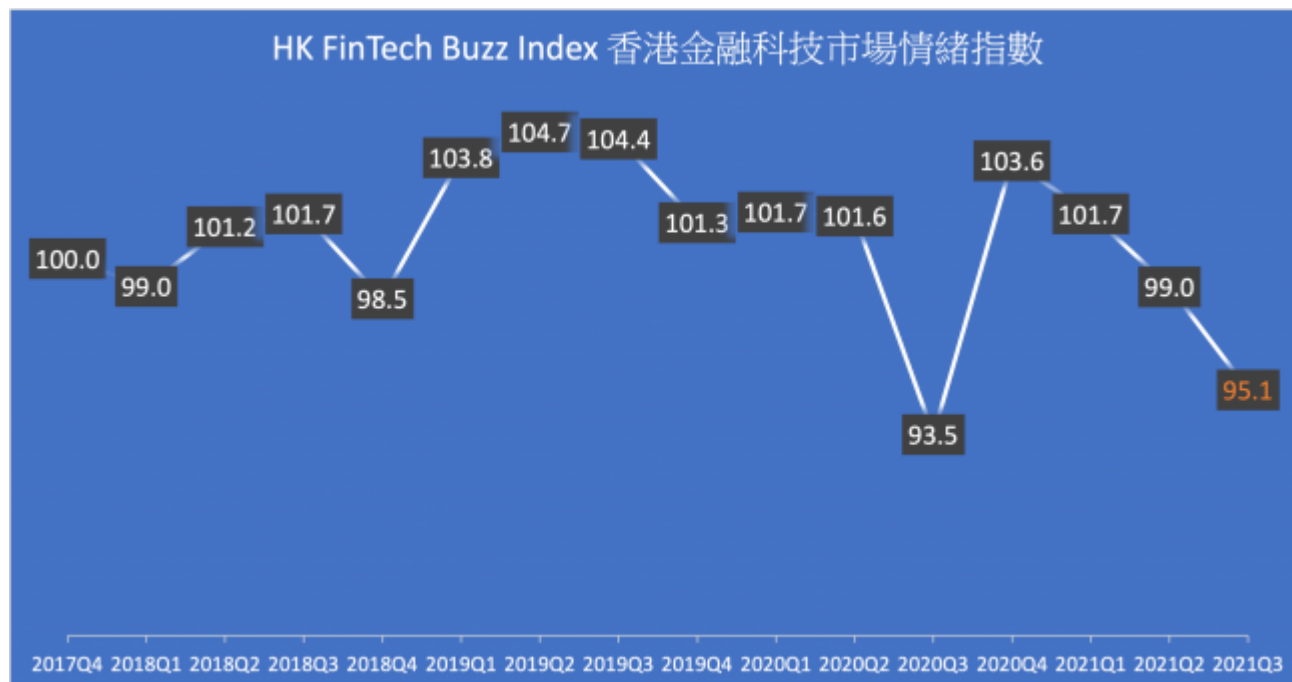


# Hong Kong FinTech Buzz Index continues to drop in 2021Q3

20 Dec 2021



The HKU FinTech Index Series Project published the 2021Q3 Hong Kong FinTech Buzz Index (FBI) to gauge local FinTech companies' outlook and the general sentiment on the sector as reported by the local press.

## Hong Kong FinTech Buzz Index – 2021Q3

Having analysed 1,678 news articles posted between July and September 2021, the Hong Kong FBI for the third quarter (Q3) of 2021 is computed to be 95.1, showing a decline of 3.9 index points (or 3.9%) from 99.0 in the second quarter in 2021 (2021 Q2).

**Table 1. Result of FBI**

Period	InsurTech	WealthTech & CreditTech	Blockchain & Cryptocurrency	Payment & Digital Banking	RegTech & Cybersecurity	Supporters & Others
Q1, 2019	104.8	104.9	104.0	105.0	91.5	106.1
Q2, 2019	106.0	107.7	108.7	105.4	73.2	109.6
Q3, 2019	99.2	104.6	105.3	109.3	90.9	106.5
Q4, 2019	98.9	100.8	103.7	106.4	79.9	104.1
Q1, 2020	101.5	101.1	102.6	104.0	94.1	101.9
Q2, 2020	104.2	103.1	99.1	102.9	98.6	100.6
Q3, 2020	100.8	107.4	67.9	102.7	80.7	105.4
Q4, 2020	101.4	108.9	100.1	103.5	98.9	106.9
Q1, 2021	106.0	106.2	91.1	103.3	111.6	108.7
Q2, 2021	100.9	98.3	89.1	100.6	99.5	105.1
Q3, 2021	100.2	100.4	78.9	95.7	91.1	106.8

Performance varied across the six sectors. A drop was recorded in the sectorial indices of Blockchain & Cryptocurrency, Payment & Digital Banking and RegTech & Cybersecurity. The substantial decrease in the sectorial index of Blockchain & Cryptocurrency could be attributed to the emergence of scams and theft involving cryptocurrencies. Most of such cases took place due to loopholes in digital trading platforms and security measures. Thus, they also contributed to the drop in the sectorial indices of Payment & Digital Banking and RegTech & Cybersecurity. On the other hand, a rise was seen in the sectorial indices of WealthTech & CreditTech as well as Supporters & Others. The positive sentiment was predominantly due to the launch of the Cross-boundary Wealth Management Connect Scheme, which aims to facilitate cross-boundary investment by individual residents in the Greater Bay Area. The sectorial index of InsurTech remained almost unchanged.

### **About the HKU FinTech Index Series Project**

The HKU FinTech Index Series Project introduces the Hong Kong FinTech Growth Index (FGI) and the Hong Kong FinTech Buzz Index (FBI) to gauge local FinTech companies' outlook on the industry and the general sentiment on the sector as reported by local press. It is the first in the region to provide index indicators on the development of the sector, with an aim to provide information in a timely manner to track the growth and development of the financial technology industry in Hong Kong.

FGI is a yearly index with four sub-indices on Business Environment, Business Performance, Investment on R&D and Demand for Talent. It is a forecast of the Hong Kong FinTech sector's market situation in the coming year and an assessment of the situation in the current year. FBI is a quarterly index representing a quantified sentiment of the local FinTech-related news articles in Chinese in the past three months. The index has a base value of 100 points which represents the sentiment of nearly 10K FinTech related news articles in major local news media outlets in 2016 and 2017. FBI is further broken down into six sectors: Insurance Technology (InsurTech), Wealth Management and Credit Technology (WealthTech & CreditTech), Blockchain & Cryptocurrency, E-Payment & Digital Banking, Regulatory Technology (RegTech) & Cybersecurity and other related business including AI and big data.

The project is led by Prof. S.M. Yiu, Professor, Department of Computer Science, HKU, and Prof. Philip Yu, Honorary Professor, Department of Computer Science, HKU; Head & Professor, Department of Mathematics and Information Technology, EdUHK, and funded by The University of Hong Kong - Standard Chartered Hong Kong 150th Anniversary Community Foundation FinTech Academy.

To provide professional insight, the Advisory Board is established, comprising professionals from the University of Hong Kong and the local FinTech industry, including representatives from FinTech Association of Hong Kong, InvestHK, Cyberport, Hong Kong Science and Technology Parks Corporation, and The Bank of East Asia, Limited. The members provide expert advice on the FinTech companies to be included in the master list for the annual survey to return the FinTech Growth Index. They also advise the Project on index methodology.

For further information on the HKU FinTech Index Series Project, please visit the project's website at [www.fintechindex.hku.hk](http://www.fintechindex.hku.hk).

### **About The University of Hong Kong - Standard Chartered Hong Kong 150th Anniversary Community Foundation FinTech Academy**

The University of Hong Kong - Standard Chartered Hong Kong 150th Anniversary Community Foundation FinTech

Academy ("the HKU-SCF FinTech Academy") was established in April 2020 with a mission to make a sustainable impact in FinTech by grooming world-class talents and leading innovative research to further strengthen Hong Kong's position as an international financial centre.

Through a commitment of HK\$60 million from the Standard Chartered Hong Kong 150th Anniversary Community Foundation, the HKU-SCF FinTech Academy is steered by the Faculty of Engineering, with support from the Faculty of Law as well as the Faculty of Business & Economics of The University of Hong Kong.

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