



Enhancing Hong Kong market competitiveness and appeal



To bolster Hong Kong's competitiveness and its position as a premier fundraising and asset management hub, the SFC maintains its pivotal role in enhancing capital market liquidity and efficiency, while deepening regulatory cooperation with both the Chinese Mainland and global markets.

Enhancing listing market competitiveness and efficiency

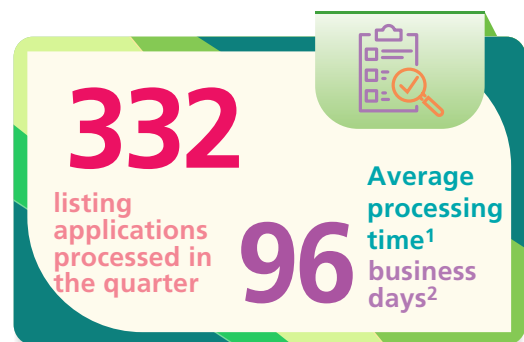
Developing Hong Kong as premier listing platform

The past quarter saw 24 initial public offerings (IPOs), raising over \$70 billion in total, which increased more than 70% compared to the same period last year. Among these was the world's second largest IPO so far in 2025 by Zijin Gold International Company Limited in September. This followed the world's largest IPO by Contemporary Amperex Technology Co. Limited in May.

Gatekeeping listing applications

During the quarter, we processed 332 listing applications and cleared 95 of them. 121 of the processed applications were new listing applications, including 23 from pre-profit biotech companies and 17 from specialist technology companies.

The 95 cleared listing applications took an average of 96 business days¹ to process.



¹ Including the SFC's vetting time and the response time of the listing applicants or their advisers.
² For the 95 cleared cases of listing applications.

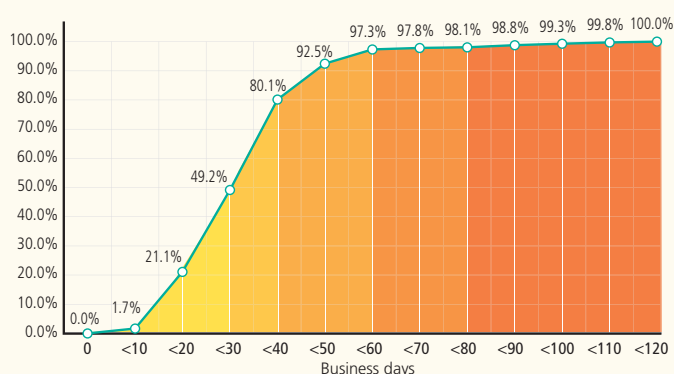
Vetting time of listing applications

During the three years ended 30 September 2025, we cleared 413 cases in total, with 97% vetted within 60 business days.

Note: In the chart, "SFC vetting time" refers to the total number of business days we spent to process and clear a listing application, which includes a number of rounds of comments. The figure excludes the response time of the listing applicants or their advisers.

Under the enhanced timeframe for new listing application process, up to 30 September 2025, we cleared 99 listing applications received after the joint statement by the SFC and the Stock Exchange of Hong Kong Limited (SEHK) dated 18 October 2024, 98%^a of which were cleared within 40 business days.

SFC vetting time (October 2022 to September 2025)



- a Under the Joint Statement on Enhanced Timeframe for New Listing Application Process dated 18 October 2024, the timeline of the application process may be lengthened if the applicants and their sponsors provide materially incomplete responses or fail to satisfactorily address regulators' comments.

Strengthening listing market and enhancing its liquidity

Lowering transaction cost and boosting market efficiency

The SFC continues to work with Hong Kong Exchanges and Clearing Limited (HKEX) to explore medium to long-term measures to enhance the competitiveness of the securities market. Following our approval, HKEX launched Phase 1 of the initiative to reduce minimum trading spreads in August. We will examine the results of HKEX's review of Phase 1 and its plan to implement Phase 2 in mid-2026.

In addition, over the past year, the SFC has actively engaged with HKEX to reduce funding costs for collateral posted by market participants. Following our approval, HKEX revamped its interest rebate on cash collateral and lowered the accommodation charges on non-cash collateral for its three on-exchange clearing houses effective 2 October³. These changes have enabled market participants to benefit from a higher interest rebate.

3 Post-reporting period.

Enhancing structured products listing framework

In coordination with the SFC, SEHK launched a six-week consultation in September on proposed amendments to Chapter 15A of the Listing Rules for structured products. The consultation aims to elevate market competitiveness and efficiency, whilst enhancing market quality and investor protection. Key proposals include lowering the minimum issue price requirement for derivative warrants and removing it for callable bull/bear contracts to facilitate a wider range of product terms; enhancing issuers' eligibility criteria to improve market quality; and removing prescriptive product term requirements from the Listing Rules to support product innovation.

Strengthening Hong Kong's role as super-connector

Building offshore RMB and risk management hub

Roadmap for the Development of Fixed Income and Currency Markets

To position Hong Kong as a global fixed income and currency (FIC) hub and further strengthen its role as the premier offshore renminbi (RMB) centre, the SFC and the Hong Kong Monetary Authority (HKMA) jointly announced the Roadmap for the Development of Fixed Income and Currency Markets (Roadmap) in September.

The Roadmap outlines 10 key initiatives across four pillars: boosting primary market issuance, enhancing secondary market liquidity, expanding offshore RMB business, and developing next-generation infrastructure.

Developed in close consultation with industry stakeholders through a FIC Task Force set up in 2024, the Roadmap will guide the relevant policy making and implementation of the SFC and the HKMA in coming years to support the sustainable and diversified growth of Hong Kong's capital markets. See page 39 on the FIC Forum co-hosted by the SFC and the HKMA.

Among the 10 proposed initiatives, the FIC Roadmap seeks on one hand to reinforce Hong Kong's existing foundations by further attracting issuers to Hong Kong for fund-raising, and providing issuers and investors with risk and liquidity management tools. On the other hand, the Roadmap emphasises breaking new ground by boosting offshore RMB usage and liquidity, as well as developing next-generation infrastructure for market innovation.

Enriching product mix under Swap Connect

Since its launch in mid-2023, Swap Connect has seen increasing trading volumes and active participation from both Mainland and overseas investors. As of end-September, 83 overseas investors had participated in the scheme, and the aggregate notional amount of executed RMB interest rate swap transactions exceeded RMB8.5 trillion since launch, representing a daily average of about RMB14.7 billion.

After obtaining the SFC's approval of the related clearing rule amendments, OTC Clearing Hong Kong Limited began clearing northbound swaps referencing the Mainland one-year Loan Prime Rate (LPR) under Swap Connect in September. The LPR is a benchmark guiding the interest rate of commercial loans in the Mainland. This enhancement provides international investors with more tools for managing RMB interest rate risk and further strengthens Hong Kong's role as an international financial centre.

HKD-RMB dual counter trading

HKEX's Single Tranche Multiple Counter (STMC) settlement model, implemented in June, has equipped the Hong Kong market with technical capabilities to accommodate RMB counters under the southbound Stock Connect. HKEX and its Mainland counterparts are working together to fully prepare the systems for the southbound inclusion of RMB counters.

Preparing for Treasury bond futures launch

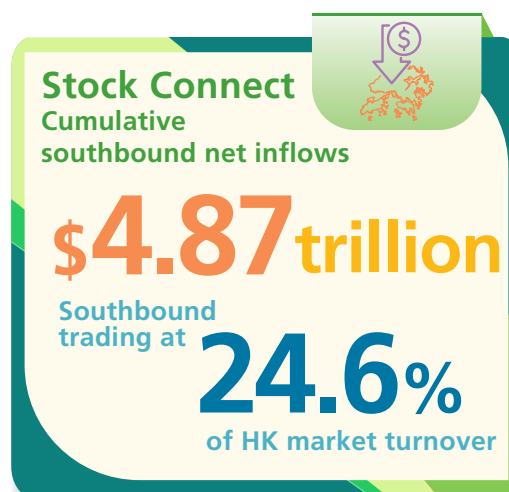
We have been working closely with HKEX to prepare for the launch of China treasury bond futures contracts in Hong Kong. These contracts will meet the international investors' rising demand for an effective tool to hedge their onshore exposure to China treasury bonds. The initiative will also mark a key step in the implementation of FIC Roadmap.

Enhancing mutual access schemes with Mainland

Stock Connect maintains robust growth

Stock Connect continues to post strong increases in turnover and net buy. During the first nine months of 2025, southbound inflows reached \$1,167.5 billion, and already exceeded the 2024 full-year total by 44.5%. Average daily southbound trading increased to \$125.9 billion and accounted for 24.6% of market turnover in Hong Kong, surging from \$48.2 billion and 18.3% in 2024. As of end-

September, cumulative southbound net inflows since launch reached nearly \$4.87 trillion.



Updates on Mutual Recognition of Funds (MRF)

During the quarter, Hong Kong funds and Mainland funds recorded net subscription of about RMB1.45 billion and net redemptions of about RMB78.10 million respectively under the Mainland-Hong Kong MRF scheme.

As at 30 September, 40 Mainland funds had been authorised by the SFC and 42 Hong Kong funds approved by the CSRC⁴. Cumulative net subscriptions amounted to about RMB120.52 billion for Hong Kong funds and about RMB751.34 million for Mainland funds as at 30 September.

Mainland-Hong Kong MRF scheme – fund flows^a (RMB million)

	Six months ended 30.9.2025			Six months ended 31.3.2025			Six months ended 30.9.2024		
	Subscription	Redemption	Net subscription/(redemption) ^b	Subscription	Redemption	Net subscription/(redemption) ^b	Subscription	Redemption	Net subscription/(redemption) ^b
Mainland funds	85	193	(108)	97	106	(9)	23	125	(102)
Hong Kong funds	32,113	62,777	(30,664)	134,252	19,702	114,549	17,354	6,324	11,031

a Based on data from the State Administration of Foreign Exchange.

b Figures may not add up to total due to rounding.

4 China Securities Regulatory Commission.

Reinforcing Hong Kong's position as asset and wealth management hub

Asset and Wealth Management Activities Survey 2024

The *Asset and Wealth Management Activities Survey 2024*, released in July 2025, highlighted Hong Kong's strong growth as a pre-eminent international asset and wealth management hub. Assets under management (AUM) grew 13% year-on-year to \$35.1 trillion (US\$4.53 trillion), powered by net fund inflows of \$705 billion (US\$91 billion), an 81% surge over the previous year.

According to the survey, Hong Kong's asset managers allocated 59% of assets outside the Mainland and Hong Kong. Their non-equity investment grew 13 percentage points to 59% over the past five years, reflecting a shift towards more diversified strategies amidst rapidly changing global conditions.

SFC-HKMA joint product survey 2024

In September, we published with the HKMA a report on our annual joint survey on the sale of non-exchange-traded investment products to non-institutional investors, showing record sales and market participation in 2024. The total transaction amount jumped 40% year-on-year to a record \$6,073 billion, driven by the strong sales increase of collective investment schemes (up \$966 billion), structured products (up \$587 billion) and debt securities (up \$213 billion).

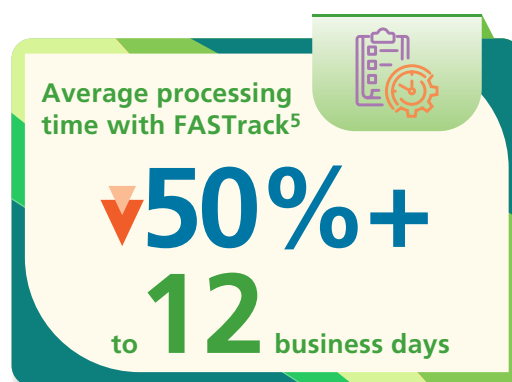
The report also shows online sales continued to expand, accounting for 17% of the total transaction amount. The number of firms engaged in product sales rose 9% to a new high of 414, with 46% more than doubling their sales year-on-year, while the number of clients completing at least one transaction increased 28% to a record high of over 1.2 million.

Hong Kong-domiciled funds' AUM and fund flows surge

As at 30 September, there were 1,022 Hong Kong domiciled funds, up 2.9% from the previous quarter and up 7.8% from a year ago. Their AUM increased 9.5% from previous quarter and increased 35.9% year-on-year to \$2,266.3 billion (US\$291.2 billion). Net fund inflows of about \$46.9 billion (US\$6.0 billion) were recorded in the quarter.

Fast-tracking authorisation of simple funds from other markets

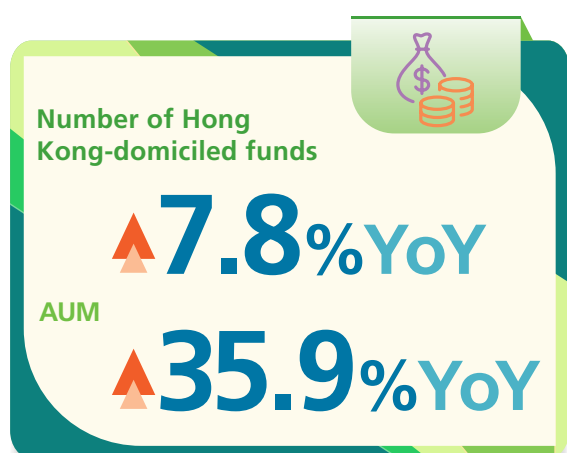
Under Fund Authorisation Simple Track (FASTrack), we pledge a 15-day authorisation timeframe for simple funds from jurisdictions with a mutual recognition of funds arrangement with Hong Kong (MRF Jurisdictions). During the quarter, we authorised 25 FASTrack-eligible funds within this timeframe, while reducing the average processing time by more than 50% compared to 2024⁵.



⁵ Compared to the average processing time for standard applications for simple funds from MRF Jurisdictions in 2024 prior to the introduction of FASTrack.

Authorising investment products

During the quarter, we authorised 79 unit trusts and mutual funds (including 41 Hong Kong-domiciled funds), two mandatory provident fund (MPF) pooled investment funds and 179 unlisted structured investment products for public offering in Hong Kong.



Sustained growth of open-ended fund companies (OFCs)

As at 30 September, there were 626 registered OFCs, of which 50⁶ were newly registered during the quarter. The number of registered OFCs increased 44% year-on-year.



Expanding ETF and L&I product markets

As at 30 September, 196 SFC-authorized ETFs and 29 SFC-authorized leveraged and inverse (L&I) products were listed on SEHK (in aggregate up 16.0% from a year ago), with a total market capitalisation of \$653.5 billion (US\$83.8 billion), up 31.8% from the previous year. During the quarter, these ETFs and L&I products recorded net inflows of \$46.1 billion (US\$5.9 billion) and an average daily turnover of \$37.5 billion (US\$4.8 billion), equivalent to 13% of the turnover of Hong Kong's stock market.

In July, we welcomed the first cross-listing in Hong Kong of an active ETF, using a master-feeder structure and enabled by the SFC's streamlined requirements for eligible ETFs. Since its listing, the ETF has experienced considerable growth in size. It offers Hong Kong investors access to the world's largest active ETF strategy. The cross-listing demonstrates Hong Kong's competitiveness in attracting overseas ETFs.

As at 30 September, 17 ETFs were eligible for southbound trading under Stock Connect. During the quarter, southbound ETF trading had an average daily turnover of \$5.0 billion (US\$639 million), contributing 7.3% to the total turnover of eligible Hong Kong ETFs.



6 This figure includes 45 private OFCs.

Driving Integrated Fund Platform (IFP) development

As of 30 September, a total of 42 firms including fund distributors, asset managers and transfer agents joined the IFP, which is a new financial infrastructure to facilitate retail fund distribution

in Hong Kong. HKEX launched the IFP's order routing service⁷ to increase efficiency of the fund distribution ecosystem this July, following the launch of the Fund Repository⁸ in December 2024. We are working closely with HKEX and other parties to implement the next phase on nominee, payments and settlement services.

SFC-authorized ETFs and L&I products^{a, b}

	As at 30.9.2025	As at 31.3.2025	Change (%)	As at 30.9.2024	YoY change (%)
Number of SFC-authorized ETFs and L&I products ^c	225	210	7.1	194	16.0
Market capitalisation ^d (\$ billion)	653.5	520.3	25.6	496.0	31.8

	Six months ended 30.9.2025	Six months ended 31.3.2025	Change (%)	Six months ended 30.9.2024	YoY change (%)
Average daily turnover (\$ billion)	37.0	34.3	7.9	16.4	125.6%
Net fund flow ^d (\$ billion) – Net inflow (outflow)	39.3	6.4	N/A	5.9	N/A

a Based on data from HKEX.

b The statistics only cover authorised ETFs and L&I products listed and traded on HKEX's securities market.

c Multiple counters of an ETF and L&I product are counted as one product.

d Market capitalisation and fund flow statistics are calculated based on units/shares of all authorised ETFs and L&I products held in Hong Kong.

ETF Connect – Southbound trading and fund flows of eligible Hong Kong ETFs^a

Six months ended	Number of eligible Hong Kong ETFs as at period end	Market capitalisation as at period end (\$ million)	Southbound trading average daily turnover (\$ million)	As a% of eligible ETFs' total turnover (%)	Fund inflow/ (outflow) of eligible Hong Kong ETFs (\$ million)
30.9.2025	17	365,051	4,141	6.3	-700
31.3.2025	17	306,402	4,225	14.1	-17,038
30.9.2024	16	301,491	1,934 ^b	7.1	636

a Based on data from HKEX.

b Figure restated to align with market data adjustments.

7 This service enhances connectivity between fund distributors and transfer agents on the IFP, improving the process for order placements including fund subscriptions and redemptions.

8 An online database on the IFP providing one-stop access to information on SFC-authorized funds, enabling distributors and investors to easily access and compare fund offerings.

Authorised collective investment schemes					
	As at 30.9.2025	As at 31.3.2025	Change (%)	As at 30.9.2024	YoY change (%)
Unit trusts and mutual funds – Hong Kong domiciled	1,022 [^]	976	4.7	948	7.8
Unit trusts and mutual funds – non-Hong Kong domiciled	1,462	1,445	1.2	1,438	1.7
Investment-linked assurance schemes	320	319	0.3	320	0.0
Pooled retirement funds	32	32	0.0	32	0.0
MPF schemes	23	25	-8.0	25	-8.0
MPF pooled investment funds	200	198	1.0	199	0.5
Paper gold schemes	15	15	0.0	15	0.0
REITs	11	11	0.0	11	0.0
Total	3,085	3,021	2.1	2,988	3.2

[^] This figure includes 116 approved pooled investment funds (retail APIFs), which MPFs may invest in and may also be offered to the public in Hong Kong.

Authorised unlisted structured investment products					
	As at 30.9.2025	As at 31.3.2025	Change (%)	As at 30.9.2024	YoY change (%)
Unlisted structured investment products [^]	426	391	9.0	331	28.7

[^] On a “one product per key facts statement” basis, including equity-linked investments and deposits.

Registered OFCs					
	As at 30.9.2025	As at 31.3.2025	Change (%)	As at 30.9.2024	YoY change (%)
OFCs	626 [^]	520	20.4	435	43.9

[^] This figure includes 581 private OFCs.

SFC-authorized renminbi (RMB) investment products

	As at 30.9.2025
Unlisted products	
Unlisted funds primarily investing in onshore Mainland securities markets ^a or offshore RMB bonds, fixed-income instruments or other securities	59
Unlisted funds (non-RMB denominated) with RMB share classes	496
Paper gold schemes denominated in RMB	1
Recognised Mainland funds under Mainland-Hong Kong MRF arrangement	40
Unlisted structured investment products issued in RMB ^b	425
ILAS with policy currency in RMB	8
Listed products	
ETFs primarily investing in the onshore Mainland securities markets ^a or offshore RMB bonds, fixed-income instruments or other securities	49
ETFs (non-RMB denominated) with RMB trading counters and/or RMB share classes	63
RMB leveraged and inverse products	1
RMB gold ETFs ^c	1
RMB REITs	1

a Refers to onshore Mainland investments made through the Qualified Foreign Investor scheme, Stock Connect, Bond Connect and the China Interbank Bond Market.

b The number is on a "one product per key facts statement" basis.

c Only includes gold ETFs denominated in RMB.

Authorised unit trusts and mutual funds domiciled in Hong Kong – fund flows by type^a (US\$ million)

For the three months ended 30 September, Hong Kong-domiciled funds reported overall net inflows of \$46.9 billion (US\$6.0 billion), which was primarily attributed to index funds.

	Three months ended 30.9.2025			Six months ended 30.9.2025			Six months ended 30.9.2024		
	Subscription	Redemption	Net subscription/(redemption) ^b	Subscription	Redemption	Net subscription/(redemption) ^b	Subscription	Redemption	Net subscription/(redemption) ^b
Bond	6,826	5,635	1,190	12,253	14,718	(2,465)	8,297	6,500	1,796
Equity	5,211	6,049	(838)	9,244	10,380	(1,136)	7,672	9,273	(1,601)
Mixed	2,973	2,709	264	4,796	4,917	(121)	2,426	3,974	(1,548)
Money market	77,595	78,086	(491)	150,472	137,471	13,001	62,528 ^g	51,133 ^g	11,396 ^g
Feeder funds ^c	26	1	25	27	17	11	18	5	13
Index ^d	43,449	38,041	5,408	77,677	73,645	4,033	46,313	44,630	1,683
Guaranteed	19	1	18	19	3	17	0	2	(2)
Commodity and virtual asset ^e	421	41	380	636	282	354	662	441	221
Total ^b	136,520	130,564	5,956 ^f	255,125	241,432	13,693	127,916 ^g	115,959 ^g	11,957 ^g

a Based on data reported by funds domiciled in Hong Kong.

b Figures may not add up to total due to rounding.

c The subscription and redemption amounts of feeder funds whose master funds are authorised by the SFC have been excluded to better reflect the total fund flows.

d Including equity and fixed income index tracking funds, ETFs and L&I products.

e From 30 June 2024, commodity and virtual asset funds, ETFs and L&I products (whether actively managed or index tracking) have been recategorised under the "Commodity and virtual asset" category. Corresponding adjustments have been made to the relevant historical figures.

f This figure includes net outflows of \$18.4 billion (US\$2.4 billion) reported by retail approved pooled investment funds which MPFs may invest in and may also be offered to the public in Hong Kong.

g These figures differ from those disclosed in the *Quarterly Report July – September 2024* due to a revised figure reported after the report's issuance.

Unit Trusts and mutual funds authorisation – processing time by fund application streams

Fund Application Streams [^]	Three months ended 30.9.2025	
	No. of funds authorised during the quarter	Processing time
FASTrack	25	12.28 business days (i.e. 0.59 month)
Standard	22	1.44 months
Non-standard	32	2.8 months
Total	79	

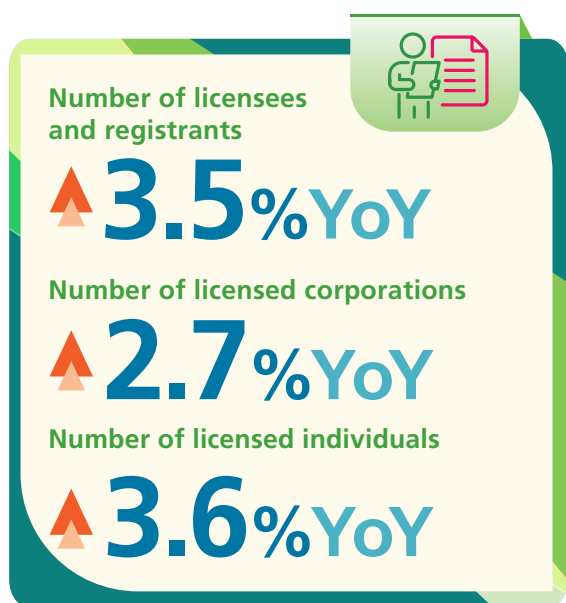
[^] New fund applications are processed under three different application streams. The SFC aims to grant authorisation for application, if successful, within the following target timeframe for the respective application streams: (i) FASTrack: within 15 business days; (ii) Standard: within 1-2 months; and (iii) Non-standard: within 2-3 months.

Gatekeeping the industry

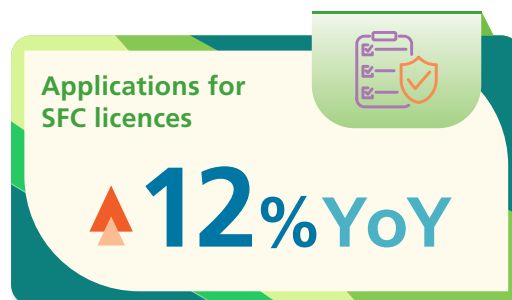
Growth in licence applications under SFO

In the quarter, we received 2,799⁹ licence applications including 2,701 individuals and 98 corporations, up 25% from the previous quarter and up 12% from the same quarter last year.

As at 30 September, there were 49,945 licensees and registrants, including 3,379 licensed corporations (LCs), 46,457 individuals and 109 registered institutions. During the quarter, the number of new licensees and registrants totalled 3,865¹⁰, amongst which 3,805 were individuals, and 60 were licensed corporations and registered institutions.



Amongst the licensed corporations approved during the quarter, Type 9 (asset management) regulated activity¹¹ (RA) accounted for 90% and Type 4 (advising on securities) RA for 66%. Compared to 30 June, the number of firms licensed for Type 9 RA increased by 38 (or 1.7%) to 2,308.



Automated trading services

As of 30 September, there were 54 automated trading services (ATS) providers¹² authorised under Part III of the Securities and Futures Ordinance (SFO), while 37 corporations, including 11 dark pool operators, were licensed under Part V of the SFO to provide ATS.

Facilitating visiting professionals to work in Hong Kong

To provide itinerant professionals with more flexibility, we extended in July the period for them to conduct SFC-regulated activities in Hong Kong from 30 days to 45 days per calendar year.

Financial Review of the Securities Industry for the first half of 2025

In September, we released the *Financial Review of the Securities Industry* for the first half of 2025, which summarised financial performance data and statistics on securities dealers and securities margin financiers. The report revealed that Hong Kong's securities sector maintained its steady growth momentum amid record-high securities transaction value in Hong Kong market in the first half of 2025. The profit increase was bolstered by the steady growth of trading commission and the reduction in overheads and interest expenses.

⁹ The figure does not include applications for provisional licences.

¹⁰ Including provisional licensed representatives.

¹¹ Each licensed corporation may have multiple RA licences.

¹² Under the SFO, two regimes regulate ATS providers. Typically, those that offer facilities similar to those of a traditional exchange or a clearing house are authorised under Part III of the SFO. Intermediaries which provide dealing services with ATS as an added facility are licensed under Part V of the SFO.

Enhancing regulatory regimes and market infrastructure

Increasing position limits

The increase in position limits for exchange-traded derivatives based on the three major stock indices took effect on 2 July, following strong market support. The increase not only allows market participants to manage positions more flexibly, but also promotes the liquidity and efficiency of both the derivatives and the broader markets. Since the increase in position limits, some market participants have held larger positions to meet their needs.

FRR enhancements to develop market for OTC derivatives and other products

The SFC launched a three-month public consultation in July on draft amendments to the Securities and Futures (Financial Resources) Rules (FRR) and related guidelines for implementing a set of internationally comparable capital requirements for LCs engaging in OTC derivative activities.

We also proposed other FRR changes to support LCs' business development and diversification, including measures to facilitate their stock trading in Mainland and emerging markets, commodities and carbon products, as well as digital asset futures and options on licensed VATPs. In addition, to drive Hong Kong's development as a regional fixed income and currency hub, the SFC proposed to exempt the capital requirements for repurchase transactions (repos) that are cleared through SFC-approved central counterparties. This is to promote the central clearing of repos in Hong Kong and the development of the city's inter-dealer repo market.

Development of advanced platforms

The SFC maintains oversight of HKEX as it progresses with the enhancement of market infrastructure, notably through the development of the Orion Cash Platform (OCP) and the Orion Derivatives Platform (ODP).

During the quarter, HKEX implemented enhanced report download arrangements within the OCP environment, and also formally initiated the market readiness phase for the ODP by explaining to stakeholders the development roadmap and engagement strategy. Concurrently, the SFC commenced discussions with HKEX about the ODP's technical architecture, covering trading, clearing and risk management, with new features to promote the sustained advancement of the derivatives market.

Maintaining normal trading under severe weather

The severe weather trading arrangement implemented since 2024 has been activated several times in recent months, most notably in September when Typhoon Signal No.10 was issued for Super Typhoon Ragasa. Throughout these episodes of adverse weather, trading and clearing of Hong Kong's securities and derivatives markets were as usual. Broker participation and trading volumes on severe weather trading days remained comparable to those on normal trading days.

Deepening cross-border fund market and supervisory cooperation

Hong Kong entered its first Mutual Recognition of Funds (MRF) arrangement with a Middle East market, signing a Memorandum of Understanding (MoU) with the United Arab Emirates' (UAE) Securities and Commodities Authority (SCA) in September. This MoU allows, for the first time, unlisted foreign funds to be offered directly to UAE retail investors^a, and is also the UAE's first MRF arrangement with a jurisdiction outside the Middle East. At a preceding high-level bilateral meeting, both regulators exchanged views on further collaborative efforts, such as enhancing investor protection and fostering financial innovation.



CEO Ms Julia Leung (third from right) signed an MoU with UAE's SCA in September

We also entered into an MoU with the Dubai Financial Services Authority (DFSA) of the Dubai International Financial Centre (DIFC) in September to deepen cooperation on the regulatory oversight and supervision of collective investment scheme managers in each other's markets to ensure compliance, governance, and cross-border regulatory alignment.



In the presence of Dr Kelvin Wong (middle), Chairman of the SFC, Ms Leung (right) and Mr Mark Steward (left), Chief Executive of the DFSA, signed an MoU in Hong Kong in September

In October^b, we concluded an MoU with the Autorité des marchés financiers, the financial regulator of Québec, Canada, on the exchange of information for supervision of cross-border investment management activities. This MoU promotes greater transparency and facilitates industry collaboration between Hong Kong and Québec.

a By virtue of new regulations issued by the SCA in 2023, unlisted foreign funds are no longer permitted to be promoted to retail investors in the UAE.
b Post-reporting period.

Strengthening cross-border collaboration

Driving greater market connectivity with Middle East

To further advance market connectivity with the Middle East, the SFC and the Financial Services Regulatory Authority (FSRA) of ADGM¹³ co-hosted a high-level roundtable in Hong Kong in September. Senior executives from Hong Kong asset managers participated in it. Discussions focused on opportunities for Hong Kong asset managers to reach investors in ADGM and the wider UAE through the UAE fund passporting regime.

The roundtable was followed by an industry seminar attended by representatives from the city's asset management industry, where the FSRA shared insights on regulatory requirements for cross-border fund distributions.



The SFC and the FSRA of ADGM co-hosted a high-level roundtable in Hong Kong in September

To foster collaboration between the financial sectors of Hong Kong and Oman, the SFC met with a high-level delegation from Oman, including senior executives from the Oman Investment Authority, Financial Services Authority, Muscat Stock Exchange, and Muscat Clearing & Depository. The discussion covered mutual market access, cross-listing, virtual assets, fintech and green finance, with both parties exchanging views and sharing experiences.



Representatives of the SFC and the high-level delegation from Oman met in Hong Kong in September

Leading international standard-setting efforts

We maintain close working relationships with our overseas regulatory counterparts to develop global regulatory initiatives, contribute to the work of international standard-setting bodies, and promote international cooperation and capacity building. Our leadership roles in the committees and working groups of the International Organization of Securities Commissions (IOSCO) and the Financial Stability Board (FSB) enable us to shape international policies.

¹³ ADGM is the international financial centre of the capital city of the UAE.

IOSCO

In September, our CEO Ms Julia Leung and Senior Director and Head of International Affairs and Sustainable Finance Ms Christine Kung attended the IOSCO Financial Stability Engagement Group (FSEG) meeting in Paris, France, to discuss counterparty disclosures between banks and non-banks, market developments, and implications of quantum computing for financial stability.

During the quarter, we participated in a number of IOSCO meetings:

- IOSCO Financial Stability Coordination Group meetings, which discussed the FSB's work on leverage in non-bank financial intermediation, among others;
- IOSCO Asia-Pacific Regional Committee Platform Providers Engagement Sub-Group meeting; plenary meeting of the IOSCO Committee on Emerging Risks meeting in Rio de Janeiro, Brazil, to discuss market developments and the risk outlook for 2026;
- Plenary meeting of the IOSCO Assessment Committee in Frankfurt, Germany, to discuss the progress of various review projects¹⁴; and
- IOSCO Benchmark Network meeting, which discussed LIBOR¹⁵ transition and ESG¹⁶ benchmarks.

Ms Christina Choi, our then-Executive Director of Investment Products¹⁷, chaired the IOSCO Policy Committee on Investment Management. During the quarter, Ms Choi attended the plenary meeting of the Committee in London to discuss ongoing initiatives and participated in roundtables with asset management market participants.

FSB

During the quarter, Ms Kung attended the FSB Standing Committee on Standards Implementation meeting to discuss the peer review on crypto recommendations, MMF assessment, country peer reviews and 2026 work priorities.

Supervisory college meetings

During the quarter, we participated in supervisory college meetings in Zurich and London to share intelligence and exchange views with other global regulators on the business, conduct and financial risks of global, systemically important financial institutions.



CEO Ms Julia Leung (first row, third from the right) at the IOSCO FSEG meeting

¹⁴ These comprise a guided self-assessment of the IOSCO Enforcement Principles by 49 IOSCO members, implementation monitoring of the Policy Recommendations for Crypto and Digital Asset Markets and a thematic review of IOSCO's Recommendations on Sustainability-Related Practices, Policies, Procedures and Disclosure in Asset Management.

¹⁵ London Inter-Bank Offered Rate.

¹⁶ Environmental, Social and Governance.

¹⁷ Ms Choi assumed the new role of Executive Director of Corporate Finance from 1 November 2025.

Regulatory collaboration with Mainland

To further enhance the global competitiveness of Hong Kong capital markets and its role as a super-connector between Mainland and international markets, we continued to work closely with our Mainland counterparts and relevant authorities this quarter to deepen Mainland-Hong Kong market ties.

We maintained frequent high-level dialogues with Mainland authorities. In September, we met with Mr Wu Qing, Chairman of the China Securities Regulatory Commission, in Beijing to exchange views on market developments and cross-boundary initiatives, such as facilitating the listings of leading Mainland companies in Hong Kong. Both parties agreed to further enhance mutual market access schemes and explore new areas of cooperation.

We also held meetings with the People's Bank of China, State Administration of Foreign Exchange, National Financial Regulatory Administration, Ministry of Finance and other Mainland authorities during the quarter to discuss RMB internationalisation, cross-border capital flows, the developments of Hong Kong's FIC markets, and other ongoing cooperation initiatives.

In addition, we organised a study tour for CSRC senior executives to meet with our operational divisions, local regulators and industry associations in Hong Kong.