

Media Release

Hong Kong tops leader board for Regional Treasury Centre location

(2 May 2019 - Australia) China's booming economy and Hong Kong's proximity to the Mainland along with its Corporate Treasury Centres (CTC) tax incentive implemented in 2016 have worked to position Hong Kong as the biggest hub of RTCs for global corporates, according to the latest research from East & Partners.

The firm's Regional Treasury Centre report is based on direct interviews with 649 CFOs and Corporate Treasurers from the top 100 corporates across each of Australia, China, Germany, Hong Kong, Singapore, United Kingdom and the USA.

Among global MNCs and large domestic corporates 27.1 percent have an RTC located in Hong Kong. British Virgin Islands and other Caribbean nations are home to RTCs for 23.6 percent of corporates with the Channel Islands rounding out the top three with 14.2 percent of large corporate RTC locations.

Hong Kongs' long-time rival Singapore is the location of RTCs for 13.1 percent of companies, marginally behind the United Kingdom but ahead of other European centres Switzerland, Germany and Belgium – and growing quickly.

The research also showed that specific industries are basing their RTCs in differentiated ways, with Hong Kong the preferred choice of RTC location for Manufacturers (32.7 percent), Retailers (31.8 percent) and Wholesalers (21.7 percent). The traditional centres for Non-Bank Financial Institutions of the British Virgin Islands/Caribbean and Switzerland continue to represent very high RTC concentrations, with 78.3 percent and 73.9 percent of NBFIs respectively running established RTCs in these tax friendly centres.

Over one in five global companies are also looking to implement an additional centre over the coming 12 months. China and UK based businesses are the most bullish in their plans with 49.5 percent of Chinese and 32.6 percent of UK headquartered enterprises looking to extend their existing treasury network. Current political climates and their ensuing opportunities and challenges are partly driving the need for additional RTC resourcing for these two regions.

While one in five corporates have plans in place to expand their number of treasury centres, the majority of these companies, 25.2 percent, are still unsure on a location. This significant portion of businesses presents a clear opportunity for RTC destinations looking to attract such investment.

The location for those still undecided however is likely to be in Asia with Hong Kong (15.8 percent), China (10.8 percent) and Singapore (9.4 percent) nominated as the top three expected locations for additional RTCs over the coming year.

RTC Location Comparison for Current Top 6: Location of Current RTCs, Satisfaction with Current RTC Location, Planned Location of Upcoming RTC

	Current RTC Locations	Satisfaction Ranking	Planned Future Locations
Hong Kong	1st	1st	1st
BVI/Caribbean	2nd	5th	4th
Channel Islands	3rd	2nd	5th
United Kingdom	4th	8th	7th
Singapore	5th	3rd	3rd
Switzerland	6th	6th	13th

Note: 21.4% of sample plan to implement an additional RTC over coming 12 months

About East & Partners Regional Treasury Centre Report

East & Partners Regional Treasury Centre report sheds light on the competitive ranking of RTC locations, the drivers behind the choice of location and provider, forecast growth in RTC locations, the number of accounts and currencies managed by RTCs, the importance of tax minimisation, corporate ROIs and mind share across RTC service providers.

Using a structured questionnaire East & Partners directly interviewed the CFOs and Treasurers of 649 of the Top 100 corporates in each of seven countries, Australia, China, Germany, Hong Kong, Singapore, United Kingdom and the USA, with an even mix across MNCs and large domestic enterprises. A very defined population of the largest 700 corporates across these countries. All interviews were conducted with the individual responsible for the RTC function within the corporate.

More information on the report can be found [here](#)

For more information, or to access the report contact:

Regional Insights Manager

Sian Dowling

e: sian.d@eastandpartners.com

t: +61 2 9004 7848

About East & Partners

East & Partners is a leading specialist business banking market research and analysis firm. The firm's core expertise is in the provision of analysis and advisory services tailored for the commercial, business and institutional banking markets across Asia Pacific, Australasia, Europe and North America