APEF 2018 Media Coverage Report

Media	SCMP	**Date**	23-Jan-2018
Page	N/A	**Reporter**	Peggy Sito Georgina Lee
Headline	More China buyouts for foreign private equity as entrepreneurs struggle with succession		
Link	http://www.scmp.com/business/companies/article/2129981/more-china-buyouts-foreign-private-equity-entrepreneurs-struggle		

Foreign private equity investors are finding more and more buyout opportunities in China, as mainland entrepreneurs become more open to giving up majority ownership and control as they struggle to find successors in their families, say industry participants.

Growing competition and fast-paced technological developments have also prompted first-generation entrepreneurs to look for professional advice and management skills, said Rebecca Xu, co-founder and managing director of Asia Alternatives.

"The recent trend is an increase in buyout opportunities in China. These are typically companies that have to implement operational transformation, or the first generation of entrepreneurs who, in their sixties, are in succession situations," said Xu.

Asia Alternatives has more than US$11 billion in assets under management across buyout, growth and expansion, venture capital and special situation funds. It invests with top performing private equity fund managers across Asia, primarily in China, as well as in Japan, Korea, Southeast Asia, India and Australia.

"More shareholders and founders are willing to give up controlling positions – either immediately or several years later," she said.

On the other hand, investors are also demanding control over management decisions because of growing business competition, she said.

One example is Belle International, according to Xu.

In April, two top Chinese private equity companies, Hillhouse Capital Group and CDH Investments, offered to take Belle International, China's largest shoe retailer, private in a takeover deal valued at HK$53.1 billion (US$6.8 billion).

Belle, which sells top brands such as Staccato, Joyce and Peace and Mirabell, has been hit hard by online competition over the past five years, as struggling bricks-and-mortar stores remain its primary sales channel. The sale was aimed at breathing new life into its struggling business.

"Operating margins and generation of free cash flow have been compressed," said Edward Huang, the senior managing director of Blackstone Group. "And some of these companies are going global – they think about whether they need a [private equity] partner, and how do they get to the next stage," Huang, who spoke at the 2018 Asia Private Equity forum in Hong Kong on Wednesday, added.

Asia Alternatives' Xu said the company would continue to focus on China. In a fifth funding round in September it raised US$1.8 billion.

"We would expect 45 per cent to 60 per cent of our recently closed fifth fund to be invested in our range investing in Greater China," said Xu. "China among all Asian markets is the one that has a variety of opportunities, and the variety of opportunities is broader compared with other markets."

INVESTMENT

FOREIGN EQUITY SEES MORE BUYOUT SLOTS IN CHINA

As companies change or entrepreneurs age and succession becomes a priority, overseas funds and investors are finding it easier to buy control

Peggy Sito and Georgina Lee

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More ... founders are willing to give up controlling positions

REBECCA XU, ASIA ALTERNATIVES

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Media	Private Equity International	Date	22-Jan-2018
Page	N/A	Reporter	Carmela Mendoza
Headline	CPPIB: 'Tech-led GPs to become new normal'		
Link	https://www.privateequityinternational.com/cppib-tech-led-gps-become-new-normal/		

The Canadian pension giant expects GPs that utilise technology in investment and value creation to become the 'next generation' managers.

Technology is playing an ever-greater role in private equity and GPs that focus on using technology will become the 'next generation' managers, Suyi Kim, managing director and head of Asia Pacific at Canada Pension Plan Investment Board, said in Hong Kong last week.

"I believe the next leading generation of GPs are the ones that can adapt and incorporate technology into their investment process and value creation," Kim said at the HKVCA Asia Private Equity Forum. "As with any disruptive trend, this may appear a fad at the start, but we will eventually see an exponential rise until it becomes the new normal."

Kim also noted that the next breed of GPs will include captive platforms from technology companies such as Softbank, Alibaba, JD.com and Tencent, as they tap on their deep knowledge in technology and vast network in the new economy to source deals and add value.

CPPIB is an early investor in Alibaba, having first invested in the Chinese e-commerce giant in 2011. Today, the Canadian pension's more than $300 million stake in the company is one of its prized assets, having increased its stake the following year after its initial investment and then again through the IPO in 2014. Last year, it also invested $250 million in Meituan-Dianping, China's largest service-focused e-commerce platform, alongside Tencent, Trustbridge and other investors through a Series C financing. The Toronto-based pension has also backed tech-focused GPs such as Silver Lake and Hillhouse Capital, according to PEI data.

In addition, Kim noted that private equity is moving from a 'buy and sell' strategy to 'build and sell'. "The increasing need to have an edge to win transactions, given intense competition and rising valuations requires the buyers to get more serious about what kind of value they can bring over their hold period." As such, Kim expects to see further specialisation on GPs' value-add for their portfolio companies. CPPIB, for example, teamed up with Baring Private Equity Asia in the $4.3 billion take-private of education provider Nord Anglia. PEI understands the firm is set to acquire international schools brands in the region, as it expands its global portfolio of schools.

CPPIB has invested approximately C$66.6 billion ($53.3 billion; €43.6 billion) in Asia as of 31 March, of which C$10 billion is in private equity.

Media	SCMP	Date	22-Jan-2018
Page	N/A	Reporter	Louise Moon
Headline	The smart money is on food safety, health care, clean energy in China this year, say experts		
Link	http://www.scmp.com/business/companies/article/2129895/smart-money-food-safety-health-care-clean-energy-china-year-say		

Technology has finally enabled social responsibility and environmental friendliness to achieve good returns, say money managers.

Investment in China will target specialised, socially responsible industries this year, with renewable energy at the forefront, according to experts at the Asia Private Equity Forum.

Environmentally-friendly fields like clean energy, food safety and health care, will offer key investment opportunities in the mainland, as technology boosts their profitability and climate change becomes a focus following the 2015 Paris climate accord.

"The theme of social responsibility and environmental friendliness is one area people should keep an eye out for," said Jackson Chan, managing director at Eaton Partners, a global placement agency that primarily raises capital from pension funds.

"In the past it was very hard to link financial return and socially responsible investment.

"Technology has enabled social responsibility and environmental friendliness to achieve good financial returns, so I think these industries will be very powerful going forward. We want to focus more on that."

US President Donald Trump's decision to pull out of the Paris Climate Agreement this year has allowed China to further project itself as a globally responsible power.

The country plans to invest £292 billion in renewable power by 2020, according to the International Energy Agency. By January last year it had already surpassed its 2020 target of solar panel installations, because of improvements in technology and an expansion of production.

Such achievements and ambitious goals have helped the world's second largest economy maintain its position as a global leader of investment in clean energy projects, according to the Institute for Energy Economics and Financial Analysis (IEEFA)'s China 2017 Review.

Although China is still heavily dependent on coal-fired power plants, building a solar or wind facility is now cheaper than a coal facility, Chan argued.

Figures from the IEEFA show China will account for 42 per cent of global solar energy capacity growth from 2017 to 2022; the number is expected to be 35 per cent for hydroelectric energy, and 40 per cent for wind.

"So why would you still burn coal or build a coal facility for power generation?" said Chan. "People are realising China is not building coal facilities any more; they are talking about wind, solar, hydro and biomass."

Other sectors relating to social responsibility, besides renewable energy, are also forecast to attract sizeable investment in 2018.

“There is a trend for higher levels of specialisation,” said Haide Lui, head of investor relations at Ascendent Capital Partners. “The number of specialty funds has increased and the level of interest [for them] has gone up, since those funds have been oversubscribed.”

Last year Eaton Partners invested in four major funds, two of them focused on health care and food in China. Each fund was very specific and all were oversubscribed, according to Chan, who predicted similar investment trends would continue this year.

As China’s health care lags behind the US, investors are cashing in on the opportunity to bring existing pharmaceuticals to the China market.

In 2017 the China Fund and Drug Administration added more than 300 medicines to the National Reimbursement Drug List, in an effort to modernise approved medical treatments. The ministry said the move would help support innovation and development in China’s pharmaceutical market.

And as spending on health-related areas such as medical expenses and food is set to increase in the coming year, according to global management consultants McKinsey, and with past incidents like the 2008 milk scandal tainting the food industry’s reputation, investors are continuing to focus on improving the quality of food production and supply, Chan said.

This is an opportune time for private equity investors in the China market, said Edward Huang, senior managing director of Blackstone Group.

With the Chinese economy having opened up more than 30 years ago, the first generations of entrepreneurs are retiring and considering forming partnerships with private equity investors, he added.

Media	SCMP	Date	22-Jan-2018
Page	N/A	Reporter	Alice Shen
Headline	Money from Chinese tech firms is deciding India’s next unicorn, say venture capitalists		
Link	http://www.scmp.com/business/companies/article/2129873/money-chinese-tech-firms-deciding-indias-next-unicorn-say-venture		

The backing of a Chinese tech giant often enables an Indian start-up to put rivals out of business, say delegates at the Asia Private Equity Forum

Capital from Chinese technology firms is deciding the winners in India’s tech start-up market, according to venture capitalists.

Indian companies chosen by tech giants such as Tencent Holdings and Alibaba Group Holding have received vast amounts of capital, enabling them to put rivals out of business by building their own ecosystem and developing new products.

Chinese investors have been using this “winner-takes-all” strategy in India for the past few years, having seen it pay off for late stage start-ups in China and the US, said Karthik Reddy, co-founder and managing director of Mumbai-based Blume Ventures.

For example Ola, India’s equivalent of Uber, with the backing by Tencent and SoftBank was able to shut down its rival TaxiForSure – part of Blume Ventures’ portfolio – in 2016, a year after it bought the competitor for US$200 million.

“Nobody can contend with that capital,” said Reddy, at the Asia Private Equity Forum on Wednesday.

In the last 18 months, Chinese companies have poured around US$2.37 billion into Indian start-ups, according to data research firm Tracxn.

South Africa-based Naspers, an early-stage investor in Tencent, and Japan’s SoftBank, an early investor in Alibaba, have been actively ploughing money into India and are seen as close partners of the two Chinese companies in which they are still major shareholders. Alibaba owns the South China Morning Post.

SoftBank, along with Alibaba, took a seat as a major shareholder on the board of Paytm, India’s largest digital payments start-up, after the Japanese investor poured in US$1.4 billion – the largest single transaction for funding in the country’s technology sector – last May.

The money is set to help Paytm expand its user base and start to offer financial services products, mirroring the growth strategy of Ant Financial, Alibaba’s payment affiliate.

Last year, Naspers invested US$80 million in Indian food delivery platform Swiggy, and US$71 million in Flipkart, India’s largest e-commerce start-up.

The winner-takes-all tactic will pay off in the long run, said Richard Ji, managing partner of All-Stars Investment, a major shareholder of Chinese phone maker Xiaomi, at Wednesday's forum.

The fund was the biggest investor in Xiaomi's latest round of fundraising, valuing the unicorn at US$45 billion in late 2014. Xiaomi was reportedly considering an initial public offering this year, with a valuation of US$100 billion, making it the most expensive unicorn in the world.

"Capital can make a significant difference in China's late stage [start-up] market," Ji said.

Since 2014, there has been a lot of consolidation in the fiercely competitive sector. Examples include the mergers between taxi-hailing app Didi and Uber China, and online classifieds sites 58.com and Ganji.

For late stage start-ups, how much capital they can get determines whether or not they will survive. Investors with deep pockets can also provide start-ups with strategic resources and help them grow, Ji said.

Smaller investors in India, such as Blume Ventures, tend to put money into early stage start-ups to avoid competition, according to Hu Jianlong, founder of a Beijing-based tech news outlet with a focus on China and India.

Capital from Chinese tech companies is good for Indian start-ups, Hu said, as it brings the resources needed to build a sustainable supply chain or find business partners.

"Eventually that decides who the winners are," said Reddy.

Media	AVCJ	Date	18-Jan-2018
Page	N/A	Reporter	Winnie Liu
Headline	Overseas LPs find entering Asia challenging		
Link	http://www.avcj.com/avcj/news/3008268/overseas-lps-find-entering-asia-challenging		

Overseas institutional LPs – in particular those willing to write larger checks – have found it difficult to access Asia's private equity market, industry participants told the HKVCA Asia Private Equity Forum.

Caisse de Depot et Placement du Quebec (CDPQ), the second-largest Canadian pension fund, has been actively building its local team in Asia in recent year with offices in Singapore, New Delhi and Shanghai. Of its $25 billion global PE portfolio, 5% is invested in Asia.

The LP hopes to write between $200-$700 million in each direct investment or fund managed by third-party GPs, but it has been challenging for the LP to find GPs – CDPQ currently has six GP relationships in Asia – that can accommodate such a large check size in their fund. Often time the LP has to scale down the allocation that it proposed initially.

"That's the same challenge on the direct side. I believe that large quality assets are scarce in Asia. When you have found them, they command a premium. So, you have to be willing to overpay for those assets in order to deploy capital," said Dave Brochet, managing director and head of Asia at CDPQ. "We are having a very interesting conversation between the Asia team and teams based in Europe and North America on what the right value and multiples should be."

On a separate note, Canada Pension Plan Investment Board (CPPIB), the country's largest pension fund manager which has been operating in Asia for about a decade, expects to see more LPs concentrating their commitments among a smaller number of GPs. That model – which CPPIB currently follows – allows LPs to build deeper relationships with local GPs, access higher-quality assets and add more value to portfolio companies, said Suyi Kim, a managing director and head of Asia in CPPIB.

Franklin Pak Associates advises US-based small to middle-sized institutions looking to invest in Asia, with a preference in the middle-market space. As these institutions have just started building their international PE programs, their check sizes for individual funds, along with direct and co-investments, tend to be relatively smaller than players like Canadian pension funds.

"We aren't looking to deploy $200 million at one time in one fund. We're looking to deploy $20-$30 million in a fund, so that affords us the opportunity to gain allocations a bit more easily than some of the larger folks," said Neil Mowery, a managing director at Franklin Park. The manager currently has 18 GP relationships in Asia, and over 60% of its Asia portfolio is allocated to China-focused GPs.

US-based insurer MetLife, which is also looking at the mid-market space with a ticket ranging from $40-$80 million, avoids overweighting on China as distributions-to-paid in (DPI) ratio is relatively low in the country compared to mature Asian markets like Japan and Australia. While there are a handful of high quality mid-market GPs in mature economies, the LP has found it difficult to access countries like Japan and South Korea. Some GPs in these countries are not sophisticated enough to raise capital from foreign LPs, and some have never left their own countries.

"The challenge is really on how to uncover opportunities in those type of markets which are deep enough to support high quality mid-market GPs," said Shirley Ma, a director at MetLife Investments Asia's private equity division.

Media	AVCJ	Date	18-Jan-2018
Page	N/A	Reporter	Justin Niessner
Headline	Korean political crises present PE opportunities		
Link	http://www.avcj.com/avcj/news/3008265/korean-political-crises-present-pe-opportunities		

A turbulent 2017 for South Korea in both domestic and international politics has complicated private equity agendas across a number of sectors, but GPs are tracking some positive aftereffects.

Industry participants speaking at the Hong Kong Venture Capital & Private Equity Association's (HKVCA) Asia Forum concluded that the election of a new government last year in South Korea has had an important impact on the business environment. This was contextualized as following closely on two episodes of high political volatility: the impeachment of President Park Geun-hye and a diplomatic fallout with China over the THAAD missile defense system.

Michael Chung, head of Korea and managing director at Morgan Stanley Private Equity Asia, said that the new administration under President Moon Jae-in introduced business challenges related to fair trade, labor rules, minimum wages and taxes. However, Chung identified opportunities in new energy and public housing policies that could be a boon to the renewables and construction sectors, respectively. He also indicated that new regulatory headwinds could help drive M&A activity.

"When continuing to manage your business becomes more challenging, you will be more receptive to swapping equity for cash, and that is what we began to see in the second half of last year," said Chung, noting ongoing challenges for GPs around high local enterprise valuations. "When you see double-digit EBITDA multiples being paid for similar businesses, you're less receptive to receiving a bid at a single digit. But with these changes of risk appetite in the market, I think deal flow will enhance this year."

South Korean investors agreed that the recently chilled relations with China could be the most severe consequence of ongoing tensions with North Korea. The installation of THAAD, whose radar covers China, precipitated a number of embargos, especially in Korean cultural exports. In other sectors such as technology, Korean companies dependent on Chinese customers have been incentivized to partner with private equity, according to Jenhao Han, CEO at KCA Capital Partners,

"For those companies, it is a must – it's not a choice – to be able to do more business in China," said Han. "So in that kind of situation, with some of the negative political development around THAAD, for us to talk to some of these companies, it created a more favorable reception for them to consider us as an investor. For Korean companies, it was very important to have an investor that could help them navigate through that kind of situation."

The panel observed that although broader geopolitical concerns about the North did not appear to discourage investment activity, economic confidence in the face of intense saber-rattling could be a symptom of problematic market complacency. This perspective was set against a long-term assessment of the new political regime in the South that suggested a future of continued uncertainty.

"The heart of their policy is trying to recognize that Korea is not going to grow at 5-10% anymore, so all the policies are geared toward growing at the maximum potential that the economy has," said Jaewoo Shim, managing director at Clearwater Capital Partners. "This is probably going to be a multi-year journey, and it's probably not going to be a smooth ride."

Media	AVCJ	Date	18-Jan-2018
Page	N/A	Reporter	Holden Mann
Headline	Asian credit remains attractive for investors		
Link	http://www.avcj.com/avcj/news/3008267/asian-credit-remains-attractive-for-investors		

While global investors often express wariness about investments in Asian credit and special situations, industry veterans remain optimistic about the future of the strategy.

“One thing that we often get asked by our LPs is, can you collect and does credit actually work in these jurisdictions?” Edwin Wong, managing partner and CIO at SSG Capital Partners, told the Hong Kong Venture Capital and Private Equity Association’s Asia Forum. “But for many of us who started our careers during the Asian financial crisis, when nobody was paying, that’s always been the bread and butter of what we do.”

While credit investment in Asia continues to present special concerns compared to other areas, such as currency volatility or political instability, industry participants feel that there has been significant progress on these fronts thanks to both improved economic understanding by policymakers and improvements in mitigating factors by experienced investors. Debtors in the region are also more understanding of the importance of honoring their obligations.

The greatest challenge to successfully investing in credit is creating a proper strategy. Investors must be confident in their ability to exit an investment from the moment they first commit, and be aware of the broader trends in the credit market.

“The difference between this strategy and every other strategy in private equity is that the timeframes are much shorter,” said Anil Gorthy, senior portfolio manager for Asia at Avenue Capital. “Credit is one asset where the longer you hold it, it doesn't necessarily get better, because credit has cycles, and if one breaks, you could find yourself holding a lemon. So a focus on exits is probably one of the most important things that drives the strategy.”

Gorthy and Wong identified India as a particularly exciting investment destination, given creditor-friendly measures implemented by the government in recent years such as the reform of the bankruptcy code. These reforms are attracting increased attention from global investors, but early entrants are likely to have an advantage due to their knowledge and experience with the market.

China also continues to be attractive, both from a direct lending perspective and for buyers of non-performing loans (NPLs). Kei Chua, managing director at Bain Capital Credit, said the country’s ongoing NPL sell-off was a twofold opportunity that could help his firm’s PE branch as well.

“Over the past 10 years Chinese banks have basically increased their loan book by tenfold, and the NPL ratio has not adjusted accordingly. So we think the opportunity here rivals the size of Europe potentially, and we've been actively executing on that,” said Chua. “The other backdrop is with banks effectively being held back and interest rates going up, it creates a capital solutions opportunity for us as well.”

Media	Private Equity International	Date	18 Jan 2018
Page	N/A	Reporter	Carmela Mendoza
Headline	MetLife: Access to GPs in developed Asia still challenging		
Link	https://www.privateequityinternational.com/metlife-access-to-developed-asia-gps-still-a-challenge/		

Life insurance company MetLife is eyeing more country-focused managers from developed Asia, but access to such GPs remains a challenge, Shirley Ma, its director for private equity Asia, said on Wednesday.

"In Japan and Korea, there's a deep bench of quality mid-market managers, but they may not be too sophisticated in raising capital from foreign limited partners in terms of how they run the process or communicate with LPs," Ma said at the Hong Kong Venture Capital and Private Equity Association Asia Private Equity Forum. "I think the challenge is uncovering opportunities in those types of markets." She noted that the firm in recent years has shifted its investment strategy from pan-Asian managers to mid-market managers in mature markets such as Japan, South Korea and Australia. "We see Asia as a set of markets with different features, state of development and at different points in the cycle. Many of us invest predominantly in growth opportunities in China but the distributions in China hasn't been that great when compared with other mature markets," she pointed out.

"When we think about portfolio construction, Asia is not purely for growth equity, we are looking for a balance of cashflow and capital gains. In that regard, we find Japan and Australia attractive markets and you see a churn of portfolio companies every three to four years, and that complements very well

with China." MetLife manages over $260 billion of assets globally, according to PEI data, and invests solely out of its balance sheet. Of its AUM, $6 billion is in private equity – 10 percent is invested in Asia, about 40 percent in the US, 30 percent in Europe, and a marginal percentage in Latin America, Ma said.

The insurer's current Asia allocation includes commitments to 12 GPs, of which three are China-focused and represent approximately 20 percent of its total commitments.

MetLife has previously backed managers including Navis Capital Partners, Equistone Partners Europe and LeapFrog Investments, according to PEI data.

Media	AsianInvestor	Date	18 Jan 2018
Page	N/A	Reporter	Ernest Chan
Headline	Korea PE funds target troubled SMEs: experts		
Link	http://www.asianinvestor.net/article/korea-pe-funds-target-troubled-smes-experts/442172		

Korean private equity sees opportunity in policy changes

New worker-friendly labour policies and a generational shift offer steady stream of opportunities for PE funds as owners of SMEs become more receptive to selling.

Changes in South Korea's economic policies and challenges faced by business owners in passing control from one generation to another are creating a steady stream of private equity opportunities in the small and medium sized enterprises (SMEs) space, according to leading market experts.

That opportunity could appeal to local institutional investors, which have been aggressively looking into private equity opportunities in order to improve their annual returns.

"Many SMEs in Korea are faced with increasing costs, so the operating environment has become more challenging," Jenhao Han, chief executive of growth equity investment firm KCA Capital Partners, told AsianInvestor sister title to FinanceAsia.

One of those costs is labour: In July 2017, the administration of new Korean president Moon Jae-in said it would raise the minimum wage by 16.4% in 2018—the largest increase since 2000, according to Korea's Minimum Wage Commission.

Moon's left-learning government has initiated policies favouring labour unions and worker rights over business owners since attaining power in May 2017, according to Yong Hak Huh, chief executive of alternative investment advisor First Bridge Strategy. One example is a reversal of labour guidelines that the previous administration had introduced to make it easier to layoff employees.

Yong was speaking at panel at the Hong Kong Venture Capital and Private Equity Association (HKVCA) Asia Private Equity Forum 2018, in Hong Kong on January 16.

These labour challenges are leading some small business owners to throw in the towel, which is offering private equity some opportunities, say experts.

"Business owners are becoming more receptive about the idea of swapping equity for cash—it's what we have seen from the second half of last year," said Michael Chung, head of Korea at Morgan Stanley Private Equity Management, on the same panel discussion.

Cultural shift

At the same time, a cultural shift in the attitudes towards business succession among aging business owners could also offer PE funds some options, say some experts.

“The theme of generational shift and transfer of business will be a key theme in Korea,” said Gordon Cho, head of Korea at asset management firm The Rohatyn Group.

Historically, the idea of giving up control of a business in Korea was frowned upon. “For mid-sized company owners, their business is their pride and joy, and selling out the business is seen as a betrayal,” said KCA Capital Partners’ Han.

But many family-run small and medium-sized enterprises (SMEs) face the prospect of the next generation not being interested or equipped to take over the business. And hiring an expensive professional manager to run the business can also be tricky for a mid-sized company, Cho said.

“Even if this one CEO or major shareholder is so forward-looking they [the company owner] gives them that money [to hire them], you can imagine that they're going to be sticking out like a sore thumb,” he explained. "It's hard to effect real change," he added.

That’s left more owners with little choice but to sell the business to peers or professional investors. And sentiment towards such buyout transactions has changed from hostility to understanding the compulsion of such an action.

This has been helped by the ability of some private equity firms to buy such companies and make them larger and more successful. This has helped change the attitudes of SME owners, who now see a buyout as a viable exit, and represent the best area of opportunity, Cho added.

Cho did not respond to requests by AsianInvestor to offer an example by presstime. However rival VIG Partners, which specialises in mid-sized PE investments, impressed in February 2016 when it sold out of Burger King's South Korea franchise for W210 billion ($170 million), after originally investing into it in 2013 for W110 billion.

Experts at the event said typical annual internal rates of return in Korea for PE funds were in the range of 20% to 30%.

Media	FinanceAsia	**Date**	18 Jan 2018
Page	N/A	**Reporter**	Alison Tudor-Ackroyd
Headline	As Asian property nears peak, nimble investors sell		
Link	http://www.financeasia.com/News/442191,as-asian-property-nears-peak-nimble-investors-sell.aspx		

Leading real estate investors say valuations are reaching unsustainable levels in private markets: time for investors to change their strategy?

Transactions at eye-popping earnings multiples and buyers taking risky bets across Asia contingent on heavy lifting, a few veteran investors in the market are bewildered and looking to sell into pockets of demand.

“We are in the late stage of the real estate cycle. The market is filled with a lot of artificial liquidity,” said Collin Lau, founder of Asian real estate firm BEI Capital. He noted that quantitative easing by central banks has been distorting prices. “I would be a net seller and second I would be delevered.”

The warnings by Lau and others come at a time of growing interest in real estate from global institutional investors.

A new survey by asset manager BlackRock found 42% of 224 of its institutional clients globally, representing $7.4 trillion in assets, plan to increase their allocation to deals in the private property sector in 2018 in the face of low interest rates.

“Frankly, we’ve been net sellers,” said Broderick Storie, a partner at alternative investment manager PAG, which has $6 billion of assets under management.

Storie recalled that 12 to 18 months after making one particular investment, PAG had received an offer at a price it had expected to achieve only after five to seven years of hard work.

Real estate was the top M&A sector based on the value of deals across China and Hong Kong in 2017 with $87.7 billion worth of transactions, according to data provider MergerMarket’s analysis.

Hong Kong saw the world’s highest transaction for a single office block when tycoon Li Ka-shing’s The Center changed hands for HK$40.2 billion last year.

In another example of a highly valued transaction, Link Reit agreed in November to sell a portfolio of local Hong Kong shopping malls to private equity firm Gaw Capital and the investment arm of Goldman Sachs for HS$23 billion ($2.9 billion). The sale price represented a 52% premium to the appraised value of the portfolio as of September 30.

To achieve a respectable return the investors would need to make a lot of improvements to the properties, which could prove tricky.

“Lots of hands-on-work to do with very local, local shopping centres,” said Lau noting it would not be easy dealing with owners of wet markets, car parks as well as elderly people who may not welcome change.

“It didn’t attract our appetite – that would be an understatement,” said PAG’s Storie, who said he was familiar with this portfolio of assets, during the HKVCA Asia Private Equity Forum 2018.

Calvin Chou, a managing director at Invesco Real Estate, which manages about $5.5 billion of capital, agreed the asset class is in the later stage of the investment cycle.

“We don’t want to invest on a leverage play nor assume that cap rates are going to compress any further,” said Cho, adding that Invesco is targeting more defensive assets such as “core” real estate, which is typically low risk, unlevered, grade A office space.

DEFENSIVE STRATEGIES

What should investors do in such a frothy market?

“The first thing we look at is capital structures; the second thing is what assets we should divest,” said PAG’s Storie. “[We’re] making sure the portfolio has defensive qualities.”

BEI Capital’s Lau, previously head of global real estate and head of European private equity at China Investment Corporation, said in the next 18 months “we will be very cautious and we are looking at a strategy that works across multiple cycles rather than just filling asset allocation targets".

He is focusing on tailoring living and working spaces in new ways for consumers. Lau says his firm no longer values this type of property in terms of the rent it could achieve per the size of unit, but on what potential services it could offer.

“Increasingly we will be dealing with operational real estate – alternative real estate,” Lau said.

Property agent JLL Asia Pacific noted in its 2018 outlook that demand was outstripping supply in Asia for alternative property, including sectors such as retirement homes, student housing, data centres and self-storage facilities, to diversify their portfolios, and for long-term growth.

Lau is also keeping an eye out for distressed sellers of property in China.

“I think there is real possibility of distress,” due to changes in Chinese government policy, which is actively pushing over-leveraged companies to sell assets. He also sees volatility in China’s stock market, characteristic of the end of a bull run in equities, hitting sentiment in China’s real estate markets.

Daisuke Hayashi of Phoenix Property, which has $8 billion of assets under management noted that in Japan, Tokyo grade A office space vacancy rates remain low and the risk of interest rates rising any time soon was minimal.

“The BOJ [Bank of Japan] will keep the rate as low as possible for at least two years,” said Hayashi who has been investing in property for about 15 years.

Phoenix Property thinks in Japan the particularly attractive sub-sectors are: B class offices in Tokyo; regional offices where there is limited supply; the hotel sector due to growing tourism.

Key advice would be to take advantage of pockets of demand.

“There is a changing landscape in terms of capital appetite for investment grade real estate that will create opportunities. There will be more buyers domestically in China over the next five to 10 years,” said PAG’s Storie.

Invesco is searching for areas where Chinese companies will look to buy assets in around three years time, when he thinks rules on their outbound investment will have relaxed. Those areas include Australian housing: “If Australia will take the money,” said Invesco’s Chou in a nod to the rising protectionism globally against cross-border M&A.

Media	SCMP	Date	18 Jan 2018
Page	N/A	Reporter	Georgina Lee
Headline	Venture capital could produce the next Jack Ma or Pony Ma in Southeast Asia, says MindWorks		
Link	http://www.scmp.com/business/money/markets-investing/article/2128715/venture-capital-could-produce-next-jack-ma-or-pony		

Big opportunities abound in Southeast Asia for internet-savvy investors to nurture the growth of a new generation of technology entrepreneurs who can become the "Jack Ma and Pony Ma" of the region, according to venture capital firm MindWorks Ventures.

Hong Kong-based MindWorks sees a funding gap in Southeast Asian markets like Indonesia in which the existing generation of tycoons who got rich running businesses in natural resources, property and industry may lack the knowledge to fund start-ups operating in the "new economy".

The internet has disrupted many traditional businesses, ranging from media and travel to transportation and retail, and new start-ups in Southeast Asian countries are in need of funding to help take their businesses to the next level.

"We have many entrepreneurs in Southeast Asian countries who understand the internet, but do not have the capital to take start-ups to the next stage of growth. We want to be the first generation of venture capital in the region that can find the next Pony Ma and Jack Ma in these countries," said Joe Chan, a partner at MindWorks, referring to the founders of Tencent Holdings and Alibaba Group Holding, respectively. He was speaking on the sidelines of Thursday's 2018 Asia Private Equity Forum in Hong Kong.

MindWorks focuses on early-stage investment, providing funding from series A to series C. It is in the process of raising US$70 million for its third fund, which raised US$30 million in its first close.

Southeast Asia has already attracted investment from the two Mas' companies. Tencent and Alibaba have invested in many start-ups that have gone on to become unicorns and IPO candidates.

One is Sea, Southeast Asia's most valuable start-up, based in Singapore and backed by Tencent. It started as an online gaming company and expanded subsequently into e-commerce. Sea has been listed on the New York Stock Exchange since its IPO in October, raising proceeds to further develop the Indonesian market.

Last year, Alibaba beefed up its investment in Singapore-headquartered Lazada, an e-commerce marketplace which also operates in Indonesia, raising its stake to 83 per cent from 51 per cent. Alibaba owns the South China Morning Post.

Chan said that with a population of 260 million, Indonesia is an attractive market because the internet, and digitalisation of traditional businesses overall, has brought about significant improvement in people's lives.

That sets it apart from other Asian markets, such as Hong Kong, whereby the financial system was already quite efficient even before digitalisation and the proliferation of the internet.

Founded in 2014, MindWorks manages three funds totalling US$130 million.

About 70 per cent of its portfolio consists of start-ups founded in Southeast Asia, Hong Kong and Taiwan, with the rest being in China. They include van and truck-booking firm Lalamove, founded by Hong Kong-born poker player Shing Chow, which is slated to start operating in Indonesia this year. Another is online travel start-up Kkday.

MindWorks is also working with Alibaba, Tencent and Shunwei Capital – the venture capital fund backed by Xiaomi’s founder Lei Jun – in scouting out new investment opportunities in the region.

Media	CNBC	Date	18 Jan 2018
Page	N/A	Reporter	N/A
Headline	The outlook for private equity in 2018		
Link	https://www.cnbc.com/video/2018/01/17/the-outlook-for-private-equity-in-2018.html		

Rebecca Xu of Asia Alternatives says her firm will focus on markets such as Greater China, Japan, Korea, India and Southeast Asia.

Media	Nikkei Asia	Date	17 Jan 2018
Page	N/A	Reporter	Amy Lam
Headline	Loyal Valley Capital Founder Says Nine Portfolio Companies Preparing For IPOs		
Link	https://asia.nikkei.com/Markets/Nikkei-Markets/Loyal-Valley-Capital-Founder-Says-Nine-Portfolio-Companies-Preparing-For-IPOs		

Loyal Valley Capital Founder Says Nine Portfolio Companies Preparing For IPOs

By Amy Lam

Nikkei Markets

HONG KONG (Jan 17) -- Nine of the 25 companies in the portfolio of Loyal Valley Capital are in the process of preparing for initial public offerings, the Chinese private-equity firm's founding partner Andy Lin said on Wednesday.

The companies are considering stock exchanges in Hong Kong, New York and China for listings, Lin said at the Asia Private Equity Forum in Hong Kong.

Loyal Valley's portfolio includes ride-hailing service Didi, video-sharing service Bilibili and private insurer Sunshine Insurance Group, according to its website.

"I believe the next two to three years are going to be historical exit years for Chinese companies, both in the domestic and outside markets," Lin said. He didn't provide further details.

Media	AsianInvestor	Date	17 Jan 2018
Page	N/A	Reporter	Jolie Ho
Headline	China institutions tipped to shuffle leaders		
Link	http://www.asianinvestor.net/article/china-institutions-tipped-to-shuffle-leaders/442169		

China institutions tipped to shuffle leaders

Senior executives at China's asset owners will likely rotate their jobs this year, something that may not be good news for fund managers seeking their mandates.

Many of the leading figures at China's institutional investors, including large banks and insurers, are set to rotate jobs among themselves and with executives in state-owned enterprises and government organisations during this year, say experts.

The movements are set to reduce the level of new investment plans and mandates this year, while over the longer term it could cause some asset owners to shift goals or strategies as new leaders seek to make their own marks on these organisations.

An executive managing a commercial investment organisation may take up a new role in the ministry overseeing his company or relocate to become the head of a province, Collin Lau, founder of Hong Kong-based global real estate investment firm Bei Capital Partners, told AsianInvestor.

"It follows the five-year pattern [of the leadership reshuffle in the Communist Party]…the top, second, third-tier, fourth-tier," he told AsianInvestor while attending the HKVCA Asia Private Equity Forum 2018 in Hong Kong.

Lau knows what he is talking about. He previously worked for sovereign wealth fund China Investment Corporation (CIC) between 2009 and 2012, where he was the head of global real estate investment and head of European private equity operation of. Before that, he had worked in Starr International and Baring Private Equity Asia.

The periodic rotation of jobs is a custom that can be traced back to ancient China. After senior leaders shift their positions, changes in their deputies ensue. There will be more personnel appointments and dismissals in financial institutions, state-owned enterprises and government departments this year, Xia Chun, chief research officer at Chinese wealth manager Noah Holdings, told AsianInvestor.

Chun said there is a higher chance that some younger ones will move up the career ladder this time, in part because a number of officials were taken down in Xi Jinping's anti-graft campaign in the past five years.

The make-up of the Politburo Standing Committee, the country's most powerful decision-making body, changed following the 19th National Congress of the Communist Party of China (CPC) in October last year. The seven members of the supreme political body are, in order of seniority, president Xi Jinping, premier Li Keqiang, Li Zhanshu, Wang Yang, Wang Huning, Zhao Leji and Han Zheng.

The Chinese authorities want its officials to possess all-round talents, Xia said. For instance, chairman of the China Banking Regulatory Commission Guo Shuqing was previously governor of Shandong province, chairman of the China Securities Regulatory Commission, chairman of the China Construction Bank, and deputy governor of the People's Bank of China, he said.

China's central bank is one place where senior promotions look set to happen soon. Governor Zhou Xiaochuan had said in October last year that he would likely retire soon. High-profile personnel changes are already taking place among other asset owners in the mainland.

Tang Zhigang was approved by the China Insurance Regulatory Commission to become the chairman of the pension insurance unit of the People's Insurance Company (Group) of China on Jan 9. He was previously an executive director of the parent company.

Wang Sidong also starts serving as vice chairman and general manager of China Taiping Insurance since this month. He was previously non-executive director of China Life Insurance, according to media report.

Less is more

One net result of the executive reshuffling is that Chinese institutional investors' investment activities, including their direct investments and handing out of mandates, will slow down, said Lau of Bei Capital.

Investment activities will only normalise after the rotation of jobs, probably in the last quarter of this year. State-owned enterprises' outbound investments will also be lower, he said. China's bureaucratic mentality in state-linked institutions means that individuals will be wary of the "personal liability" of making mistakes, which will lead them to err on the side of caution when it comes to decision making in a time of transition, he said.

"This is a very civil servant system," noted Lau. "People have to reshuffle their positions from time to time. And when you know that you are able to move to the next position, will you be very active in investing? You will not."

This is likely to mean asset owners in China this year do not offer many external mandates. Unlike their western peers, asset owners in China often prefer to use internal teams to invest over outsourcing.

Amid this time of staff changes the only fund managers likely to successfully gain mandates will be those that boast a strong track record, and enjoy trust from mainland asset owners already, which they can use to demonstrate their capabilities, Lau added.

He also said that asset owners in China will be most likely to seek external managers for the stock and bond as these markets can be very volatile. But they are likely to prefer co-investments or "club-investments" in the alternatives space.

"Alternative investments They also give [alternative investment mandates] to managers, but even [in] my day we were actively asking for co-investments," he said.

Media	FinanceAsia	**Date**	17 Jan 2018
Page	N/A	**Reporter**	Ray Chan
Headline	India's bankruptcy overhaul tempts distressed investors		
Link	http://www.financeasia.com/News/442170,indias-bankruptcy-overhaul-tempts-distressed-investors.aspx		

Private equity firms are on a war footing after India overhauled its byzantine bankruptcy procedures.

Regulatory reform in India to remove red tape has reinvigorated interest from private-equity firms, driven by a sweeping transformation launched by Prime Minister Narendra Modi in the past two years, investors said in a conference on Wednesday.

For investors in private debt and special situations, more investment opportunities will emerge in the next few years, after the Modi administration introduced its first-ever bankruptcy law in 2016 to speed up the liquidation process and help prevent the accumulation of bad debt which would eventually hinder the credit cycle and economic growth.

Other action has been taken too. Last year, the Reserve Bank of India, the central bank, took 12 of the country's largest loan defaulters to court, in a landmark move demonstrating its ambition to speed up the debt collection process. The 12 companies accounted for about Rs2 trillion ($31 billion) of the country's non-performing loans, or roughly a quarter of its bad debt.

"The whole landscape in India has completely changed in the last two years," said Edwin Wong, chief investment officer at SSG Capital Management, a $4.5 billion private equity firm based in Hong Kong. "With the new bankruptcy law taking place, there is more balance between borrowers and creditors," he said during the HKVCA Asia Private Equity Forum 2018

Speaking during the same conference, Brad Landes, a partner at private-equity firm ADV Partners, said the regulatory reform in India is an important filip for market optimism.

"It used to be the creditors sitting under the nose of banks for over 10 years, but things have changed given the new legislation," said Landes, who has invested in India market for 14 years. "Whereas now it is kinda like solving a problem and get on a train, with Modi moving forward."

Investing in so-called special situations can involve a number of corporate actions, including tender offers, mergers and acquisitions and bankruptcy proceedings.

Private debt managers in Asia in some cases provide credit to small business owners, taking on more risk than would be the case if they invested in public bonds issued by large companies but potentially earning higher returns.

"It is a great opportunity to invest in India right now," said Wong of SSG. "That's in contrast with a few years ago when investors were badly burned by their investments in India."

Founded by three Lehman executives in 2009, SSG raised $2.5 billion of new capital last year to put to work in India's distressed assets and non-performing loans.

Besides the improving regulatory landscape, investors also identify the lack of transparency in Indian markets as crucial to generating higher returns.

Media	GovHK	Date	17 Jan 2018
Page	N/A	Reporter	N/A
Headline	Speech by FS at Asia Private Equity Forum 2017 (English only) (with photo/video)		
Link	http://www.info.gov.hk/gia/general/201701/18/P2017011800304.htm		

Speech by FS at Asia Private Equity Forum 2017 (English only) (with photo/video)

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Following is the speech by the Financial Secretary, Mr Paul Chan, at the Asia Private Equity Forum 2017 this morning (January 18):

Eric (Chairman of the Hong Kong Venture Capital and Private Equity Association (HKVCA), Mr Eric Mason), David (Chairman of the Asia Private Equity Forum and Executive Director of the HKVCA, Mr David Pierce), distinguished guests, ladies and gentlemen,

Good morning.

It is a pleasure for me to be here this morning, to have this welcome opportunity to address you at this prestigious annual forum.

An eventful time, I might add, given that the Hong Kong Venture Capital and Private Equity Association celebrates its 30th anniversary this year. In doing so, the Association is in good company: the Asian Financial Forum, which has just concluded successfully yesterday, turns 10 this year. And the Hong Kong Special Administrative Region will be 20 years old come July 1.

Your valued Association counts a membership of some 370 corporate leaders: from Hong Kong, from the Mainland as well as many places in Asia and from around the world. That diverse makeup speaks smartly of Hong Kong's singular status as a global hub for business and finance. Speaks, too, of Hong Kong's unique role in bridging Mainland business and investment with the rest of the world.

This unique role that we are performing under the "one country, two systems" framework has also helped Hong Kong stay afloat in an increasingly inconstant and uncertain global economy.

Yes, despite the challenging macro-environment, Hong Kong, last year, once again led the world in IPO (initial public offering) funds raised. We are, as well, Asia's leading asset management centre.

As for 2017, I think we can all agree that plenty of sand traps and bunkers are sure to line the course ahead of us. The possible change of economic policies under the new US administration, the timing and pace of US interest rate normalisation as well as the policy divergence among major central banks are surely among the uncertainties that we have to closely monitor.

And I believe that many of us here today are wondering how Brexit will affect the fragile economic recovery of the Euro area. On the other hand, many of us are anxious to know the effects of fiscal stimulus packages announced by Japanese government in June last year on the country's economy, which has been stuck in low gear in the past decade.

While we continue to closely monitor the development of these matters, rest assured we'll also be moving ahead. Working to make Hong Kong's business and investment environment that much more welcoming and rewarding.

I am speaking of initiatives like the launch of the Shenzhen-Hong Kong Stock Connect, which opened for business just last month.

It is clearly another milestone in the two-way opening up of the Mainland market. And in expanding number of stocks eligible for trading under the mutual access scheme, it will also enhance Hong Kong's position as an international financial centre and global offshore Renminbi business hub.

The progress of the Mutual Recognition of Funds arrangement between Hong Kong and the Mainland has also been encouraging. At the end of November, 54 funds had been authorised by the dual regulators, with aggregate net sales of almost RMB8.3 billion.

I am confident that the arrangement will expand the distribution network for Hong Kong's fund industry. That it will help enable Hong Kong's rise as a fully fledged fund-service centre.

While the Mainland market continues to present abundant opportunities, it is essential that Hong Kong continues to explore new prospects in overseas markets. And for good reason: we are determined to strengthen Hong Kong's position as an international asset management centre.

In this connection, we had a breakthrough recently following the signing of an MOU last month with Switzerland on mutual funds recognition. It is a landmark agreement, marking the first time that Hong Kong's public funds have gained direct access to the European investing public.

Then there is the open-ended fund company (OFC) structure. Noting the increasing popularity of corporate fund structures, we introduced a bill to establish a legal framework for the creation of OFCs here. That bill was passed last June. Our regulatory authorities are working with the Government to implement the OFC as soon as possible.

We believe that the new investment vehicle will create a more flexible business environment and, in doing so, help fund managers meet market demand. That, in turn, can only expand the funds that call Hong Kong home.

There is opportunity as well - and on a massive and unprecedented scale - in the Belt and Road Initiative, designed to expand multilateral ties among more than 65 economies in Asia, Europe and Africa. Among others, infrastructure development and connectivity is a priority.

As an international financial centre, and as China's international financial capital, Hong Kong is well placed to benefit from Belt-Road opportunities in infrastructure financing, offshore Renminbi services, asset management, risk management and much more.

To help realise those far-reaching prospects, the Hong Kong Monetary Authority launched its Infrastructure Financing Facilitation Office last July.

To date, more than 50 organisations from the Mainland, Hong Kong and overseas have joined the Office as partners. They include multilateral financial agencies and development banks, investors, financiers, insurance companies, project developers and professional services firms.

They are on board, and others will follow, because Hong Kong has what it takes to become the Belt-Road's infrastructure investment and financing hub.

That, of course, will demand a great deal from our professional services sector - now and through much of this 21st century.

To that end, we launched a three-year talent training initiative in August last year. The pilot programme emphasises the asset and wealth management and insurance sectors. Under it, there is a financial incentive scheme for in-service practitioners.

And a summer internship programme, allowing undergraduate students to gain exposure to the many job opportunities in the asset and wealth management sector, will be rolled out this summer.

In this, I welcome your support and participation, from offering internship opportunities to making use of the financial incentive scheme for professional training.

With Hong Kong's private equity funds handling about 17 per cent of the total capital under management in Asia, we clearly need more talent if we are to sustain your industry's impressive development.

On that note, I would like to convey my gratitude to the Association for all it has done, over these past 30 years, to raise the profile of Hong Kong's venture capital and private equity industry here in Hong Kong, throughout the region and around the world.

Ladies and gentlemen, the Year of the Rooster is almost upon us. I wish you all a successful Forum. And a healthy, happy and prosperous Year of the Rooster.

Thank you.

Media	Global Times	Date	22-Jan-2018
Page	N/A	Reporter	
Headline	外媒：印度初创企业成败全仰仗中国科技企业		
Link	http://tech.huanqiu.com/it/2018-01/11543395.html		

【环球网科技综合报道】据香港媒体《南华早报》1 月 22 日报道，亚洲私募股权论坛的代表说，一个中国科技巨头的支持往往能帮助印度初创企业击败竞争对手。

腾讯控股、阿里巴巴集团等科技巨头选择的印度公司，获得了巨额资金。它们通过建立自己的生态系统和开发新产品，使竞争对手退出市场。

孟买 Blume Ventures 的联合创始人兼董事总经理卡蒂克・雷迪(Karthik Reddy)表示，过去几年，中国投资者一直在采用这种“赢者通吃”的策略，且在中国和美国的后期初创企业中看到了回报。

例如，在腾讯和日本软银的支持下，印度的优步——打车软件 Ola 在 2016 年击败其竞争对手 TaxiForSure，且在一年后又以 2 亿美元收购了 TaxiForSure。

1 月 17 日印度 GVK 执行董事长雷迪在亚洲私募投资论坛上说：“没有人能与资本相抗衡。”

数据研究公司 Tracxn 的数据显示，在过去 18 个月里，中国企业向印度初创企业投入了 23.7 亿美元。

腾讯早期投资者、总部位于南非的 Naspers 和阿里巴巴的早期投资者软银一直积极向印度投资，也是中国公司的密切合作伙伴。

去年 5 月，在软银投入 14 亿美元(该国科技行业最大的一笔融资交易)之后，软银与阿里巴巴成为印度最大的数字支付初创企业 Paytm 的主要股东。

去年，Naspers 向印度食品交付平台 Swiggy 投资了 8000 万美元并向印度最大的电子商务创业公司 Flipkart 投资了 7,100 万美元。

在亚洲私募投资论坛上，中国手机制造商小米的主要股东、全明星投资基金(All-Stars Investment)的共同创始人和管理合伙人季卫东说，从长远来看，赢者通吃的策略将获得回报。

全明星投资基金是小米最新一轮融资的最大投资者。小米正在考虑今年的首次公开募股，估值为 1000 亿美元，成为世界上最昂贵的独角兽。

季卫东说:“资本能在中国的创业市场上产生重大影响。”

自 2014 年以来，竞争激烈的行业出现了大量合并。例如，打车软件滴滴和优步中国的合并，以及在线分类信息网 58 同城和赶集网的合并。

季卫东说，对于后期创业公司来说，他们能够获得多少资金将决定他们是否能够生存。财力雄厚的投资者也可以为初创企业提供战略资源，帮助他们成长。

总部位于北京的一家专注于中国和印度的科技新闻机构的创始人胡建龙说，在印度，像 Blume Ventures 这样的小型投资者往往会把资金投入初创企业，以避免竞争。他说，中国科技公司的资本对印度初创企业有利，因为它带来了建立可持续供应链或寻找商业伙伴所需的资源。

“最终资本决定谁是赢家，”雷迪表示。(实习编译：卢佳琪 审稿：李宗泽)

Media	AAStocks	Date	17 Jan 2018
Page	N/A	Reporter	
Headline	陳茂波：港交所最快 2 月底就同股不同權細則作諮詢		
Link	http://www.aastocks.com/tc/stocks/news/aafn-news/NOW.850245/3		

財政司司長陳茂波出席一個論壇時表示，香港去年經濟增長達 3.7%，為六年來最快的增速，並相信今年本港經濟會維持正面。

他又指，截至 2016 年，香港整體基金管理業務規模按年增長 5.2%，至 2.35 萬億美元的紀錄高位，當中有三分之二是來自非香港投資者。至於香港私募股權基金在截至去年 9 月，管理的資產達至 1,300 億美元，集資額增加超過 130 億美元，在亞太區排行第二，僅次於中國內地。

陳茂波又指，在「一國兩制」下，香港與內地的連繫更緊密，隨著兩地互聯互通，香港的新股集資額在過去十五年均排行在全球首五位。為了吸引更多新經濟公司，包括沒有收入以及採用「同股不同權」架構的企業來港上市，港交所(00388.HK) +4.400 (+1.462%) 沽空 $5.01 億; 比率 10.674% 將會在 2 月底或 3 月初就同股不同權細則作諮詢，希望能在下半年看到新經濟公司來港上市。

他指出，未來本港將會繼續研究拓展不同產品，包括 ETF 通，以及將債券通覆蓋南向交易等。

Media	HK01 | 香港 01	Date	17 Jan 2018
Page	N/A	Reporter	陳嘉碧
Headline	陳茂波預計去年本港經濟增長達 3.7%　今年則維持正面		
Link	https://www.hk01.com/%E7%B6%93%E6%BF%9F/150339/%E9%99%B3%E8%8C%82%E6%B3%A2%E9%A0%90%E8%A8%88%E5%8E%BB%E5%B9%B4%E6%9C%AC%E6%B8%AF%E7%B6%93%E6%BF%9F%E5%A2%9E%E9%95%B7%E9%81%943-7-%E4%BB%8A%E5%B9%B4%E5%89%87%E7%B6%AD%E6%8C%81%E6%AD%A3%E9%9D%A2		

財政司司長陳茂波出席亞洲創業及私募論壇致辭時表示，港交所（0388）將在 2 月底或 3 月初，就市場改革進一步諮詢，希望今年吸引更多新經濟及科技企業來港上市。

正發掘更多機會擴展互聯互通

陳茂波指出，政府正積極推動本港成為企業的首選上市平台，本港多年來都能在新股集資額排名首 5 位，現需要新策略擴展市場，包括吸引同股不同權及未有收入的公司來港上市。

他表示隨著人民幣國際化，環球對中國資產的需求愈來愈大，港府正發掘更多機會，擴展中港互聯互通渠道和投資產品，包括交易所買賣基金互聯互通等，同時亦正積極推動將債券通擴展至南向通。

料本港經濟今年維持正面

陳茂波表示，受惠環球經濟改善、本地消費需求上升，以及接近全民就業等影響，預計本港去年經濟增長達 3.7%，增速自過去 6 年以來最快，相信今年經濟會繼續維持正面，但續留意美國今年加息等風險。

另外他指出，截至 2016 年底，本港總基金規模按年增長 5.2%，達 2.3 萬億美元，創紀錄新高；以及截至去年 9 月，私募基金規模亦達 1,300 億美元。陳茂波表示，立法會正在審議把利得稅豁免範圍擴大至涵蓋以私人形式發售的在岸開放式基金型公司，若議案通過，私募及公開發售的基金均可受惠。

Media	HKET	Date	17 Jan 2018
Page	N/A	Reporter	N/A
Headline	財爺料今年經濟增長正面但需留意加息風險		
Link	http://ps.hket.com/article/1992123		

財政司司長陳茂波今早在亞洲創業及私募論壇致辭時指，本港去年經濟增長達到 3.7%，屬過去六年最快的增長速度，主要受環球經濟改善、本地消費需求上升及接近全民就業等影響，預計今年經濟會繼續維持正面

Media	HKEJ	Date	17 Jan 2018
Page	N/A	Reporter	
Headline	陳茂波冀吸引更多新經濟及科技企業赴港上市		
Link	http://www2.hkej.com/instantnews/hongkong/article/1747353		
Repost	Now: https://finance.now.com/news/post.php?id=374526&type=local		

港交所(00388)確定接受同股不同權公司在港上市，以吸引新經濟企業落戶。財政司司長陳茂波表示，港交所將在 2 月底或 3 月初，就市場改革的詳情作進一步諮詢，期望今年能吸引更多新經濟及科技企業來港上市。

陳茂波在亞洲創業及私募論壇致詞時指出，政府正積極推動本港成為企業的首選上市平台，認為本港多年來都能在新股集資額排名首 5 位，現時需要新策略擴展市場，包括吸引同股不同權及未有收入的公司來港上市。

他認為，隨着人民幣國際化，環球對內地資產的需求愈來愈大，而香港作為國際金融中心，港府正發掘更多機會，擴展中港互聯互通渠道和投資產品，包括交易所買賣基金互聯互通等，亦正積極推動將「債券通」擴展至南向通。

陳茂波表示，本港去年經濟增長達 3.7%，增速是過去 6 年以來最快，主要受環球經濟改善、本地消費需求上升，以及接近全民就業等影響，預料今年經濟會繼續維持正面，但政府會繼續留意美國今年可能加息等風險。

他稱，截至 2016 年底，本港總基金規模按年增長 5.2%，規模達 2.3 萬億美元，當中私募基金截至去年 9 月，規模亦達 1300 億美元，立法會正審議豁免私人形式發售在岸開放式基金公司的利得稅，一旦通過，私募及公開發售的基金都可獲豁免。

港交所行政總裁李小加昨天預告，農曆新年後將發表有關修改上市規則的細則諮詢，諮詢期約 6 至 8 個星期，期望 6 月初公布諮詢結果、6 月底可正式接受同股不同權新股申請。

Media	財華網	Date	17 Jan 2018
Page	N/A	Reporter	
Headline	CPPIB：科技成為私募投資回報的主要增長動力		
Link	http://www.finet.hk/Newscenter/news_content/5a5f28a1e4b0d1966a2c0df2		

加拿大養老基金投資公司董事總監理兼亞太區主管 Suyi Kim，出席 2018 亞洲私募投資論壇時指出，創新科技將成為私募投資回報的主要增長動力。Suyi Kim 表示，凡是有可觀回報的私募投資項目中，均涉及科技行業，在去年亞洲的私募投資當中超過一般為 IT 板塊的投資項目，該板塊項目的投資回報甚至遠遠超過了一般私募投資在過去 10 年的平均回報水平。

以地區來看，Suyi Kim 又尤其看好亞洲的私募投資前景。她表示，亞洲是發展創新科技最有前景的地區，而中國的創新科技更領先全球；另外，亞洲地區國家經濟急速發展，預料在未來 15 至 20 年，全球經濟排名前十的國家當中一半將來自亞洲，相信亞洲將繼續成為私募投資最吸引的地區。

Media	星島頭條網	Date	17 Jan 2018
Page	N/A	Reporter	
Headline	陳茂波：冀今年吸引更多新經濟及科技企業來港上市		
Link	http://hdfin.stheadline.com/inews_headline_content.php?nid=375682		

財政司司長陳茂波於亞洲創業及私募論壇致辭時表示，受環球經濟改善、本地消費需求持續上升及接近全民就業因素影響，香港經濟增長去年達百分之 3.7，速度是過去 6 年最快，但政府會留意市場風險，例如美國加息。

他指出，港交所將會在 2 月底至 3 月初就市場改革作諮詢，希望吸引更多新經濟及科技企業到港上市。另外，他說全球對內地資產需求大，香港是國際金融中心，將會擴闊更多人民幣產品。

此外，受惠外圍環境向好，他稱，本港去年經濟增長達 3.7%，創 6 年來最好表現，相信今年表現仍會正面，政府會繼續促進經濟發展多元化，並在利率趨升、科技革命等挑戰下管理好風險。

他指出，將本港打造成區域資產管理中心是推動政策的首要目標，會積極推廣基金和資產管理行業發展。

陳茂波說，去年本港基金管理規模按年升 5.2%，增至 2.35 萬億美元，創紀錄新高，當中有三分二均屬非本港投資者，同時，本港私募股權基金管理規模亦達 1300 億美元，反映本港吸引不少國際投資者來港投資。

他又指，早前已計劃豁免離岸私募基金的利得稅，相信當議案獲通過後，將可令更多基金界受惠免稅。

Media	RTHK	Date	17 Jan 2018
Page	N/A	Reporter	
Headline	陳茂波：冀今年吸引更多新經濟及科技企業來港上市		
Link	http://news.rthk.hk/rthk/ch/component/k2/1375605-20180117.htm		

財政司司長陳茂波出席一個論壇時表示，政府正積極推動本港成為企業的首選上市平台，認為本港多年來都能在新股集資額排名首 5 位，現時需要新策略擴展市場，包括吸引同股不同權及未有收入的公司來港上市。

他指出，港交所將在 2 月底或 3 月初，就市場改革的詳情進一步諮詢市場，冀今年能吸引更多新經濟及科技企業到港上市。

陳茂波認為，隨著人民幣國際化，環球對中國資產的需求愈來愈大，港府正發掘更多機會，擴展中港互聯互通渠道和投資產品，包括交易所買賣基金互聯互通等，同時亦正積極推動將債券通擴展至南向通。

Media	財華網	Date	17 Jan 2018
Page	N/A	Reporter	N/A
Headline	陳茂波：香港 GDP 增速 6 年來最強 2017 年達 3.7%		
Link	http://www.finet.hk/Newscenter/news_content/5a5eac5ce4b0d1966a2c0bce		

財政司司長陳茂波於 1 月 17 日 2018 亞洲私募投資論壇表示，2017 年香港經濟(GDP)增長為 3.7%，這是 6 年以來增速最強勁一年，主要受惠於活躍的外圍貿易，環球經濟持續改善，內部需求穩固，全民就業狀態；對 2018 年經濟前景展望正面。政府同時做好風險管理，應對資本快速流動，利息上揚，以至革新的科技影響。

他又介紹，香港為主要資產管理中心，2016 年管理資產規模同比升 5.2%，達至歷史高位的 2.35 萬億美元，當中 2/3 來自香港以外的投資者。當中私募基金發展蓬勃，至 2017 年 9 月，資產管理規模為 1300 億美元，期內集資金額 130 億美元；香港為亞洲區第二大私募基金市場，緊隨中國之後.

香港特區政府將繼續推動行業發展，提供稅務優惠等措施，正進行立法程序。而香港交易所亦採納新策略，容許同股不同權以至沒有收入的新經濟公司上市，並將於 2 月底或 3 月初再展開細節諮詢，可望 2018 年下半年有新經濟公司在港上市，增加投資者選擇。

環球對中國資產需求在上升，他表示中港兩地已推出多項互聯互通金融產品，日後期望再擴濶至交易所交易基金，以及債券通的南向通。

Media	財華網 | 現代電視 FinTV	**Date**	17 Jan 2018
Page	N/A	**Reporter**	周燕芬
Headline	貝恩資本：中國私募市場估值高企		
Link	http://www.finet.hk/Newscenter/news_content/5a5eb281e4b0d1966a2c0be8		
Reposts	MSN 財經: https://www.msn.com/zh-hk/money/news/%E8%B2%9D%E6%81%A9%E8%B3%87%E6%9C%AC%E4%B8%AD%E5%9C%8B%E7%A7%81%E5%8B%9F%E5%B8%82%E5%A0%B4%E4%BC%B0%E5%80%BC%E9%AB%98%E4%BC%81/ar-AAuNtNv?li=BBqiVh1 金融界：http://hk.jrj.com.cn/2018/01/17101823959957.shtml		

貝恩資本私募權益董事總經理 Jonathan Zhu，於 1 月 17 日 2018 亞洲私募投資論壇表示，中國私募基金市場發展蓬勃，由 10 年前市場規模只有 90 億美元，至 2017 年已增加至 510 億美元。中國也成為淨輸出投資者，有私募基金參與的走出去投資活動，於 2016 年達至高峰的 600 億美元，2017 年則回落至 400 億美元。

不過中國私募基金的滲透率仍然偏低，私募基金規佔 GDP 比重只有 0.3%，較歐洲的 0.5%和美國的 1.4%少，未來仍有增長空間。

在中國展開業務面對的挑戰，他指估值高企讓投資者關注，雖然未清楚是否已到頂，但肯定是高位；而中國私募市場充滿動力，經常有新同業進入市場，同業數目已逾一萬家；而快速發展下，人才的供應沒能跟上。

文：周燕芬

Media	華富財經	Date	17 Jan 2018
Page	N/A	Reporter	N/A
Headline	陳茂波冀在 2 月底 3 月初就新經濟公司上市規則細節諮詢		
Link	http://www.quamnet.com/newscontent.action?articleId=5558466&listSectionCode=NEW_ALL		

<匯港通訊> 財政司司長陳茂波出席 2018 亞洲私募投資論壇時預料，本港去年整體經濟增長可達 3.7%，為 6 年來最快增速，展望 2018 年經濟向好。

他指出，截至 2016 年，整體基金管理業務的規模按年增加 5.2%至 2.35 萬億美元，創新高，當中有三分之二來自非本港投資者，截至去年 9 月，私募基金的管理資產有 1300 億美元，而集資額增加 130 億美元，在亞太地區排名第 2，僅次於內地。

陳茂波提到，本港的 IPO 在過去 15 年在全球排行首 5 位，而有關去年港交所(00388)發表諮詢總結，決定於主板新增章節，接納「同股不同權」及未有收入的生物科技公司申請上市，希望在 2 月底 3 月初就有關細節作諮詢，期望在下半年有更多科技公司來港上市。

他補充，本港作為全球最大的人民幣離岸中心，未來積極拓展及研以人民幣計價的產品及中港兩地的「ETF 通」，另外亦正積極推動將債券通覆蓋至南向交易。

Media	新浪财经	Date	17 Jan 2018
Page	N/A	Reporter	N/A
Headline	陈茂波：期望吸引更多新经济及科技企业来港上市		
Link	http://finance.sina.com.cn/stock/hkstock/hkstocknews/2018-01-17/doc-ifyqqieu7063050.shtml		

新浪港股讯 香港信报报道，港交所确定接受同股不同权公司在港上市，以吸引新经济企业落户。香港财政司司长陈茂波在亚洲创业及私募论坛致词时指出，港交所将在 2 月底或 3 月初，就市场改革的详情作进一步谘询，期望今年能吸引更多新经济及科技企业来港上市；政府正积极推动香港成为企业的首选上市平台，认为香港多年来都能在新股集资额排名首 5 位，现时需要新策略扩展市场，包括吸引同股不同权及未有收入的公司来港上市。

他认为，随着人民币国际化，环球对内地资产的需求愈来愈大，而香港作为国际金融中心，港府正发掘更多机会，扩展中港互联互通渠道和投资产品，包括交易所买卖基金互联互通等，亦正积极推动将“债券通”扩展至南向通。

陈茂波表示，料香港去年经济增长达 3.7%，增速是过去 6 年以来最快，主要受环球经济改善、本地消费需求上升，以及接近全民就业等影响，预料今年经济会继续维持正面，但政府会继续留意美国今年可能加息等风险。

他称，截至 2016 年底，香港总基金规模按年增长 5.2%，规模达 2.3 万亿美元，当中私募基金截至去年 9 月，规模亦达 1300 亿美元，立法会正审议豁免私人形式发售在岸开放式基金公司的利得税，一旦通过，私募及公开发售的基金都可获豁免。

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