

FIC Vision: Triple Wins for Hong Kong as International Financial Centre

Welcoming remarks at the Hong Kong Fixed Income and Currency Forum 2025

**Dr Kelvin Wong
Chairman**

25 September 2025

Distinguished guests, ladies and gentlemen, welcome to the inaugural Hong Kong Fixed Income and Currency (FIC) Forum, jointly hosted by the Securities and Futures Commission (SFC) and the Hong Kong Monetary Authority (HKMA).

Despite today's shift to a virtual format due to inclement weather, we remain deeply grateful for the steadfast support of the Financial Secretary of HKSAR Government, The Honourable Paul Chan, Deputy Governor of the People's Bank of China, Mr Zou Lan and all our esteemed guest speakers. Your unwavering commitment energises this forum and underscores the importance of today's agenda.

The SFC is very pleased to partner with the HKMA to spearhead the development of Hong Kong's FIC market, as highlighted in the Chief Executive's 2025 Policy Address. As an integral part of an international financial centre, fixed income and currency markets are indispensable instruments for risk management and resilience building. Today's forum exemplifies Hong Kong's hallmark resilience amid volatility and a collective resolve to advance our FIC ecosystem. The strong online participation today reinforces the sector's strategic role in forging an all-weather approach to unforeseen challenges.

Today, allow me to spotlight the significant growth opportunities across three key market pillars — issuers, investors, and intermediaries — whom I would call the three I's.

Issuers: optimising capital structure for sustainable growth

Our first "I" — issuers — stand to benefit tremendously from a robust fixed income market. Bond and other fixed income instruments not only provide a cost-efficient funding channel but serve as strategic levers to optimise capital structure. By dynamically balancing equities and debts, issuers can better navigate economic cycles, unlocking growth potential while managing financial risks.

A vibrant fixed income market must therefore offer a comprehensive spectrum of instruments across varying risk-return profiles. This diversity empowers issuers to precisely manage duration mismatches and interest rate exposures to align with their long-term strategies.

Note: This is the text of the speech as drafted, which may differ from the delivered version.

On the currency front, an active forex market enables corporates to hedge currency risks, facilitating smoother cross-border trade and capital flows, and supporting their global expansion ambitions.

Investors: diversified tools supporting risk-adjusted returns

Our second “I” — investors — traditionally view fixed income as a reliable income source that provides predictable cash flows, diversification and risk management. However, growth-oriented investors may see fixed income as lacking upside potential.

That perception overlooks the capacity of FIC to deliver capital appreciation. Investors gain when issuers strengthen their fundamentals and credit profiles through prudent financing strategies. Fixed income, therefore, complements growth portfolios by offering steady income plus opportunities for price appreciation over time.

Currency markets also offer investors powerful tools. Active trading across diverse currency pairs and forex instruments can help navigate today’s complex global environment, smooth portfolio volatility and improve overall risk-adjusted returns.

Intermediaries: fresh business opportunities

The third “I” — intermediaries — are the lifeblood of efficient FIC markets. Financial institutions and professionals facilitate capital flows between issuers and investors by providing advisory and other services that are critical to ensuring information transparency, boosting capital efficiency and market liquidity.

As FIC markets evolve, intermediaries gain access to new revenue streams by broadening their product and client service offerings, including sophisticated instruments tailored for advanced market participants. Enhanced market depth also boosts intermediaries’ own capital and risk management efficiencies, thereby supporting their growth and resilience.

Conclusion: a new era of FIC for Hong Kong

Finally, let me introduce a fourth “I” — the International Financial Centre itself. The SFC and the HKMA have been collaborating closely with market stakeholders to articulate a comprehensive FIC roadmap, aimed at strengthening Hong Kong’s standing as a premier IFC. Capitalising on our unique advantages, we seek to strengthen Hong Kong’s financial ecosystem and reinforce its role as a vital gateway by connecting Chinese Mainland and the world. This includes empowering Chinese corporations’ growth, accelerating the internationalisation of renminbi, and enhancing Hong Kong’s capability to weather global financial storms.

Let us embrace this new era for FIC markets with unity and determination. Thank you all for your attention, and I wish you all productive and insightful discussions throughout today’s forum.