

For Immediate Release

China GDP to Equal that of US by 2026: Prof Lawrence Lau Distinguished Economist to Speak at Asian Financial Forum ***East Asian GDP to Take Up 40 Per Cent of Global Total in 15 Years***

7 January 2011 – China's GDP will be on a par with the United States in just 15 years, according to Lawrence Lau Juen-ye, Ralph and Claire Landau Professor of Economics at the Chinese University of Hong Kong, speaking recently with the Hong Kong Trade Development Council (HKTDC).

"Over the last 30 years, the economic centre of gravity of the world has been shifting," Professor Lau told the HKTDC's webcasting service in a December interview.

"That's just a matter of fact. I think in another 15 years, Chinese GDP will be the same as US GDP. And the other East Asian economies will continue to grow, so I think that East Asia, in another 15 years, will account for 40 per cent of the world's GDP."

Professor Lau, who is also Chairman of CIC International (Hong Kong) Co Ltd and a non-official member of the Hong Kong Government's Executive Council, will speak at the Asian Financial Forum (AFF) in Hong Kong later this month. He will lead a panel exploring Chinese mainland opportunities, which will include discussion of China's 12th Five-Year Plan and opportunities created by the mainland's rapid urbanisation.

Renminbi on the Rise

Professor Lau also predicts that usage of the renminbi is set to rise – not just in Hong Kong, but as an attractive alternative for the region as a whole. "But you ask people in Hong Kong, whether they are willing to accept the renminbi, whether they're willing to hold renminbi assets, [they are] perfectly willing. That is rising," he said. "If you ask a lot of people in Southeast Asia to choose between the US dollar and renminbi, many would say, 'I really have enough dollars, I'd much rather take renminbi.' So it's really a matter of how well it's accepted as a medium of exchange."

An expanded version of Professor Lau's remarks can be viewed at www.youtube.com/hktdc.

AFF 2011 will take place, 17-18 January, at the Hong Kong Convention and Exhibition Centre. Under the theme "Asia: Reshaping the Global Agenda," the forum will focus on major issues, challenges and opportunities facing Asia and the mainland in particular.

The event will offer market intelligence and insight along with networking for a wide range of professionals, including bankers, institutional investors, fund managers, business leaders, senior executives and regional policymakers.

High-Profile Speakers

Confirmed mainland speakers at AFF 2011 include Cheng Siwei, Former Vice Chairman, Standing Committee, National People's Congress, China and Chairman, International Finance Forum (Beijing); Shang Fulin, Chairman, China Securities Regulatory Commission; Huang Qifan, Mayor of Chongqing; Chen Yuan, Chairman, Board of Directors, China Development Bank; Cui Jindu, Vice Mayor of Tianjin; Cao Jianfang, Vice Governor of Yunnan; and Xiao Gang, Chairman, Bank of China Ltd.

Prominent overseas speakers will include William Hague, Secretary of State for Foreign and Commonwealth Affairs, the United Kingdom; Cesar V Purisima, Secretary of Finance, The Philippines; Rintaro Tamaki, Vice Minister of Finance for International Affairs, Japan; Ong Chong Tee, Deputy Managing Director, Monetary Authority of Singapore; Robert Mundell, Nobel Prize-winning economist; John Peace, Chairman, Standard Chartered PLC; Anthony Bolton, President, FIL Investment Management (HK) Ltd; and Oleg Mukhamedshin, Deputy CEO and member of the Executive Committee UC RUSAL.

Workshops, Deal Flow

AFF 2011 will include nine thematic workshops. Highlights include a workshop on “Hong Kong as China’s Global Financial Centre – the RMB Dimension,” jointly organised by Financial Services and the Treasury Bureau, the Hong Kong Monetary Authority and the HKTDC. The forum will also include the half-day AFF Deal Flow session, featuring one-on-one meetings between companies and potential investors.

The January 2010 AFF drew more than 1,500 participants, a new forum record, including more than 60 high-profile speakers. Nearly 50 per cent of those who attended AFF 2010 were from outside Hong Kong, and attendance was up 37 per cent from the previous year. At least as many participants will take part in AFF 2011.

AFF is organised by the HKTDC and the Hong Kong Special Administrative Region (SAR) Government.

HKTDC Webcast: <http://www.youtube.com/watch?v=fWJ1sUbDsTw>

AFF 2011 Website: www.asianfinancialforum.com

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About the HKTDC

A statutory body established in 1966, the Hong Kong Trade Development Council (HKTDC) is the international marketing arm for Hong Kong-based traders, manufacturers and service providers. With more than 40 global offices, including 11 on the Chinese mainland, the HKTDC promotes Hong Kong as a platform for doing business with China and throughout Asia. The HKTDC also organises trade fairs and business missions to connect companies with opportunities in Hong Kong and on the mainland, while providing information via trade publications, research reports and online. For more information, please visit www.hktdc.com.