

China-Hong Kong Connect: eUpdate Series

In November 2014, the Shanghai-Hong Kong Stock Connect (the “**Shanghai Train**”), a pilot program for establishing mutual stock market access between mainland China and Hong Kong, was officially launched. The new cross-border investment channel established mutual stock market access between Hong Kong and mainland China, allowing Hong Kong and international investors to invest directly in designated securities listed on the Shanghai Stock Exchange, and investors from mainland China to invest directly in designated securities listed on the Hong Kong Exchanges and Clearing Limited.

Following the launch of the Shanghai Train, a second connect, the Shenzhen-Hong Kong Stock Connect (the “**Shenzhen Train**”) was introduced. Although initially expected to commence operations in summer 2015, stock market turbulence during the period resulted in the Shenzhen Train being delayed, whereas details regarding its official launch have yet to be spelt out. Despite volatile trading conditions, investors eager for a further boost of trading have been calling for a third connect, in the form of a China-Hong Kong commodities connect.

Related Capabilities

- China
- Capital Markets
- Hong Kong

- **Part 1 – The Shanghai-Hong Kong Stock Connect**: discusses key features of the Shanghai Train.
- **Part 2 – The Shenzhen-Hong Kong Stock Connect**: discusses key features of the Shenzhen Train.
- **Part 3 – The Commodities Connect**: explains the unique nature and foreseeable advantages regarding the proposed commodities connect.
- **Part 4 – The Shenzhen Train Delay**: highlights the concerns and reasons behind the delay in launching the Shenzhen Train.
- **Part 5 – An Interconnected World**: focuses on Hong Kong’s challenges and opportunities in further fostering connections with mainland China.
- **Part 5 – An Interconnected World**: published by the World Securities Law Report, Bloomberg BNA.
- **Part 6 – Approval of Shenzhen-Hong Kong Train**: examines the details of the Shenzhen-Hong Kong Train and the benefits that it should bring.

- **Guide to China-Hong Kong Stock Connect**: provides a detailed description of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.
- **Guide to Issues Relating to Hong Kong's Stock Connect**: focuses on the issue of beneficial ownership of "A" shares listed on the Shanghai Stock Exchange purchased by Hong Kong and overseas investors.