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HKVCA 6th Asia Private Equity Forum

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Media	Asia Fund Space	Date	2 Feb 2016
Page	n/a	Reporter	n/a
Headline	PRC PE Getting Pickier		
Synopsis (For Chinese articles)			
Link	http://www.asiafundspace.com/pages/view_newsbulletin/1239		

THE OLD WAYS of private equity in the world's biggest country are quickly becoming a thing of the past, a financial sector professional said.

Mr. CK Tsang, Consultant with Swiss-based executive search firm Egon Zehnder, told a recent gathering of Hong Kong's financial community that private equity investors in the PRC were increasingly expecting more bang for their buck, as well as higher returns given the enhanced risk portfolio.

He was speaking during a recent panel discussion at the Asia Private Equity Forum 2016 in Hong Kong touching on the broad theme: "How are Asia's GPs Adding Value to Their Portfolio Companies?"

"In the old China, the strategy was to just build and sell.

"But this doesn't work anymore," Mr. Tsang said.

The four-person panel along with one moderator addressed questions including: What do private equity operating teams do and how does their role differ from those of deal teams and management? What is the current model of involvement - board vs project, push vs pull, post-investment vs pre and post - of Asian GPs and why? What are the tools and capabilities that GPs and operating teams bring to bear in creating value? When is it better to outsource and how can GPs work most effectively with service providers? What can a GP do when an Asian private equity investment underperforms?

He said that increasing competition from other countries employing China's development model as well as higher expectations among private equity investors were changing the game.

"We are increasingly seeing enhanced due diligence practices, more refined M&A skills as well as constant technological upgrades as being key essentials for survival in this business," he added.

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(Note: This story is contributed by Andrew Vanburen. Mr. Vanburen has served as a government official focused on international trade at the American Institute of Taiwan in Taipei, and worked in financial journalism for nearly a decade in both Beijing and Shenzhen. He holds a Master's Degree from New York University. He is currently Director at Hong Kong-based Asia Fund Space. For more information, please visit: www.asiafundspace.com)

Media	Asia Fund Space	Date	29 Jan 2016
Page	n/a	Reporter	n/a
Headline	Down Market Driving Asia's Private Debt Plays		
Synopsis (For Chinese articles)			
Link	http://www.asiafundspace.com/pages/view_newsbulletin/1231		

AN EXECUTIVE WITH debt investment specialist Clearwater Capital Partners told financial sector specialists that his firm was thriving amid the region's tenuous economic recovery.

"Asia's market prices right now bring us compelling entry points.

"Furthermore, lending restrictions in the PRC are reasonably loose right now," Mr. Robert Petty, Managing Partner & Co-founder, Clearwater Capital Partners, said during a recent panel discussion at the Asia Private Equity Forum 2016 in Hong Kong.

Hong Kong's Hang Seng Index hasn't provided much to write home about of late.

He was speaking along with three other panelists and a moderator during the session: "Risks and Rewards in Asia's Private Debt Markets: During which questions were asked including "Is the importance of private debt in Asia markets adequately understood by investors? In what ways are the private debt markets of Asia unique? How should the special characteristics of the major Asian markets affect the ways global investors think about investments and manager selection? Given the current economic environment, what are the opportunities and risks for private debt investors in the region? Is distressed debt investing likely to make a comeback in Asia?"

Hong Kong's stock market fell around 7% in calendar year 2015 and the month of January has so far been very unkind to the benchmark Hang Seng Index.

Combined with a recent downtick in Chinese interest rates, that leaves firms – both listed and otherwise – more likely to turn to lending and debt as both financing and investment options.

Mr. Robert Petty (second from left), Managing Partner & Co-founder, Clearwater Capital Partners, during a recent panel discussion at the Asia Private Equity Forum 2016 in Hong Kong. Photo: Asia Fund Space

"SMEs in China often only have the financing option of borrowing and debt building, which of course is an upside driver for financing firms.

“Furthermore, Chinese lenders are much more savvy and debt markets are more mature, especially after lessons learned from the 1997 Asian Financial Crisis and the 2008 Global Financial Crisis,” Mr. Petty added.

Clearwater Capital Partners provides investors with access to a full spectrum of special-situation investments in public and private debt or equity of local, Asia-region issuers. In doing so, Clearwater also assists owners and management, particularly of the region's often capital-constrained small-to-medium-sized enterprises (SMEs), to create financial and operating restructurings that will allow their companies to succeed. In addition, by facilitating these successful restructurings, the firm has become a valuable and trusted resource to the region's banks, brokers and other business intermediaries.From its inception in 2001, Clearwater has expanded its activities to six global locations, including locally staffed offices in Hong Kong, Singapore, Beijing, Mumbai, Seoul and New York. The breadth of the targeted investment market and Clearwater's established and experienced "on-the-ground" presence makes it possible for the firm to source, develop and capture value in diverse opportunities across capital structures that include but are not limited to investments in post-restructured or operationally sound public and private companies that are undervalued or poorly capitalized due to their inaccessibility to capital, financial restructurings, operational turnarounds and portfolios, pools and individual non-performing loans.

Media	Asia Fund Space	Date	29 Jan 2016
Page	n/a	Reporter	n/a
Headline	KKR: China's F&B Sector Providing Food For Thought		
Synopsis (For Chinese articles)			
Link	http://www.asiafundspace.com/pages/view_newsbulletin/1232		

THE PRC'S sprawling food & beverage sector has had its share of quality and safety issues over the past few years, and that means industry plays are more in need of the services of global investment firm KKR than ever, an executive told investors.

Mr. Steven Okun, Director, Asia Pacific Public Affairs, KKR said during a recent panel discussion at the Asia Private Equity Forum 2016 in Hong Kong that both consumers and investors needed more proof that Mainland China's F&B enterprises were fully committed to product quality and safety.

"Food safety in China has been a hot-button issue these past few years which is part of the reason that all of our F&B investments in the PRC have so far been minority holdings. But ESG (environmental, social and governance) is especially crucial to this sector," Mr. Okun said.

Tingyi (HK: 322), one of the top sellers of bottled water and instant noodles in China, has been hit by various product quality issues of late – perhaps a good candidate to benefit from the ESG (environmental, social and governance) services offered by KKR. Photo: Tingyi

He was speaking along with three other panelists and a moderator during the session: "Environmental, Social & Governance Issues in Asia Private Market" during which questions were asked including: "What are the benefits of incorporating responsible investing principles across environmental, social and governance (ESG) dimensions into a GP's investment process? Where has concrete alpha been created through ESG best practice in Asia PE investments? For firms whose best practices originated from the US/Europe, what fine-tuning or additions were made to adapt the practices into the Asian context? What have been the challenges in permeating a responsible investing culture within the firm, and what have been the most effective approaches to overcoming challenges?

In February 2011, Mr. Okun was appointed KKR's Director of Public Affairs in the Asia Pacific, responsible for overseeing the firm's public affairs, corporate citizenship and external communications in the Asia Pacific, as well as helping support the public affairs and communications efforts of KKR's portfolio companies in the region.

Prior to his current post, Mr. Okun served as Chairman of the American Chamber of Commerce in Singapore, and until October 2010, was Vice President for Public Affairs for UPS in the Asia Pacific.

Mr. Steven Okun (second from left), Director, Asia Pacific Public Affairs, KKR
during a recent panel discussion at the Asia Private Equity Forum 2016 in Hong Kong
Photo: Asia Fund Space

"In US and EU, if potential investors ask a company to see their ESG report and worker safety record and company officials say such documents don't exist, then investors will think long and hard before investing in that company.

"But when the same thing happens in emerging markets – including in the PRC – when firms tell investors they also don't have such records, then that's where we come in and can recommend teams to compile such data as this will make the company a better one overall and can help them become a more attractive investment target and can also help prevent workplace safety and environmental mishaps," Mr. Okun said at the recent HKVCA Forum in Hong Kong.

KKR is a global investment firm that manages investments across multiple asset classes, including private equity, energy, infrastructure, real estate, credit strategies and hedge funds.

Media	Asia Fund Space	Date	27 Jan 2016
Page	n/a	Reporter	n/a
Headline	Interview: Executive Searching For Right Stuff In China		
Synopsis (For Chinese articles)			
Link	http://www.asiafundspace.com/pages/view_newsbulletin/1228 Reposted by etnet: http://www.etnet.com.hk/www/tc/news/categorized_news_detail_eng.php?category=market&newsid=ETE260128500		

MR. CK TSANG, Consultant with Egon Zehnder -- the world's largest privately held executive search and talent strategy firm – knows a thing or two about filling the most coveted job openings in China and Hong Kong, telling Asia Fund Space that even large PRC firms were seeing fewer relatives take over the reigns as the need for true and diversified talent rises.

Mr. Tsang said that the Zurich-based executive search play has grown to become one of the top global executive search firms, and he himself comes from a long recruiting background.

"I've come to realize that the best peers in our sector are committed to not only helping get the right people on the bus, but we have to also help them steer the bus," he said.

Asia Fund Space: Although China's economy has made great strides these past two decades in terms of transparency and meritocracy, there is still a strong, entrenched cultural norm called "face" and "connections" (面子 mianzi, and 关系 guanxi), both of which tend to see family members and gift-giving associates move up the corporate ladder regardless of competence, experience or education.

With this in mind, do you expect more Chinese firms -- especially those listed in the PRC and Hong Kong -- turning with more positive expectations on the institution of executive search services like Egon Zehnder -- thus outsourcing the top staffing position-finding tasks to third parties rather than relying on "guanxi" to fill coveted posts?

Mr. CK Tsang (right), Consultant with executive search firm Egon Zehnder, takes part in a panel discussion during the recent Asia Private Equity Forum 2016 in Hong Kong. Following the panel, Mr. Tsang gave an exclusive interview to Asia Fund Space. Photo: Asia Fund Space

Mr. CK Tsang: We're all familiar with the ongoing phenomenon of "sea turtles" (海龟), or those Mainland Chinese who return to the PRC after earning degrees and/or professional work experience abroad.

This coincides with Chinese companies generally looking to expand their professional staff, and those with global experience are particularly in demand.

And the growing tendency for Chinese firms to expand their international sales and operations (“走出去”) is part and parcel of this globalization, so Chinese companies are increasingly needing to move beyond their comfort zones and must reach outside to procure the best talent and experience for the job opening at hand, regardless of where the candidate is or hails from.

Thus these companies can be seen to be undergoing a horizontal and geographic expansion as it were.

Asia Fund Space: Do you feel that cultural change, regulatory pressure, or competition from more talented staff employed by rivals is the chief driverof growth of executive search firms like yours in China?

Zebra Strategic Holdings (HK: 8260) also provides executive/staff search services in the PRC. Photo: Zebra

Mr. CK Tsang: I think it might be a bit limiting to believe that nepotism, favoritism and other non-competitive corporate hiring practices are phenomena limited to the region.

After all, last year, multi-billionaire media mogul Rupert Murdoch handed over leadership of Twenty-First Century Fox to his 42-year-old son James.

And related to the subject of procuring foreign talent, I think the institution of the traditional “expat package” – with sky-high salaries, housing and schooling subsidies, and other perks meant to attract top candidates to markets like the PRC – are fizzling out before our eyes.

There’s also a tendency for multinational firms to prefer local talent in their PRC hiring campaigns to help bring about more localization itself.

However, there still are negotiations on taxes and salaries that do take place at some firms to entice overseas professionals to foreign-based positions.

But as I mentioned before, the return of the so-called “sea turtles” is mixing up the executive work pool in a significant way, and they are also helping expat packages fizzle out in their own way.

Regardless of these phenomena, we believe that China provides excellent, long term growth opportunities for us, and our business model is unique – we are the only major player in our sector who works on a fixed fee basis rather than basing our revenue on the salary of the newly-hired executive.

This gives us a more stable income stream.

Today's leaders are expected to maximize their organization's performance, drive innovation and meet the rising expectations of a range of stakeholders. Egon Zehnder's Client Services help leaders meet those challenges by creating highly effective boards and leadership teams and building strong future talent pipelines.

Media	Private Equity International	Date	27 Jan 2016
Page	n/a	Reporter	Carmela Mendoza
Headline	Navegar talks mid-market opportunities in the Philippines		
Synopsis (For Chinese articles)			
Link	https://www.privateequityinternational.com/news/asia-pacific/2016-01-27/navegar-talks-mid-market-opportunities-in-the-philippines/		

Managing partner of Makati City-based firm Navegar, Honorio Poblador, sees a $15 million investment sweet spot.

Navegar, a Philippines-focused private equity fund, was created in July 2013 with a key goal: to provide growth capital to established local businesses by providing financial, operational and strategic guidance.

The firm has begun due diligence on its fourth investment and plans to start marketing its second fund as early as the fourth quarter. The fund will pursue the same strategy as its first vehicle, which has more than

PHP 5 billion ($104 million; €96 million) in committed capital, but will probably be larger, managing partner

Honorio Poblador told Private Equity International at the Hong Kong Venture Capital and Private Equity Association Asia Private Equity Forum.

FULL CONTENT ATTACHED SPERATELY

Media	Asian Investor	Date	27 Jan 2016
Page	n/a	Reporter	Jame DiBiasio
Headline	Asia GPs struggle to raise funds		
Synopsis (For Chinese articles)			
Link	http://m.asianinvestor.net/Article.aspx?CIID=405352&type=News&eid=13&edate=20160127&utm_source=20160127&utm_medium=newsletter&utm_campaign=daily_newsletter		

For private equity firms in Asia – even the likes of Apollo, Carlyle and RRJ – raising money has become tougher, something that outflows from emerging markets will exacerbate.

Charles Ong of RRJ Group says there is no more easy money

Fundraising has become difficult for Asian private equity firms, and the general outflow of capital from emerging markets will make it more so, argue industry executives.

"There is no more easy money," said Charles Ong, co-chairman and co-CEO at RRJ Group. "Or, if you are a Star Wars fan, Yoda would say, 'easy money, no more'."

The line from one of the biggest homegrown players in Asian private equity got a laugh from an audience at a forum hosted by the Hong Kong Venture Capital Association on January 20, but the topic is of broad concern, including among global GPs operating in the region.

“GPs underestimate the time and the difficulty in raising money,” said Jonathan Hulbert, head of regional marketing and investor relations at Apollo Management.

Apollo, with $160 billion of assets under management, enjoys a long history and a brand name. But that’s not a guarantee of quick assets, said Hulbert. “The name helps us start the conversation [with potential investors], but then you’re in a beauty parade with all the other funds in that space.”

Other big players agree that more time is now needed for fundraising. David Tung, regional head of investor relations at The Carlyle Group, said an Asian buyout fund that it launched in 2013 took 18 months to close, instead of the 10 to 12 months that used to be typical. In the end, the fund was modestly oversubscribed, but he said the firm was surprised that it took so long to raise assets, given Carlyle’s track record and brand name.

He said GPs may need to offer discounts to early investors or provide low-cost co-investments, particularly to institutions, such as Asian sovereign wealth funds, that want to experience the GP’s investment process first-hand before committing large amounts of capital.

It's even harder for newcomers. David Lee, head of operations and risk at China Everbright ReinFore Asset Management, a new China-focused growth equity manager, said his firm learned some difficult lessons with its first fund raising, which is just now closing.

"We were caught off guard in the financing process," Lee said. As a first-generation GP, established in early 2014, ReinFore relied on a relationship with a giant conglomerate, China Everbright, rather than set up its own coverage or marketing team.

It opted to focus on a small number of limited partners (LPs, ie investors) that it thought would favour the new firm's strategy, rather than cast a wider net. That helped, but Lee said it was a mistake not to come out early with an anchor investor. "We lacked a large LP with conviction," he said, although an early investor did evolve into a major backer over time.

What compensated for a lack of a track record or an organised marketing effort was the firm's transparency; Lee said ReinFore met institutional standards at the outset, so that LPs that did conduct due diligence would like what they saw.

Mark O'Hare, London-based CEO at data provider Preqin, said figures from about 7,000 GPs worldwide confirmed that Asia-based GPs are having a harder time fundraising than their peers in North America or Europe.

Generally for private equity, "the metrics look pretty good", O'Hare said. But the trend of capital flight from emerging markets is affecting GPs as well as long-only fund managers. "That is creating opportunities for investment and challenges in fundraising," he said of Asian GPs.

Whereas in the wake of the global financial crisis, Asian GPs won 15% to 18% of new LP allocations, today they are getting only 10%. "Investors' views on emerging markets are generally ruling the roost," said O'Hare.

That difficulty is not about to go away. Apollo's Hulbert said LPs in the US and Europe continue to expect a premium from Asian GPs. "Their perception of risk and reward is that they need a better return from an Asian strategy, even if that view is not warranted," he said.

Vish Ramaswami, managing director at investment consultancy Cambridge Associates, said Asian GPs still needed to do a lot to educate LPs, including emerging ones from the region. "You need to make people understand what your product represents, and create that resonance," he said.

Media	Asia Venture Capital Journal	Date	22 Jan 2016
Page	n/a	Reporter	Tim Burroughs
Headline	Principle targets $350m for China fund		
Synopsis (For Chinese articles)			
Link	http://www.avcj.com/avcj/news/2442862/principle-targets-usd350m-for-china-fund-ifc-considers-investment		

Principle Capital, a Chinese private equity firm that has previously raised around RMB4 billion ($608 million) for renminbi-denominated funds, is targeting $350 million for its debut US dollar vehicle.

The International Finance Corporation (IFC) said in a disclosure that it is considering a $30 million commitment to Principle Capital Fund IV. It is described as a generalist fund that backs fast-growing mid-market companies in China.

Based in Shanghai, Principle was founded in 2002 by Lin-Lin Zhou, formerly of Fosun Capital and McKinsey & Company, and Zhong-Ren Jing, who previously worked at the American Institute of Research. The firm has made approximately 30 investments since inception - securing full or partial exits from about half of them - and claims to have delivered a gross IRR in excess of 40%.

Principle portfolio companies that went public in 2015 include Trendzone Construction Group and Shida Shenghua Chemical Group.

The existing portfolio demonstrates an interest in healthcare, environmental services and high-tech manufacturing. Speaking at the recent Hong Kong Venture Capital & Private Equity Association's (HKVCA) Asia forum, Zhou said that rising labor costs in China emphasize the importance of technology upgrades in the manufacturing sector.

"Young people don't want to work in factories any more, they want to work in the new economy," he said. "So you have to consider machines, robotics, as a supplement to human labor. Actually, we have found the cost of robotics has gone down quite significantly."

Media	China Money Network	Date	25 Jan 2016
Page	n/a	Reporter	Nina Xiang
Headline	Video: Chang Sun Plans To List Two Agri Biz In Three Years		
Synopsis (For Chinese articles)			
Link	http://www.chinamoneynetwork.com/2016/01/25/video-chang-sun-plans-to-list-two-agri-biz-in-three-years Chinese: https://www.zhongguojinrongtouziwang.com/2016/01/26/29680/		

Chang Sun, founder and chairman of Black Soil Group Ltd., formerly Warburg Pincus' chairman of North Asia, tells China Money Podcast host Nina Xiang that he plans to list two agriculture businesses in the next three years.

(Special thanks to the Hong Kong Venture Capital and Private Equity Association for providing an interview venue at the Hong Kong Convention and Exhibition Center.)

Media	Forbes	Date	21 Jan 2016
Page	n/a	Reporter	Nina Xiang
Headline	Planting Potatoes In China's Old Dongbei Humbles Warburg's Former Asia Head		
Synopsis (For Chinese articles)			
Link	http://www.forbes.com/sites/ninaxiang/2016/01/21/planting-potatoes-in-chinas-old-dongbei-humbles-warburgs-former-asia-head/#52b803882ecd		

Chang Sun, formerly a high-flying private equity dealmaker, has turned to potato planting in China's old Dongbei. And the former Asian head of Warburg Pincus is loving it.

When private equity managers leave their lush corner offices, it is rare to opt all the way down to the ground – quiet literally – to the business of plowing soil.

After all, one can choose to start up his own fund, like former TPG partner Shan Weijian and Temasek Holdings' Charles Ong, who co-founded PAG Asia Capital and RRJ Capital, respectively.

Or, if one really wants to jump back to the business world, a perhaps bigger corner office at an established business would be ideal, as Blackstone's former China head Antony Leung did when he joined the Nan Fung Group as chief executive two years ago.

But for Chang Sun, after 20 years at Warburg Pincus and 5 years at Goldman Sachs, his heart was itching for something completely new.

Not only does he want something more lasting – that 10-year fund life is getting very old – he desired to enter a new sector, one in which he has zero direct experience.

"No, I've never done any agriculture deals while at Warburg, which is why it's exciting and challenging. It's a complete 180-degree turn for me," he says. "So far so good. I really love it."

Sun, who is perhaps the most down-to-earth private equity executive I've talked to for a long time, recognizes that his post-Wall Street career trajectory is unconventional.

"You can count with one hand the number of finance professionals (engaged in agriculture in China)," he grins.

Because of this, Sun believes his strategy, combining agriculture with his financial expertise and applying Internet technology, will make his agri business start-up a unique force in spearheading the upgrade of China's backward agriculture sector.

His company, Black Soil Group Ltd., has already secured about 40,000 mu (one mu equals 667 square meters) of land in Heilongjiang province in China's Northeast (Dongbei in Chinese) region to plant staple grains such as rice and wheat.

He has also inked a deal with one of China's largest potato starch companies, Beidahuang Potato Corporation, to potentially receive one million mu of land from the government to plant potatoes.

If deals get done as planned, his company would have around 670 square kilometers of land, which is the size of Singapore, to create an independent modern agriculture business.

And after that, Sun plans to list the two businesses in China in the next three years.

That's ambitious, of course, and there are many challenges. One of them is the cost of funding.

Because his start-up has no assets (his company leases land from individual farmers), it cannot get bank loans. Its cost of capital is over 10% via mezzanine financing.

The experience of shifting roles from a capital provider to sitting on the other side of the table has humbled him.

Media	Asia Fund Space	Date	25 Jan 2016
Page	n/a	Reporter	n/a
Headline	Interview: BLACK SOIL Reaping Robust PRC Harvest		
Synopsis (For Chinese articles)			
Link	http://www.asiafundspace.com/pages/view_newsbulletin/1217 Reposted by HKET http://www.etnet.com.hk/www/tc/news/categorized_news_detail_eng.php?newsid=ETE260126500&page=1&category=latest		

DESPITE HAVING MORE MOUTHS to feed than any other country on earth, China's long-neglected agricultural sector has still managed to walk the walk come harvest time, if only barely. But an agri-industry specialist told *Asia Fund Space* that the PRC farming sector was ripe for a major breakthrough.

Mr. Chang Sun is a founder and managing partner of Black Soil Ltd, an agricultural investment company, and prior to that he served as Chairman of Asia Pacific at Warburg Pincus, a global private equity firm.

Black Soil Capital Partners is seeking to raise a total of one billion usd -- 500 million usd each for one US dollar fund and one RMB-denominated fund.

Mr. Sun has over 25 years of private equity investment experience in the US and Asia.

He was recently a panelist at the Asia Private Equity Forum 2016 in Hong Kong during which he discussed the broader theme: "The Current State of Private Equity Markets in Greater China," touching on more specific topics including: "What are the most critical macroeconomic challenges to investing in China today?" "Do inefficiencies in the Chinese economy create risks or opportunities for investors?" and "What value-added activities have proved to be the most effective in helping to improve returns on investments in Chinese companies?"

"I've been in the business for a quarter century, most recently with Warburg Pincus, and formed Black Soil on July 1, 2015, so I am quite familiar with PE investment.

"The reason we target China's agricultural sector for investment is because we believe it best meets our requirements and objectives for 'impact investing'," Mr. Sun told *Asia Fund Space* in an exclusive interview following the Forum.

Small farms with diverse crops keep China's agricultural mechanization level low. Photo: Yanminghu

He went on to describe the evolution – albeit glacial in pace – of the PRC's agricultural sector.

"Over the past three decades, most industries in China have become highly modernized, but agriculture, in many respects, is still stuck in the Middle Ages.

In the 1950s and 1960s, collectivization was a disaster which along with the Great Leap Forward led to mass starvation, and although there were some much-needed reforms in the early 1960s, even to this day China's massive agricultural sector still has a mechanization rate of less than 10%," he said.

With so many farming families in China being shrunken by the steady migration of young, able-bodied sons and daughters of farmers from fields to factories, along with the continued prevalence of mainly small-scale agricultural plots relying on mainly manual labor and beasts of burden, if the sector moves rapidly toward modernization – Black Soil is ready to reap a robust harvest.

"With such small farming plots dominating China's agricultural landscape, that makes it all the more difficult to implement and enjoy a large-scale efficient value chain management system.

"Furthermore, while many industries in China laud the ongoing urbanization revolution, in fact, the historical phenomenon is actually an impediment to agricultural reform," Mr. Sun told *Asia Fund Space*.

He said that one offshoot impact of the migration of rural masses to Chinese cities is that the hukou (urban residence registry) system is a huge issue which keeps migrant worker families from having access to education, healthcare and quality housing.

"This means many newcomers to cities aren't as financially stable as they might have wished and are in a weaker financial position to send funds back to their farming families, thus leading to a vicious circle of unrealized potential.

"However, as for domestic agricultural reforms, there were some positive developments in 2014 when Beijing authorized separate land user rights and contractual rights to agricultural-use land," he said.

Chinese President Mr. Xi Jinping visited the US state of Iowa 1985 on an agricultural study trip and has ever since had a special affinity for the sector.

"We believe he truly wants to reform the PRC farming sector, and even before his administration, China's agri-business began paying attention, in earnest, to the downstream retail sector, which of course enjoys higher margins.

"This is clearly an upside driver for us which along with supportive policy we believe can help us direct more and more capital flow into the country's agricultural sector, which will in turn help attract more talent and business into the country's agri-industry," Mr. Sun told *Asia Fund Space*.

He added that another upside for the sector's – and Black Soil's potential – was the fact that domestic cultivators enjoyed a certain level of competitive immunity as some staple foods are still prohibited from importation into the country under the cover of food security.

Mr. Chang Sun, founder & managing partner of Black Soil Ltd, an agricultural investment company, is hoping for a financial harvest in the PRC.

He recently said in a separate interview to a financial media outlet that there have been “a lot of good policies already” and the whole industry has no tax, so Black Soil saves a lot on taxation.

“What I'd like to see is that the government provide subsidies not to the farmers, but directly to those who grow the grains.

“I think around 10 trillion yuan in subsidies are provided to the farmers directly into their accounts, even though a lot of the farmers are working in the cities for Foxconn or other industrial companies.

“The government also should encourage more financial institutions to invest and lend to us. Right now, it's very difficult for us to get loans.”

Mr. Sun obtained his BA degree from the Beijing Foreign Studies University and completed a post-graduate program offered by the United Nations, where he worked as a staff translator in New York for three years. Mr. Sun earned a joint degree of MA/MBA from the Joseph Lauder Institute of International Management and the Wharton School of the University of Pennsylvania. Mr. Sun is the founder and current Chairman of the China Venture Capital Association and the founder and Executive Vice Chairman of the China Real Estate Developers and Investors’ Association. He is also a member of the Asia Executive Board of the Wharton School and a member of the Asia Pacific Council of the Nature Conservatory.

Media	Private Debt Investor	Date	21 Jan 2016
Page	n/a	Reporter	Denise Wee
Headline	Private Debt funds bullish on Asia lending prospects		
Synopsis (For Chinese articles)			
Link	n/a		

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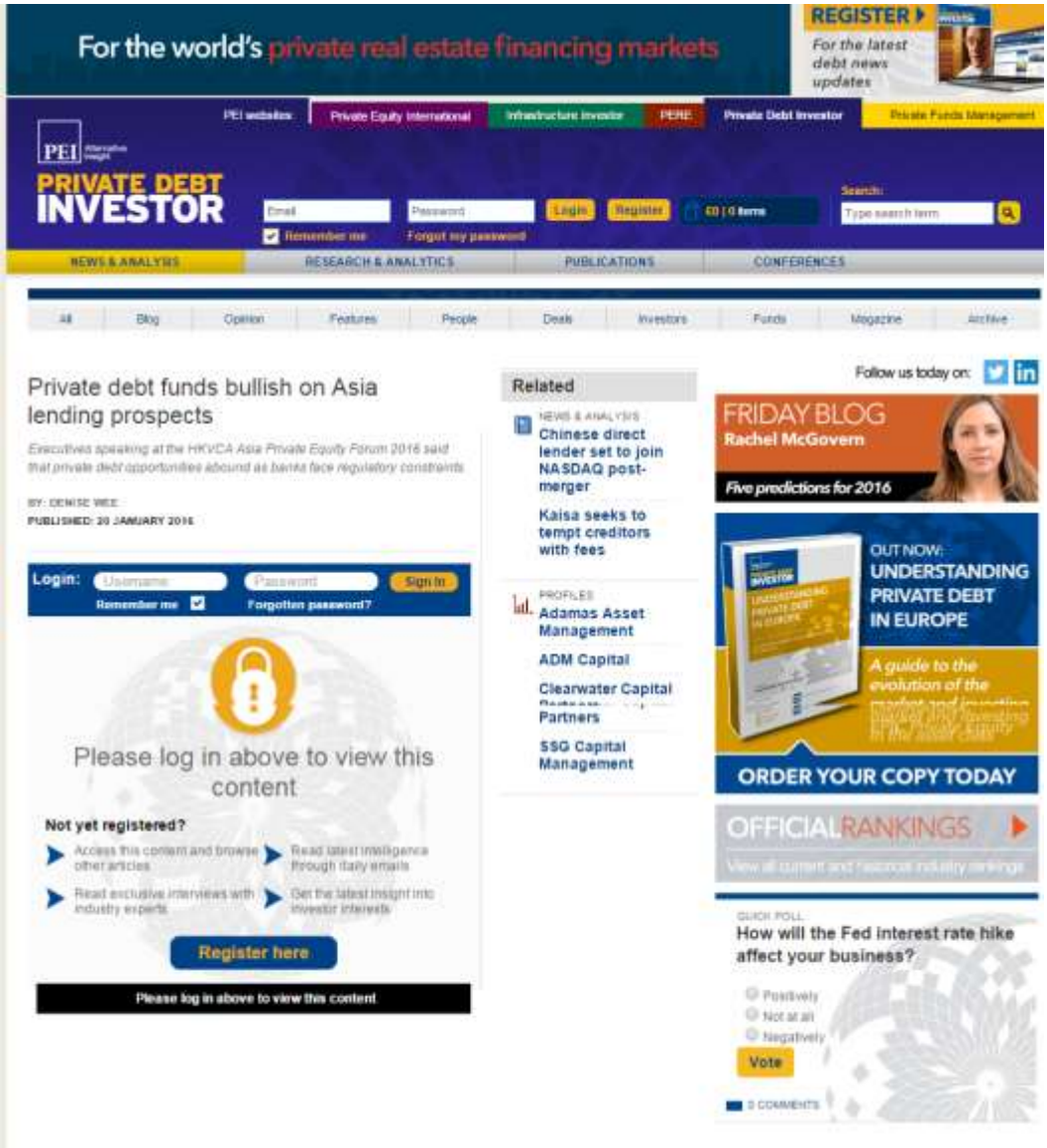

Media	香港電台	Date	20 Jan 2016
Page	n/a	Reporter	Tim Burroughs
Headline	曾俊華：聯匯制度作為香港強勁緩衝　以應對外圍挑戰		
Synopsis (For Chinese articles)	This is broadcasted by rthk noted Financial Secretary's speech at the Asian Private Equity Forum. Tsang commented on the dollar peg system, saying it is the foundation of Hong Kong stability		
Link	http://news.rthk.hk/rthk/ch/component/k2/1237021-20160120.htm		

Media	現代電視 Fintv	Date	20 Jan 2016
Page	n/a	Reporter	n/a
Headline	曾俊華：聯匯制度為港打下穩健發展基礎		
Synopsis (For Chinese articles)	This is broadcasted by Fintv noted Financial Secretary's speech at the Asian Private Equity Forum. Tsang commented on the dollar peg system, saying it is the foundation of Hong Kong stability		
Link	http://www.fintv.hk/Zhtw/116/4261/324019		

Media	Wen Wei Po	Date	21 Jan 2016
Page	n/a	Reporter	n/a
Headline	財爺：港能夠應對未來挑戰 John Tsang, Hong Kong is capable to handle challenges in the future		
Synopsis (For Chinese articles)	This article didn't mention Asia Private Equity Forum however quoted John Tsang's speech at the event. The picture showed HKVCA logo.		
Link	http://paper.wenweipo.com/2016/01/21/FI1601210007.htm		

香港文匯報訊（記者 涂若奔）對於 IMF 發表的最新報告，財政司司長曾俊華昨日表示，「我很高興基金組織執行董事會通過了評估報告。美國利率正常化已經開始，環球市場將可能面對較大的波動，但我深信憑着良好的經濟基本因素及穩健的金融體系，我們能夠應對未來的挑戰。」

曾俊華表示，過去兩周全球資本市場波動，香港市場依然有序、順暢運作。美國利率正常化已經開始，全球市場將可能面對較大波動。憑着良好的經濟基本因素、穩健的金融體系，香港能夠應對未來挑戰。

陳德霖稱 IMF 支持聯匯重要

金管局總裁陳德霖也表示，國際貨幣基金組織一直以來對聯繫匯率制度的支持，充分肯定了這個制度對維持香港金融穩定至為重要。「我亦很高興基金組織贊同我們實施的宏觀審慎監管措施，加強香港銀行體系的應變能力。」

IMF 代表團於 2015 年 11 月到訪香港，進行 IMF 第四條磋商討論。代表團的初步總結已於 2015 年 12 月 15 日公佈。IMF 執行董事會於 2016 年 1 月 11 日審議並通過評估報告。昨日公佈具詳細分析的評估報告，大力支持政府實施積極的財政政策、穩健的金融市場監管制度，以及樓市需求管理措施。

Media	Asian Venture Capital Journal	Date	21 Jan 2016
Page	n/a	Reporter	Tim Burroughs
Headline	Asia PE returns will rise as GP skills develop		
Synopsis (For Chinese articles)			
Link	http://www.avcj.com/avcj/news/2442688/asia-pe-returns-will-rise-as-gp-skills-develop		

Distributions from private equity funds in Asia, which have in the past been lackluster compared to those in certain developed markets, are expected to rise as the industry matures and GPs develop their skill sets.

"Distributions have exceeded capital calls for two years, but over the past vintages DPIs [distributed to paid in] have not been very high," Yong-Hak Huh, founder and CEO of First Bridge Strategy told the Hong Kong Venture Capital & Private Equity Association's (HKVCA) Asia summit. "Asian GPs have not been performing to the level of US buyout funds."

Huh added that he is reluctant to make direct comparisons between the IRRs of Asian funds and US buyout funds because the risk premiums are different. An institutional investor in New York is likely to look more favorably on a US-based manager delivery a 20% return than an Asian manager with identical performance because they are more familiar with their home markets.

Some of the challenges commonly associated with investing in Asia don't necessarily relate to the quality of GPs themselves - for example, regulation, uncertainty over IPO exits and the lack of a strong secondary market can all impact investments. On the other hand, GP reporting is in certain cases still opaque, making it harder for LPs to make decisions based on already limited track records.

However, Frank Su, a senior principal for private equity at Canada Pension Plan Investment Board (CPPIB), observed that the talent pool is deepening in Asia - within the GPs and in the surrounding services industry. "When we started in 1999 you had McKinsey and Bain & Company come to you and they were just doing market entry, but now they have all the infrastructure in the region," he said.

Among emerging markets GPs specifically, skillsets are developing in areas such as buyouts. John Huo, a director for private equity at Manulife Financial, sees a direct link between this evolution and fund performance.

"In Korea and Japan there are more buyout funds so you see better DPIs," he said. "China has been evolving so there will be more control deals and better DPIs as GPs become more mature. They won't be sitting on investments and waiting for IPOs, which is not the best strategy."

While the current state of affairs makes it difficult for unproven managers to raise funds, there is no shortage of capital targeting Asia. Mounir Guen, CEO of placement agent MVision, estimates there are

20 LPs globally with the ability to deploy capital at the same pace as CPPIB, which is said to be the biggest investor in Asian private equity. He expects this number to reach 50 in the short term.

With so much money looking for a home, there are concerns that the most in-demand GPs will shift their strategies to accommodate it - and performance could suffer as a result. "The amount of capital poised to enter alternatives from this region is going to make the GPs less disciplined," First Bridge's Huh added. "Maybe they will raise more capital than they should just because they can."

Media	Asian Venture Capital Journal	Date	21 Jan 2016
Page	n/a	Reporter	Holden Mann
Headline	New business needs drive VC funding demands		
Synopsis (For Chinese articles)			
Link	http://www.avcj.com/avcj/news/2442684/new-business-needs-drive-vc-funding-demands		

The venture capital market in Asia is set for growth as new market segments - notably technology-enabled business services - emerge with unmet needs.

Chuan Thor, the managing director at China-focused Highland Capital Partners, has seen the emergence of new demand from the enterprise software sector. It is driven by the growth of cloud-based services and software-as-a-service models, which mean businesses have to buy and renew subscriptions instead of buying software once or pirating it.

"We've got a company that in 2007-2009, their growth was just $5 million," Thor told the Hong Kong Venture Capital & Private Equity Association's (HKVCA) Asia forum. "Then they switched to a cloud subscription model, and last year they generated $32 million."

Robotics businesses have also benefited from changing business costs in China. With wages rising and labor for factory jobs becoming scarcer, manufacturers who previously found it cheaper to hire humans than buy and maintain robots have found that automating jobs now makes financial sense.

Korean GPs, on the other hand, are still seeing limited opportunities for investment, due to widespread wariness of the industry that Han Kim, co-founder and managing director of Altos Ventures, attributes to the experiences of an earlier generation of start-up founders.

"A lot of people got burned by VC investment in the past," Kim said. "The founders had to put up their own money to guarantee the funds. You had people mortgaging their houses, or putting up their houses as security."

While the industry has made a recovery in Korea, establishing the trust needed for a productive relationship is still difficult. GPs need to spend time making their case and explaining their business models in order to win over skeptical founders who have heard the cautionary tales of their predecessors.

Melissa Guzy, a co-founder and managing partner at Arbor Ventures, emphasized the role that VC investors play in cultivating start-ups and a healthy business community. VCs bear responsibility for delivering this service to their portfolio companies rather than seeing their relationship purely in financial terms.

"If you're an active early-stage venture capitalist, you're deeply involved. Your investment lasts longer than the average marriage in the US," she said. "You're going to be with that entrepreneur for six to eight years, and you're building a relationship that's well beyond the KPIs [key performance indicators] or the financials for that month. You're actually helping them think about how to build a business."

Media	Asian Venture Capital Journal	Date	20 Jan 2016
Page	n/a	Reporter	Tim Burroughs
Headline	GPs look to adapt to a fast-changing China		
Synopsis (For Chinese articles)			
Link	http://www.avcj.com/avcj/news/2442494/gps-look-to-adapt-to-a-fast-changing-china		

China-focused private equity investors are modifying their investment approaches in the face of a challenging economic environment and ongoing overcapacity issues.

"The biggest pain is the economy," Chang Sun, co-founder and managing partner of Black Soil Capital Partners, told the Hong Kong Venture Capital & Private Equity Association's (HKVCA) Asia forum, noting that domestic consumption is connected to GDP growth, and a slowdown in the latter would have an impact on the former.

"We have two businesses - one sells rice and the other potatoes," said Chang, who invests in agriculture-related assets. "Their customers are Uni-President or Want Want in Taiwan. These guys will squeeze you and try to get a lower price, but the cost of production hasn't really gone down and labor costs are increasing."

For Principle Capital, increasing labor costs have demonstrated the need for technology upgrades, particularly in the manufacturing sector. This was part of the rationale for the firm's investment in a robotics manufacturer. Lin-Lin Zhou, CEO and co-founder of Principle, observed that it a shortage of labor wasn't the problem, rather a lack of people willing to work in traditional factories.

"Young people don't want to work in factories any more, they want to work in the new economy," he said. "So you have to consider machines, robotics, as a supplement to human labor. Actually, we have found the cost of robotics has gone down quite significantly."

Bing Yuan, managing director at Hony Capital, highlighted the problem of overcapacity and how this is making GPs look more closely at consolidation strategies. This was the case with Jin Jiang Hotels, a state-backed group in which Hony invested in 2014. "Our previous strategy focused on opening new hotels in China, but now it is really about helping them consolidate," Yuan said.

Jin Jiang ventured overseas to buy Louvre Hotels, Europe's second-largest hotel group, from Starwood Capital, but it has also been active domestically. Towards the end of last year, the company agreed to acquire budget chain 7 Days Group for RMB8.3 billion ($1.3 billion), facilitating an exit for PE investors that had previously supported a privatization of the business.

Overseas investment is part of CDIB Capital International's playbook as a means of hedging the "China risk." Lionel de Saint-Exupery, the firm's president and CEO, said it is possible to find control investments in companies with strong management teams while not paying too much of a premium. There businesses tend to have direct or indirect exposure to Chinese demand.

The GPs on the panel were united in their belief that the internet has made investors to reconsider approaches to traditional businesses, particularly in the consumer space. Potential investee companies must now be considered in the context of online-to-offline integrated retail strategies. It is just one example of how private equity has been forced to adapt - and quickly.

"China changes very fast. We try to brand ourselves as long-term, patient money, but actually you shouldn't be that patient," Black Soil's Sun said. "One, the internet has changed everything. Two, consumer tastes and trends move quickly. Third, government's intervention can make things unpredictable. We can't stress [too much] the timing of exit. If you don't get out, yesterday's hero could become tomorrow's post mortem."

Media	AsianInvestor	Date	21 Jan 2016
Page	n/a	Reporter	Christina Wang
Headline	Private equity adapts to fast-changing China		
Synopsis (For Chinese articles)			
Link	http://www.asianinvestor.net/News/405331,private-equity-adapts-to-fast-changing-china.aspx		

PE firms are increasingly investing alongside Chinese SOEs and eyeing e-commerce and robotics deals, as they seek to keep up with the country's rapid pace of development.

Private equity firms are busy assessing opportunities in China amid the current market turmoil, following a strong year for exits and fundraising. Growing areas of focus for general partners include investing alongside state-owned enterprises and buying into e-commerce and robotics, as they seek to adapt to the fast-changing mainland market.

“We try to brand ourselves as long-term patient money, but that shouldn’t be the case,” said Sun Chang, former Asia-Pacific chairman of US-based PE firm Warburg Pincus, at the Asia Private Equity Forum yesterday (January 20) in Hong Kong.

Given the speed of change in China, particularly due to internet and consumer trends, general partners need to be nimble and flexible, argued speakers.

For instance, Beijing-based Hony Capital has altered its investment approach, said managing director Yuan Bing, also speaking at the forum. Initially Hony’s core business model was to take control of local and provincial state-owned enterprises and turn them into privately owned firms, Yuan said. “This was a good strategy when the economy was growing at a double-digit rate.”

But as economic growth has slowed and companies face more competition both domestically and abroad, Hony has sought to partner SOEs on deals and help them ensure their acquisitions perform more efficiently.

For example, Hony is the second largest shareholder (after the Shanghai government) in state-owned Shanghai Jin Jiang International Hotels. The company is one of the country’s biggest hotel groups and bought France’s Louvre Hotels Group last year.

Hong Kong-based Baring Private Equity Asia (BPEA) has also been involved in several partnerships with mainland SOEs, said chief executive Jean Salata independently of the forum.

“[In China,] SOEs have a policy of bringing market-oriented investors – as they call them – into the company they invest in in a joint deal,” he told AsianInvestor. “It’s not because the SOE needs your money, but more to have an investor with money at risk in the same deal and to bring in international management expertise and practices.”

Salata cited BPEA's purchase of a 40% stake in UK cereal maker Weetabix last year alongside controlling shareholder Bright Foods, a Chinese SOE, with a view to driving Weetabix's expansion on the mainland. (A full interview with Salata will appear in the upcoming (February) issue of AsianInvestor magazine.)

Meanwhile, although overall growth is slowing, there are many dynamic industries in China, such as robotics, said c, also at the forum. This sector benefits from the need for industrial upgrades and demographic changes in the country, he noted. "Everybody is looking to upgrade their products, processes and technologies."

Another issue is that it has been very difficult for many manufacturers to find new labour, because young people prefer to work in technology and other 'new economy' companies than in factories. Hence manufacturers have started to replace humans with machines, Zhou said, as the cost of robots is falling, while human labour is getting more expensive.

E-commerce is another focus area for PE firms in China – many PE firms have put money into the sector. Warburg Pincus invested in mobile shopping platform Koudai in 2012, CDIB Capital International in offline-to-online furnishing company Meilele.com in 2013, and Hony and Principal have each invested in online travel services platforms in 2014, Tuniu and Ivyouqyan respectively.

GPs have reason to be optimistic about mainland opportunities, as last year was a far better year for exits and fundraising there than 2014.

The number of exits by China-focused PE funds reached 3,057 in the first 11 months of 2015, 3.68 times the number for the whole of 2014, according to Chinese PE research firm Zero2IPO.

Meanwhile, the fundraising value for China-focused PE funds amounted to $111.75 billion in the period, surpassing $100 billion within one year for the first time. The internet sector attracted the most funding at $14.46 billion, followed by financials ($9.73 billion) and telecoms ($9.31 billion), Zero2IPO data shows.

But the coming year is likely to prove rather tougher. Fred Hu, chairman and CEO of Beijing-based Primavera Capital, said: "I anticipate 2016 will be a year of uncertainty in the Chinese economy and financial markets, and will pose considerable challenges for PE funds."

Media	Finet	Date	20 Jan 2016
Page	n/a	Reporter	n/a
Headline	春華胡祖六：中國股市較巴西便宜 Fred Hu from Primavera, China stock market cheaper than Brazil		
Synopsis (For Chinese articles)	This article noted Fred Hu's speech at the Asian Private Equity Forum. Fred commented on the RMB depreciation, China stock market turmoil and China economy slows down.		
Link	http://www2.finet.hk/Newscenter/news_detail/569ef8f2e4b0f12cdc0985fd repost by Sina http://finance.sina.com.cn/stock/hkstock/2016-01-20/doc-ifxnqriz9937390.shtml		

春華資本主席胡祖六今天出席第六屆亞洲私募投資論壇上表示，人民幣相對其他貨幣，貶值幅度仍然較細，因此人民幣仍然是強勢貨幣，他舉例去年歐元貶值 10%，巴西貨幣貶值 30%...；不過短期而言人民幣兌美元仍有 5 至 10%貶值空間，但他強調中國有高達 3.3 萬億美元外匯儲備作後盾。

對於去年中 A 股泡沫刺破，政府介入暴力救市，他認為對市場做成傷害多於幫忙，事倍功半，股市上落應由市場導向，政府更應為市場做中長期發展事情，增加市場透明度等。不過中國股市已跌至不可理解低估水平，如恒指 H 股的市盈率低至 5.8 倍，甚至低於經濟衰退的巴西股市，他預期現時投資中國股市，將來會有潛在良好回報。

中國經濟放緩，他認為是中國經濟結構轉型的自然後果，對中國經濟未來發展更為健康，中國的服務業全球增長最快，中國的創新活動亦發展蓬勃。

Media	Finet	Date	20 Jan 2016
Page	n/a	Reporter	n/a
Headline	曾俊華：聯匯制度為港打下穩健發展基礎		
Synopsis (For Chinese articles)	This article noted Financial Secretary's speech at the Asian Private Equity Forum. Tsang commented on the dollar peg system, saying it is the foundation of Hong Kong stability		
Link	http://www2.finet.hk/Newscenter/news_detail/569ee994e4b0f12cdc0985a6		

財政司司長曾俊華今天出席第六屆亞洲私募投資論壇表示，踏入 2016 年股市震盪，大宗商品價格下跌，外向型經濟的香港無可避免受影響，但他強調港股市場仍然有序運行，顯現香港金融體系的穩健。

他又引述 IMF 對香港的觀點，指香港特區政府對金融體系的監管，港元與美元掛鈎的聯匯制度，為香港發展打下穩健基礎。他又指出，香港基金管理業務發展蓬勃，2010-2014 年資產管理規模急升 75%至 10 萬億港元。

今早，港匯再度轉弱，再穿 7.82 關口，最弱曾見 7.8230，創出 2007 年 8 月以來新低，現報 7.8208，距離金管局弱方兌換保證價 292 點子，即會碰觸聯滙 7.85 的底線，金管局或會出手承接，超過 3000 億元的銀行體系結餘將因而縮減。

市場有一說法，是狙擊人民幣的資金，部分轉至港元，而聯匯廢存問題亦再被討論。不過，美國聯儲局前任主席伯南克表示，香港是細小的地區，維持聯匯制度是合理的。

Media	MetroRadio	Date	20 Jan 2016
Page	n/a	Reporter	n/a
Headline	曾俊華指聯匯有緩衝作用 可抵抗股市油價波動衝擊		
Synopsis (For Chinese articles)	This article noted Financial Secretary's speech at the Asian Private Equity Forum. Tsang commented on the dollar peg system, saying it is the foundation of Hong Kong stability		
Link	http://www.metroradio.com.hk/news/default.aspx?NewsId=20160120102553		

財政司司長曾俊華在出席一個私募投資論壇時表示, 過去兩個星期, 港股及原油價格表現波動, 香港作為細小及外向型經濟體, 易受外圍環境因素影響 , 但他相信 , 香港過往汲取了金融危機的經驗, 加上聯繫匯率為本港提供強勁的緩衝作用, 相信香港有能力抵禦衝擊.曾俊華又建議, 立法引入開放式基金型公司的新結構 , 相信能夠吸引更多私募基金來港發展 . 他又指, 截至去年 9 月止, 本港私募基金規模約 1170 億美元, 佔亞洲管理資產的百分之 20, 相信未來有助推動資產管理業務發展 .

Media	新京报	Date	21 Jan 2016
Page	n/a	Reporter	n/a
Headline	香港“股汇双杀”：港元跌至 8 年新低,港股跌破 19000 Hong Kong stock market slump to 8-year low		
Synopsis (For Chinese articles)	This article noted the slump of Hong Kong stock market and quoted Financial Secretary’s speech on APEF commenting on Hong Kong market.		
Link	http://news.xinhuanet.com/finance/2016-01/21/c_128651074.htm		

港元触及 2007 年以来新低，恒生指数收盘创 42 个月低点；分析称持续下跌将令内地市场承压

香港市场持续动荡。20 日，香港再遭“股汇双杀”局面，港元一度跌至 2007 年以来新低，而恒生指数则跌破 19000 点，收创 42 个月新低。

港元“脱钩”不利资产价格

20 日早间，港元对美元汇率开盘后延续连日以来的跌势，一度跌至 7.8228，昨日下午进一步跌至 7.8239，创 2007 年以来新低，逼近 7.75-7.85 港元区间的弱方兑换保证水平。

股市方面，恒指跌破 19000 点后最终收跌 3.82%，报 18886.30 点，创 42 个月新低。恒生国企指数跌 5.3%，创两周最大跌幅，跌至 2009 年 4 月以来的新低。

此外，香港市场本轮暴跌也伴随着亚太市场哀鸿一片。记者注意到，截至昨日 16:45，东方财富网公布的 20 只亚太股市指数当无一只上涨。令作为亚洲市场最重要风向标的香港备受压力。有分析人士指出，冲击港元、打压港股，又可以压制国内股市走稳的态势并进一步冲击人民币，金融战一直在进行中。

分析师认为，除了亚太市场整体走弱以外，前期人民币大幅贬值也是港元下跌与港股走弱、资金流出香港股票和外汇市场的重要推动力。

招商证券宏观分析师谢亚轩昨日表示，在现有情况下，港元走弱伴随着市场对“脱钩”的担忧不利于港股等资产价格；为维持汇率，香港金管局传统做法是不断用外汇储备买入港元、放出美元，金管局也可能会提高利率，流动性的紧张不利于香港股市、房价。

香港股市暴跌已经令 AH 股溢价进一步拉大。昨日，恒生 AH 股溢价指数上涨 4.32%，报 146.80。恒生 AH 股溢价指数用以追踪在内地和香港两地同时上市的股票的价格差异，指数越高，代表 A 股相对 H 股越贵。

港府：香港金融体系稳健

不过，分析师警示，从长远来说，香港市场动荡也将令内地市场承压。

“由于地域靠近，深圳与香港的房价存在相关性。从海外资产配置的角度，A 股和恒生指数也存在同质、相关性，因此若港元脱钩或香港资产价格大跌，从情绪和资金上也会对国内不利”，谢亚轩称。

对于汇市、股市双双走熊，香港财政司司长曾俊华昨日出席第六届亚洲私募投资论坛表示，踏入 2016 年股市震荡，大宗商品价格下跌，外向型经济的香港无可避免受影响，但他强调港股市场仍然有序运行，显现香港金融体系的稳健。

据新华社报道，香港特区政府财经事务及库务局局长陈家强 20 日在立法会表示，香港的经济基调良好，金融体系成熟稳健，有能力应付资金进出。“若港元汇率触及 7.85 的弱方兑换保证水平，按照机制，香港金管局会应银行要求买入港元沽出美元。”

Media	The Paper	Date	20 Jan 2016
Page	n/a	Reporter	n/a
Headline	香港股汇双杀：港元跌至 8 年新低 港股跌破 19000 点 Hong Kong stock market slump to 8-year low		
Synopsis (For Chinese articles)	This article noted the speech of financial secretary of HKSAR at the 5th Hong Kong Private Equity Forum.		
Link	http://www.thepaper.cn/newsDetail_forward_1422738 Repost by Hexun http://hk.stock.hexun.com/2016-01-20/181912730.html		

在港元持续贬值的当下，资金似乎也开始出逃，导致港股也出现大幅下挫，再现“股汇双杀”的局面。

对此，香港财政司司长曾俊华今天出席第六届亚洲私募投资论坛表示，踏入 2016 年股市震荡，大宗商品价格下跌，外向型经济的香港无可避免受影响，但他强调，港股市场仍然有序运行，显现香港金融体系的稳健。他又引述 IMF 对香港的观点，指香港特区政府对金融体系的监管，港元与美元挂钩的联汇制度，为香港发展打下稳健基础。

曾俊华提到，美联储加息会导致港美息差扩大，资金会逐渐从港元流向美元，导致港元对美元汇率转弱。若港元汇率触及 7.85 的弱方兑换保证水平，按照机制，金管局会应银行要求买入港元沽出美元。港元流出触及弱方兑换保证和所带来的港元货币基础收缩，是港元利率随美元利率正常化的必经过程。

截至 1 月 20 日中午 12 时，港元对美元一度跌至 7.8226，创 2007 年以来新低；港股跌破 19000 点，跌幅为 3.77%，创 42 个月新低。

今日早盘，港元对美元就出现下跌，已经接近 7.75-7.85 港元区间的弱方兑换保证水平。按照香港现行的联系汇率制，在港元对美元跌至 7.85 时，香港金管局就要卖出美元以保证港元不跌破 7.85。

不过，在接近中午时，港元对美元汇率盘中似乎已经出现护盘资金，港元对美元一度升至 7.8153。但从日线看，港元近期已大幅贬值，从开年 1 月 4 日的 7.7508，一路杀至最低的 7.8226。

受此影响，1 月 20 日，美元/港元 1 个月和 12 个月远期汇差扩大至 500 点以上，为 2008 年以来首次。港元远期曲线呈雷曼危机以来最陡走势。港元 2 年期互换利率升 23 个基点至 1.5000%，为 2009 年 8 月以来最高水平。

受资金寻找避险渠道，港资流出的影响，港元流动性趋紧，港元一个月期香港银行间利率（Hibor）和 3 个月期 Hibor 屡创新高。今天，港元 1 个月期的香港银行间利率（Hibor）续创三年新高，达到 0.31%。3 个月期 Hibor 续创至少 2010 年 7 月以来最高至 0.55047%。

目前，外界分析师似乎都不看好港元走势，均称港元有较大贬值压力，港股也可能继续下跌。最大的忧虑仍是联系汇率制度迎来挑战。

法兴银行策略主管张淑娴称，由于 HIBOR 受到庞大的港元货币存量支持，对于反映真正的港元资金成本较为滞后，而远期市场以及隐含利率更准确体现真实情况；港元货币存量余额稳健。

当然，也有分析人士称有机构在蓄意做空港元获利。

中国央行此前就发表文章提到，一些投机势力试图炒作人民币并从中牟利。不过，目前的态势是它们在做空人民币上已经被央妈打爆。

1 月 20 日，人民币汇率表现相对稳定。离岸在 6.60 左右波动，在岸报 6.57 左右。

Media	Securities Times	Date	21 Jan 2016
Page	n/a	Reporter	吕锦明
Headline	亚洲私募大佬汇聚香港掀起“头脑风暴” Brainstorm on Private Equity in Hong Kong		
Synopsis (For Chinese articles)	The reporter picked up the press release.		
Link	http://news.stcn.com/2016/0120/12555986.shtml		

由香港创业及私募投资协会主办的“第六届亚洲私募投资论坛”20 日在香港会议展览中心顺利召开。会议期间，业界领袖在论坛上讨论了当前亚洲各国私募市场面临的重要议题，涉及市场包括中国、印度、东南亚各国、日本和韩国等，议题内容包括联合投资、基金募集和投资者关系、私募债券、私募地产投资、二级市场基金、价值创造及风险投资。

香港创业及私募投资协会主席马恩瑞（Eric Mason）表示，香港创业及私募投资协会致力于为一众业界精英分享观点、交流想法提供独特的平台。他指出，2015 年是亚洲私募行业创纪录的一年，协会为满足业界需求举办了这样一场内容丰富的论坛。论坛主席裴德威（David Pierce）表示，亚洲是私募从业者的一个重要市场，并会为投资者带来更多价值。

据悉，论坛自 2011 年第一次举办至今，以公司高层为主的论坛出席代表人数已倍增至 600 人。20 日出席本次年度论坛的嘉宾有：香港特别行政区财政司司长、GBM、JP 曾俊华；春华资本集团主席、首席执行官胡祖六；Olympus Capital Asia 创始人、常务董事 Daniel Mintz 以及 RRJ 集团联席董事长及联席首席执行官王忠文等。

Media	Forbes	Date	21 Jan 2016
Page	n/a	Reporter	Nina Xiang
Headline	Planting Potatoes In China's Old Dongbei Humbles Warburg's Former Asia Head		
Synopsis (For Chinese articles)			
Link	http://www.forbes.com/sites/ninaxiang/2016/01/21/planting-potatoes-in-chinas-old-dongbei-humbles-warburgs-former-asia-head/#52b803882ecd		

Chang Sun, formerly a high-flying private equity dealmaker, has turned to potato planting in China's old Dongbei. And the former Asian head of Warburg Pincus is loving it.

When private equity managers leave their lush corner offices, it is rare to opt all the way down to the ground – quiet literally – to the business of plowing soil.

After all, one can choose to start up his own fund, like former TPG partner Shan Weijian and Temasek Holdings' Charles Ong, who co-founded PAG Asia Capital and RRJ Capital, respectively.

Or, if one really wants to jump back to the business world, a perhaps bigger corner office at an established business would be ideal, as Blackstone's former China head Antony Leung did when he joined the Nan Fung Group as chief executive two years ago.

But for Chang Sun, after 20 years at Warburg Pincus and 5 years at Goldman Sachs, his heart was itching for something completely new.

Not only does he want something more lasting – that 10-year fund life is getting very old – he desired to enter a new sector, one in which he has zero direct experience.

"No, I've never done any agriculture deals while at Warburg, which is why it's exciting and challenging. It's a complete 180-degree turn for me," he says. "So far so good. I really love it."

Sun, who is perhaps the most down-to-earth private equity executive I've talked to for a long time, recognizes that his post-Wall Street career trajectory is unconventional.

"You can count with one hand the number of finance professionals (engaged in agriculture in China)," he grins.

Because of this, Sun believes his strategy, combining agriculture with his financial expertise and applying Internet technology, will make his agri business start-up a unique force in spearheading the upgrade of China's backward agriculture sector.

His company, Black Soil Group Ltd., has already secured about 40,000 mu (one mu equals 667 square meters) of land in Heilongjiang province in China's Northeast (Dongbei in Chinese) region to plant staple grains such as rice and wheat.

He has also inked a deal with one of China's largest potato starch companies, Beidahuang Potato Corporation, to potentially receive one million mu of land from the government to plant potatoes.

If deals get done as planned, his company would have around 670 square kilometers of land, which is the size of Singapore, to create an independent modern agriculture business.

And after that, Sun plans to list the two businesses in China in the next three years.

That's ambitious, of course, and there are many challenges. One of them is the cost of funding.

Because his start-up has no assets (his company leases land from individual farmers), it cannot get bank loans. Its cost of capital is over 10% via mezzanine financing.

The experience of shifting roles from a capital provider to sitting on the other side of the table has humbled him.