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JULY/ AUGUST 2017

Member News

- ✧ [Ronnie C. Chan](#) of Hang Lung Properties Ltd. has been awarded the Grand Bauhinia Medal, Hong Kong's top civic honor, in recognition of his long and distinguished community service, a day before the 20th anniversary of Hong Kong's return to China.
- ✧ [Morris Chang](#) of Taiwan Semiconductor Manufacturing Co. says that, although the company did not bid for Toshiba's chip business, it is open to acquisitions.
- ✧ [Tony Fernandes](#) of AirAsia spoke about the airline's strengths that resulted in its fifth Asia's Leading Low-Cost Airline award at the 2017 World Travel Awards Asia and Australasia, in addition to its ninth [World's Best Low-Cost Airline](#) win at the 2017 Skytrax World Airline Awards. He opened his football club [Queens Park Rangers'](#) Loftus Road stadium in London as a relief center for victims of the Grenfell Tower fire. He also announced plans to create an [ASEAN holding company](#) and launch IPOs for its Philippine and Indonesian operations, and expressed the desire for AirAsia to own 100% of [AirAsia India](#).
- ✧ [Lance Yu Gokongwei](#) of JG Summit Holdings is expanding the company's petrochemical plant in anticipation of increased domestic and regional demand.
- ✧ [Alan Joyce](#) of Qantas was appointed a Companion of the Order of Australia by Queen Elizabeth II during her Birthday Honours for his contributions to aviation, indigenous education, and gender equity. He supports building a fourth terminal in the [Sydney Airport](#) as well as treating [New Zealand](#) as a domestic destination from Australia.
- ✧ [Charles Li](#) of Hong Kong Exchanges and Clearing proposed raising listing requirements for the two existing boards and introducing a new board for early-stage companies.
- ✧ [Azman Mokhtar](#) of Khazanah Nasional spoke with the *South China Morning Post* on entrepreneurship and technology investments.
- ✧ [Amin Nasser](#) of Saudi Aramco is preparing the company for its listing by reducing Saudi Aramco's role in state infrastructure projects.
- ✧ [Penny Pritzker](#) of PSP Capital Partners reflected on her time working under former U.S. President Barack Obama as Secretary of Commerce, her transition back into the private sector, and her interest in artificial intelligence and big data.
- ✧ [Nazir Razak](#) of CIMB Group Holdings praised the China-led One Belt, One Road initiative for the opportunities to increase economic activity and to give the world an Asian voice. He recalled his start at CIMB and emphasized [integrity](#) as the best quality of a banker, as well as a focus on benefitting all the stakeholders. He also delivered financial assistance on behalf of [CIMB Foundation](#) to a Malaysian man and his family affected by the Grenfell Tower fire.
- ✧ [Anthoni Salim](#) of Salim Group spoke about his company's return to the banking sector after 20 years, and the focus on digital financial services that adapt to changing consumer needs.
- ✧ [Chartsiri Sophonpanich](#) of Bangkok Bank Public Co. selected a shortlist of fintech start-ups that it will fund through its InnoHub accelerator program in partnership with Nest.
- ✧ [Teresita Sy-Coson](#) of SM Investments announced the appointment of the company's first outside president and discussed the family's evolving role at the company.
- ✧ [Yang Yuanqing](#) of Lenovo Group stressed the company's growing focus on IT infrastructure, particularly data center solutions to support the intelligent internet, at its recent Lenovo Transform event.
- ✧ [Francis Yeoh Sock Ping](#) of YTL Group of Companies believes entrepreneurs have to act as a force of good and to think long term as he spoke of his involvement with the EY Entrepreneur of the Year competition as a judge and keynote speaker, and winner of the Malaysian country prize in 2002.
- ✧ [Jaime Augusto Zobel de Ayala](#) of Ayala Corp. aims to acquire more European automotive technology companies in order to expand at a time of transition in the transport industry. He praised the UNICEF-Makati Business Club collaboration that produced the [Children's Rights and Business Principles](#) guide for businesses to support children's rights. He also announced the opening of [Ayala Innovation](#), a new center of excellence established to explore new ideas and concepts.

Saudi Royal Succession Line Change

Saudi Arabia's King Salman has rearranged the royal line of succession by naming his 31-year-old son Mohammad bin Salman (MBS) as Crown Prince, replacing the previous Crown Prince Mohammed bin Nayef. The popular Crown Prince will likely be on the throne for a long time, steering the country's continuing economic reforms and reducing its dependence on oil. [Turki Aldakhil](#) of Al Arabiya News Channel pointed out that the Prince's upbringing has trained him in political and administrative skills, and that the [power transition](#) reflects the country's growing social plurality. Former [Indian ambassador to Saudi Arabia Talmiz Ahmad](#) believes that MBS's alliance with U.S. President Donald Trump may increase instability in the region, as both are "strongmen" who are quick to use military force to fix complex problems. [Princeton Professor Bernard Haykel](#) argued that MBS's power centralization will focus the country on key goals including monetizing oil reserves to diversify the economy, as well as making Saudi Arabia a regional military hegemon, yet there is a risk of unchallenged decision-making.

China's A-Shares Included in the MSCI Emerging Market Index

MSCI announced that 222 of China's largest A-share companies will be included in its emerging market index starting next year, affirming China's progress in opening up its financial markets. The inclusion will encourage the Chinese government to speed up [market reforms](#) and arguably helps stabilize the Chinese yuan. A [South China Morning Post](#) article argues that MSCI inclusion is a symbolically important step for acknowledging China's improved markets, but in practice will not have a significant effect on Chinese markets given its low weighting in the index. [BlackRock](#) acknowledges that A-share inclusion is a small first step, but full inclusion down the line could mean huge inflows into China in the medium term.

Asia Business Council Mongolia Trip Summary

The Asia Business Council held an optional trip to Mongolia June 20-23. The program included a working lunch with the [Minister for Foreign Affairs Tsend Munkh-Orgil](#) (link to his presentation to the Council group) and a separate session with Prime Minister Jargaltulga Erdenebat. The group was briefed by top executives from the Oyu Tolgoi mine, one of the world's largest copper and gold mines, which is managed by Rio Tinto.

There were two receptions, one hosted by Council member Dugar Jargalsaikhan's Gund Investment and one by the Mongolia Business Council with a presentation by [Bayanjargal Byambasaikhan](#) (linked), where participants met an impressive cross-section of the country's business community and experienced Mongolian entertainment.

Participants were impressed with the country's commitment to economic reform. Economic growth peaked at 17.3% in 2011 but the fruits of this growth were not fully realized. After the collapse in commodity prices, Mongolia -- heavily dependent on mineral resources -- went through difficult times. Banking reform remains a key issue but officials affirmed their determination to re-capitalize the banks, as outlined in an agreement struck with the IMF earlier this year.

Sightseeing included an excursion to a 35-meter-high statue of Chinggis Khan in the countryside outside of Ulaanbaatar and attendance of a mini-Naadam festival.

To send us member news, or for member news questions, please click [here](#).

Upcoming Forum Dates

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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