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MAY 2017

Member News

- ✧ [Ronnie C. Chan](#) said the high prices mainland Chinese developers pay for land in Hong Kong may make profitability of projects more difficult, and that his company's focus on commercial properties in mainland China will benefit from the country's consumption sector growth.
- ✧ [Morris Chang](#) of Taiwan Semiconductor Manufacturing Co. emphasized the importance of prioritizing profit growth over revenue growth. He also attributed business growth to business model innovation, capital investment expansion, and job creation.
- ✧ [Tony Fernandes](#) of AirAsia spoke with Digital News Asia on Tune Labs, a startup incubator and accelerator that he helped launch, as well as on his belief that people are a company's best asset. He outlined the plan for AirAsia to fly to [Europe](#) and called for an [open skies](#) policy.
- ✧ [Peter T. Grauer](#) of Bloomberg believes social media and digitalization complement rather than threaten the company's news business. He also mentioned the company's focus on Asia.
- ✧ [Alan Joyce](#) of Qantas Airways officially launched the first non-stop 17-hour flight from Perth to London.
- ✧ [Rajiv Lall](#) of IDFC Bank plans to expand through acquisitions of banks or microfinance companies and a shift in focus to emerging and mid-sized corporates, as well as an expansion of its customer base.
- ✧ [Charles Li](#) of Hong Kong Exchanges and Clearing says a proposal to allow mainland Chinese to subscribe to Hong Kong IPOs would increase the attractiveness of a possible Saudi Aramco listing on the HKEX, which is now under discussion.
- ✧ [Li Dongsheng](#) of TCL Corp. urged the U.S. government to approve the company's investment into a U.S. technology company, which has been pending government approval since November 2016. He also spoke about TCL's global expansion plans.
- ✧ [Yoshihiko Miyauchi](#) of ORIX Corp. was honored with the Sun & Star Legacy Award given by the Japan-America Society of Dallas/Fort Worth for his contribution to Japanese-American commerce.
- ✧ [Amin H. Nasser](#) of Saudi Aramco warned of an oil shortage due to reduced production investments; he believes [oil demand](#) will show long-term increases, with Asia experiencing continued growth.
- ✧ [Nazir Razak](#) of CIMB Group Holdings, speaking following its annual general meeting, expressed confidence in the bank's continued growth.
- ✧ [Takumi Shibata](#) of Nikko Asset Management said the company's successful domestic growth is an indicator of the company's potential for international growth.
- ✧ [Teresita Sy-Coson](#) of SM Investments Corp. received the Asian Corporate Director Award given by *Corporate Governance Asia* at the 12th Corporate Governance Asia Recognition Awards 2016. Daniel Tsai of Fubon Group was also a recipient of the prize. She also discussed [SM Malls'](#) expansion strategy for Southeast Asia.
- ✧ [Dong-Bin Shin](#) of Lotte Group explained to the *Wall Street Journal* the course of events regarding the placement of a U.S. antimissile defense system on a golf course owned by Lotte.
- ✧ [Jaime Augusto Zobel de Ayala](#) of Ayala Corp. spoke about his plans to expand the company overseas, focusing on the ASEAN region and [China](#). He attributed the [Bank of the Philippine Islands'](#) high credit ratings to a healthy balance sheet and track record of profitability, while pointing out that small and medium enterprises are the way forward for the Philippines.

A Shift in U.S. Policy Stance Toward Asia?

U.S. President Donald Trump's [policy stance](#) toward Asia appears to be shifting since his election, evident in his top officials' visits to the region. There is no longer rhetoric calling China a currency manipulator; the U.S.-Japan alliance is described as "ironclad"; and there have been multiple reaffirmations of U.S. commitment to the Asia-Pacific region. But beyond the rhetoric, a [Korea Times](#) piece urged the South Korean government to make preparations for all possible outcomes in response to President Trump's remarks on renegotiating or reversing the Korea-U.S. free trade agreement. U.S. Vice President Mike Pence, in a speech during his recent visit, asked the [Indonesian business community](#) to help identify barriers for U.S. companies entering Indonesia's market. His visit follows President Trump's response to Indonesia's large commodity trade surplus with the U.S., which resulted in his calls to investigate Indonesia's for trade imbalance, among those of 15 other countries.

Japan to Revive Trans-Pacific Partnership

Japanese Prime Minister Shinzo Abe wants to revive the Trans-Pacific Partnership (TPP) despite U.S. withdrawal from the pact. [Foreign Policy](#) outlined three different reasons—to access mid-sized markets including Vietnam and Australia, minimize the possible economic effects of the Trump administration's protectionism by forging other economic partnerships, and to prevent China from filling the void with the China-centric Regional Comprehensive Economic Partnership (RCEP). [Australia](#) is enthusiastic about a revived partnership, dubbed TPP 11 (for its 11 member nations), and is eager to put it into effect despite the U.S. absence. A [CNBC](#) opinion piece argued that U.S. President Donald Trump's mercurial treatment of policy matters may lead to the U.S. rejoining the TPP, especially because Japan is less interested in a Japan-U.S. free trade agreement. Even if President Trump remains steadfast in his decision to stay out of the TPP, the situation gives the [European Union](#) room for closer economic ties to Japan.

- ✧ Lim Boon Heng of Temasek Holdings invites Council members to attend the 4th Ecosperity Conference on June 5, 2017 in Singapore. The Conference focuses on the business case for sustainable growth. Register [here](#).

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Upcoming Forum Dates

2017 Informal Council Trip to Mongolia: June 20-23

2017 Autumn Forum: Taipei, September 28-30

2018 Spring Forum: Manila, February 6-8

(2018 Winter Olympics Opening Ceremony in Pyeongchang, Seoul, February 9-10)

2018 Autumn Forum: Shenzhen, September 27-29

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