

Appointment of Directors of Hong Kong Cyberport Management Company Limited

The Government today (March 30) announced the re-appointment of Chairman Dr George Lam and three other serving Directors, and the appointment of three new Directors, to the Board of Directors of the Hong Kong Cyberport Management Company Limited for a two-year term from April 1, 2020.

The three new Directors are Professor Christopher Chao Yu-hang, Ms Ivy Cheung Wing-han and Mr Michael Leung Kin-man.

In addition to Dr Lam, three serving Directors, Ms Karen Chan Ka-yin, Mr Duncan Chiu and Mr Hendrick Sin, have been re-appointed to the Board.

The Secretary for Innovation and Technology, Mr Nicholas Yang, welcomed the appointments and re-appointments to the Board of Directors. He said, "Since serving as the Chairman, Dr Lam has contributed tremendously to actively leading Cyberport in taking forward its public mission and building up a fintech cluster. He, together with the other Board Directors, will no doubt continue to steer Cyberport in nurturing its start-up community and promoting further development of Hong Kong into a leading innovation and digital technology hub."

Mr Yang also extended his heartfelt gratitude to the outgoing Directors, Professor Philip Chan Ching-ho and Mr Humphrey Choi Chor-ching, for their invaluable contributions to Cyberport over the years.

The full membership of the Board with effect from April 1, 2020, is as follows:

Dr George Lam (Chairman)
Ms Karen Chan Ka-yin
Professor Christopher Chao Yu-hang
Ms Ivy Cheung Wing-han
Mr Duncan Chiu
Mr Lau Chun-kong
Mr Michael Leung Kin-man
Mr Ling Kar-kan
Mr Victor Ng Chi-keung
Dr Charleston Sin Chiu-shun
Mr Hendrick Sin
Ms Rosana Wong Wai-man
Mr Eric Yeung Chuen-sing
Permanent Secretary for Innovation and Technology

Hong Kong's Gross National Income and external primary income flows for the fourth quarter of 2019 and whole year of 2019

The Census and Statistics Department (C&SD) released today (March 30) the preliminary statistics on Hong Kong's Gross National Income (GNI) and related figures for the fourth quarter of 2019 and the whole year of 2019.

Hong Kong's GNI, which denotes the total income earned by Hong Kong residents from engaging in various economic activities, decreased by 0.6% in the fourth quarter of 2019 from a year earlier to \$767.2 billion at current market prices. The Gross Domestic Product (GDP), estimated at \$744.4 billion at current market prices in the same quarter, recorded a 1.2% decrease over the same period. The value of GNI was larger than GDP by \$22.9 billion in the fourth quarter of 2019, which was equivalent to 3.1% of GDP in that quarter, mainly attributable to a net inflow of investment income.

After netting out the effect of price changes over the same period, Hong Kong's GNI decreased by 3.3% in real terms in the fourth quarter of 2019 from a year earlier. The corresponding GDP in the same quarter decreased by 2.9% in real terms.

Hong Kong's total inflow of primary income, which mainly comprises investment income, estimated at \$383.2 billion in the fourth quarter of 2019 and equivalent to 51.5% of GDP in that quarter, recorded an increase of 0.6% over a year earlier. Meanwhile, total primary income outflow, estimated at \$360.3 billion in the fourth quarter of 2019 and equivalent to 48.4% of GDP in that quarter, decreased by 0.7% from a year earlier.

As for the major components of investment income inflow, direct investment income (DII) increased by 2.0% over a year earlier, mainly due to the increase in earnings of some prominent local enterprises from their direct investment abroad. Portfolio investment income (PII) recorded an increase of 9.2% over a year earlier, mainly attributable to the increase in interest income received by resident investors from their holdings of non-resident long-term debt securities and the increase in dividend income received by resident investors from their holdings of non-resident equity securities.

Regarding the major components of investment income outflow, DII increased by 1.7% over a year earlier, mainly due to the increase in earnings of some prominent multinational enterprises from their direct investment in Hong Kong. PII decreased by 0.5%, mainly attributable to the decrease in interest payout to non-resident investors from their holdings of resident short-term debt securities.

Analysed by country/territory, the mainland of China continued to be the largest source of Hong Kong's total primary income inflow in the fourth quarter of 2019, accounting for 42.3%. This was followed by the British Virgin Islands (BVI), with a share of 22.8%. Regarding total primary income outflow, the BVI and the mainland of China remained the most important destinations in the fourth quarter of 2019, accounting for 26.7% and 24.8% respectively.

For 2019 as a whole, Hong Kong's GNI increased by 1.6% over a year earlier to \$3,016.3 billion at current market prices. The difference of \$148.2 billion from GDP for the same year (estimated at \$2,868.2 billion) represented a net primary income inflow of the same amount and was equivalent to 5.2% of GDP in that year. The total primary income inflow was estimated at \$1,670.6 billion, or 58.2% of GDP in 2019 while the corresponding outflow at \$1,522.5 billion, or 53.1% of GDP in 2019. After netting out the effect of price changes, Hong Kong's GNI decreased by 1.1% in real terms in 2019 from 2018.

Further information

GDP and GNI are closely related indicators for measuring economic performance. GDP is a measure of the total value of production of all resident producing units of an economy. GNI denotes the total income earned by residents of an economy from engaging in various economic activities, irrespective of whether the economic activities are carried out within the economic territory of the economy or outside.

Figures of GNI and primary income flows analysed by income component from the first quarter of 2018 to the fourth quarter of 2019 are presented in Table A, while selected major country/territory breakdowns of primary income inflow and outflow for the same quarters are presented in Tables B(1) and B(2) respectively.

Statistics on GDP and GNI from 2018 onwards and primary income flows for 2019 are subject to revision when more data become available.

Enquiries about GNI and related statistics may be directed to the Balance of Payments Branch (2) of the C&SD at 3903 7054.

[HKMA Quarterly Bulletin and Half-Yearly Monetary and Financial](#)

Stability Report (March 2020 issue)

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) today (March 30) published the March 2020 issue of its Quarterly Bulletin and Half-Yearly Monetary and Financial Stability Report.

The Quarterly Bulletin carries a feature article, entitled "The Hong Kong Debt Market in 2019". The Half-Yearly Report provides detailed analyses of the global and local economy, as well as the monetary and financial conditions in Hong Kong. It also examines the recent performance and risks of the local banking sector.

The Quarterly Bulletin and the Half-Yearly Report can be viewed on and downloaded from the [HKMA website](#). A separate, printed version of the Half-Yearly Report (English version only) may be ordered at \$60 a copy. The publication order form can be downloaded from the HKMA website.

Chain volume measures of Gross Domestic Product by economic activity for the fourth quarter of 2019 and the whole year of 2019

The Census and Statistics Department (C&SD) released today (March 30) the preliminary figures of chain volume measures of Gross Domestic Product (GDP) by economic activity for the fourth quarter of 2019 and the whole year of 2019.

GDP figures by economic activity show the value of production in respect of individual economic activities. The value of production is measured by net output or value added, which is calculated by deducting intermediate input consumed in the process of production from the gross value of output. Volume measures of GDP by economic activity, expressed in terms of chain volume measures net of the effect of price changes, enable analysis of the output growth profiles of individual economic sectors in real terms.

According to the preliminary figures, overall GDP decreased by 2.9% in real terms in the fourth quarter of 2019 from a year earlier, similar to the decrease of 2.8% in the third quarter of 2019. For 2019 as a whole, GDP decreased by 1.2% in real terms from 2018.

Analysed by constituent services sector and on a year-on-year comparison, net output in respect of all the services activities taken together decreased by 2.2% in real terms in the fourth quarter of 2019 from a year earlier, compared with the decrease of 1.7% in the third quarter. For 2019 as a whole, the net output decreased by 0.3% in real terms for all the services sectors taken together.

Net output in the import and export, wholesale and retail trades sector dropped by 8.3% in real terms in the fourth quarter of 2019 from a year earlier, after the decrease of 10.0% in the third quarter. For 2019 as a whole, net output in this sector saw a decrease of 6.2% in real teams, as against the 4.2% growth in 2018. The global economic slowdown and US-Mainland trade tensions dampened trade and investment worldwide and the sharp fall in visitor arrivals in the second half of 2019 took a heavy toll on retail business, leading to a fall in net output of this sector during the year.

Net output in the financing and insurance sector increased by 2.7% in real terms in the fourth quarter of 2019 over a year earlier, compared with the 3.3% rise in the third quarter. For 2019 as a whole, net output in this sector rose by 2.9% in real teams, compared with the 4.0% growth in 2018. Trading activities in the stock market were active in early 2019 but quietened down over the course of the year, resulting in a smaller growth compared to the preceding year.

Net output in the accommodation services (covering hotels, guesthouses, boarding houses and other establishments providing short term accommodation) and food services sector plunged by 23.0% in real terms in the fourth quarter of 2019 from a year earlier, after the decrease of 13.8% in the third quarter. For 2019 as a whole, net output in this sector decreased by 9.0% in real teams.

Net output in the transportation, storage, postal and courier services sector decreased further by 7.7% in real terms in the fourth quarter of 2019 from a year earlier, following the decline of 2.2% in the third quarter. For 2019 as a whole, net output in this sector recorded a decrease of 1.6% in real teams.

Net output in the information and communications sector increased by 2.9% in real terms in the fourth quarter of 2019 over a year earlier, compared with the growth of 5.5% in the third quarter. For 2019 as a whole, net output in this sector rose by 4.7% in real teams.

Net output in the real estate, professional and business services sector remained virtually unchanged in real terms in the fourth quarter of 2019 over a year earlier, compared with the increase of 0.4% in the third quarter. For 2019 as a whole, net output in this sector increased by 1.1% in real teams.

Net output in the public administration, social and personal services sector rose by 2.5% in real terms in the fourth quarter of 2019 over a year earlier, compared with the growth of 2.0% in the third quarter. For 2019 as a

whole, net output in this sector increased by 2.9% in real terms.

As for sectors other than the services sectors, net output in the local manufacturing sector dropped by 0.5% in real terms in the fourth quarter of 2019 from a year earlier, as against the increase of 0.5% in the third quarter. For 2019 as a whole, net output in this sector rose by 0.4% in real terms.

Net output in the electricity, gas and water supply, and waste management sector decreased by 1.2% in real terms in the fourth quarter of 2019 from a year earlier, as against the increase of 1.7% in the third quarter. For 2019 as a whole, net output in this sector registered a marginal decrease of 0.2% in real terms.

Net output in the construction sector decreased by 6.0% in real terms in the fourth quarter of 2019 from a year earlier, after the decrease of 3.1% in the third quarter. For 2019 as a whole, net output in this sector decreased by 5.8% in real terms.

Further information

The year-on-year percentage changes of GDP by economic activity in real terms from the fourth quarter of 2018 to the fourth quarter of 2019 are shown in Table 1. For enquiries about statistics on GDP by economic activity, please call the National Income Branch (2) of the C&SD at telephone number 3903 7005.

Figures of chain volume measures of GDP by economic activity for the fourth quarter of 2019 and the whole year of 2019 are only preliminary at this stage. When more data become available, the preliminary figures will be revised accordingly. More detailed figures can also be found at the Hong Kong Statistics section of the C&SD website (www.censtatd.gov.hk).

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Monday, March 30, 2020 is 108.7 (up 0.2 against last Saturday's index).

The effective exchange rate index for the Hong Kong dollar on Saturday, March 28, 2020 was 108.5 (down 0.1 against last Friday's index).