

Darryl Chan: Opening remarks - Treasury Markets Summit 2025

Opening remarks by Mr Darryl Chan, Deputy Chief Executive of the Hong Kong Monetary Authority, at the Treasury Markets Summit 2025, Hong Kong, 26 September 2025.

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Distinguished guests, members and friends of the TMA, ladies and gentlemen, good morning.

Opening

On behalf of the HKMA and the TMA, a very warm welcome to the Treasury Markets Summit.

This year marks the TMA's 20th anniversary. Today's Summit is a timely opportunity for us to reflect on the development of Hong Kong's treasury markets in the past two decades, and to celebrate the TMA's contributions to the process.

Treasury market development

I will focus on the growth and transformation of the money markets, the foreign exchange (FX) market, and the bond market.

HKD and CNH money markets

Let me start with the core Hong Kong dollar interbank market of placements, borrowings, and swaps. In 20 years' time its average daily turnover has more than doubled to HK\$558 billion in 2024.

Meanwhile, the CNH money market has grown hand in hand with the phenomenal expansion of offshore RMB business in Hong Kong. The journey was marked by several milestones, not least the launch of RMB RTGS (real-time gross settlement) in 2007, introduction of RMB liquidity facility by the HKMA in 2012, and the establishment of the CNH HIBOR fixing by the TMA in 2013. The active CNH money market enables market participants to efficiently manage their liquidity, providing a strong foundation for the growth of offshore RMB business.

FX market

Turning to the FX market, again we have seen vibrant activities and growth. Hong Kong's daily FX transactions has grown by more than six times over 20 years to US\$670 billion in 2024, elevating our global ranking from the sixth place to the fourth.

RMB FX activities registered exponential growth. Take the USD/RMB pair for example, the daily turnover increased by almost 20 folds, from slightly over US\$10 billion in 2010 to almost US\$200 billion in 2024.

Bond market

Our bond market has also evolved from a relatively localised market to a sophisticated, diversified, and innovative segment of Hong Kong's financial system. The outstanding amount of Hong Kong dollar debt securities rose from \$664 billion in 2005 to over \$2.8 trillion in 2024, thanks to the expansion of government and corporate issuances, the rise of green and sustainable bonds, and more recently the pioneering of digital bond issuances.

Hong Kong is also a major G3 bond issuance centre in Asia, with outstanding G3 debt securities standing at US\$566 billion at the end of 2024. A more remarkable achievement is the rapid expansion of the offshore RMB bond market. Since the issuance of the first dim sum bond in 2007, the market has attracted a wide range of issuers including sovereigns, local governments, corporates, financial institutions, and international organisations. At the end of last year, the outstanding amount of offshore RMB debt securities reached RMB1.3 trillion.

TMA's developments

Riding on the remarkable evolution of Hong Kong's treasury markets, the TMA has played a significant role in promoting best practices, fostering industry collaboration, and strengthening market competitiveness and development. I would focus on three perspectives: people, products, and market.

The people

First and foremost, people. Since its inception, the TMA has been continuously enhancing the professionalism of market practitioners to meet evolving market demands. In 2011, the TMA introduced the Code of Conduct and Practice. In 2018, it took up the administration role for the HKMA's Enhanced Competency Framework on Treasury Management.

Last year alone, the TMA administered professional qualification education programmes and examinations for 200 industry practitioners, and offered professional training sessions and seminars to more than 1,500 participants.

Members are the cornerstone of the TMA's success. With industry support, the TMA's membership has grown to a total of 75 Institutional Members and over 3,300 Individual Members. Last year, the TMA took the initiative to broaden its membership base by admitting full-time post-secondary students.

The products

Let's turn to products that support the development of treasury products and services to meet market demands. Since 2006, the TMA has introduced a comprehensive set of FX and interest rate benchmarks including Spot USD/HKD, Spot USD/CNH, CNH HIBOR, and HONIA. The robustness of the FX benchmark fixings is underpinned by the smooth transition in 2016 to a transaction-based regime, and the credibility of all the benchmarks is upheld by independent, professional audit to ensure compliance with IOSCO requirements.

In particular, the introduction of HONIA as an alternative reference rate, its smooth running alongside HKD HIBOR, and the successful LIBOR transition locally, would not have been possible without the support of the TMA in raising market awareness and readiness.

The market

On the market front, TMA as a member of the Global Foreign Exchange Committee has actively promoted the adoption of the FX Global Code, so that Hong Kong institutions subscribe to the global principles of good practice for the wholesale FX market. The effort has been well recognised by the global FX community. The TMA also partners with the HKMA in conducting semi-annual FX turnover surveys. The survey, together with the BIS Triennial Survey, provides useful insights on the development and emerging trends of Hong Kong's FX market as compared to our global peers.

Conclusion

Ladies and gentlemen, I've done quite a bit of stock-taking, mainly for the purpose of reminding ourselves that we've gone a long way to grow the market. And looking ahead there are still a lot of opportunities to be tapped, a lot of work to be done. Just yesterday, for example, the HKMA and the SFC jointly published a roadmap that will serve as an action plan that steers coordinated efforts to make Hong Kong a more competitive marketplace for fixed income and FX activities. The roadmap is a product of extensive engagement with market participants including many of you. I thank you and trust we will put our act together to realise the vision.

Going forward, TMA will continue to be a trusted partner of the industry and the regulators, with increased focus on reflecting market views and presenting policy recommendations to make Hong Kong's treasury markets more efficient, more competitive, and more forward looking.

Let me conclude by expressing my heartfelt gratitude to members of the Council, Executive Board and the various Committees of the TMA for their valuable contribution, and to all institutional and individual members for their unfailing support. My thanks also go to the TMA team, past and present, for their dedication and commitment. Together we will scale new heights for Hong Kong's treasury markets and financial industry in more decades to come.

May I wish you all a productive and fruitful summit. Thank you.