

**STAY THE COURSE:
HONGKONG WILL COME GOOD**

One of the best places in the world in which to invest, today, is the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

This is the view of **TARGET ()**, an opinion that has hardly changed over the past five years.

Today, more than ever, this opinion has been reinforced by events that have unfolded over the period June – December 2012.

On December 18, 2012, the Hongkong Government announced that the unemployment rate stood at about 3.40 percent for the three months, ended November 30.

The unemployment rate has decreased by nearly seven percentile points over the quarter, ended October 30, The Census and Statistics Department of the Hongkong Government announced.

Increases in unemployment were found to be significant in finance and insurance and import and export trade sectors.

At the same time, decreases in unemployment were most noticeable in the wholesale and retail sectors.

Mr Matthew Cheung Kin Chung (), The Secretary of Labour and Welfare, went on record on December 18 as stating, inter alia:

‘Despite the subdued economic growth, the usually more buoyant business activities in the run-up to Christmas and New Year should boost labour demand, thereby keeping the unemployment situation stable for the time being. Nonetheless, uncertainties in the external environment, such as the evolving Eurozone debt crisis and the US fiscal cliff, would continue to affect our economic prospects. We will continue to stay alert and monitor development closely...’.

Well, Mr Secretary, the US fiscal cliff, for the time being, at least, has been relegated to history with a consensus, having been agreed between the Democrats and the Republicans; and, as for the ‘Eurozone debt crisis’, that is being dealt very expediently with the **I**nternational **M**onetary **F**und (**IMF**) and the **E**uropean **C**entral **B**ank (**ECB**), both coming to the party in an effort to ameliorate the tricky situation in that part of the world.

It is said that, for every potential calamity, perceived to be on the horizon, less than one percent will ever arrive.

Hongkong's Population

The human population of Hongkong, today, is about 7,136,300. In the middle of 2009, the human population stood at about 6.90 million.

The Hongkong Labour Force, today, is about 3,793,300, of which number, 3,666,200 were employed. That would suggest that about 127,100 people are unemployed.

That is all she wrote!

Between September 2011 and December 2012, the Labour Force has increased by about 200,000 bodies. This would suggest that the increases in the Labour Force have been well absorbed.

Only in the statistics, relating to domestic exports of goods, has there been a flat line, between November 2011 and November 2012.

The figures suggest that, despite a hiccough at the tail end of 2011, when the value of domestic exports dropped to about \$HK3.80 trillion, today, the value of domestic exports have recovered to the November 2011 figure of about \$HK5.12 trillion.

Hongkong's Resilience

The economic history of these 416 square miles has been beset with problems, with trade, with political disturbances and with health issues, such as **Severe Acute Respiratory Syndrome (SARS)** and Avian Influenza (commonly known as Bird Flu).

But Hongkong, always, has survived.

In this medium's opinion, Hongkong will, always, spring back from adversity because, among other things, there are too many positives, deeply entrenched in this little enclave at the very bottom of the People's Republic of China (PRC).

Hongkong is highly unlikely to allow for any protracted failure as one has witnessed in the US and in the eurozone over the past few years.

The business moguls of Hongkong have not been able to be in their positions of power by being lackadaisical.

Indeed, while there is great deal of jealousy in many quarters as to their successes and continued entrepreneurialism over the years, these people, who make the headlines, internationally, saw and grabbed the business incentives that made them some of the richest men and women of the world.

Their far-sightedness set them apart from mere mortals.

And they are not running away from Hongkong, but, in fact, they are expanding their financial empires, in some cases, by purchasing US and/or European entities, earning, for their private and public corporate entities, even greater and greater wealth.

As the US and Europe struggle with their financial problems, opportunities are being made manifest and quite a number of Hongkong business moguls, loaves of bread under each arm, so to speak, are hungry to buy up what they see as cheap investment opportunities.

In select capital cities of Europe, today, Hongkong businesses are moving in, setting up their European headquarters in anticipation for the day when situations will right themselves, once again.

And, when that day arrives, they will reap the rewards for their nous and perspicacity.

If Hongkong investors can but see, understand and be able to evaluate the actions that are being taken by these moguls, there are ample opportunities to take a ride with them via investing in their publicly listed companies.

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