

金銀快訊

CGSE Express

金銀業貿易場快訊 CGSE Newsletter

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新加坡貴金屬市場協會

第四屆亞太區貴金屬論壇 – 新加坡交易所網絡研討會

2020 SBMA ASIA PACIFIC PRECIOUS METALS MARKETS
Webinars with SGX



新加坡貴金屬市場協會 第四屆亞太區貴金屬論壇 – 新加坡交易所網絡研討會

2020 SBMA ASIA PACIFIC PRECIOUS METALS MARKETS Webinars with SGX



新加坡貴金屬市場協會第四屆亞太區貴金屬論壇由於全球受新冠狀病毒疫情影響，基於安全理由而取消了。但官方隨即改以網絡形式進行另一個活動，新加坡交易所網絡研討會。

主辦單位於2020年6月4日至5日，一連兩日舉辦研討會，邀請了世界各地貴金屬專家分享交流，探討亞太區貴金屬市場受新冠狀病毒疫情影響，以及全球貴金屬市場價格走勢及展望。本場行政總裁馮煒能應邀擔任主講嘉賓之一，分享新冠狀病毒疫情下中國內地與香港的市場概況。

The 4th Asia-Pacific Precious Metals Forum of the Singapore Precious Metals Market Association was cancelled due to safety reasons for the COVID-19. However, the SBMA changed to an online event, the Singapore Exchange Webinar.

The organizers held seminars for two consecutive days on June 4 to 5, 2020, and invited precious metal experts from all over the world to share and discuss the impact of the new coronavirus epidemic in the Asia-Pacific precious metal market, as well as the global precious metal market price trends and outlook. Mr. Brian Fung, CEO, CGSE was invited to be one of the speakers to share the market overview of Mainland China and Hong Kong under the COVID-19.

GLOBAL MARKET CHALLENGES

Supporting the Precious Metals Industry during COVID-19

LOGISTICS

Passenger airline flights are down, reducing the number of flights which gold can be carried on.

Metal is moving, and has been moving throughout, but supply chains have had to adjust to tight availability.

PRICE DISLOCATIONS

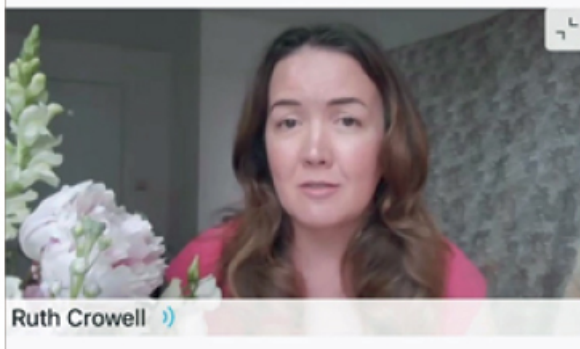
New York COMEX trading at a premium, due to concerns regarding delivery.

Asia Shanghai trading at a discount as holders sell gold, same pattern expected in India.

LBMA SOLUTIONS

Global Standards The case for truly global bar specifications is stronger than ever.

Digital Gold LBMA continues to focus on making metal settlement more efficient and transparent.



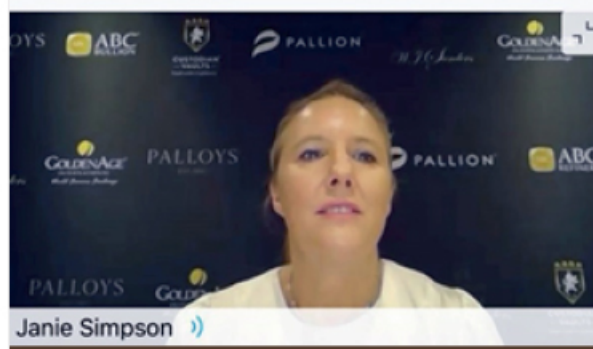
Ms. Ruth Crowell, CEO, LBMA

AUSTRALASIAN REFINING MARKET

- Australia took decisive action in response to COVID-19
- Australian producers and refineries remained open
- Market serviced by two LBMA and SGE accredited refiners
- Gold and silver doré total combined throughput 29.3 mtoz
- ABC Refinery 43% market share, Perth Mint 57%
- Almost all gold refined in Australia is exported
- Singapore was significant destination
- Overtaken by India in 2000s
- HK/China now the dominant buyer



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Ms. Janie Simpson, ABC Bullion

CHINA & HK RETAIL SALES DROPPED

- Chow Tai Fook Jewelry Group: 66% dropped in retail sales for Hong Kong & Macau and 42% dropped for Mainland China
- China's overall retail sales dropped by 29% in January and February 2020
- China's gold, silver, and jewelry sales plunged 41% in January and February 2020
- China's online sales grew 3% year-on-year



CGSE MEMBER'S FINDINGS

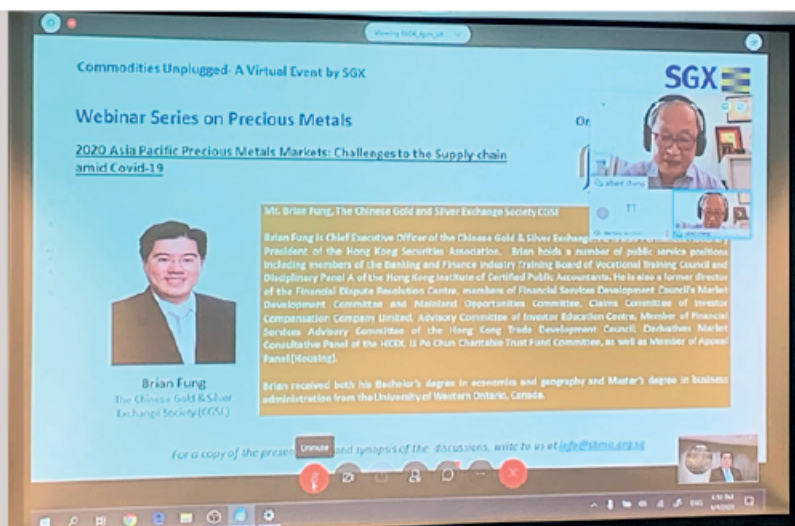
- Survey population: 70%
- Result 1: 79% reported declined in businesses
- Result 2: 75% reported declined in engaging new customers
- Result 3: Over 19% enhanced their online business model and capacity

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嘉賓 Speakers

Ms. Ruth Crowell, CEO, LBMA
Mr. K L Yap, Metalor
Mr. Basky Narayanan, Brinks Global
Mr. Gregor Gregersen, Silver Bullion
Mr. Shoakai Fan, WGC
Ms. Janie Simpson, ABC Bullion
Mr. Brian Fung, CEO, CGSE
Ms. Jennier Heryanto, CMK
Ms. Pawan Nawawattanasub, YLG



以下為行政總裁馮煒能演講全文:

Mr. Brian Fung, CEO, CGSE Speech below:

As we enter into 2020, the rapid spread of COVID-19 has dealt a severe blow to global and local economic activities in China and Hong Kong. Hong Kong's negative GDP growth began in Q3 of 2019 and continues to plunge 8.9% during the first quarter of 2020. Last time Hong Kong experienced a negative GDP was 10 years ago in 2009. China's GDP also fell 6.8%, which is China's first technical recession since 1976.

The retail jewelry sectors in Hong Kong already had a hard hit by social unrest that started in June last year. On the first trading day of the Year of the Rat, our 99 tael gold opened at 14,438 HK\$ a tael, the best lunar year debut since 2016. Despite the strong performance of gold prices, local jewelry retailers express difficulty because of the ongoing anti-government protests. Whilst COVID-19 has caused a further drop on retail sales.

According to The Standard Hong Kong, Chow Tai Fook Jewelry Group, one of the world's largest jewelry chain, recorded sales drop of 60% in Hong Kong and Macau, and 42% in mainland China in the first two months of 2020.

2020 also marks as the "Double Spring in Leap Year", which only occurs once every few years. Culturally, it is the Chinese auspicious year for weddings. The amount of gold jewelry the bride wears on her wedding day symbolized the wealth of the family, hence an abundant amount of gold purchase usually occurs during "Double Spring Leap Year". Sadly, it is not the case this year. According to the National Bureau of Statistics of China, overall retail sales of consumer goods dropped by 20.5% during the first two months of the year, whereas gold, silver and jewelry sales plunged by 41%.

Our Exchange conducted a member's survey in May this year and I want to share with you some of our findings. The result seems not surprising, over 79% of the respondent has experienced a decline in their businesses. And to highlight the severity of the situation, 52% of respondents recorded a decrease of over 30% in their business.

COVID-19 affected our member's opportunity to engage new customers, as face to face meeting become undesirable and impossible. As a result, over 75% respondent reported a drop in the number of new clients compared to the same period last year.



Webinars with SGX (June 4, 5)

More information:

The webinar series on precious metals is organised by SBMA and managed by Foretell Business Solutions, and there was two programmes held on June 4 and June 5.

<http://www.sbma.org.sg/webinars-with-sgx-june-4-5-2/>

HONG KONG AND CHINA ANNUAL GDP GROWTH



2017 2ND QTR TO 2020 1ST QTR



Sources: <https://tradingeconomics.com/hong-kong/gdp-growth-annual>
<https://tradingeconomics.com/china/gdp-growth>


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According to the Hong Kong Census and Statistics Department, for the first time since 2011, China's new gold import via Hong Kong in April 2020 crashed by 176% to negative 10.3 tons compared to the previous month. For those members who were involved in physical bullion business and claimed being affected, over half recorded at least 30% decline in their businesses.

After re-opening of malls across China, the retail consumption for jewellery is still lagging. Many businesses are leveraging digital commerce during the outbreak 19% of our member respondents have enhanced their online capabilities and adapted new digitalize operations model to keep up with productivity, enlarge market reach, and reduce operational costs.

Before I end my speech, I would like to take a moment to share with you something positive. CGSE record reveals that our Good Delivery bars has pick up in production since Q2 of 2019 and we see a steady uphold in demand. Gold, as an asset, has once again lived up to its reputation as a "safe haven" during times of great uncertainty.





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