



NOBLE APEX ADVISORS LTD

Here's How the Fittest Survive!

When investors want a crystal-clear commentary on Hong Kong's effervescent financial sector only one voice will do - we present our annual interview with the exceptionally frank and free-wheeling Dr. M.F CHAN.



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- Dr. M.F. Chan

If great strength is seen in times of great trial then today it is sorely lacking amidst Hong Kong's embattled finance industry – long hailed as the pillars of Asia's financial hub.

Reeling under the onslaught of local legislation, lack-lustre prospects in other

Asian countries, uncertainty in China, erratic movements in commodities and other geo-political issues, the industry can't decide if it is more exhausted than exasperated. The fittest are adapting by seeking opportunities in overseas markets and expanding into areas of trusts, asset management and insurance.

New Reality

"The investment environment is not that bad," says Dr. M. F Chan of Noble Apex Advisors Ltd. "Every industry faces challenges and the key is to overcome them with more ingenuity, hard work and adaptability. Complaining isn't a solution. Yes, we've been through a



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lot but there is plenty of money around. Investors will find that bonds and equity markets thrive on liquidity so we in a sense are in an asset inflation scenario. Given the current state, most assets will appreciate. I'd say, there's no point hoarding cash.”

Chan prefers equities to bonds expecting US markets to perform well (around the 10% annual mark) when compared to Europe and Japan. That's acceptable considering Europe is borderline bankrupt and Japan's dealing with an aging population, lack of new industries and technology to attract foreign investors.

In Hong Kong, investor's favourite vehicle – the property market – will keep climbing, Chan says citing an imbalance between supply and demand.

“Currently, there are less than 20,000

new flats being launched each year. When you map that against the increase in population and the shortfall we had over the past ten years, you clearly see the shortage,” he says. “There is no way for the property prices to come down unless we are faced with a recession. We expect prices to rise by at least 10% over the coming year.”

Further Afar

“Given various reasons, many Hong Kongers are looking overseas for investment opportunities and lifestyle options. Countries like Canada, Australia and America are offering better returns and capital gains and more value in terms of lifestyle. These countries welcome foreign investment and investors from China and Hong Kong are showing increasing interest. At Noble Apex, we

offer investors a one-stop-shop providing investment advice and direct opportunity to purchase quality property overseas.”

Which are the stronger markets and why? The US has been strong since the financial tsunami, the UK is still attractive as Canada and Australia's Sydney is stealing the limelight. Closer to home, Shanghai and Beijing will grow given the pace of urbanization and the interest from the expanding affluent class.”

Days Ahead

Chan says: “At Noble Apex, we've stayed true to our name – we don't encourage speculation but rather prudent portfolio management using our experience, knowledge and resources to benefit our clients. That's our asset management arm. Aside, we offer a wide range of insurance-related services whereby we help you get the best solutions to meet your needs. We also cater to individuals looking for estate planning, trust services, asset preservation and comprehensive financial planning solutions. We are now looking at the institutional investors markets to offer our expertise in the greater China markets.”

“We are also looking with interest at the local property market and expect it to stay firm. The new HK-Zhuhai-Macau bridge is expected to bring in more people and unless the government increases public and private housing, there will be no fall in the prices.”

Asked about the bullion market, Chan cites a correction as the reason for the recent fall in gold prices. “Nothing rises forever but gold may well cross the USD1500 per ounce mark by end of next year, given that we are still seeing asset inflation”

All in all Chan says the only way to navigate the labyrinths of the financial world is with the help of a tried and tested financial advisor. His firm that's grown on referral business is a good checkpoint. If you're looking for someone with the width and depth of experience like he has (to guide your investment strategy) and you have an appetite for straightforward talk, feel free. ■



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