

# Banking & Finance

Hong Kong has one of the highest concentrations of banking institutions in the world. It maintains a three-tier system of deposit-taking institutions and, as at end 2006, there were 138 licensed banks, 31 restricted licence banks and 33 deposit-taking companies. They are collectively known as authorised institutions under the Banking Ordinance.

In Hong Kong, only licensed banks may operate current and savings accounts, and accept deposits of any size and maturity from the public and pay or collect cheques drawn by or paid in by customers. Restricted licence banks are principally engaged in merchant banking and capital market activities.

Deposit-taking companies are mostly owned by, or otherwise associated with, banks. These companies engage in a range of specialised activities, including consumer finance and securities business.

Apart from the authorised institutions that are allowed to accept deposits in Hong Kong, external banks may establish local representative offices in Hong Kong. However, the latter is not allowed to engage in any banking activities in Hong Kong and their role is confined mainly to liaison work between the external banks and their customers in Hong Kong.

The financial sector in Hong Kong employs about 5% of the total workforce, with more than half employed in the banking industry. Despite economic fluctuations in the past, it offers interesting and various positions for graduates.

## POSITIONS

Graduates of universities or post-secondary colleges may be recruited as officer trainees, usually undergoing a three-year management training programme. Trainees usually gain exposure in various divisions before specialising in one department.

The non-banking financial sector recruits along similar lines, with graduates usually starting as trainees. Brokerage firms often emphasise training recruits in a variety of departments such as the marketing department, research department





and investment department for a period of time, and will then assign them to a specific field based on the skills they have demonstrated during the training period.

Brokers or account executives are the people through whom stocks, foreign currencies, bonds, shares in mutual funds and other financial products are bought and sold. They work in the marketing and investment departments.

Brokers in the marketing department trade mainly for individuals and specialise in one or two products, while brokers in the investment department focus on dealing with corporate clients and are more diversified in global investments. In addition, brokers in the investment department design financial portfolios for their clients.



## EDUCATION & REQUIREMENTS

A degree or diploma in business administration, accountancy or economics may be advantageous but is not a must. Today's banks look for graduates who are intelligent, creative, self-reliant, adaptable and have initiative. A high degree of numeracy and a good command of both English and Chinese are also essential.

Graduates are expected to have tact, courtesy and common sense in dealing with the public, as the reputation and image of a bank depend a great deal on the performance and personalities of its employees. The ability to absorb information quickly and communicate with others effectively is important for a trainee.

## SALARY & BENEFITS

Starting salaries of graduates are around \$10,000-\$15,000 per month. Most banks provide extras such as staff housing loans, medical benefits, salary overdraft facilities, preferential deposit interest rates, and marriage and maternity leave. Trainees in the non-banking sector receive approximately \$10,000 per month plus commission.

## FURTHER TRAINING

Many banks encourage their employees to take part in the large variety of courses and seminars organised by the Hong Kong Institute of Bankers. In order to raise the standards of securities and finance practitioners in Hong Kong, the Hong Kong Securities Institute also offers professional qualifications.

## FURTHER INFORMATION

The Hong Kong Institute of Bankers can be contacted at:

3/F Guangdong Investment Tower,  
148 Connaught Road Central, Hong Kong

Tel: 2815-1552; Fax: 2544-9946

Email: [hkib@hkib.org](mailto:hkib@hkib.org)

Website: [www.hkib.org](http://www.hkib.org)