

For Immediate Release

## **Renminbi to Appreciate 5% in Both 2011 and 2012 *AFF Speaker Jing Ulrich of JP Morgan Also Sees Slowing of China's Growth Rate to 9% this Year***

**14 January 2011** – Chinese mainland authorities will allow the renminbi to appreciate at a faster pace of five per cent in both 2011 and 2012, predicts J P Morgan Managing Director and Chairman of China Equities and Commodities Jing Ulrich, who will speak at the Asian Financial Forum in Hong Kong next week.

“In 2010, the renminbi appreciated about three per cent against the US dollar,” said Ms Ulrich, adding that this rate of appreciation lagged behind many other Asian currencies. “In each of the next two years, we expect the renminbi to appreciate by about five per cent. So, therefore, this will also help contain imported inflation.”

Ms Ulrich spoke to the Hong Kong Trade Development Council (HKTDC) on 11 January. An expanded version of Ms Ulrich's remarks can be viewed at [www.youtube.com/hktdc](http://www.youtube.com/hktdc).

Ms Ulrich also told the HKTDC that she expects wage growth on the mainland to reach 20 per cent this year.

“That means the [China] consumer market is set to boom,” she said. “Consumer staples to consumer discretionary, travel, entertainment, will do very well on the back of consumer demand.”

Regarding Hong Kong's role in the internationalisation of the renminbi, Ms Ulrich called Hong Kong “a major financial centre that is at the centre of China's financial reform,” adding that the city's large renminbi deposits are set to grow even more.

“Right now, total renminbi deposits in Hong Kong already approach some 300 billion, and that is rising rapidly every day, every week. As the deposits in Hong Kong in renminbi grow, there should be more renminbi-denominated assets for investors to buy into.”

Ms Ulrich will chair a panel on investment opportunities in natural resources at the AFF.

An expanded version of Ms Ulrich's remarks can be viewed at [www.youtube.com/hktdc](http://www.youtube.com/hktdc).

### **Asia: Reshaping the Global Agenda**

More than 1,600 participants, a new attendance record, and some 70 speakers are expected to attend AFF 2011, 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

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; Chen Yuan, Chairman, Board of Directors, China Development Bank; 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; Robert Mundell, Nobel Prize-winning economist; and John Peace, Chairman, Standard Chartered PLC.

### Workshops, Deal Flow

AFF 2011 will feature nine thematic workshops. Highlights include a workshop on "Hong Kong as China's Global Financial Centre – the RMB Dimension," jointly organised by Hong Kong's 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 more than 300 one-on-one meetings between companies and potential investors.

The AFF is organised by the HKTDC and the Hong Kong Special Administrative Region Government.

**HKTDC Webcast:** <http://www.hktdc.com/info/webcast/v/en/en/1X04ATST>

**AFF 2011 Website:** [www.asianfinancialforum.com](http://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](http://www.hktdc.com).