Standard Chartered will take a close look at potential crypto opportunities for the retail market in Hong Kong after the city unveiled its digital asset ambitions last week.

Last week, the Hong Kong government announced plans to develop the city into a virtual asset hub, including a licensing regime for service providers and broadened access to retail investors. As a result, Standard Chartered will «very, very seriously» explore opportunities in rolling out related products and services to Hong Kong’s mass market.

«It’s fantastic that the Hong Kong Monetary Authority is effectively consulting on this,» according to an «SCMP» report citing the bank’s chief executive Bill Winters. «It’s not straightforward. But my view is that digital assets of all descriptions are a part of the financial system. They’re not going to go away.»
Standard Chartered has been relatively open to crypto assets compared to rivals, having launched Zodia Markets in June last year in partnership with digital asset platform OSL. Zodia Markets is a digital asset brokerage and exchange platform targeting institutional and corporate clients in the UK and Europe.

Guard Rails

Business aside, Winters lauded Hong Kong’s «front-footed» approach to taking a proactive regulatory approach to digital assets.

«As a bank, we’re investing in having the right regulatory systems to be able to execute that kind of business safely and soundly – properly sold, properly monitored,” Winters explained.

«We would ask, first, whether we can put the appropriate guardrails in place so that vulnerable investors […] wouldn’t find themselves in a very disadvantaged position. That’s always our first criteria for any retail distributed product. Can we be sure that the people engaging with us understand what they’re doing?»

Zero-Covid

In addition, Winters also commented on the zero-Covid policy in Hong Kong, specifically calling for an end to all border controls.

«I think you should scrap the whole thing. No tests on arrival, no tests on departure, and then just ask people to be responsible. Hong Kong is well vaccinated, and it has a strong healthcare system. The downside of opening up is not dramatic,” he said.

«I have not been in China for three years, while the personal connections get frayed and opportunities go unexplored. But I think the upside there is very substantial. When China opens up, there is a huge upside in terms of the [Wealth Management Connect scheme] and the Greater Bay Area.»