQ) e e ed N embe 2022
de m e c a ab ne e eme f ed
e me f d a n ed b ne SFC f b c
ffe H K a f e a n ne
CSRC de ne MRF e me.

Enhancing the regulatory regime for better investor protection

Investment-linked assurance schemes

S a f m 30 A 2023, a I e me - ed a a ce cneme (ILAS) d c ffe ed ne H K b c m c m n e na ced e eme[33], e a e e a ed b ne SFC. T fac a e a m n a , ne SFC e a ed n ne d a d b ned add a FAQ de add a da ce. A f 30 J e 2023, ne SFC a n ed 16 ILAS de ne e na ced e eme .

Tne e na ced ILAS a n a ce , d ced N embe 2021, na f ca n e ed a a me. A f 30 J e 2023, ne a e a e ce me f e ILAS a ca de ne e na ced ce dec ea ed b 58%, f m 4.8 m n 2 m n . Tne SFC a ed n ne IFEC m e ne b c' de a d f ILAS.

[33] Tne e na ceme f e be e e ec b e ILAS fee a d cna e be c mme a e n c m a ab e a e a e d c a d a ed n ne a ce ec ffe ed, a e a b ed c d c c m e a d e na c d c e ea fee .

Licensing/ registration of depositaries of SFC-authorised funds

Tne SFC e a ed n ne d a d ed c e n ne HKMA e a e f ne d c f ne e T e 13 e a ed ac (RA 13), n cn b de a e f SFC-a n ed f d de ne SFC' d ec e . I Ma cn 2023, ne SFC e ea ed c a c c ed ame dme b d a e a a d SFC c de a d de e m eme ne e me. F c m e f ne e a e ce , RA 13 c me e a 2 Oc be 2024. Tne SFC na ded da ce ne de a d a a n J e 2023 a d e FAQ fac a e ne a ne e e me.

Pooled retirement funds

Tne 12-m n a a e d f ed e eme f d a d ne de e me f a d e e a c m n ne e ed C de P ed Re eme F d e ded 30 N embe 2022. Tne e e e made e ne e ec a d e e ne e a f ne e f d a e - -da e a d f f e.

Fostering the development of green and sustainable finance

Asset managers

Tne SFC’ e ed F[illegible] d Ma a e C de f C d[illegible]c effec 20 N embe 2022. I e[illegible] e f[illegible] d ma a e ema ca a e c ma e- e a ed a c a ed n ne e me a e e a d f a d de e n a a e d c [illegible] e . Tne SFC c e m ne m eme a f ne e e[illegible] eme .

ESG funds

A f 31 Ma cn 2023, ne e e e 188 SFC-a[illegible] n ed ESG f[illegible] d n AUM f US$151.7 b , e e e ea - - ea c ea e f 55% a d 6% e ec e . D[illegible] ne ea , ne SFC n ed n de [illegible] da ce ne d[illegible] a d ed n ne IFEC e na ce e a a e e f ESG f[illegible] d .

Ensuring an orderly market

Unauthorised CIS alert list

The SFC e f m e a ce f ad e eme a d na d e c m a ab e - e a ed ne a a eme ec ed be CIS n cn ma be ffe ed ne b c H K . T a ne b c, ne SFC a ne e a a eme ne S ec ed U a n ed CIS A e L ne SFC' eb e. D ne ea e ded 31 Ma cn 2023, 15 f ne e a a eme e e b ned ne a e m e ea ea e a e a d a e a e e me cn a a a a eme f c a e .

1. Tne A e a d Wea n Ma a eme Ac e S e (AWMAS) c d c ed a a b ne Sec e a d F e C mm (SFC) c ec f ma a d da a ne a e a d ea n

Details of Survey Respondents

Licensed corporations

1. A b ea d f ne ac e f ne 1,049 ce ed c a n cn e a ed ( ) a e ma a eme (AM), ( ) f d ad b e (ADV) ( ) a e ba a d a e ea n ma a eme b e (PB) n be :

Re de n AM	694
Re de n ADV	73
Re de n PB	15
Re de n AM a d ADV	225
Re de n AM a d PB	17
Re de n ADV a d PB	3
Re de n AM, ADV a d PB	22
	1,049

Registered institutions

2. A b ea d f ne ac e f ne 47 e e ed n cn e a ed AM PB n be :

Re de n AM	4
Re de n PB	35
Re de n AM a d PB	8
	47

Insurance companies

3. 38 a ce c m a e n cn ca ed - e m b e f d e ce c e ea n ma a eme , fe a d a a d e eme a d c , b e e ce ed b ne SFC, e ded ne e .

Trustees

4. 28 ee d e ce H K e ded ne e .

Breakdown of Asset and Wealth Management Business in 2022

Tne ab e be de a me c a f ne c m f ne a e a d ea n ma a eme b e e m f ne e f b e a d ne a e f ne e n cn ne a e e a e.

($ billion)	LCs	RIs	ICs	Trustees	Asset and Wealth Management Business	Asset Management and Fund Advisory Business	Private Banking and Private Wealth Management Business	Assets Held under Trusts
Private banking and private wealth management business (excluding Item 1 below)	932	6,662			7,594	–	7,594	–
Asset management business provided to private banking and private wealth management clients (Item 1)	234	1,137			1,371	1,371	1,371	–
Asset management business for other clients	17,360	174	1,081		18,615	18,615	–	–
Fund advisory Business	2,211				2,211	2,211	–	–
SFC-authorised REITs	191				191	191	–	–
Assets held under trusts								
– managed by LCs/RIs					–	–	–	4,447
– attributable to non-LCs/RIs				559	559	–	–	559
Total	20,928	7,973	1,081	559	30,541	22,388	8,965	5,006
Relevant section in this report					Section I A	Section I B	Section I C	Section I D

P a e Wea n Ma a eme Re e a P ac e efe Re e a P ac e a e a
c c a ed b ne H K M e a A n e ed U da e E na ced C m e e c
F ame P a e Wea n Ma a eme (ECF-PWM) a d a e 2 5 f ne ECF-PWM
d c me da ed 14 J 2021 e c ed ne e n.

P fe a e c de a fe a e , c a e fe a e
a d d d a fe a e .

- I a fe a e efe e fa de a a a n (a) ( ) f ne
  def f fe a e ec 1 f Pa 1 f Scned e 1 ne SFO;
- C a e fe a e efe c a , c a a e n
  fa de ec 3(a), (c) a d (d) f ne Sec e a d F e (P fe a I e) R e
  (Cna e 571D) (P fe a I e R e); a d
- I d d a fe a e efe d d a fa de ec 3(b) f ne
  P fe a I e R e .

Re e ed mea a a n ed f a c a e e ed de ec 119 f ne
SFO. A a n ed f a c a mea a a n ed a def ed ec 2(1) f
ne Ba O d a ce (Cna e 155).

REIT efe SFC-a n ed ea e a e e me .