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S'pore, HK close gap on top financial centres

Both cities join London, New York at top of list of leading finance centres  
SINGAPORE and Hong Kong are closing the gap on London and New York in a ranking of competitiveness among the world's leading financial centres. Asian cities now hold five of the top 10 spots.

The Global Financial Centres Index - compiled twice yearly by the Z/Yen Group think-tank and published by the City of London - combines a survey of financial professionals with factors such as office rents, airport satisfaction and tax rates.

Both London and New York have improved their overall scores since the fifth index was published in March this year. London added nine points to reach 790 and New York rose by six points to 774 out of a possible 1,000 points, said the Financial Times yesterday.

But their single-digit gains were dwarfed by the 45 points added by Hong Kong and Singapore's 32-point rise, said the paper. All four cities now have scores in the 700s, leading the study's authors to suggest that a global group of four has emerged from the pack - a sharp change from early indexes, where London and New York were far ahead, said the FT.

Five Asian cities have pushed into the top 10 since the March ranking. Tokyo and Shanghai registered double-digit gains to jump into the top 10 from 15th and 35th places respectively, while Shenzhen was unchanged in fifth.

Shanghai, Shenzhen and Hong Kong also led in the list of centres most likely to become significant, said the paper.

'The speed of the rise of the Asian cities surprised us. It's a warning shot that we are going to have to work with these countries,' Mr Stuart Fraser, chairman of the policy committee of the City of London, was quoted as saying.

More people from Asia took the survey this year, which may partially explain the rise of the region's cities, but it also highlights its growing importance for financial services, said the FT.

'It is a reality of life that a lot of the centre of economic activity is shifting to the Asia-Pacific and no one is going to be able to stop it,' Sir Stephen Wright, chief executive of International Financial Services London, which promotes city companies abroad, was quoted as saying.