

HSBC to invest 3 billion yuan in Chinese business

HSBC Holdings (NYSE:HSBC) plans to invest more than 3 billion yuan (\$448 million) in its China operations, Chief Executive Noel Quinn told state news agency Xinhua, saying he sees challenges for the economy but also opportunities for investment.

Quinn said the investment would be carried out over a five-year period running until 2025 without specifying the divisions that would receive the cash.

While COVID-19 cases in Shanghai had started to fall after a two-month lockdown, Quinn said the challenges confronting the Chinese economy should not be "understated".

On Wednesday, China's commercial hub lifted a lockdown for its population of 25 million people, letting some businesses such as banks start gradual operations.

"We do expect some market volatility to continue in the short term," he said in an interview with the news agency.

"But we also see in China an economy that has demonstrated its resilience and that still presents long-term growth potential and attractive opportunities to foreign firms and investors."

HSBC now owns 90% of its Chinese securities joint venture.

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