



9TH CHINA CAPITAL MARKETS CONFERENCE

Hong Kong 29 November 2019

PROGRAM (as of 5 September 2019)

Location: Island Ballroom, Island Shangri-La, Hong Kong

Remarks: Open to the media except the Concurrent Roundtables

Friday, 29 November 2019		
Morning	08:30 – 09:00 Registration	
	09:00 – 11:15 <u>PLENARY SESSION</u> Keynote Panel 1: Trade Tensions & Macro Economy Panel 2: Financial Centres in Greater China	
	11:15 – 11:45 Morning Refreshment Break	
	11:45 – 12:40 <u>PLENARY SESSION</u> Panel 3: Operating in China's Markets Demo: Infrastructure Tool Kit	
	12:40 – 13:45 Networking Lunch	
Afternoon	13:45 – 15:25 <u>STREAM A</u> Panel A4: Bond Market, FX & Local Rates Panel A5: Stock Connect & Equities	13:45 – 15:25 <u>STREAM B</u> Panel B4: FinTech & Technologies Panel B5: Sustainable Finance
	15:25 – 15:55 Afternoon Refreshment Break	
	15:55 – 16:45 Concurrent Roundtables (<i>closed to media</i>) 1. Securitization 2. Cybersecurity Law 3. Infrastructure and Belt and Road 4. Asset Management Landscape in China	
	16:45 – 16:50 Closing Remarks	
	16:50 - 17:20 Cocktail (<i>sponsored cocktail opportunity</i>)	

MORNING PLENARY SESSION

08:30-09:00 **Registration**

09:00-09:15 **Welcome Remarks / China Capital Market Paper**

- **Mark Austen, CEO, ASIFMA**

09:15-09:35 **Keynote**

- **Howard Lee, Deputy Chief Executive, Hong Kong Monetary Authority**

09:35-10:25 **Panel Discussion 1 – China in 2019: Trade Tensions and the Macro-economy**

- What impact have US-China trade tensions had on the Chinese economy, market reforms, and the internationalisation and opening of China's markets?
- What has the impact been on capital flows in and out of China? Is corporate deleveraging continuing, and what does it mean for the economy?
- To what extent are Chinese regulatory standards aligned with China's G20 commitments; where is the greatest need to close the gap?
- What lies ahead for One Belt, One Road? Where is this ambitious initiative headed and will it and China last the distance?
- **Michael Taylor, Managing Director and Chief Credit Officer, Asia Pacific, Moody's**
- **Simon Rabinovitch, Asia Economics Editor, The Economist (moderator)**

10:25-11:15 **Panel Discussion 2 – Evolution of Financial Centres in Greater China**

- How will Hong Kong, Shenzhen, Shanghai evolve in coming years? What can we make of Shanghai Stock Exchange launching a centre in Guangzhou?
- How and to what extent will these centres complement and/or compete with one another? What overarching national strategy is at play?
- How will China's Greater Bay Area initiative drive or impact this dynamic and these centres? How will the Greater Bay Area initiative evolve over time?
- What can we expect of London-Shanghai and other new 'Connect' schemes? What do they mean for other centres? Will we see a London Bond Connect?
- Are Chinese banks competitive enough outside their domestic market to significantly penetrate other markets and challenge foreign incumbents?

11:15-11:45 **Morning Refreshment Break**

11:45-12:35 Panel Discussion 3 – Operating in China’s Markets: Implications of China’s Recent Market Opening

- Setting up a JV or a WFOE? What are the considerations?
- How difficult is it to acquire majority control of a JV? Does the “One Control One Participation” apply to foreign owned entities?
- How easy is it to convert a PFM WFOE into a fund management company (FMC)? What are some of the issues with such conversion?
- Why can’t the same entity engage in different activities (e.g. private funds, QDLP funds and public funds, or securities brokerage and underwriting)? Are there good reasons for keeping the activities separate?
- How do foreign-owned firms reconcile differences between the regulatory requirements of their home jurisdiction and that of China (e.g. data privacy, data protection, cybersecurity, KYC/AML)?

12:35-12:40 Demo – Infrastructure Took Kit

- **Anna Cheung, Senior Service Promotion Manager, Hong Kong Trade Development Council**

12:40-13:45 Networking Lunch

AFTERNOON BREAK-OUT SESSIONS – STREAM A

13:45-14:35 Panel Discussion A4 – China Interbank Bond Market, FX and Local Rates

- China Interbank Bond Market (CIBM), Bond Connect and other channels - what is the best way to gain access to the third largest bond market in the world? Will these be streamlined over time?
- At the same time, how can China develop deeper, more liquid secondary markets? What improvements can be made to enable fungibility between channels, and enhancements to general levels of market liquidity such as fixed income repo, foreign exchange hedging and ease of repatriation?
- Is there a need for a deeper derivatives market to drive a more liquid cash market? How does onshore and offshore hedging compare? What is the significance of close-out netting in this context?
- Will the ramping up of bond index inclusion make a difference? Will international ratings be used soon and will they facilitate investment?

14:35-15:25 Panel Discussion A5 – Stock Connect and Equities Market Development

- Stock Connect, QFII, London Connect - what will the ecosystem look like in ten years' time? Will the schemes merge? Will all pain points be resolved?
- Which remaining challenges need to be solved first for international investors to trade into more China A shares now? What key restrictions remain?
- ID market, settlement cycles, RMB settlement, regulatory constraints, channel fungibility, circuit breakers - are we past the teething-issues stage?
- What enhancements might we hope to see in the near future? Could new approaches emerging from China leapfrog international practices?
- Might we ever see 5% MSCI partial inclusion factor move to 100%?
- What can regulators and supervisors do to improve China's IPO market?

15:25-15:55 Afternoon Refreshment Break

AFTERNOON BREAK-OUT SESSIONS – STREAM B

13:45-14:35 Panel Discussion B4 – FinTech in China and Emerging Technologies

- Blockchain, crypto currencies and ICOs, artificial intelligence, big data – which are the areas in which China is genuinely world-beating?
- How has China's historically benign regulatory environment shaped its technology firms, and what does this mean for markets outside China? How is this regulatory environment changing?
- What can we learn from China's BigTechs or Fintechs about long-term disruption and increased competition that might occur in other markets?
- What consumer technology developments in China could inform and drive changes in wholesale markets both domestically and internationally?
- Is the emergence of China's technology accompanied by meaningful advances in RegTech and SupTech? Are we seeing a greater emphasis on AI regulation?
- How might the US-China rivalry for technological supremacy impact any of these developments as well as broader geopolitics and markets globally?

14:35-15:25 Panel Discussion B5 – Sustainable Finance

- What is sustainable investing in the Chinese context? What has been driving China's push towards green and sustainable finance?
- What can other markets learn from sustainable finance developments in China? Will any developments in China inevitably impact the way other sustainable finance markets emerge globally over the coming years?
- What is China doing to ensure it remains one of the most advanced markets in terms of developing standardised taxonomies for green products?
- Is green coal really that green? What is China doing to enhance transparency, consistency and standards of disclosure?
- What is a 'circular economy', can it grow and create profit for investors?

15:25-15:55 Afternoon Refreshment Break

AFTERNOON CONCURRENT ROUNDTABLES (CLOSED TO THE MEDIA)

15:55-16:45 **Concurrent Roundtables***

**3 simultaneous roundtables will take place, each representing a designated topic with moderators leading the discussion. Delegates can choose to join any table.*

Roundtable 1 – Securitisation in China within a Global Context

- Has China learnt enough from the US's subprime mortgage crisis, brought on in part by securitisation of subprime mortgages into mortgage-backed securities (MBS) and collateralized debt obligations (CDOs)?
- With developments of an auto loans securitisation market and the beginning of a mortgage-backed market, is China at greater risk of its own credit crunch, or are the developments of these markets fundamentally different?
- What commercial and regulatory drivers are potentially behind the increased levels of securitisation in China?
- What laws govern securitisation in China? Which regulators have oversight over this area and are they coordinated?
- **Liu Borong, Chairman of Executive Committee, China Securitization Forum; Head of Financial Department, Zhong Lun Law Firm**

Roundtable 2 – China's Cybersecurity Law

- Why is it important for governments to set cyber security standards, and what is China specifically seeking to achieve with its Cybersecurity Law?
- Which cybersecurity regulations apply in China and which agencies have jurisdiction over cybersecurity in relation to financial institutions?
- How does the Cybersecurity Law impact foreign firms? Domestic firms?
- What approaches can be adopted to protect the security of data, systems and networks whilst enabling the cross-border data flow needed to facilitate investment in and out of China.
- What has the impact of the Cybersecurity Law in China had on other markets in this region? What other approaches have been taken by regulators elsewhere?

Roundtable 3 – Infrastructure and the Belt and Road Initiative

- What defines success for this ambitious initiative, and how has this evolved since 2013? What will it achieve in terms of China's standing in the world?
- What is the necessary mix necessary between government and private capital to fund Belt and Road infrastructure projects long term?
- What opportunities will greater market-led financing open for global international financial institutions and investors?
- What transparency and other reforms are necessary within participating countries to ensure funding is always directed to its best use?
- What can be done to ensure participating countries avoid debt stress?

Roundtable 4 – Asset Management Landscape in China

- What are the differences between the various asset management entities in China (e.g. FMCs, PFM, bank wealth management subsidiaries, insurance wealth management entities)? Does one have an advantage over another? Is it a level playing field?
- What do foreign asset managers have to consider when operating or deciding to operate in China? For example, who will be their distribution partner(s)?
- What has been the relationship between foreign-owned PFM WFOEs and their distributors? How is this changing with the new asset management guidance?
- What are the opportunities for foreign asset managers to participate in the domestic pensions area?

16:45-16:50 **Closing Remarks**

- **Mark Austen, CEO, ASIFMA**

16:50-17:20 **Cocktail** *(Sponsored Cocktail Opportunity)*

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