

2007 MasterCard Worldwide Centers of Commerce Index™

Hong Kong

Hong Kong ranks fifth in the MasterCard Worldwide Centers of Commerce Index; among Asia/Pacific cities in the Index, it ranks second. The Index compares the world's 50 leading cities against six dimensions that measure their ability to connect markets and commerce globally and is compiled from research by a panel of eight independent economic, urban development and social-science experts from leading academic and research institutions around the world.

Legal and Political Framework Ranking*: 4 in Asia/Pacific, 16 overall

- Hong Kong is the most efficient city in cross-border trading, a subindicator which looks at the procedural requirements for exporting and importing a standardized cargo of goods.

Economic Stability Ranking*: 7 in Asia/Pacific, 22 overall

- Hong Kong has one of the most stable exchange rates in Asia/Pacific, after Singapore and India. Compared to the rest of the countries globally, Hong Kong was ahead of Germany, the United States, Korea and Japan in this measure.

Ease of Doing Business Ranking: 2 in Asia/Pacific, 12 overall

- Among cities in Asia/Pacific, Hong Kong ranks higher in this dimension than Tokyo, Sydney, Kuala Lumpur and Seoul, but lower than Singapore.
- Hong Kong has the lowest corporate tax burden in the world, with the least number of tax payments per year.
- The city scores high in both currency exchange regulation and banking services; the only other city in Asia/Pacific that matches this is Singapore.
- Overall, Hong Kong is the second highest scoring country in terms of investor protection*, tying with Malaysia and behind Singapore. This dimension measures the protection given to minority shareholders from the misuse of corporate assets.
- Hong Kong ranks third in efficiency of contract enforcement, behind Denmark and Sweden.
- Hong Kong scores second highest of all cities in Asia/Pacific in terms of personal freedom, tying with Sydney and Melbourne and behind only Tokyo.
- Hong Kong ranks fourth in Asia/Pacific for quality of life, behind Sydney, Melbourne and Tokyo, recognized for its variety of restaurants, climate and number of cinemas, sports and leisure activities.

* This dimension is comprised of country-level data only.

Financial Flow Ranking: 5 in Asia/Pacific, 12 overall

- Hong Kong is the highest scoring city in Asia/Pacific for its financial services network, ranking third globally.
- In Asia/Pacific, the city ranks fourth in terms of the total value of equities traded; The total value of share trading in Hong Kong increased by 79 percent from 2005 to 2006 (from US\$ 464 million to US\$ 832 million).
- Hong Kong ranks fourth among cities in Asia/Pacific in terms of the total number of derivatives contracts, following Seoul, Mumbai and Sydney.

Business Center Ranking: 1 in region and overall

- The Hong Kong airport has the highest air cargo traffic globally.
- Hong Kong also ranks first among cities in Asia/Pacific for the number of international air passengers going through its city airport, and fifth in the world behind London, Paris, Amsterdam and Frankfurt.
- Hong Kong is second in the world for volume of ship cargo going through its city port.
- Hong Kong ranked the highest globally in commercial real estate development.
- In Asia/Pacific, Hong Kong has the second highest number of 5-star hotels, behind Bangkok and on par with Singapore.
- Hong Kong has among one of the most effective collateral and bankruptcy laws.

Knowledge Creation and Information Flow Ranking: 4 in Asia/Pacific, 21 overall

- Hong Kong has the second most MBA programs in Asia/Pacific (12), ranking 5 globally.
- Hong Kong has the highest of any Chinese city in patents per million people, but this is still significantly lower than the three Asian Tigers.

Asia/Pacific cities included in the top 50 Worldwide Centers of Commerce are Bangkok, Beijing, Hong Kong, Kuala Lumpur, Melbourne, Mumbai, Seoul, Shanghai, Singapore, Sydney and Tokyo.

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