



Hong Kong Investment Funds Association

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HKIFA welcomes 2012-2013 Budget

“HKIFA welcomes 2012-2013 Budget which has taken measures to continue support the development of financial services industry in Hong Kong”, Ms. Kerry Ching, Chairman of the Hong Kong Investment Funds Association (“HKIFA”) said.

“We welcome the proposal to increase the maximum tax deduction for MPF mandatory contributions from HK\$12,000 to HK\$15,000. To enable the Hong Kong people to grow their retirement income pools, we believe that the HKSAR Government can provide tax incentives for MPF voluntary contributions (provided that the benefits cannot be withdrawn until retirement) to complement mandatory contributions. This can encourage those who can put aside more for their retirement nest eggs to save more; and enable the Government to focus on helping those who are in the greatest need of social security support.”

As pointed out by Mr. John Tsang, Financial Secretary, at his speech yesterday, there has been very encouraging development of Hong Kong’s position as an offshore renminbi (“RMB”) business centre in the past one year. The first batch of RMB Qualified Foreign Institutional Investors (“RQFII”) funds has been launched recently and there are more in the pipeline.

“We believe that as the Mainland continues to internationalize the RMB, the asset management industry in Hong Kong, which has a large and deep pool of talent with international expertise, can contribute a lot in the process. Ms. Ching said, “we will work closely with the relevant authorities to provide inputs on how to further promote the development of RMB-denominated fund products and to foster the development of the Mainland capital markets,” Ms Ching notes.

HKIFA has 67 fund management companies as full/overseas and affiliate members. It has 51 associate members, which include trustees and other professionals that are involved in the creation and administration of funds.

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