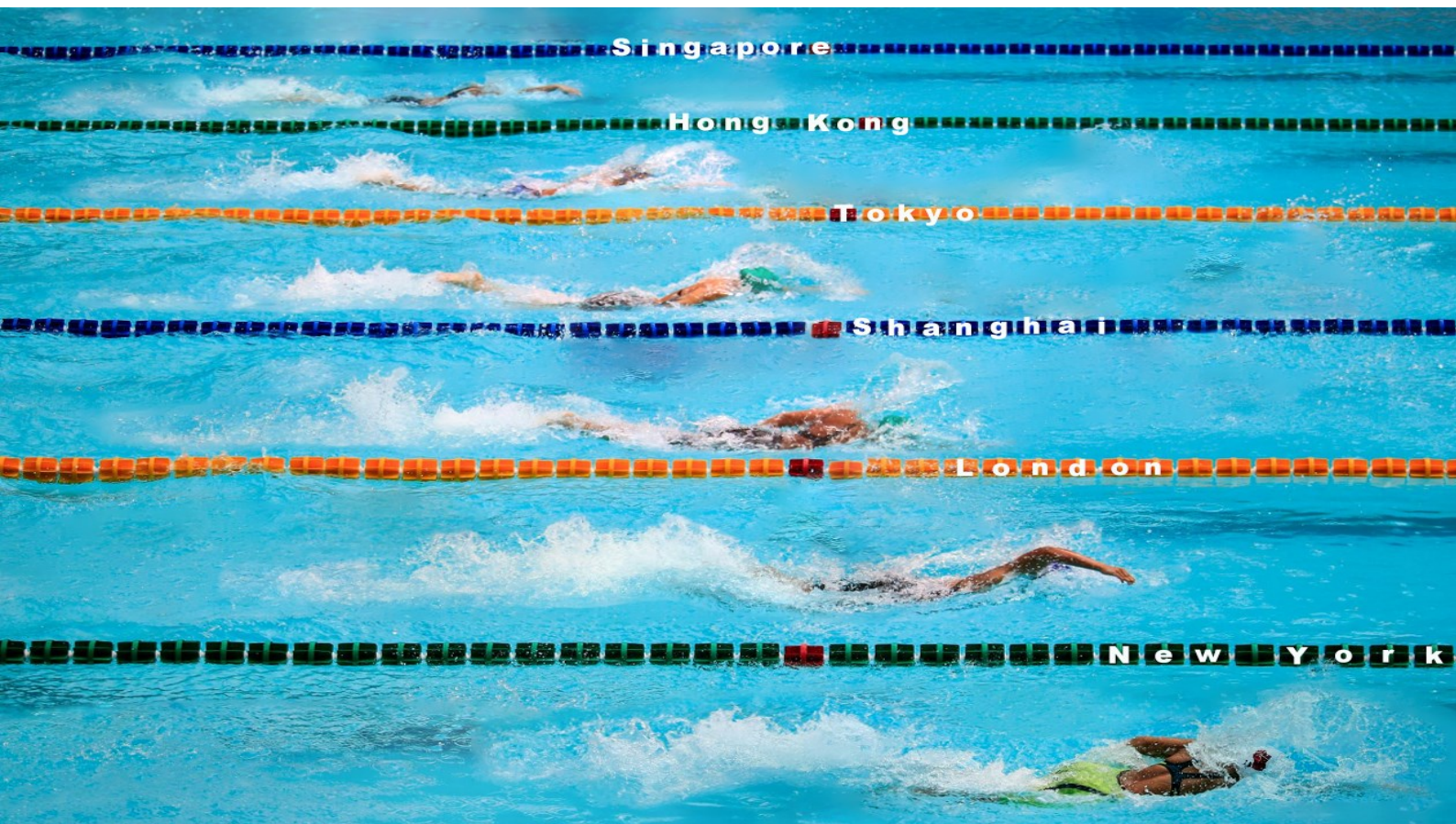




The Global Financial Centres Index 28

September 2020



Financial Centre Futures





In March 2007, Z/Yen and the City Of London released the first edition of the GFCI, which continues to provide evaluations of competitiveness and rankings for the major financial centres around the world. We are pleased to present the twenty-eighth edition of the Global Financial Centres Index (GFCI 28).

In July 2016, Z/Yen and the China Development Institute (CDI) in Shenzhen established a strategic partnership for research into financial centres. We continue our collaboration in producing the GFCI.

The GFCI is updated every March and September and receives considerable attention from the global financial community. The index serves as a valuable reference for policy and investment decisions.

Z/Yen is the City of London's leading commercial think-tank. Z/Yen was founded in 1994 to promote societal advance through better finance and technology. Z/Yen has built its practice around a core of high-powered project managers, supported by experienced technical specialists so that clients get expertise they need, rather than just resources available. The firm is headquartered in London, but Z/Yen is committed to the 'virtual office' concept and is an intense user of technology in order to improve flexibility and benefit staff.

The CDI is a leading national think-tank that develops solutions to public policy challenges through broad-scope and in-depth research to help advance China's reform and opening-up to world markets. The CDI has been working on the promotion and development of China's financial system since its establishment in 1989. Based on rigorous research and objective analysis, CDI is committed to providing innovative and pragmatic reports for governments at different levels in China and corporations at home and abroad.

The authors of this report, Hugh Morris, Professor Michael Mainelli, and Mike Wardle, would like to thank Bikash Kharel, Peter Welch, Carol Feng, Peng Yu, and the rest of the GFCI team for their contributions with research, modelling, and ideas.



Foreword

Warm greetings from Seoul Metropolitan Government! I am Seo Jeong-hyup, the Acting Mayor of Seoul.

Seoul, a leading global financial hub, and Z/Yen, a world-renowned consulting group, are jointly hosting this much awaited webinar on the GFCI 28. I would like to express my heartfelt appreciation and congratulations.

The outbreak of Covid-19 has caused drastic changes to human civilization. The global economy is on the brink of recession and whole industries are in decline. Cities around the world are faced with numerous, unprecedented challenges. As we stand at a crossroads between a crisis and an opportunity, this presentation of GFCI 28 is all the more meaningful.

Seoul Metropolitan Government will regard the insightful results of the GFCI 28 report as a compass and use it to find the right direction for the financial sector in Seoul going forward. We will turn this crisis into an opportunity by taking full advantage of our “digital finance” efforts, which we have long been committed to.

The 3 major elements of our “digital finance” efforts are the Seoul Fintech Lab, which houses 100 fintech companies and 1,000 innovators, the Digital Finance MBA, which focuses on fostering future global experts on digital finance, and the Seoul International Finance Office, which provides support for the business activities between overseas financial institutions and domestic financial institutions.

In this era of the Covid-19 pandemic, rampant with uncertainties and confusion, Seoul Metropolitan Government will strive to open up a new “digital financial hub” future for Seoul. We will continue to ask for the advice of global financial experts along our journey.

Hopefully, Z/Yen can continue to join us on our journey and give us insightful advice. Thank you.

Seo Jeong-hyup
Acting Mayor Of Seoul



GFCI 28 Summary And Headlines

Overview

- We researched 121 centres for this edition of the Global Financial Centres Index (GFCI 28). The number of financial centres in the main index has increased from 108 to 111 with the addition of Bratislava, Xi'an, and Wuhan, though new entrants to the index take some time for their position in the index to settle. There are 10 associate centres awaiting potential inclusion in the main index.
- GFCI 28 again shows a relatively high level of volatility, with 23 centres rising ten or more places in the rankings and 20 falling ten or more places.
- Overall, the average rating of centres in the index dropped over 41 points (6.25%) from GFCI 27, which may indicate a more general lack of confidence in finance during a time of continuing uncertainty around international trade, the impact of the covid-19 pandemic on individual economies, and geopolitical and local unrest.
- All of the top ten centres in the index increased their ratings in GFCI 28, reversing recent trends. Of the next 40 centres, 12 improved their rating while 27 fell. This may indicate increased confidence in leading centres during the covid-19 pandemic.

GFCI 28 results

Leading Centres

- New York retains its first place in the index, although London in second place has made up ground in the ratings, now only four points behind the leader (27 points in GFCI 27).
- Shanghai moved up one place to third and Tokyo dropped one place to fourth, although only one point separates them in the ratings. Similarly, Hong Kong moved up a place to rank fifth and Singapore fell one place to sixth, again with only one point separating Hong Kong and Singapore in the ratings.
- Shenzhen and Zurich entered the top ten in this edition, replacing Los Angeles and Geneva.
- Within the top 30 centres, Luxembourg, Boston, Seoul, and Madrid rose by more than five places.

Western Europe

- After its strong performance in GFCI 27, centres in Western Europe had mixed fortunes in GFCI 28, with 15 centres rising in the rankings and 12 falling. However, the average drop in ratings was only 21 points (3.17%) in this region.

Asia/Pacific

- Asia/Pacific Centres had a mixed performance in GFCI 28, with ten centres falling in the rankings and 14 rising. This appears to reflect levels of confidence in the stability of Asian centres and in their approach to sustainable finance, which appears to be growing in its effect on the overall rating of centres.
- Taipei, Chengdu, and Qingdao all rose more than 30 places in the rankings.

North America

- North American centres showed the least change in ratings across the regions, falling on average just 9 points (1.3%).
- Boston, Washington DC, and San Diego all improved five or more places in the rankings.
- Six out of the eleven North American centres are in the top 20, up from four in GFCI 27.

Eastern Europe & Central Asia

- Following a good performance in ratings in GFCI 27, all centres in this region saw their ratings fall, and only three of the 16 centres in the region—Moscow, Istanbul, and Athens—improved their rank.
- Sofia, Baku, and Almaty fell over 30 ranking places from GFCI 27 to GFCI 28.

Middle East & Africa

- All 13 Centres in the Middle East & Africa fell in the ratings, with only Abu Dhabi, Mauritius and Cape Town improving in the rankings.

Latin America & The Caribbean

- All centres in this region fell in the ratings, with the average rating for the region falling 54 points (8.66%).

FinTech

- New York leads the FinTech rankings, followed by Beijing, Shanghai, London, and Shenzhen. Five of the top ten centres for FinTech are Chinese.
- In our recently published Smart Centres Index, focusing more broadly on innovation and technology, Chinese centres did not feature as strongly as they have in the Fintech rankings. This suggests a particular focus on Fintech in these centres.

GFCI 28

- GFCI 28 was compiled using 138 instrumental factors. These quantitative measures are provided by third parties including the World Bank, The Economist Intelligence Unit, the OECD, and the UN. Details can be found in Appendix 4.
- The instrumental factors were combined with 54,509 assessments of financial centres provided by 8,549 respondents to the GFCI online questionnaire. A breakdown of the respondents is shown in Appendix 2.
- Further details of the methodology behind GFCI 28 are in Appendix 3.

Shanghai As A Financial Centre

In this edition of the GFCI, we include a supplement focusing on Shanghai as a financial centre, prepared by the CEIBS Lujiazui Institute of International Finance - see pages 18 to 24.

The Global Financial Centres Index 28

Table 1 | GFCI 28 Top 56 Ranks And Ratings

Centre	GFCI 28		GFCI 27		Change in	
	Rank	Rating	Rank	Rating	Rank	Rating
New York	1	770	1	769	0	▲1
London	2	766	2	742	0	▲24
Shanghai	3	748	4	740	▲1	▲8
Tokyo	4	747	3	741	▼1	▲6
Hong Kong	5	743	6	737	▲1	▲6
Singapore	6	742	5	738	▼1	▲4
Beijing	7	741	7	734	0	▲7
San Francisco	8	738	8	732	0	▲6
Shenzhen	9	732	11	722	▲2	▲10
Zurich	10	724	14	719	▲4	▲5
Los Angeles	11	720	10	723	▼1	▼3
Luxembourg	12	719	18	715	▲6	▲4
Edinburgh	13	718	17	716	▲4	▲2
Geneva	14	717	9	729	▼5	▼12
Boston	15	716	25	708	▲10	▲8
Frankfurt	16	715	13	720	▼3	▼5
Dubai	17	714	12	721	▼5	▼7
Paris	18	713	15	718	▼3	▼5
Washington DC	19	712	24	709	▲5	▲3
Chicago	20	711	16	717	▼4	▼6
Guangzhou	21	710	19	714	▼2	▼4
Amsterdam	22	701	27	703	▲5	▼2
Stockholm	23	700	28	702	▲5	▼2
Vancouver	24	698	22	711	▼2	▼13
Seoul	25	695	33	694	▲8	▲1
Montreal	26	694	26	704	0	▼10
Melbourne	27	693	21	712	▼6	▼19
Madrid	28	692	43	678	▲15	▲14
Hamburg	29	690	29	699	0	▼9
Brussels	30	686	34	691	▲4	▼5
Toronto	31	684	23	710	▼8	▼26
Sydney	32	682	20	713	▼12	▼31
Abu Dhabi	33	681	39	682	▲6	▼1
Dublin	34	679	30	698	▼4	▼19
Mumbai	35	678	45	672	▲10	▲6
Copenhagen	36	674	35	689	▼1	▼15
Stuttgart	37	672	32	696	▼5	▼24
Milan	38	670	42	679	▲4	▼9
Osaka	39	665	59	656	▲20	▲9
Busan	40	664	51	664	▲11	0
Kuala Lumpur	41	663	44	677	▲3	▼14
Taipei	42	662	75	640	▲33	▲22
Chengdu	43	659	74	641	▲31	▲18
Wellington	44	657	31	697	▼13	▼40
Tel Aviv	45	656	36	688	▼9	▼32
Casablanca	46	655	41	680	▼5	▼25
Qingdao	47	654	99	610	▲52	▲44
Munich	48	653	37	687	▼11	▼34
New Delhi	49	652	69	646	▲20	▲6
Oslo	50	651	61	654	▲11	▼3
Calgary	51	649	40	681	▼11	▼32
Glasgow	52	648	65	650	▲13	▼2
Rome	53	643	53	662	0	▼19
Vienna	54	640	38	685	▼16	▼45
Jersey	55	637	49	666	▼6	▼29
Doha	56	627	48	669	▼8	▼42

The Global Financial Centres Index 28

Table 1 (Continued) | GFCI 28 Remaining Ranks And Ratings

Centre	GFCI 28		GFCI 27		Change in	
	Rank	Rating	Rank	Rating	Rank	Rating
Warsaw	57	618	50	665	▼7	▼47
Bangkok	58	617	58	657	0	▼40
Lisbon	59	608	76	639	▲17	▼31
San Diego	60	605	81	634	▲21	▼29
Bermuda	61	601	63	652	▲2	▼51
Moscow	62	600	71	644	▲9	▼44
Mauritius	63	598	64	651	▲1	▼53
Istanbul	64	595	79	636	▲15	▼41
Helsinki	65	594	68	647	▲3	▼53
Prague	66	593	46	671	▼20	▼78
Cape Town	67	592	80	635	▲13	▼43
Liechtenstein	68	591	54	661	▼14	▼70
Bahamas	69	590	105	599	▲36	▼9
Mexico City	70	589	78	637	▲8	▼48
Cyprus	71	588	67	648	▼4	▼60
British Virgin Islands	72	587	60	655	▼12	▼68
Malta	73	586	107	588	▲34	▼2
Nur-Sultan (formerly Astana)	74	585	72	643	▼2	▼58
Monaco	75	580	86	626	▲11	▼46
Vilnius	76	578	66	649	▼10	▼71
Isle of Man	77	577	77	638	0	▼61
Cayman Islands	78	575	47	670	▼31	▼95
Guernsey	79	574	73	642	▼6	▼68
Sao Paulo	80	569	83	632	▲3	▼63
Jakarta	81	568	93	617	▲12	▼49
GIFT City-Gujarat	82	563	82	633	0	▼70
Bahrain	83	562	56	659	▼27	▼97
Gibraltar	84	561	90	621	▲6	▼60
Rio de Janeiro	85	560	89	622	▲4	▼62
Barbados	86	559	108	583	▲22	▼24
Bratislava	87	552	New	New	New	New
Tallinn	88	551	52	663	▼36	▼112
Nanjing	89	550	101	608	▲12	▼58
Johannesburg	90	549	85	627	▼5	▼78
Panama	91	548	94	616	▲3	▼68
Athens	92	547	96	614	▲4	▼67
Santiago	93	546	104	603	▲11	▼57
Buenos Aires	94	543	106	592	▲12	▼49
Sofia	95	540	62	653	▼33	▼113
Nairobi	96	539	87	625	▼9	▼86
Riga	97	538	70	645	▼27	▼107
Baku	98	537	57	658	▼41	▼121
Almaty	99	536	55	660	▼44	▼124
Reykjavik	100	535	92	618	▼8	▼83
Budapest	101	531	84	628	▼17	▼97
Tehran	102	528	95	615	▼7	▼87
Kuwait City	103	524	91	620	▼12	▼96
St Petersburg	104	523	97	613	▼7	▼90
Xi'an	105	506	New	New	New	New
Manila	106	491	103	606	▼3	▼115
Riyadh	107	486	88	624	▼19	▼138
Tianjin	108	477	100	609	▼8	▼132
Hangzhou	109	463	98	612	▼11	▼149
Dalian	110	455	102	607	▼8	▼152
Wuhan	111	420	New	New	New	New

We track centres that have yet to achieve the number of assessments required to be listed in the main GFCI index. Table 2 lists the ten centres which fall into this ‘associate centres’ category.

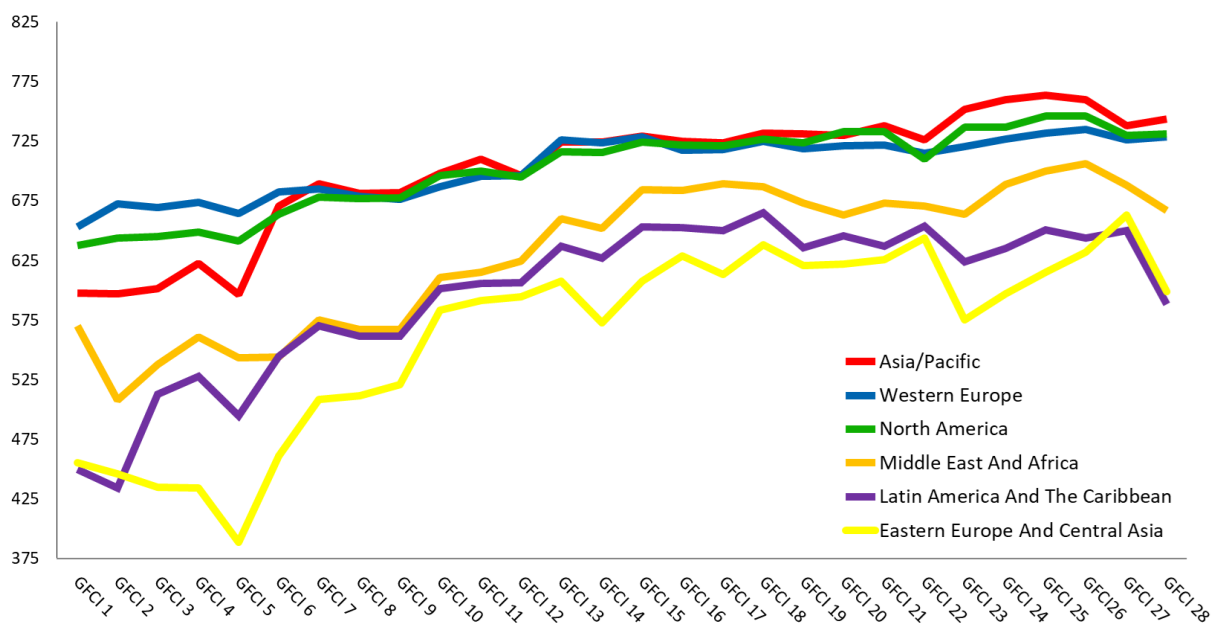
Table 2 | GFCI 28 Associate Centres

Centre	Number Of Assessments In The Last 24 Months	Mean Of Assessments
Bogota, Colombia	147	527
Lugano, Switzerland	105	634
Lagos, Nigeria	101	511
Andorra	88	583
Ho Chi Minh City, Vietnam	79	553
Chisinau, Moldova	62	640
Turks and Caicos	56	584
Karachi, Pakistan	55	511
Trinidad & Tobago	48	569
Kaunas, Lithuania	36	550

Regional Performance

The mean of the top five Asia/Pacific centre remains higher than other regions. North America is still fractionally ahead of Western Europe. The reduction in ratings seen in GFCI 28 shows in the downturn in the average ratings of the top centres in other regions.

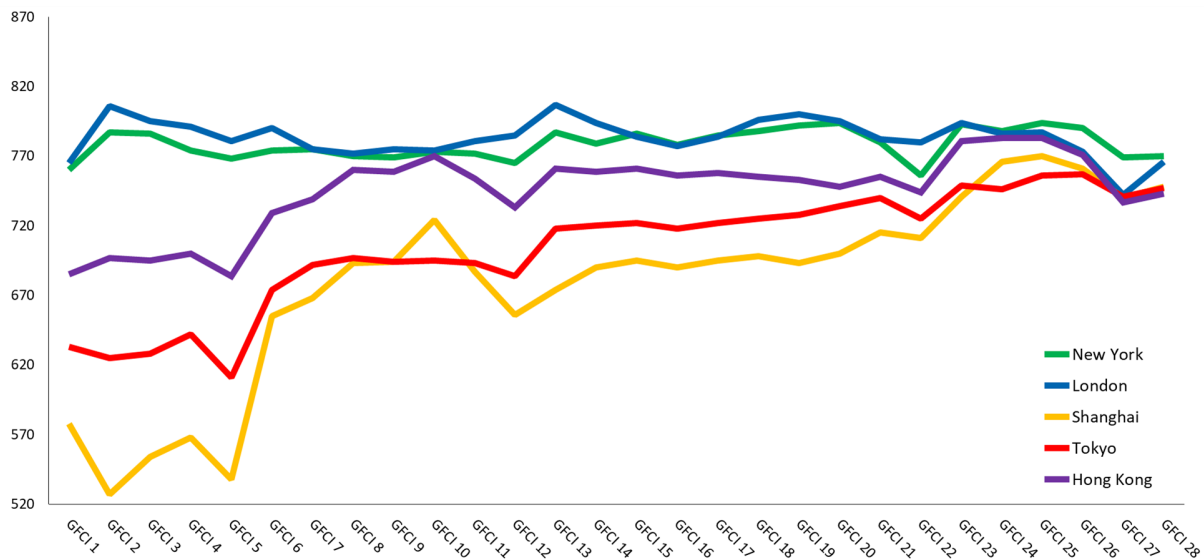
Chart 1 | Average Ratings Of The Top Five Centres In Each Region



The Top Five Centres

New York retained its first place in the index, although London has made up ground, now only four points behind in second place. Only one point separates Shanghai in third place from Tokyo in fourth. Hong Kong recovered one ranking place from sixth to fifth place in the index.

Chart 2 | The Top Five Centres— GFCI Ratings Over Time



“Those jurisdictions that market themselves effectively to key investing jurisdictions (ideally through centralised marketing programmes) fare better than those that don't.”



PARTNER, PROFESSIONAL SERVICES FIRM, JERSEY

Future Prospects

The GFCI questionnaire asks respondents which centres they consider will become more significant over the next two to three years. Table 3 shows the top 15 centres mentioned. Ten of the 15 centres are in the Asia/Pacific region.

Table 3 | The 15 Centres Likely To Become More Significant

Centre	Mentions in last 24 months
GIFT City-Gujarat	284
Stuttgart	206
Qingdao	195
Shanghai	168
Singapore	111
Seoul	107
Beijing	106
Guangzhou	87
Shenzhen	75
Hong Kong	50
Paris	44
Dubai	38
Frankfurt	35
Chengdu	34
New York	31

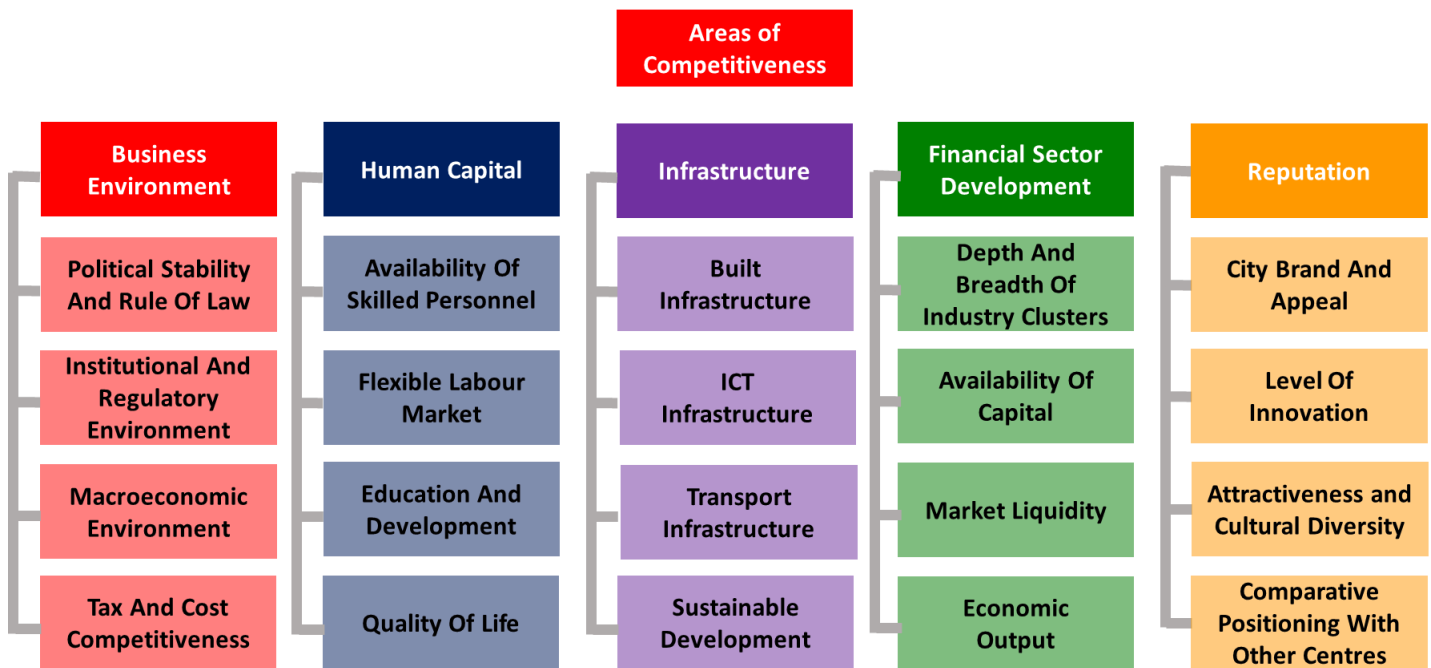
“Post-COVID 19, the geographic boundaries are gradually diminishing for talents. Skilled people can be working despite physical limitation thanks to the aids of technology.”

DEPUTY GENERAL MANAGER, BANKING, NEW YORK

Areas Of Competitiveness

The instrumental factors used in the GFCI model are grouped into five broad areas of competitiveness: Business Environment, Human Capital, Infrastructure, Financial Sector Development, and Reputation. These areas and the instrumental factor groups which comprise each area are shown in Chart 3.

Chart 3 | GFCI Areas Of Competitiveness



“Regulatory environment has to accommodate innovation whilst ensuring consumers’ trust is safeguarded. It is important to enable robust cyber security frameworks and have the investigative powers and skills necessary to enforce.”

HEAD OF INVESTOR CONTACT CENTRE, BANKING, DUBLIN

To assess how financial centres perform in each of these areas, the GFCI factor assessment model is run separately for each of the five areas of competitiveness. The top 15 ranked centres in each of these sub-indices are shown in Table 4. New York takes the lead position in all areas, followed by London. Singapore, Tokyo, and Hong Kong also feature strongly, with the remaining slots in the top five places across the different areas of competitiveness taken by Geneva, Chicago, Luxembourg, and Shanghai.

Table 4 | GFCI 28 Top 15 Centres By Area Of Competitiveness

Rank	Business Environment	Human Capital	Infrastructure	Financial Sector Development	Reputational & General
1	New York	New York	New York	New York	New York
2	London	London	London	London	London
3	Hong Kong	Hong Kong	Tokyo	Shanghai	Singapore
4	Geneva	Luxembourg	Singapore	Singapore	Hong Kong
5	Chicago	Singapore	Hong Kong	Hong Kong	Tokyo
6	Singapore	Paris	San Francisco	Frankfurt	Shanghai
7	Amsterdam	Shanghai	Stockholm	Zurich	Geneva
8	Beijing	Chicago	Beijing	Beijing	Beijing
9	Shanghai	Tokyo	Shanghai	San Francisco	Zurich
10	Zurich	Beijing	Amsterdam	Paris	Toronto
11	Frankfurt	Los Angeles	Madrid	Tokyo	Chicago
12	Copenhagen	Geneva	Boston	Shenzhen	San Francisco
13	Tokyo	San Francisco	Vancouver	Los Angeles	Stockholm
14	San Francisco	Shenzhen	Brussels	Amsterdam	Sydney
15	Montreal	Dubai	Paris	Copenhagen	Oslo

“We are worried about carefully constructed international taxation agreements designed to ensure fair receipts of tax based on location of earnings being undermined by nationalistic interests, and a naive political drive simply to lower taxes to attract business. On the plus side under ESG, companies will find that their tax avoidance behaviours will come under scrutiny.”

CEO, TRADE ASSOCIATION, LONDON

Factors Affecting Competitiveness

The GFCI questionnaire asks respondents to indicate which factors of competitiveness they consider the most important at this time. The number of times that each area was mentioned and the key issues raised by respondents are shown in Table 5.

Table 5 | GFCI 28 Main Areas Of Competitiveness

Area of Competitiveness	Number of Mentions	Main Issues
Business Environment	363	The Regulatory environment is still seen as the central pillar needed for a successful financial centre. Must strike the right balance of regulation, to reduce corruption without stifling innovation and development and with greater transparency. FinTech regulation is a hot topic, with some arguing for more and some for less regulation.
Human Capital	323	Remote working has made cross-border work easier, reducing the need to have employees that live and work in the same city. Cities with good infrastructure and lifestyle still attract the top talent. The need for IT skills has continued to grow as FinTech and AI become mainstream.
Infrastructure	383	Essential to build working environments which cater to the social as well as business needs of people Changes to the way we work - brought about by the covid-19 pandemic - have accelerated the need for world-class IT/ connectivity infrastructure to facilitate virtual working.
Taxation	378	Tax increases are foreseen. This may lead to some choosing to relocate In general, low taxation is seen as better for businesses. Tax incentives are a key way to attract investment business and top talent.
Reputation	338	Reputation gives confidence to investors and is a leading factor when selecting a financial centre. A city's reputation is useful for attracting human capital to the centre. Looking for safety, liveability, and quality of life.
Financial Sector Development	309	Physical access is becoming less of an issue due to the accelerated acceptance of remote working and increased digital connectivity between centres. Access to markets still seen as necessary for important in-person meetings. Clusters of financial businesses increase efficiency in the system and in turn make it more attractive to others.

“Flexible labour markets help keep costs down for firms. There could be a lower rate of natural unemployment and lower inflation. Multi-skilled workers may be able to adjust their working patterns or workloads.”

Political Stability And Regulatory Quality

Reputational and Business Environment measures have a significant correlation with financial centre competitiveness. Chart 4 plots GFCI ratings against the World Bank’s Political Stability And Absence Of Violence/Terrorism Indicator and Chart 5 plots GFCI ratings against the World Bank’s measure of Regulatory Quality. These charts demonstrate the correlation of these factors with the GFCI 28 ratings (the size of the bubble indicates the relative GDP of each centre).

Chart 4 | GFCI 28 Rating Against Political Stability And Absence Of Violence/Terrorism (Supplied by The World Bank)

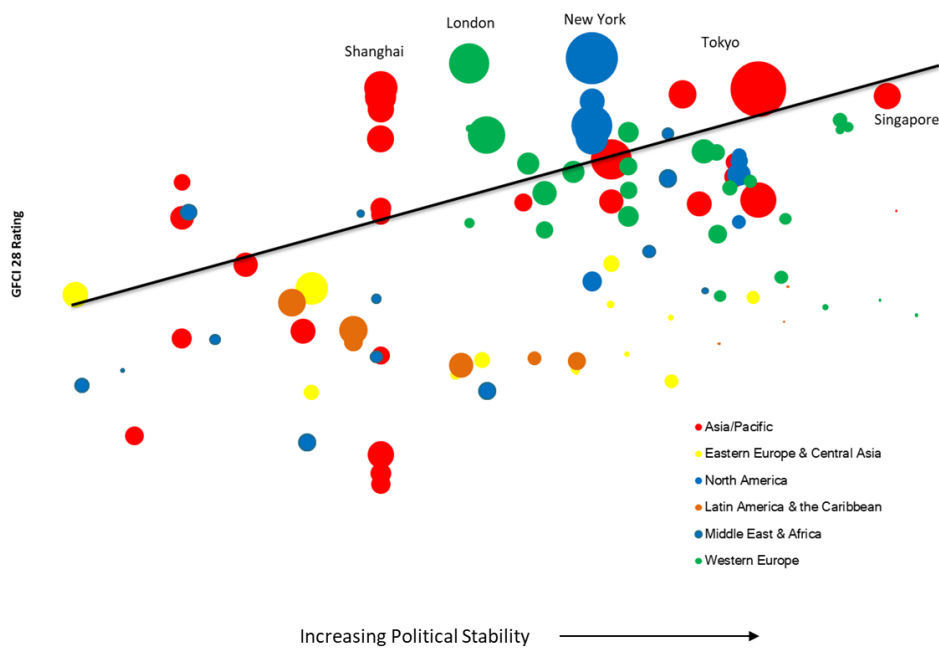
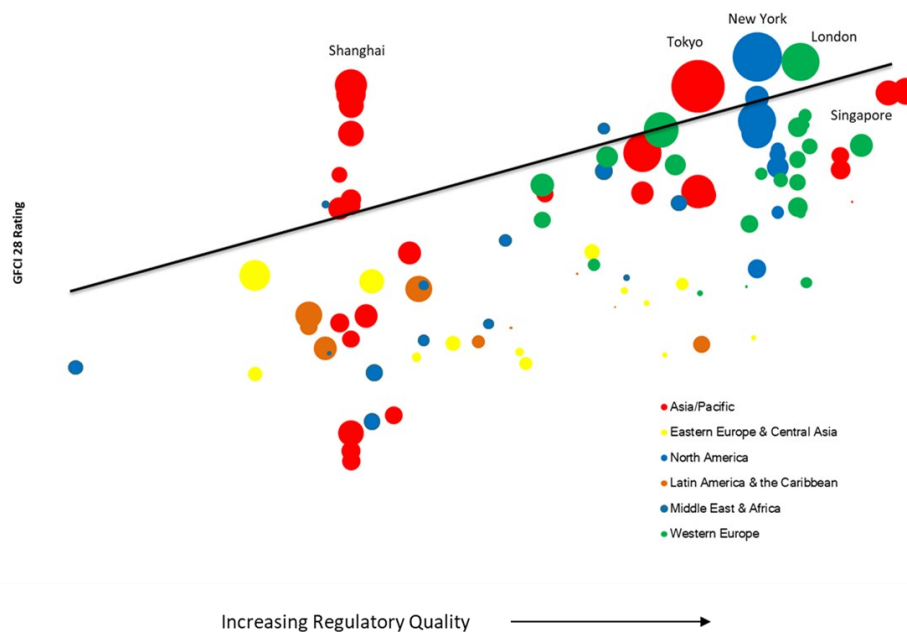


Chart 5 | GFCI 28 Rating Against Regulatory Quality (Supplied By The World Bank)



Connectivity

Financial centres thrive when they develop deep connections with other centres. The GFCI allows us to measure connectivity by investigating the number of assessments given to and received from other financial centres. Charts 6 and 7 show the different levels of connectivity enjoyed by Shanghai and Sydney to demonstrate the contrast, with Shanghai having connections with a wider spread of centres than Sydney. Both are well connected with Asian centres; but Shanghai is much better connected to London and New York and other centres in Western Europe and Eastern Europe & Central Asia.

Chart 6 | GFCI 28 Connectivity - Shanghai

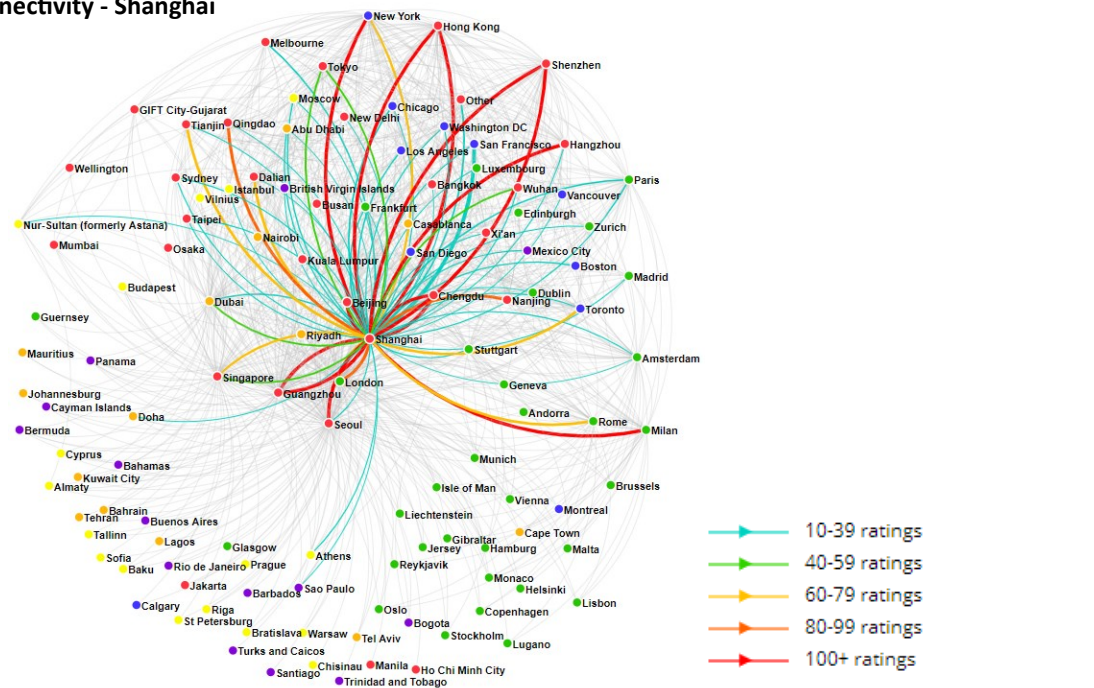
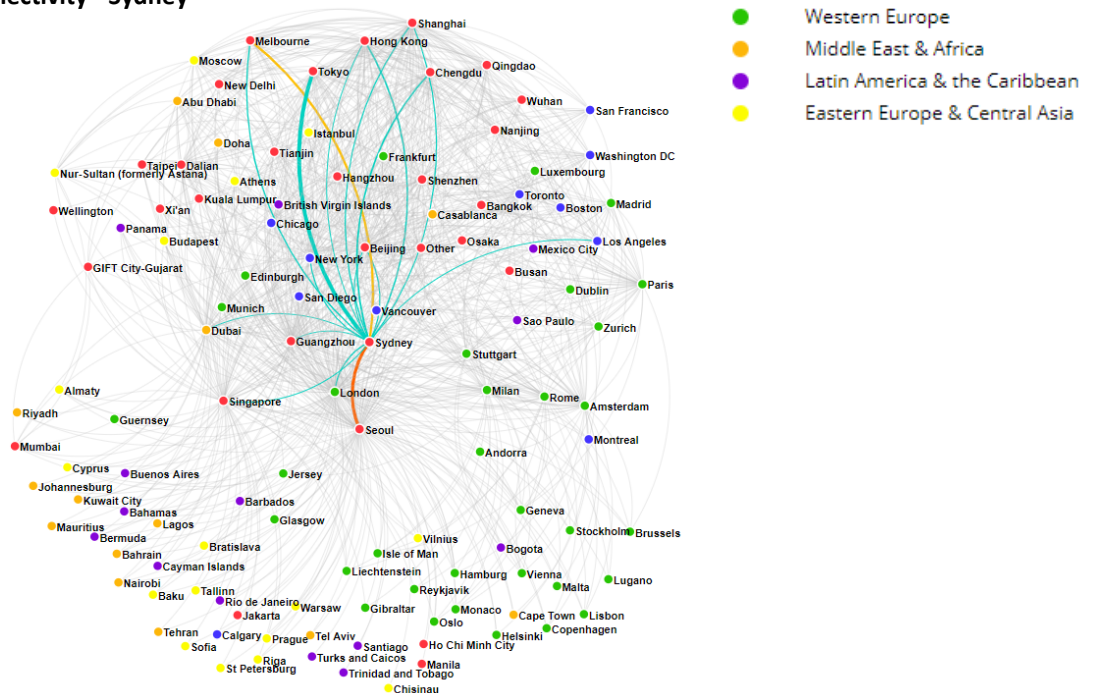


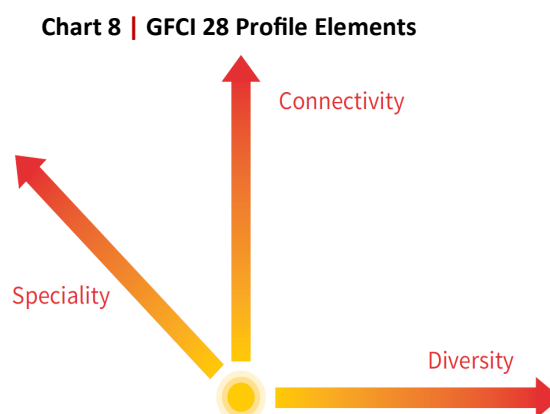
Chart 7 | GFCI 28 Connectivity - Sydney



Financial Centre Profiles

Using clustering and correlation analysis we have identified three measures (axes) that determine a financial centre's profile along different dimensions of competitiveness.

'Connectivity' – the extent to which a centre is well connected around the world, based on the number of assessments given by and received by that centre from professionals based in other centres.



A centre's connectivity is assessed using a combination of 'inbound' assessment locations (the number of locations from which a particular centre receives assessments) and 'outbound' assessment locations (the number of other centres assessed by respondents from a particular centre). If the weighted assessments for a centre are provided by over 63% of other centres, this centre is deemed to be 'Global'. If the ratings are provided by over 42% of other centres, this centre is deemed to be 'International'.

'Diversity' – the instrumental factors used in the GFCI model give an indication of a range of factors that influence the richness and evenness of areas of competitiveness that characterise any particular financial centre. We consider this span of factors to be measurable in a similar way to that of the natural environment. We therefore use a combination of biodiversity indices (calculated on the instrumental factors) to assess a centre's diversity taking account of the range of factors against which the centre has been assessed – the 'richness' of the centre's business environment; and the 'evenness' of the distribution of that centre's scores. A high score means that a centre is well diversified; a low diversity score reflects a less rich business environment.

'Speciality' – the depth within a financial centre of the following industry sectors: investment management, banking, insurance, professional services, and the government and regulatory sector. A centre's 'speciality' performance is calculated from the difference between the GFCI rating and the industry sector ratings.

In Table 6 'Diversity' (Breadth) and 'Speciality' (Depth) are combined on one axis to create a two dimensional table of financial centre profiles. The 111 centres in GFCI 28 are assigned a profile on the basis of a set of rules for the three measures: how well connected a centre is, how broad its services are, and how specialised it is.

The 11 Global Leaders (in the top left of the table) have both broad and deep financial services activities and are connected with many other financial centres. This list includes nine of the top ten global financial centres in GFCI 28.

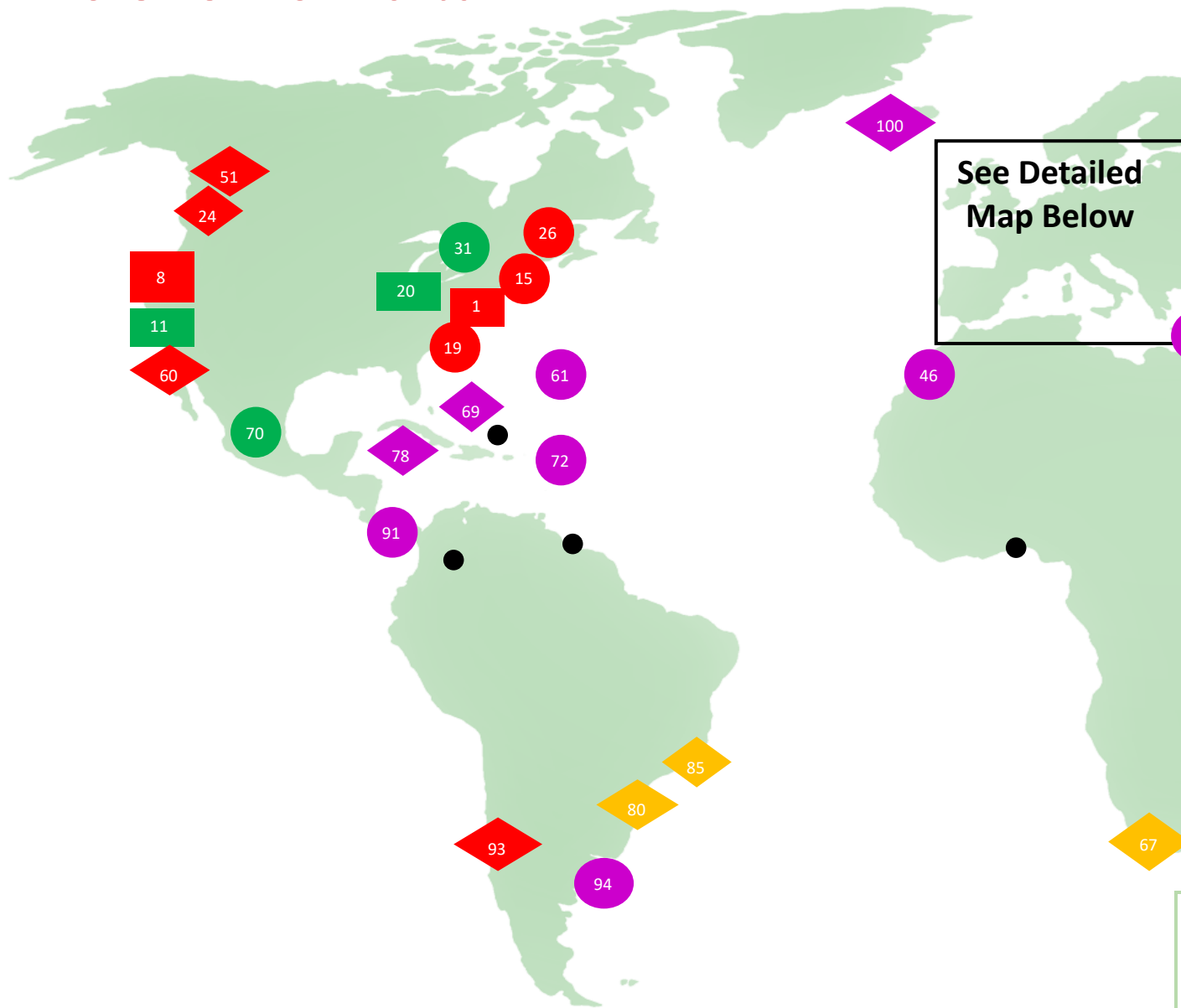
Significant changes in GFCI 28 include Chicago, Los Angeles, Washington DC, and Zurich exiting the Global Leaders, with Shenzhen and San Francisco moving into this category.

Table 6 | GFCI 28 Financial Centre Profiles

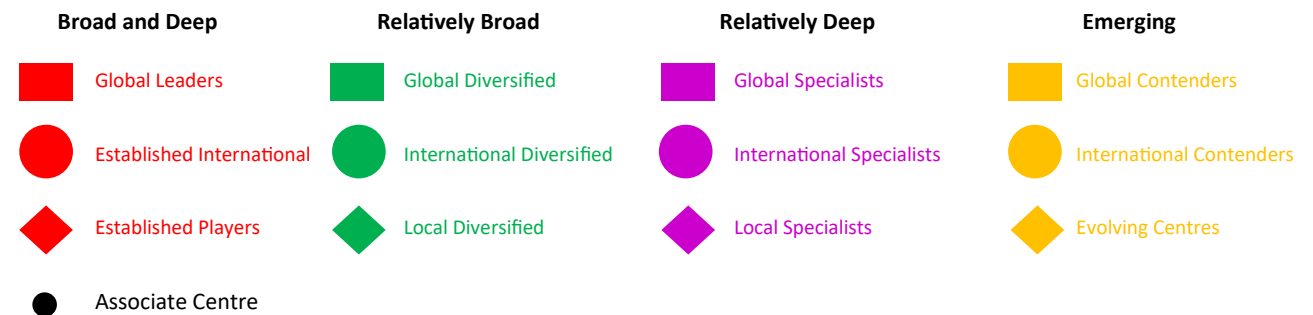
	Broad & Deep	Relatively Broad	Relatively Deep	Emerging	
	Global Leaders	Global Diversified	Global Specialists	Global Contenders	
Global	London	Frankfurt	Guangzhou	GIFT City-Gujarat*	
	New York	Amsterdam	Abu Dhabi*	Hangzhou*	
	Shanghai	Paris	Chengdu	Dalian	
	Beijing	Moscow	Qingdao		
	Hong Kong	Brussels*			
	Singapore	Los Angeles*			
	Shenzhen*	Dublin			
	San Francisco*	Seoul			
	Dubai	Zurich*			
	Geneva*	Chicago*			
	Tokyo				
International	Established International	International Diversified	International Specialists	International Contenders	
	Boston*	Sydney	Luxembourg*	Tianjin	
	Washington DC*	Istanbul*	Mumbai*	Wuhan (New)	
	Milan*	Mexico City*	Casablanca	Nur-Sultan	
	Rome*	Madrid	Mauritius*	Doha*	
	Athens	Toronto	Riga*		
	Montreal	Munich*	Taipei		
	Edinburgh	Vienna	British Virgin Islands*		
	Budapest*		Vilnius		
	Busan*		Almaty		
	Hamburg		Buenos Aires		
	Tel Aviv		Bermuda*		
	Stuttgart		Panama*		
			Nanjing		
			Cyprus*		
	Local	Established Players	Local Diversified	Local Specialists	Evolving Centres
		Bangkok*	Johannesburg	New Delhi*	Sao Paulo*
Warsaw*		Oslo*	Guernsey*	Jakarta*	
Stockholm*		Copenhagen*	Malta*	Rio de Janeiro	
Vancouver			St Petersburg	Cape Town	
Melbourne*			Isle of Man*	Riyadh*	
Calgary			Cayman Islands*	Manila	
Helsinki			Tallinn*		
Prague			Sofia		
Kuala Lumpur*			Bahrain		
Lisbon*			Jersey*		
Santiago			Baku		
San Diego			Liechtenstein*		
Wellington			Reykjavik		
Osaka			Xi'an (New)		
Glasgow			Kuwait City		
			Bratislava (New)		
			Tehran		
			Nairobi		
			Monaco		
		Bahamas*			
		Barbados			
		Gibraltar			

An asterisk denotes cities that have moved between categories between GFCI 27 and GFCI 28

The GFCI 28 World



The numbers on the map indicate the GFCI 28 rankings.



Shanghai's Development As A Financial Centre

We are grateful to the CEIBS Lujiazui Institute of International Finance for contributing this supplement on Shanghai's development as a financial centre.

Shanghai Has Built Itself Into An International Financial Centre With Global Impact

The COVID-19 outbreak is exerting a profound impact on the global political, economic, and financial landscape. China's financial opening-up has not slowed down due to the epidemic, but has further accelerated. Only an open and connected global economic system will enable all countries to prosper. The opening-up policy has demonstrated a significant advantage as the main driver of economic growth in Shanghai and China at large.

A host of opening-up measures taken by Shanghai, an international financial hub, has made global investors more confident in China's financial markets: "Shanghai-Hong Kong Stock Connect", "Shanghai-London Stock Connect", "Bond Connect", and Shanghai Gold Exchange's international board have been initiated in Shanghai; China A-shares have been included in three international indexes - MSCI, FTSE and S&P Dow Jones, in succession. When planning to invest in RMB-denominated assets, world-class investors set their sights on Shanghai, which is becoming an open center for RMB-denominated asset allocation

Shanghai boasts a solid foundation, a great potential, and a huge market size in building itself into an international financial centre. In 2019, the trading volume of Shanghai's financial markets totaled RMB 1,934 trillion, 7.7 times the level in 2009. By the end of 2019, the total number of licensed financial institutions in Shanghai had reached 1,646, 660 more than that at the end of 2009. With its robust development, Shanghai International Financial Centre has been widely recognised.

Shanghai has established a relatively complete set of financial factor markets, the size and overall strength of which are generally commensurate with the international status of RMB. Looking at objectives, tasks, and measures at the national level for the construction of Shanghai International Financial Centre, it is clear that Shanghai has now largely developed into an international financial center with global impact.

First, Shanghai's financial market system has been continually improved, with a growing international influence. Shanghai has become one of the cities worldwide with a complete set of financial factor markets. In recent years, an array of financial market platforms, such as China Trust Registration Co., Ltd., Shanghai Insurance Exchange, Shanghai Commercial Paper Exchange, and Shanghai Headquarters of China Central Depository & Clearing Co., Ltd., have been based in Shanghai.

The city has established an omni-category financial market system covering stocks, bonds, futures, currency, foreign exchange, gold, insurance, and trust.

China A-shares have been incorporated into MSCI, FTSE and S&P Dow Jones. Chinese bonds have been included into the Bloomberg Barkley Global Aggregate Index and JP Morgan Government Bond Index-Emerging Markets. Shanghai ranks high globally in several financial market indicators.

By the end of 2019:

- Shanghai’s stock market had ranked 4th, 4th and 2nd globally by market capitalization, trading volume, and financing amount respectively.
- Shanghai Gold Exchange had claimed the top spot in the world by spot gold trading volume.
- Shanghai Futures Exchange ranked 1st globally by trading volume of several futures products.

By the end of 2019, the custody balance of Shanghai’s interbank bond market had reached RMB 86.4 trillion, accounting for 87% of China’s bond market balance, ranking second in the world.

In 2019, the total trading volume of Shanghai’s financial markets hit RMB 1,934.3 trillion, up 16.6% year-on-year and 7.7 times the level at the end of 2009; the direct financing amount reached RMB 12.7 trillion, 5.8 times the level at the end of 2009, accounting for more than 85% of the national total.

Shanghai’s financial markets have seen a broad range of innovative products, such as crude oil futures, two-year treasury futures, pulp futures, interest rate options, stock options, copper options, natural rubber options, CSI 300 ETF options, and stock index options. Among them, Shanghai’s crude oil futures market has evolved into the largest in Asia and the third largest in the world.

Figure 1 | Trading Volume Of Shanghai’s Financial Markets

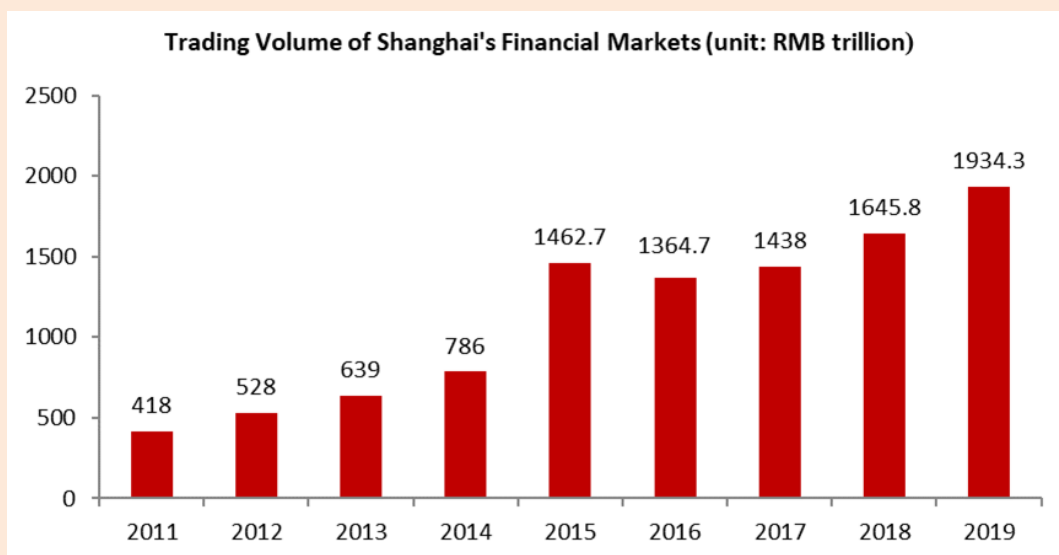
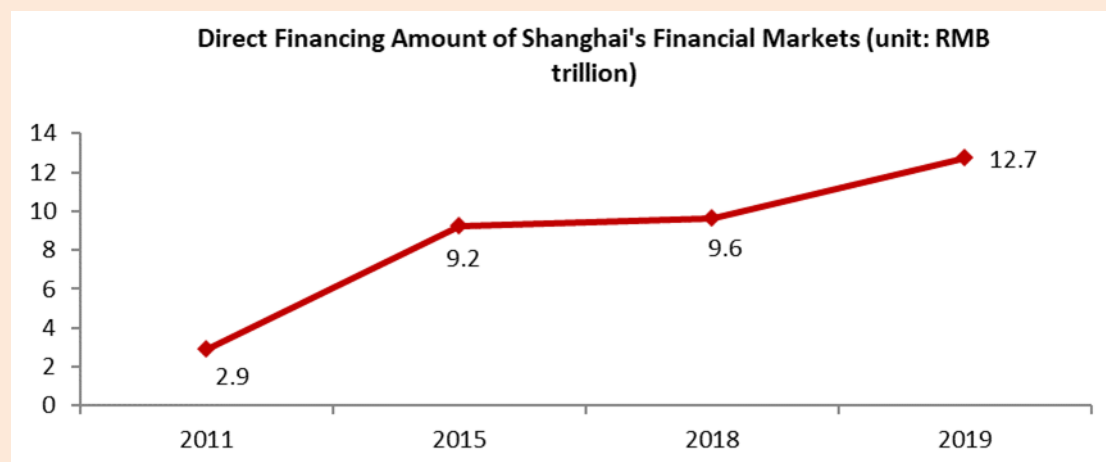


Figure 2 | Direct Financing Of Shanghai's Financial Markets

Second, the continual clustering of Chinese and foreign financial institutions in Shanghai has made market players more diversified. International, headquarters-based, and functional financial institutions are springing up. Aside from banks, securities companies, insurers, fund firms, and trust institutions, a fair number of prominent financial institutions or organizations, such as the New Development Bank, Cross-Border Interbank Payment System (CIPS), Global Association of Central Counterparties (CCP12), and City Commercial Banks Clearing Co., Ltd., have made a presence in Shanghai.

Foreign-funded financial institutions are accelerating their push into Shanghai. Allianz China, the first wholly foreign-owned insurance holding group in China, has been officially opened; the first batch of newly established foreign-funded securities companies, including Nomura Orient International Securities and JP Morgan Securities (China), have been permitted to operate in Shanghai; and the joint-venture between Amundi and BOC Wealth Management, the first wholly foreign-owned wealth management company in China, was given approval to operate in Shanghai.

Also in this city, Vanguard Investment Advisors (Shanghai) Investment Consultancy Co., a joint-venture between Vanguard Group and Ant Financial, was among the first batch of third-party fund sales companies to pilot the robo-advisor business in China; BNP Paribas has become one of the first foreign-funded banks with the type A lead underwriter license in the interbank market; Willis Insurance Brokers Co., Ltd. has become the first foreign-funded insurance brokerage company licensed to expand its business scope in China.

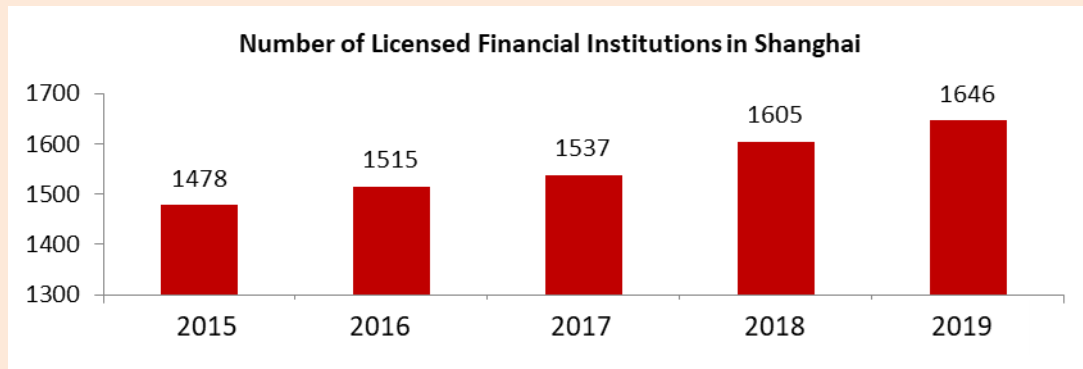
In addition, efforts have been stepped up to build a global asset management center in Shanghai. The Bank of Communications and China CITIC Bank have set up wealth management subsidiaries in Shanghai. The top ten asset management institutions by asset size across the world have all established their business in Shanghai. Among 25 Whole Foreign-Owned Enterprise Private Fund Managers (WFOE PFMs) in China, 24 have started their operations in Shanghai; and more than 30 overseas investment fund management companies have established a branch in Shanghai.

The size of Shanghai’s securities asset management business accounts for one-third of the national total; and the size of assets under management of insurance asset management companies in Shanghai accounts for more than half of the national total.

Emerging financial business models are booming. Fintech companies, such as CCB Fintech and BOC Fintech, have been established in Shanghai. In this city, the assets under management of financial leasing companies have hit RMB 2.1 trillion, accounting for about 30% of the national total. Shanghai is home to the headquarters of over 50 payment institutions, including Alipay, becoming a major powerhouse for China’s payment industry.

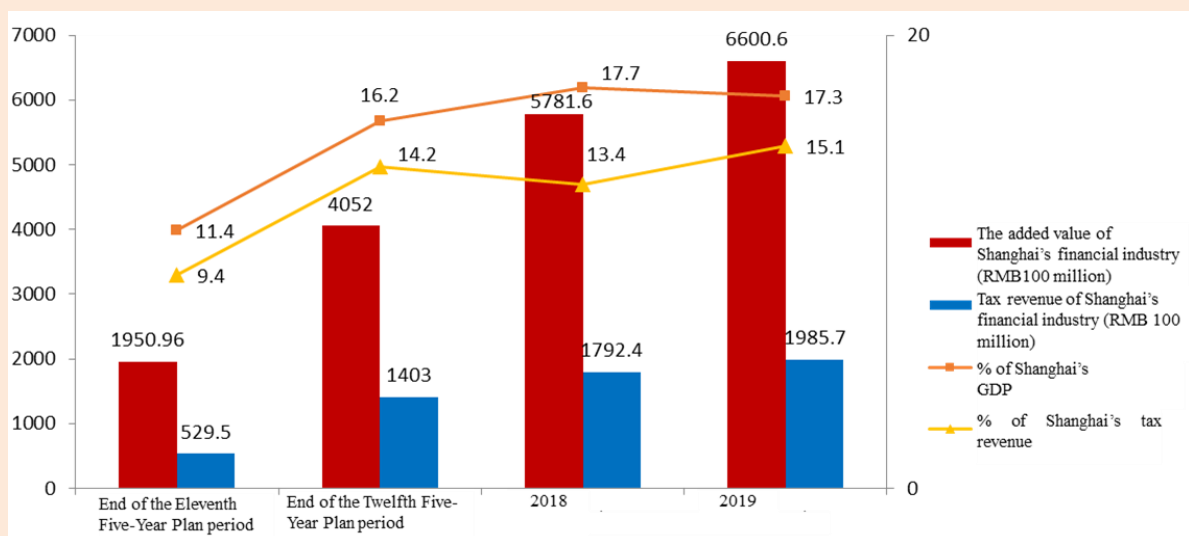
By the end of 2019, the number of licensed financial institutions in Shanghai had reached 1,646, 660 more than that at the end of 2009, with foreign-funded ones making up nearly one-third.

Figure 3 | Licensed Financial Institutions In Shanghai



The added value and tax revenue of Shanghai’s financial industry has grown rapidly.

Figure 4 | Added Value And Tax Revenue As A Percentage Of Shanghai’s GDP And Total Tax Revenue



Third, new breakthroughs have been made in financial opening-up, with the capability for cross-border resources allocation significantly improved. The launch of the Sci-Tech Innovation Board and the successful experimentation with the registration-based IPO system have further enhanced the synergy effect between Shanghai International Financial Center and Science and Technology Innovation Center.

By the end of June 2020, 130 companies had been listed on the Sci-Tech Innovation Board, raising a total of RMB 201.5 billion in their IPO. These listed companies are concentrated in high-end industries, such as next-generation information technology, high-end equipment manufacturing, and biopharmaceuticals.

Much headway has also been made in facilitating financial market connectivity. Major pilot programs for financial innovation have been successfully rolled out, including “Shanghai-Hong Kong Stock Connect”, “Shanghai-London Stock Connect”, “Bond Connect”, and Shanghai Gold Exchange’s international board.

Two-way opening-up of interbank bond, foreign exchange and currency markets has accelerated. By the end of 2019, a total of 2,731 overseas institutional investors had entered the interbank bond market, holding bonds valued at around RMB 2.2 trillion. The number of tradable currency pairs in the RMB foreign exchange market has increased to 27. The issuance of the Belt & Road Bond and Panda Bond has further expanded. By the end of 2019, the Panda Bond issuance had reached RMB 335.67 billion; and the Belt & Road Bond worth RMB 18.8 billion had been issued by the Shanghai Stock Exchange.

The pilot implementation of financial reform and opening up in Shanghai has produced a pronounced effect. A range of financial reform and innovation measures carried out in China (Shanghai) Pilot Free Trade Zone have been replicated and promoted across China or in some regions.

Cross-border RMB business has been expanding, and in 2019, Shanghai’s cross-border RMB revenue and expenditure reached RMB 5.2 trillion, accounting for 45% of the city’s cross-border payments and about 50% of the national cross-border RMB payments.

Fourth, with the continuous improvement in financial standards and systems, the scope of the “Shanghai Prices” has been expanding. The mechanism through which interest and exchange rates are set by the market has been further improved. With the continuous optimization of Shanghai Interbank Offered Rate (Shibor), loan prime rate (LPR), and other mechanisms for benchmark interest rate liberalization, Shanghai has become the first city in China to fulfill interest rate liberalization for foreign currency deposits.

The CFETS RMB exchange rate index has become a major measure of RMB exchange rates. The scope of the “Shanghai Prices” has been expanding. The “Shanghai Gold”, “Shanghai Oil”, “Shanghai Silver”, and other international product varieties have been traded in succession, significantly enhancing the city’s pricing power for RMB products and commodities.

The Shanghai Gold has been traded on the Dubai Gold and Commodities Exchange. In partnership with Chicago Mercantile Exchange, Shanghai Gold Exchange has rolled out derivatives based on the “Shanghai Gold”.

With the extensive application of technological standards for the UnionPay card, UnionPay has extended its services to 177 countries and regions, becoming the world’s largest international card issuer by card issuance and trading volume. UnionPay has been chosen by the Asian Payment Network as the sole provider of the cross-border chip card standard.

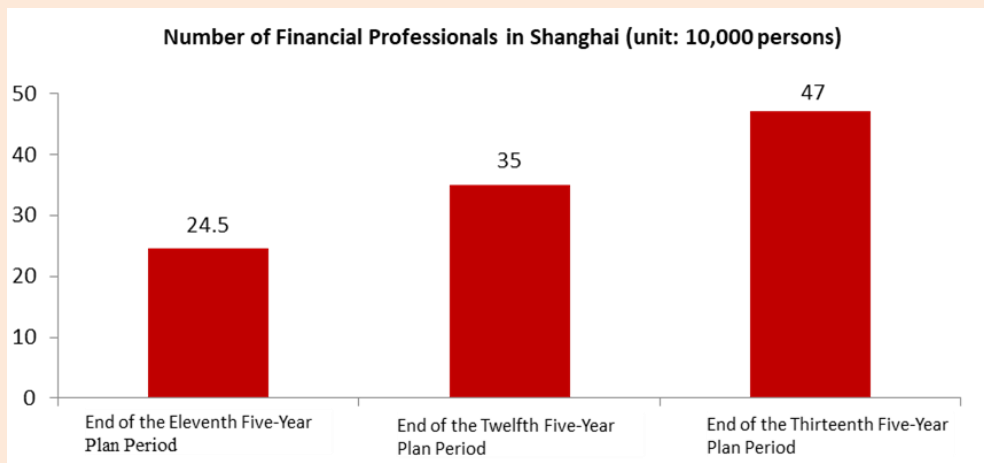
Fifth, Shanghai’s financial environment has been continuously optimized, earning growing international recognition. Substantial progress has been made in promoting rule of law in financial markets. China’s first financial court has been set up in Shanghai. Financial tribunals, financial prosecution offices (departments), financial arbitration courts, the Financial Consumer Protection Bureau of the People’s Bank of China, and the Financial Dispute Mediation Center have been established in Shanghai in succession.

The ‘*Regulation of Shanghai Municipality on Promoting the Construction of the International Financial Center and the Regulation of Shanghai Municipality on Financial Oversight and Management*’ have been promulgated.

Additionally, significant progress has been made in the establishment of the credit system. The Credit Reference Center of the People’s Bank of China based in Shanghai has established a centralized and unified national basic database of financial credit information from enterprises and individuals. China’s first comprehensive local credit regulation has been unveiled in Shanghai.

Positive progress has been made in building an international financial talent pool in Shanghai. Continuous efforts have been made to cultivate, introduce, and attract financial professionals, and optimize the system and environment for talent development. The number of financial professionals in Shanghai has reached 470,000.

Figure 5 | Number Of Finance Professionals In Shanghai



The COVID-19 outbreak has not hindered the implementation of measures for financial opening-up in Shanghai. On February 14, the People's Bank of China, together with other ministries and commissions, jointly issued the *'Opinions for Further Accelerating the Construction of Shanghai as an International Financial Center and Providing Financial Support for the Integrated Development of the Yangtze River Delta Region'*.

To promote the pilot implementation of financial policies in the Lin'gang New Area of Shanghai Pilot Free Trade Zone, this document specified seven measures, including encouraging commercial banks to set up wealth management subsidiaries and investment subsidiaries to invest in equity in unlisted companies, promoting facilitation of cross-border trade and investment, and ramping up the development of fintech. Meanwhile, in order to open up Shanghai's financial industry at a higher level, this document set out 11 measures, including expanding market access for foreign-funded financial institutions, promoting the construction of the RMB-denominated financial asset allocation and risk management center, and creating a sound financial environment in line with international standards.

As far as physical space is concerned, commercial buildings in Shanghai Lujiazui Financial and Trade Zone rivalled those on the Wall Street and in the City of London 10 years ago. The progress made by Shanghai International Financial Center in recent years is built not on visible skyscrapers, but on intangible innovations in financial systems and mechanisms.

With China's deep integration into the global market, Shanghai will continue to improve its service capacity and move towards becoming an international financial center with a stronger ability to allocate global resources. Efforts will be made to build a hub and portal for financial opening-up, and finally develop Shanghai into a center of global asset management, cross-border investment and financing services, fintech, international insurance, global RMB-denominated asset pricing and settlement, financial risk management, and stress testing.

No matter how the global economic landscape changes, Shanghai continues to benchmark itself against world-renowned international financial centers, marshaling high-end financial factors and market players from across the world. With a new mission at a new starting point, Shanghai International Financial Center will embark on a new journey. In the post-2020 era, Shanghai will march towards even higher goals for building an international financial center.

Regional Analysis

In our analysis of the GFCI data, we look at six regions of the world to explore the competitiveness of their financial centres. Alongside the ranks and ratings of centres, we look at trends in the leading centres in each region and investigate the average assessments received by regions and centres in more detail.

We display this analysis in charts which show:

- the mean assessment provided to that region or centre;
- the difference in the mean assessment when home region assessments are removed from the analysis;
- the difference between the mean and the assessments provided by other regions;
- the proportion of assessments provided by each region.

Charts 9 and 10 show examples of these analyses. Coloured bars to the left of the vertical axis indicate that respondents from that region gave lower than the average assessments. Bars to the right indicate respondents from that region gave higher than average assessments. It is important to recognise that assessments given to a centre by people based in that centre are excluded to remove 'home' bias.

The additional vertical axis (in red) shows the mean of assessments when assessments from the home region are removed. The percentage figure noted by each region indicates the percentage of the total number of assessments that are from that region.

“City reputation and branding attract international attention to help a city attract more financial capital and human capital from across the world. London, Hong Kong, and Singapore show strong competitiveness in terms of city reputation and branding as international financial centres. City reputation and branding are crucial factors in terms of making a financial centre go to the next level, especially going global.”

TEAM LEADER, LOCAL GOVERNMENT, SEOUL

The Global Financial Centres Index 28

Chart 9 | Example 1: Assessments Compared With The Mean For Region 6

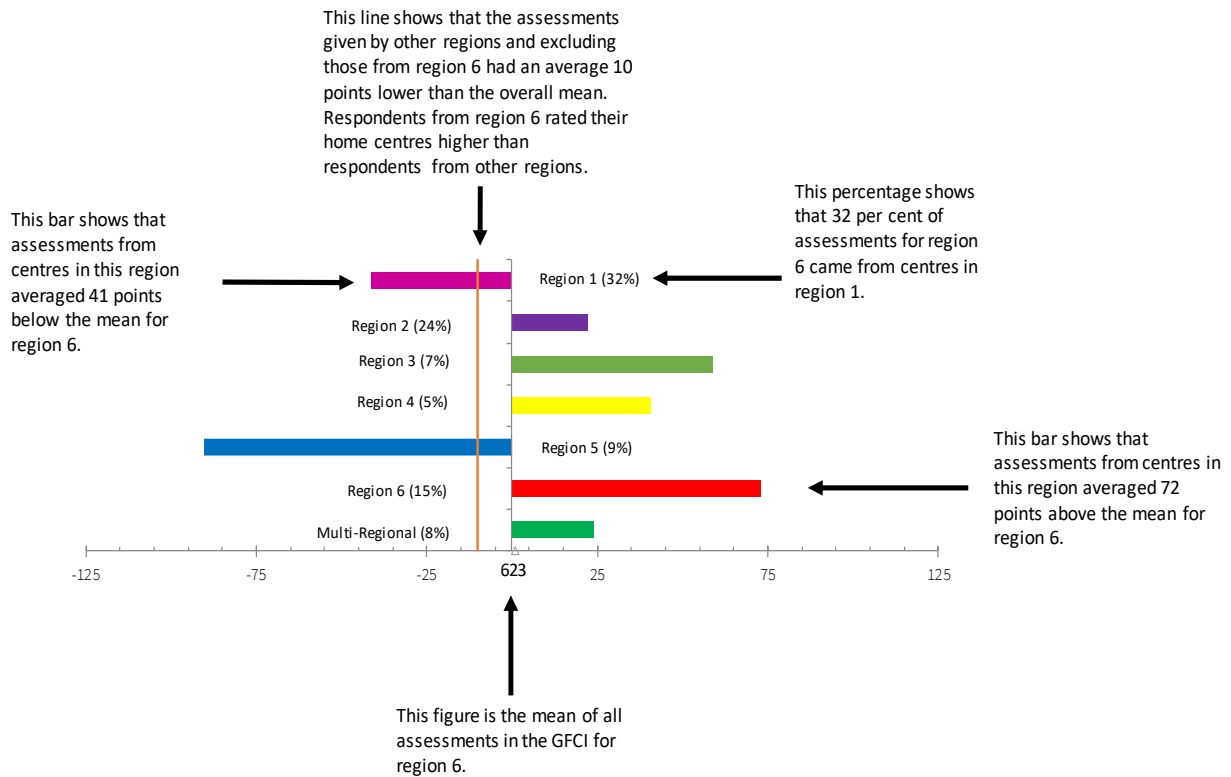
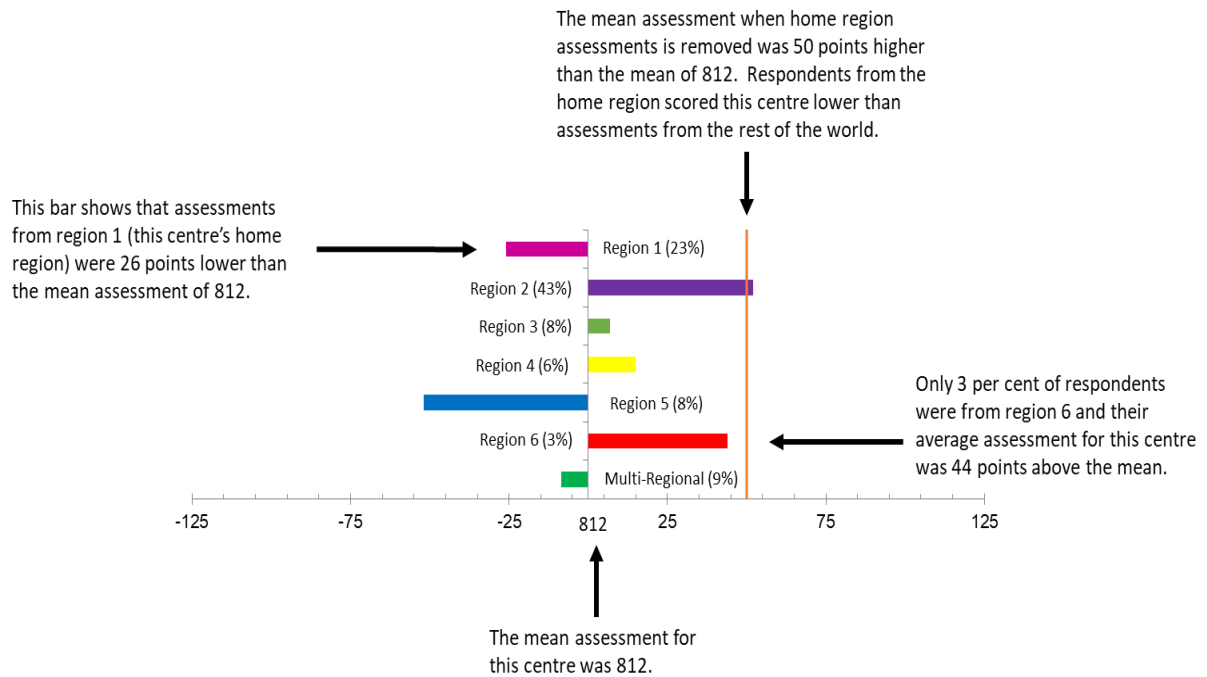


Chart 10 | Example 2: Assessments Compared With The Mean For An Individual Centre



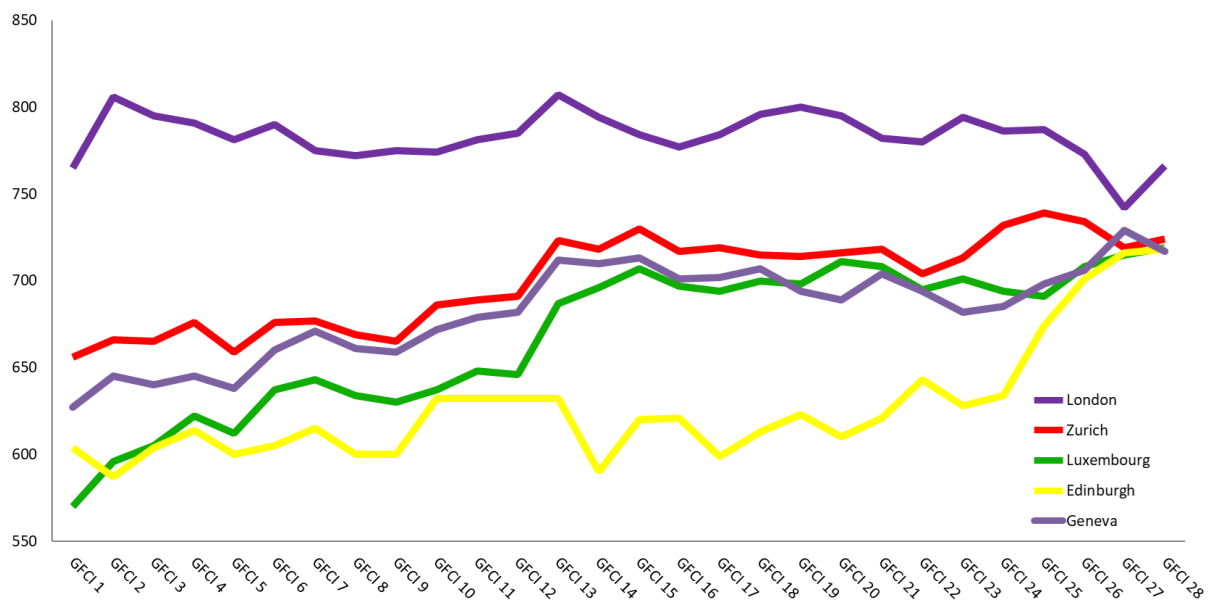
Western Europe

London held onto second place in the index, and improved its ratings. The leading group of Western European centres increased their ratings and rankings, although most other centres in the region fell in the ratings. An exception was Madrid, which rose 15 places in the rankings and 14 rating points. Oslo and Glasgow also rose more than ten places in the rankings.

Table 7 | Western European Top 20 Centres In GFCI 28

Centre	GFCI 28		GFCI 27		Change in Rank	Change in Rating
	Rank	Rating	Rank	Rating		
London	2	766	2	742	0	▲24
Zurich	10	724	14	719	▲4	▲5
Luxembourg	12	719	18	715	▲6	▲4
Edinburgh	13	718	17	716	▲4	▲2
Geneva	14	717	9	729	▼5	▼12
Frankfurt	16	715	13	720	▼3	▼5
Paris	18	713	15	718	▼3	▼5
Amsterdam	22	701	27	703	▲5	▼2
Stockholm	23	700	28	702	▲5	▼2
Madrid	28	692	43	678	▲15	▲14
Hamburg	29	690	29	699	0	▼9
Brussels	30	686	34	691	▲4	▼5
Dublin	34	679	30	698	▼4	▼19
Copenhagen	36	674	35	689	▼1	▼15
Stuttgart	37	672	32	696	▼5	▼24
Milan	38	670	42	679	▲4	▼9
Munich	48	653	37	687	▼11	▼34
Oslo	50	651	61	654	▲11	▼3
Glasgow	52	648	65	650	▲13	▼2
Rome	53	643	53	662	0	▼19

Chart 11 | Top Five Western European Centres Over Time



The Global Financial Centres Index 28

Chart 12 | Average Assessments By Region For Western Europe – Difference From The Overall Mean

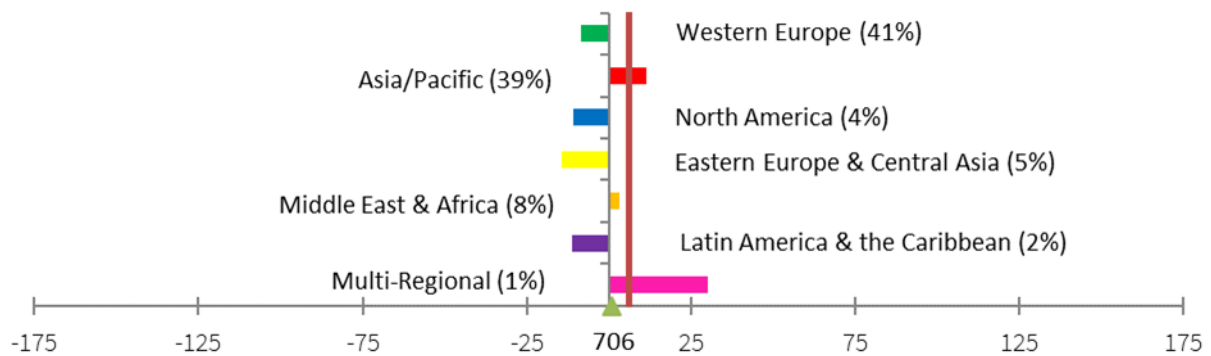


Chart 13 | Assessments By Region For London - Difference From The Overall Mean

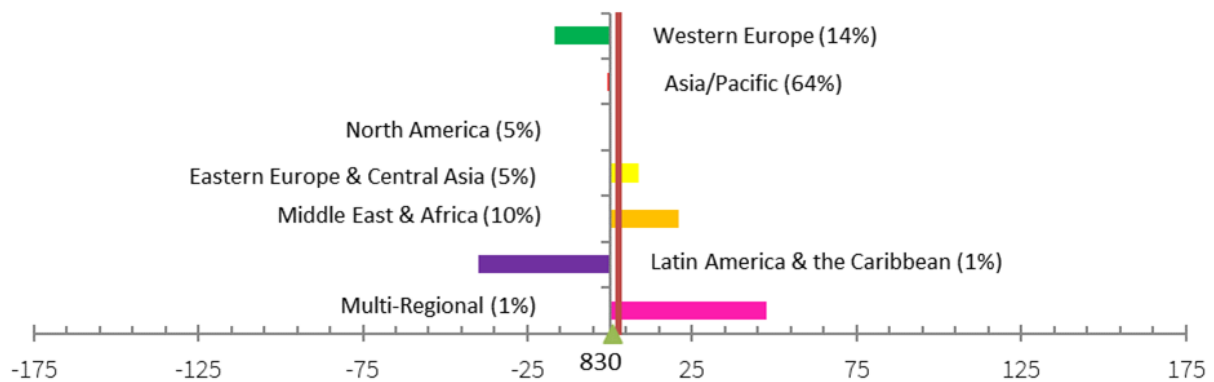


Chart 14 | Assessments By Region For Zurich - Difference From The Overall Mean

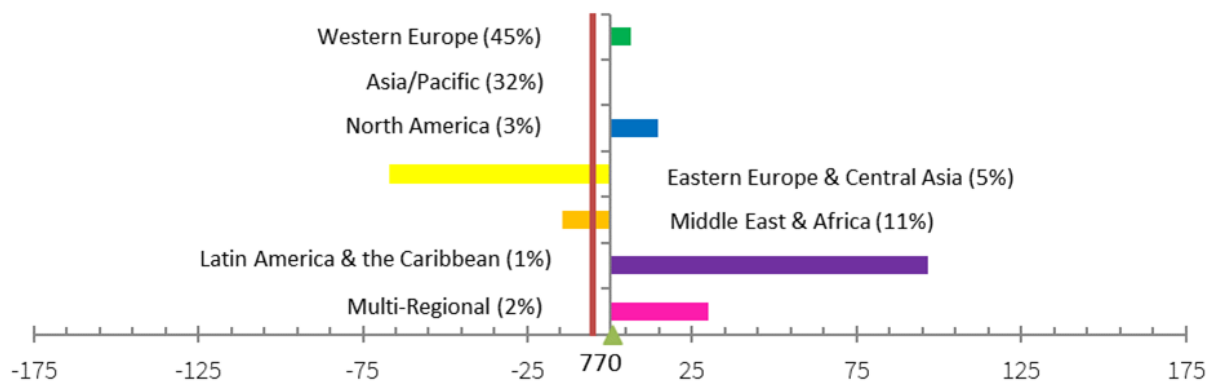
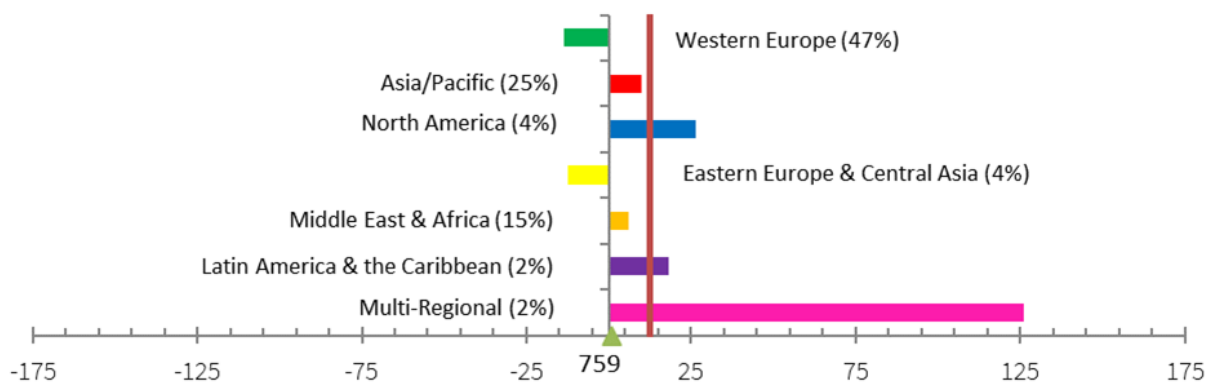


Chart 15 | Assessments By Region For Luxembourg - Difference From The Overall Mean



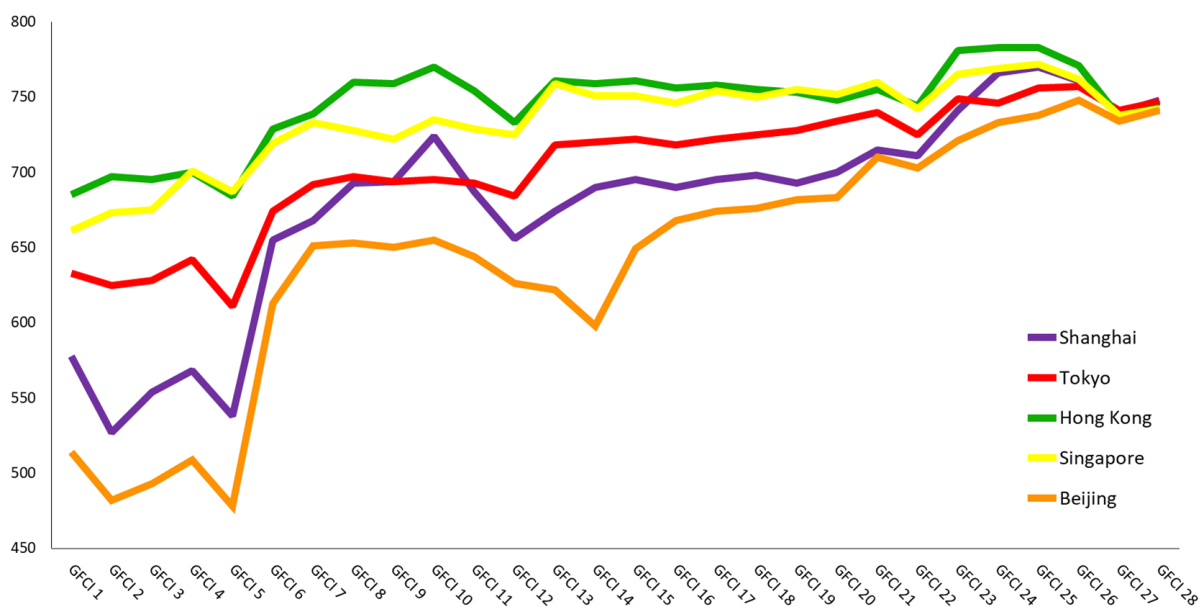
Asia/Pacific

Asia/Pacific centres overall performed well in GFCI 28. Hong Kong and Shanghai improved their position slightly while Singapore and Tokyo fell in the rankings. All these leading regional centres, as well as Beijing and Shenzhen rose in the ratings. Shenzhen entered the global top ten. Twelve centres rose in the rankings, including large improvements for Osaka, Taipei, Chengdu, Qingdao, and New Delhi. The longer term trend over a number of years of Asia/Pacific centres improving mostly continues. The top six centres in the region are firmly embedded in the top ten centres in the overall index.

Table 8 | Asia/Pacific Top 20 Centres In GFCI 28

Centre	GFCI 28		GFCI 27		Change in Rank	Change in Rating
	Rank	Rating	Rank	Rating		
Shanghai	3	748	4	740	▲ 1	▲ 8
Tokyo	4	747	3	741	▼ 1	▲ 6
Hong Kong	5	743	6	737	▲ 1	▲ 6
Singapore	6	742	5	738	▼ 1	▲ 4
Beijing	7	741	7	734	0	▲ 7
Shenzhen	9	732	11	722	▲ 2	▲ 10
Guangzhou	21	710	19	714	▼ 2	▼ 4
Seoul	25	695	33	694	▲ 8	▲ 1
Melbourne	27	693	21	712	▼ 6	▼ 19
Sydney	32	682	20	713	▼ 12	▼ 31
Mumbai	35	678	45	672	▲ 10	▲ 6
Osaka	39	665	59	656	▲ 20	▲ 9
Busan	40	664	51	664	▲ 11	0
Kuala Lumpur	41	663	44	677	▲ 3	▼ 14
Taipei	42	662	75	640	▲ 33	▲ 22
Chengdu	43	659	74	641	▲ 31	▲ 18
Wellington	44	657	31	697	▼ 13	▼ 40
Qingdao	47	654	99	610	▲ 52	▲ 44
New Delhi	49	652	69	646	▲ 20	▲ 6
Bangkok	58	617	58	657	0	▼ 40

Chart 16 | Top Five Asia/Pacific Centres Over Time



The Global Financial Centres Index 28

Chart 17 | Average Assessments By Region For Asia/Pacific – Difference From The Overall Mean

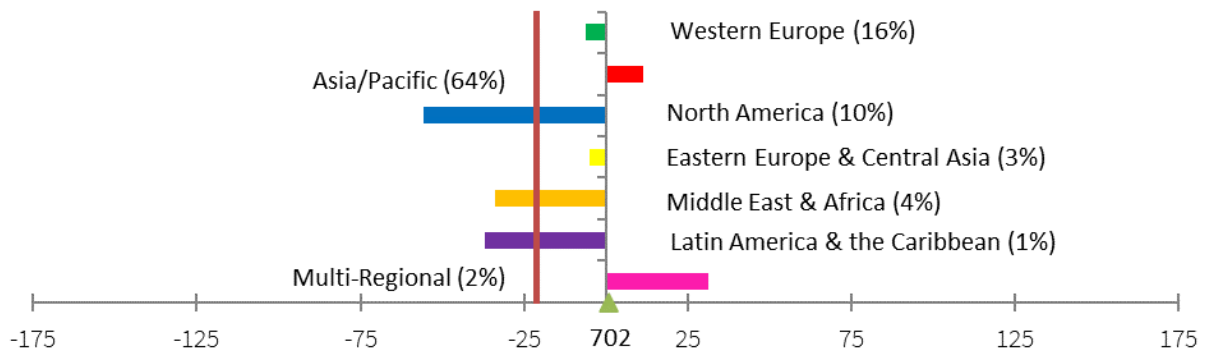


Chart 18 | Assessments By Region For Shanghai - Difference From The Overall Mean

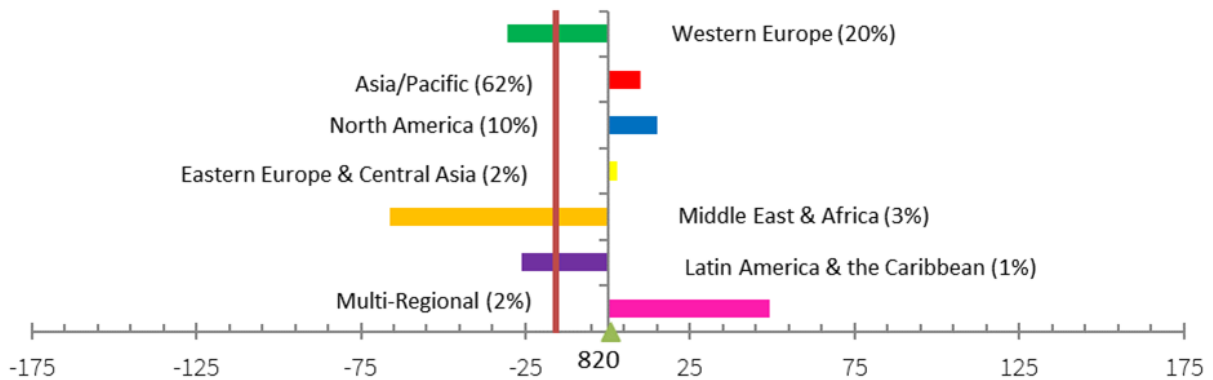


Chart 19 | Assessments By Region For Tokyo - Difference From The Overall Mean

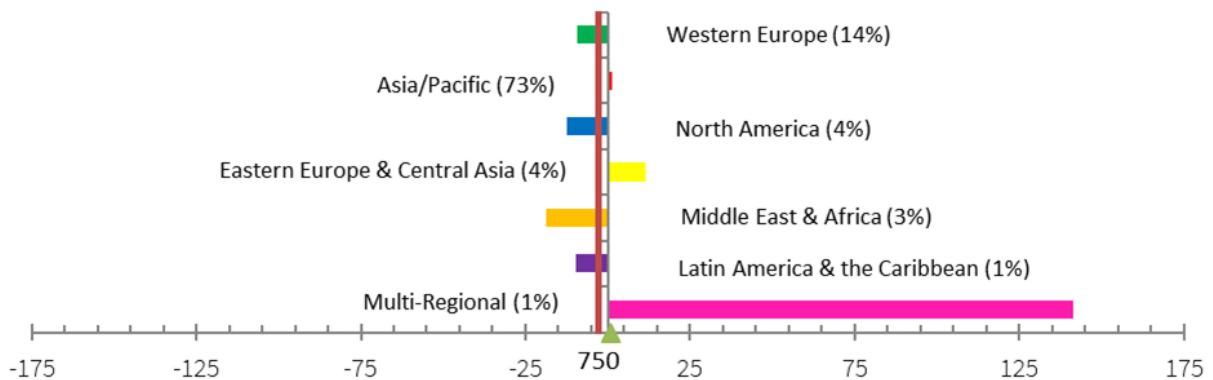
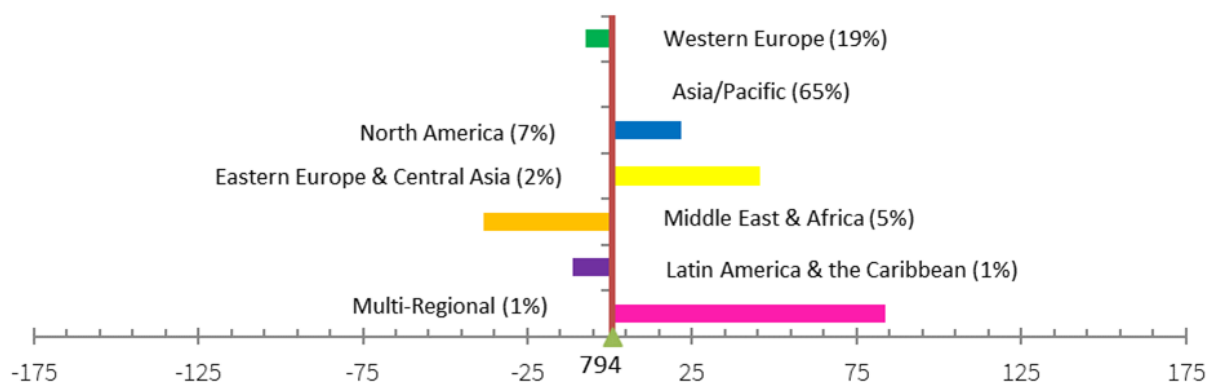


Chart 20 | Assessments By Region For Hong Kong - Difference From The Overall Mean



North America

The extent of changes in ratings and rankings in this region were less than for other parts of the world. New York retained its leading place in the index, increasing one point in the ratings. Boston, Washington DC and San Diego improved their rankings.

By contrast, Los Angeles, Chicago, Vancouver, Toronto and Calgary fell in the rankings in this edition of the GFCI.

Table 9 | North American Centres In GFCI 28

Centre	GFCI 28		GFCI 27		Change In	
	Rank	Rating	Rank	Rating	Rank	Rating
New York	1	770	1	769	0	▲1
San Francisco	8	738	8	732	0	▲6
Los Angeles	11	720	10	723	▼1	▼3
Boston	15	716	25	708	▲10	▲8
Washington DC	19	712	24	709	▲5	▲3
Chicago	20	711	16	717	▼4	▼6
Vancouver	24	698	22	711	▼2	▼13
Montreal	26	694	26	704	0	▼10
Toronto	31	684	23	710	▼8	▼26
Calgary	51	649	40	681	▼11	▼32
San Diego	60	605	81	634	▲21	▼29

Chart 21 | Top Five North American Centres Over Time

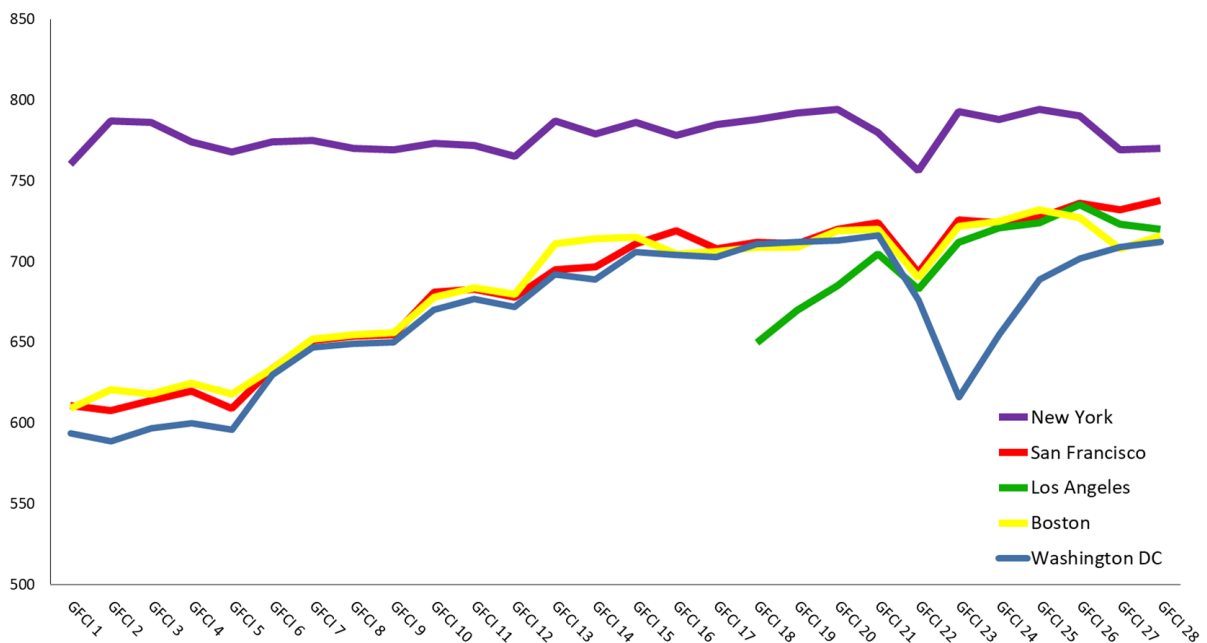


Chart 22 | Average Assessments By Region For North America – Difference From The Overall Mean

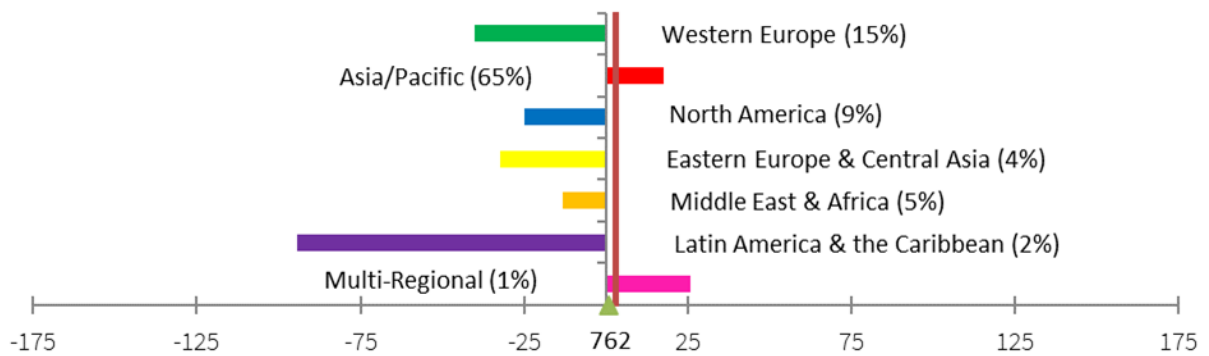


Chart 23 | Assessments By Region For New York - Difference From The Overall Mean

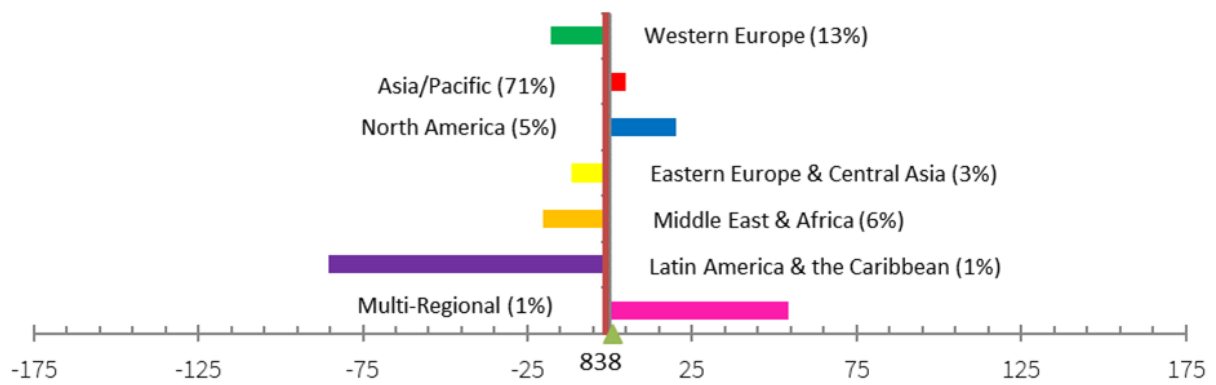


Chart 24 | Assessments By Region for San Francisco - Difference From The Overall Mean

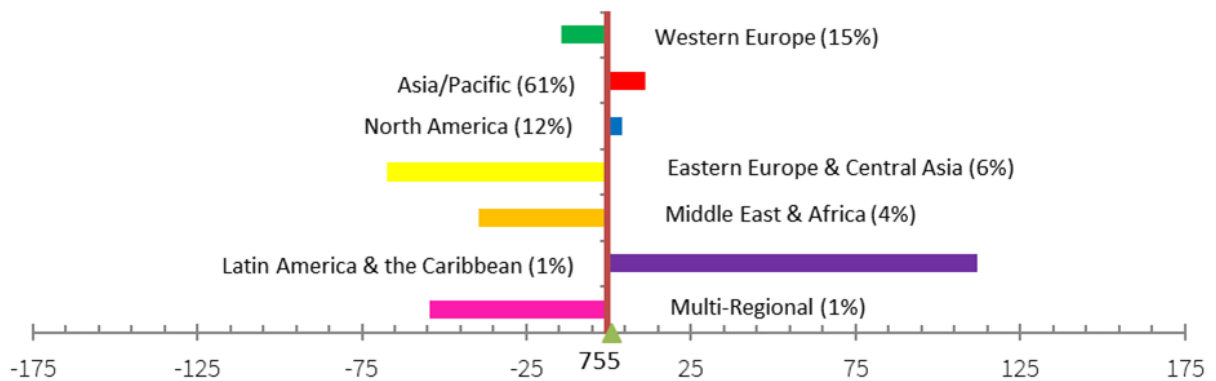
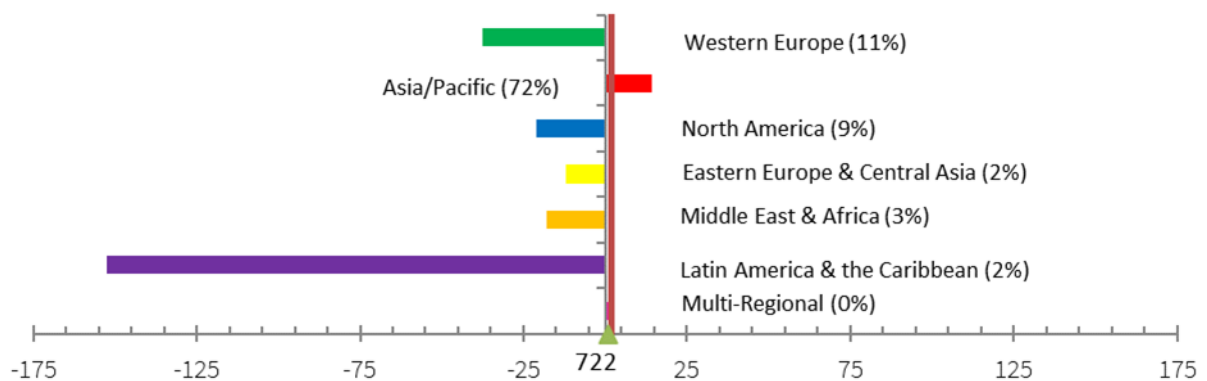


Chart 25 | Assessments By Region For Los Angeles - Difference From The Overall Mean



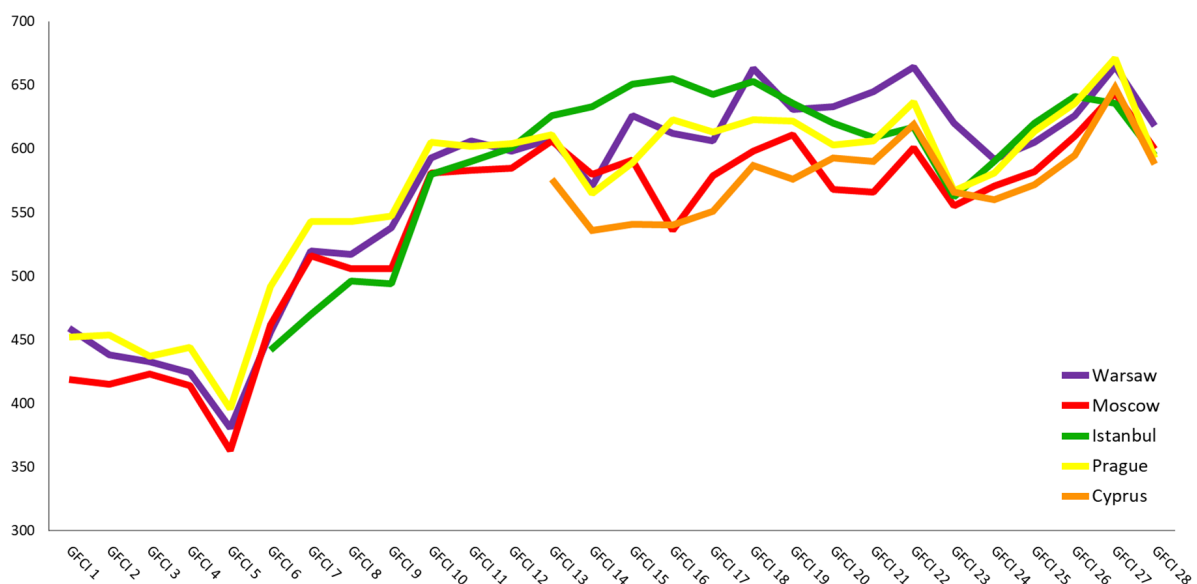
Eastern Europe & Central Asia

Istanbul, Moscow, and Athens improved their ranking in GFCI 28 although other centres fell back, reversing the region’s performance from GFCI 27. Seven of the 16 centres in the region centres dropped over 10 places in the rankings, including Almaty, which lost the improvement it made in GFCI 27. Bratislava is a new entrant to the index, ranked 87th. Centres which fell less than others took a higher position in the region, for example, Nur-Sultan is sixth in the regional table compared with 11th in the region in GFCI 27.

Table 10 | Eastern European & Central Asian Centres In GFCI 28

Centre	GFCI 28		GFCI 27		Change In	
	Rank	Rating	Rank	Rating	Rank	Rating
Warsaw	57	618	50	665	▼7	▼47
Moscow	62	600	71	644	▲9	▼44
Istanbul	64	595	79	636	▲15	▼41
Prague	66	593	46	671	▼20	▼78
Cyprus	71	588	67	648	▼4	▼60
Nur-Sultan	74	585	72	643	▼2	▼58
Vilnius	76	578	66	649	▼10	▼71
Bratislava	87	552	New	New	New	New
Tallinn	88	551	52	663	▼36	▼112
Athens	92	547	96	614	▲4	▼67
Sofia	95	540	62	653	▼33	▼113
Riga	97	538	70	645	▼27	▼107
Baku	98	537	57	658	▼41	▼121
Almaty	99	536	55	660	▼44	▼124
Budapest	101	531	84	628	▼17	▼97
St Petersburg	104	523	97	613	▼7	▼90

Chart 26 | Top Five Eastern European & Central Asian Centres Over Time



The Global Financial Centres Index 28

Chart 27 | Average Assessments By Region For Eastern Europe & Central Asia - Difference From The Overall Mean

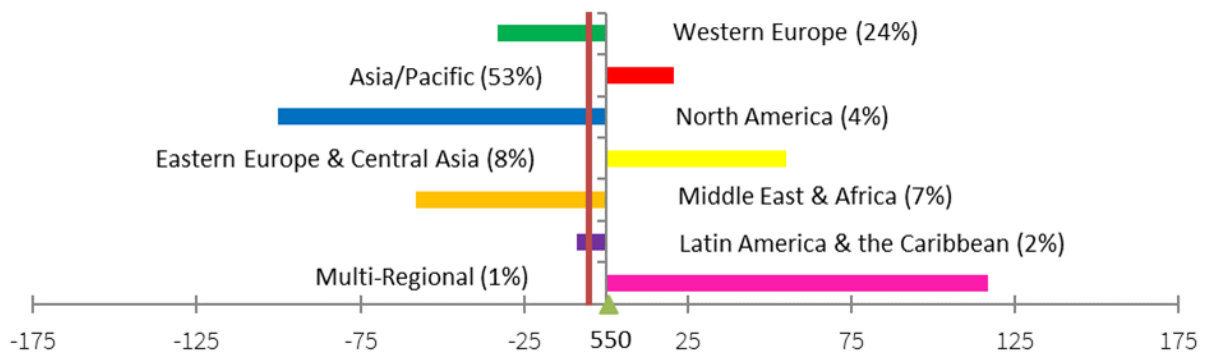


Chart 28 | Assessments By Region For Warsaw - Difference From The Overall Mean

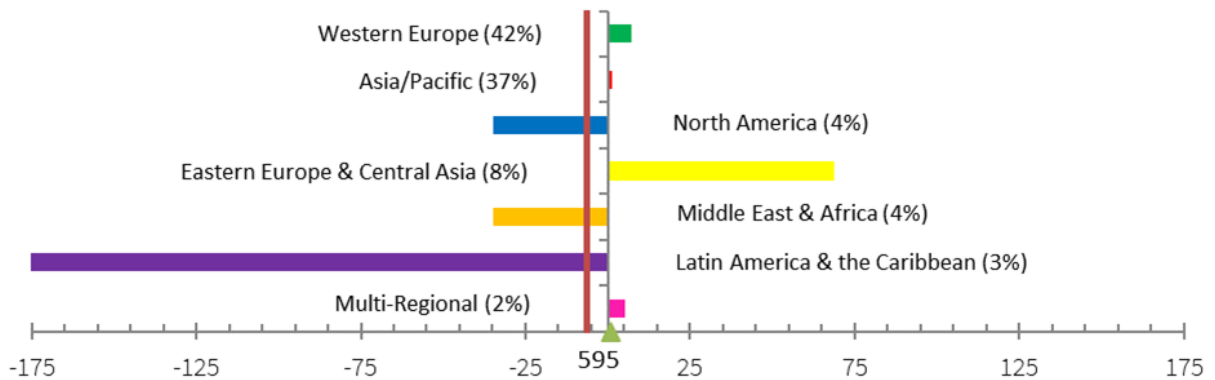


Chart 29 | Assessments By Region For Moscow - Difference From The Overall Mean

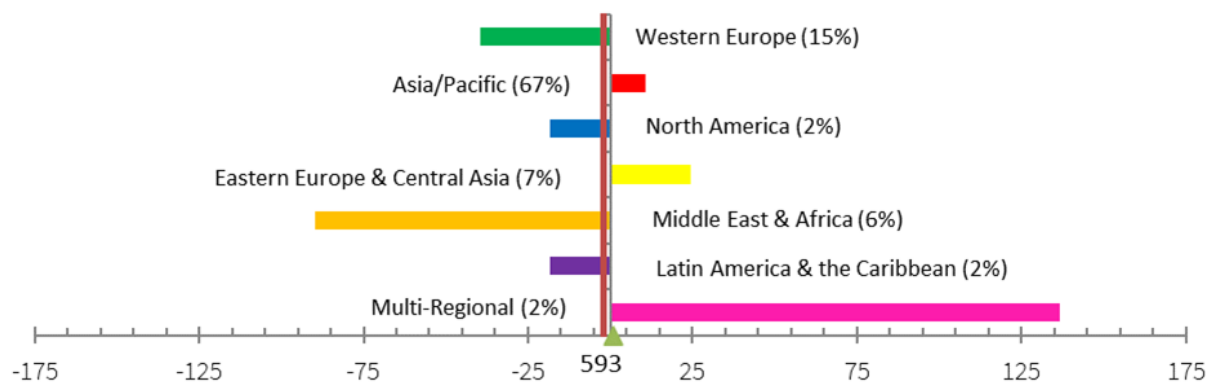
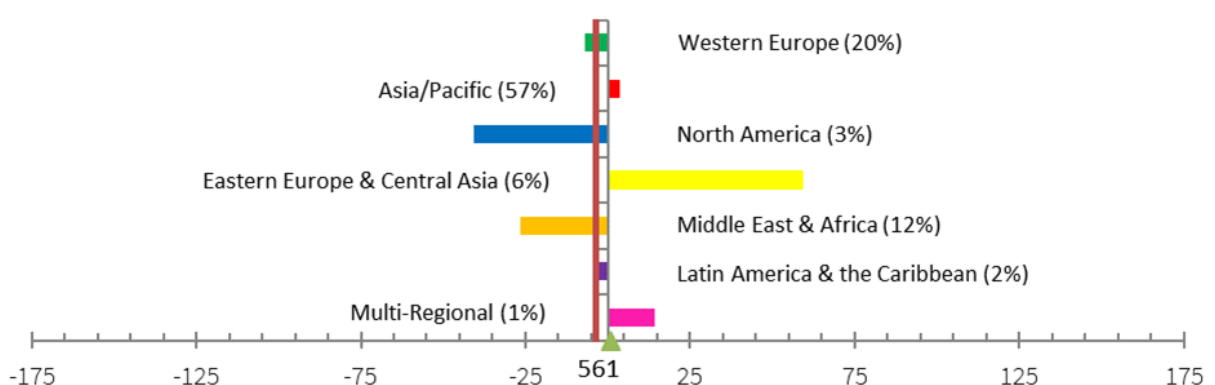


Chart 30 | Assessments By Region For Istanbul - Difference From The Overall Mean



The Middle East & Africa

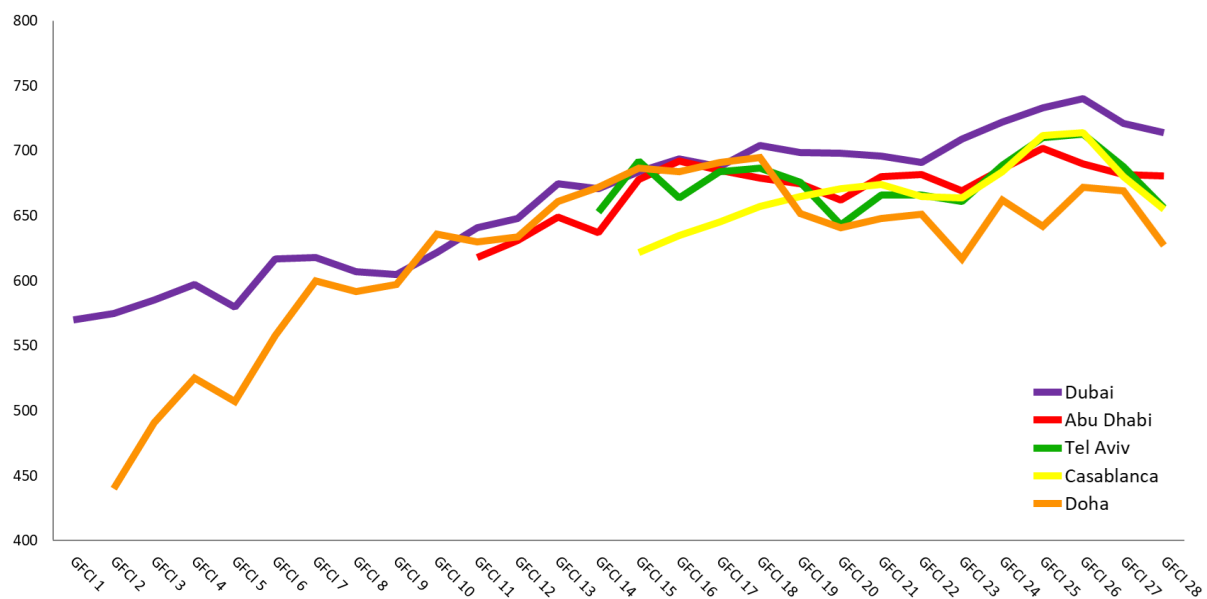
In this region, the majority of centres fell in terms of both ranking and rating. Cape Town made up ground after falling in the rankings in GFCI 27. Abu Dhabi rose six places in the rankings. Other centres fell back and in particular, Bahrain and Riyadh fell back sharply in the ratings and rankings.

Dubai continues to lead the table in the region and Casablanca continues to take first place in Africa.

Table 11 | Middle East & African Centres In GFCI 28

Centre	GFCI 28		GFCI 27		Change in Rank	Change in Rating
	Rank	Rating	Rank	Rating		
Dubai	17	714	12	721	▼5	▼7
Abu Dhabi	33	681	39	682	▲6	▼1
Tel Aviv	45	656	36	688	▼9	▼32
Casablanca	46	655	41	680	▼5	▼25
Doha	56	627	48	669	▼8	▼42
Mauritius	63	598	64	651	▲1	▼53
Cape Town	67	592	80	635	▲13	▼43
Bahrain	83	562	56	659	▼27	▼97
Johannesburg	90	549	85	627	▼5	▼78
Nairobi	96	539	87	625	▼9	▼86
Tehran	102	528	95	615	▼7	▼87
Kuwait City	103	524	91	620	▼12	▼96
Riyadh	107	486	88	624	▼19	▼138

Chart 31 | Top Five Middle East & African Centres Over Time



The Global Financial Centres Index 28

Chart 32 | Average Assessments By Region For The Middle East & Africa — Difference From The Overall Mean

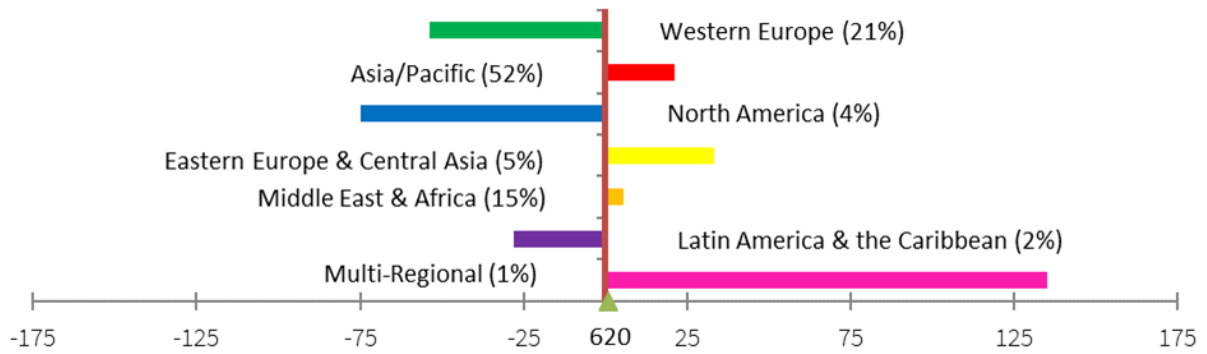


Chart 33 | Assessments By Region For Dubai - Difference From The Overall Mean

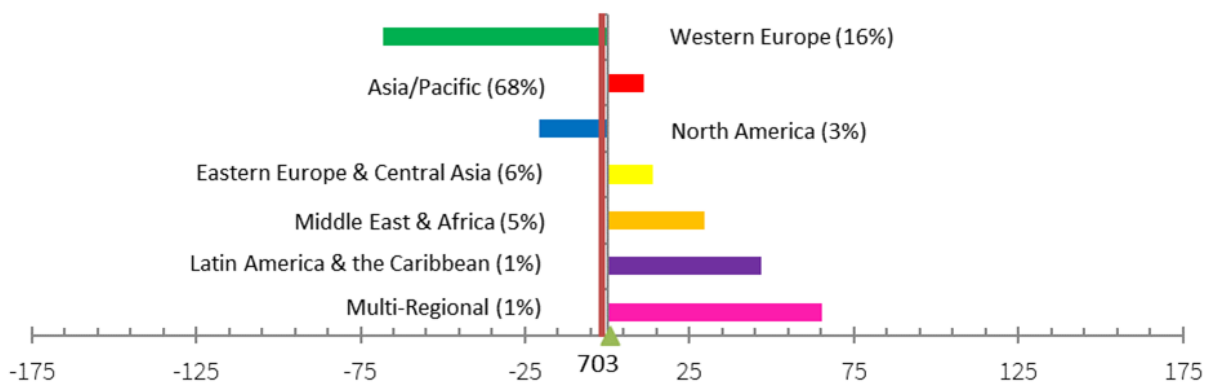


Chart 34 | Assessments By Region For Abu Dhabi - Difference From The Overall Mean

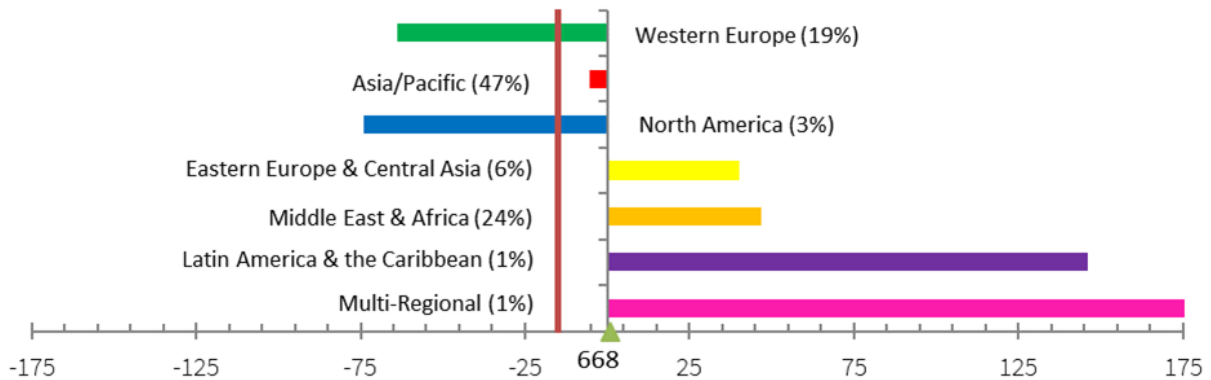
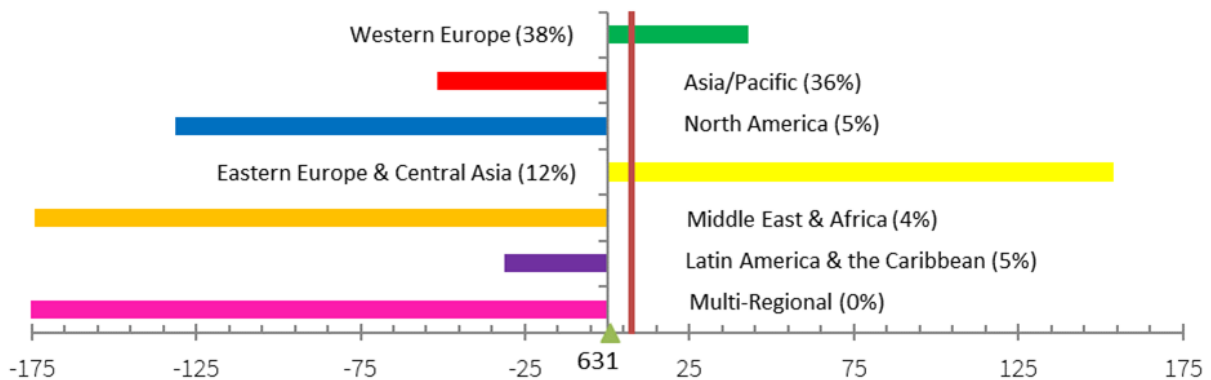


Chart 35 | Assessments By Region For Tel Aviv - Difference From The Overall Mean



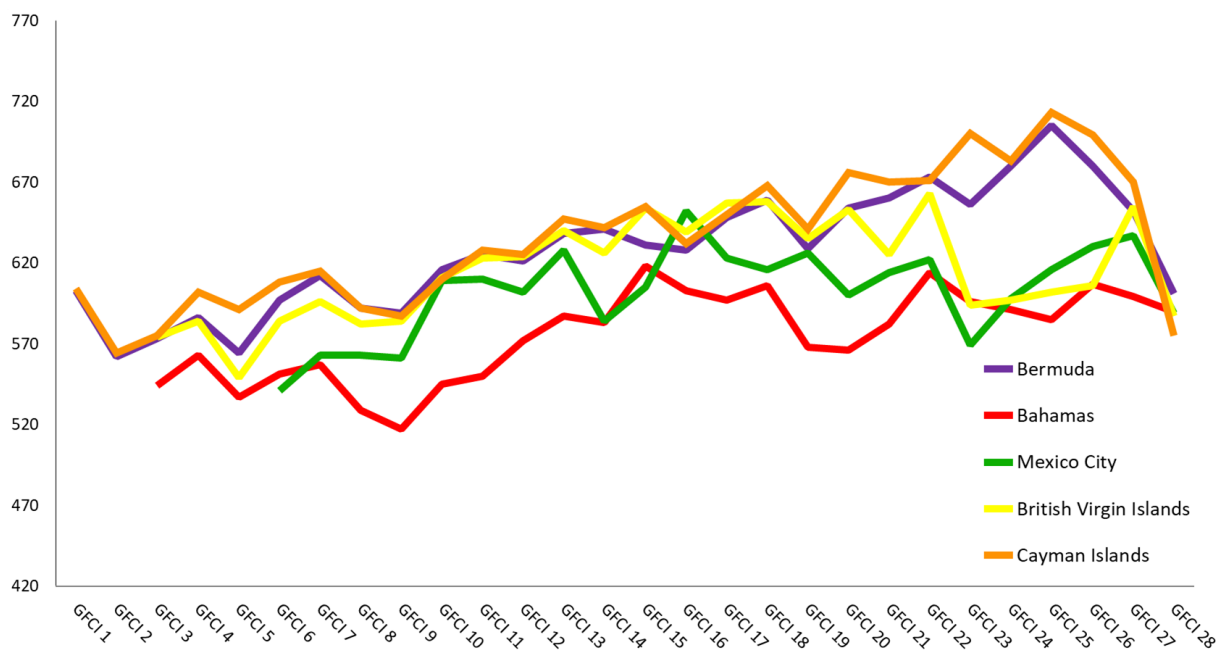
Latin America & The Caribbean

Centres in Latin America & The Caribbean recovered ground in GFCI 28, with nine of the eleven centres in the region improving in the rankings since GFCI 27. The Bahamas and Barbados improved considerably in the rankings, up 36 and 22 places respectively. Cayman Islands fell 31 places in the rankings.

Table 12 | Latin American & Caribbean Centres In GFCI 28

Centre	GFCI 28		GFCI 27		Change in Rank	Change in Rating
	Rank	Rating	Rank	Rating		
Bermuda	61	601	63	652	▲2	▼51
Bahamas	69	590	105	599	▲36	▼9
Mexico City	70	589	78	637	▲8	▼48
British Virgin Islands	72	587	60	655	▼12	▼68
Cayman Islands	78	575	47	670	▼31	▼95
Sao Paulo	80	569	83	632	▲3	▼63
Rio de Janeiro	85	560	89	622	▲4	▼62
Barbados	86	559	108	583	▲22	▼24
Panama	91	548	94	616	▲3	▼68
Santiago	93	546	104	603	▲11	▼57
Buenos Aires	94	543	106	592	▲12	▼49

Chart 36 | Top Five Latin American & Caribbean Centres Over Time



The Global Financial Centres Index 28

Chart 37 | Average Assessments By Region For Latin America & The Caribbean – Difference From The Overall Mean

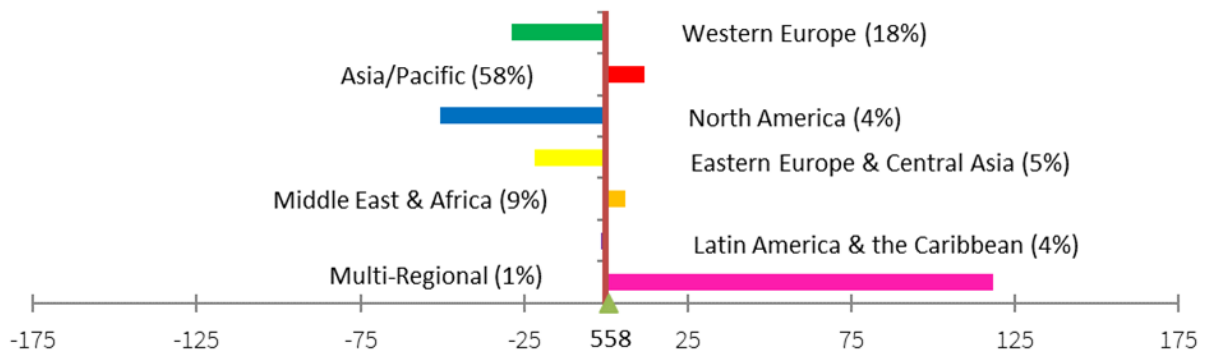


Chart 38 | Assessments By Region For Bermuda - Difference From The Overall Mean

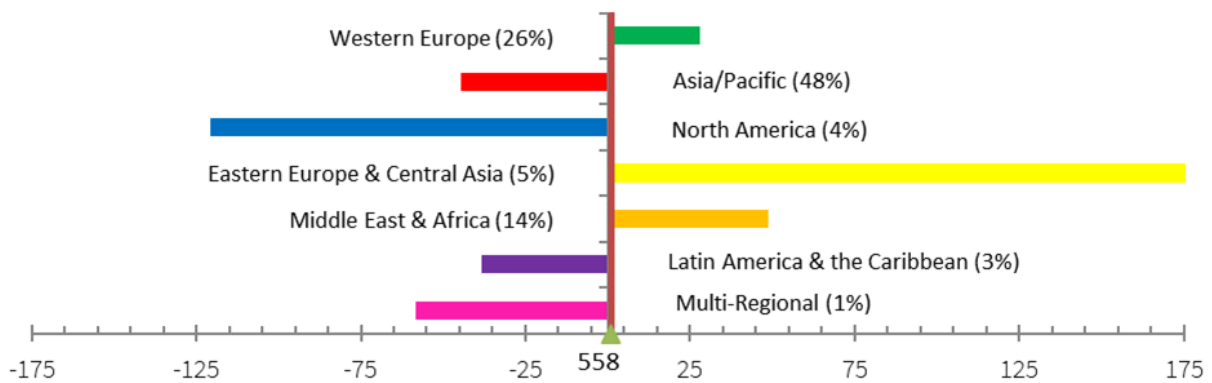


Chart 39 | Assessments By Region For Bahamas - Difference From The Overall Mean

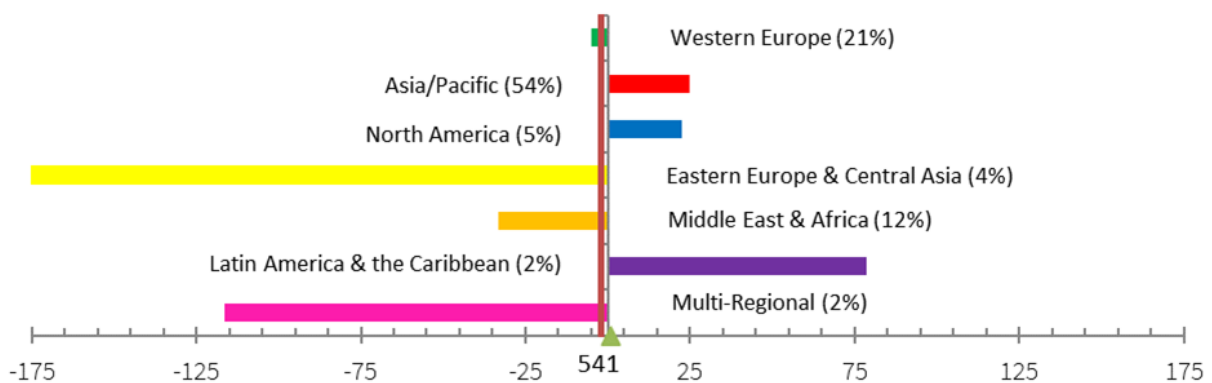
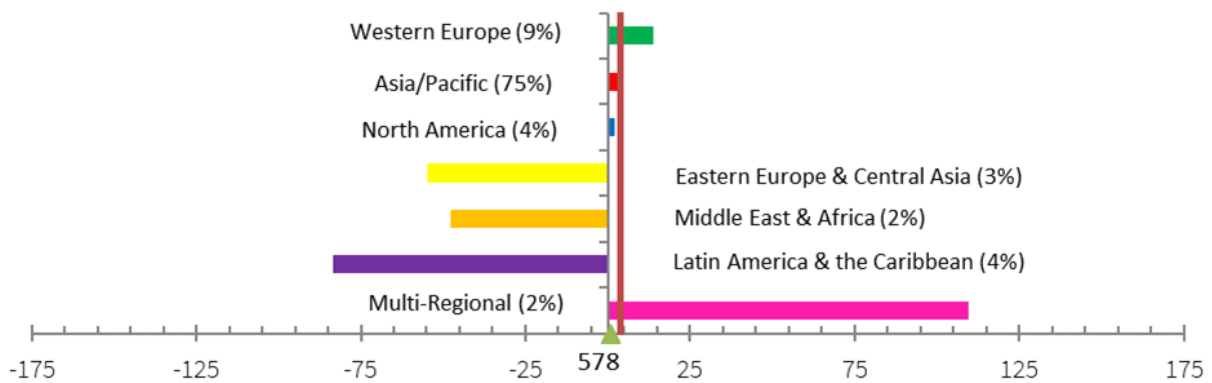


Chart 40 | Assessments By Region For Mexico City - Difference From The Overall Mean



Home Centre Prospects

While the GFCI is calculated using only assessments from other centres, we ask respondents about the prospects of the centre in which they are based; and specifically whether their ‘home’ centre will become more or less competitive.

In general, people are more optimistic about the future of their own centre than people outside that centre. Respondents from Shanghai are particularly optimistic. However, respondents in London continue to be less certain than those in other centres, reflecting the continuing uncertainty about future trading relations with the E.U. and the rest of the world. In Tokyo, the largest group of respondents considered that their city's performance would remain about the same.

Chart 41 | Home Centre Prospects - New York

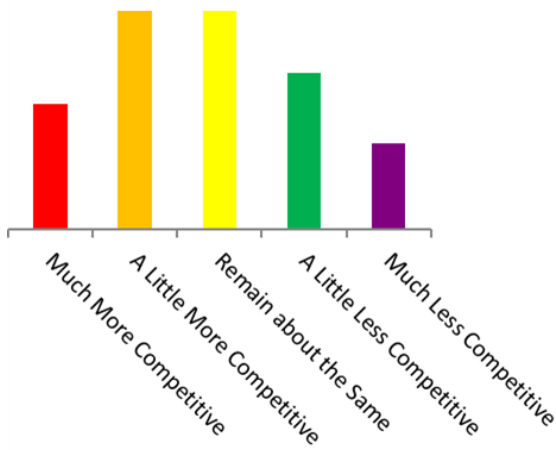


Chart 42 | Home Centre Prospects - London

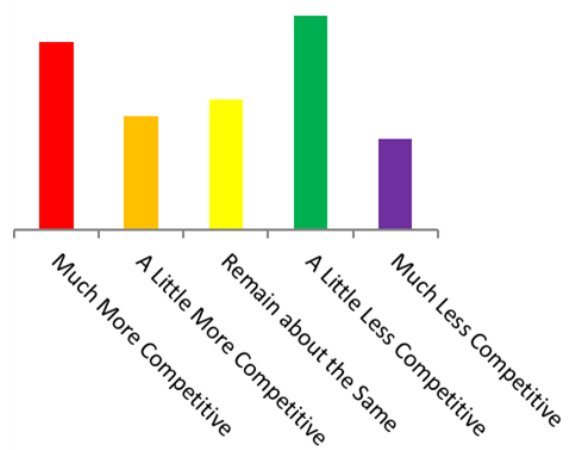


Chart 43 | Home Centre Prospects - Shanghai

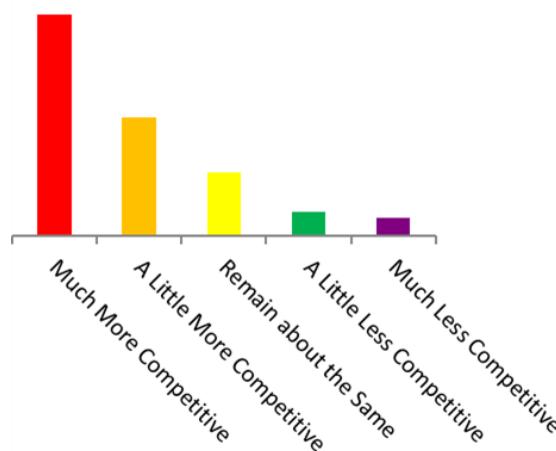
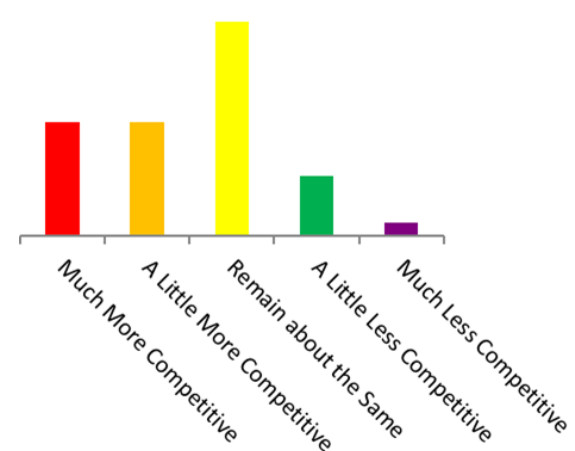


Chart 44 | Home Centre Prospects - Tokyo



Shanghai has evolved in creating a more transparent regulatory and legal environment.

CHIEF INVESTMENT OFFICER, INSURANCE, SHANGHAI

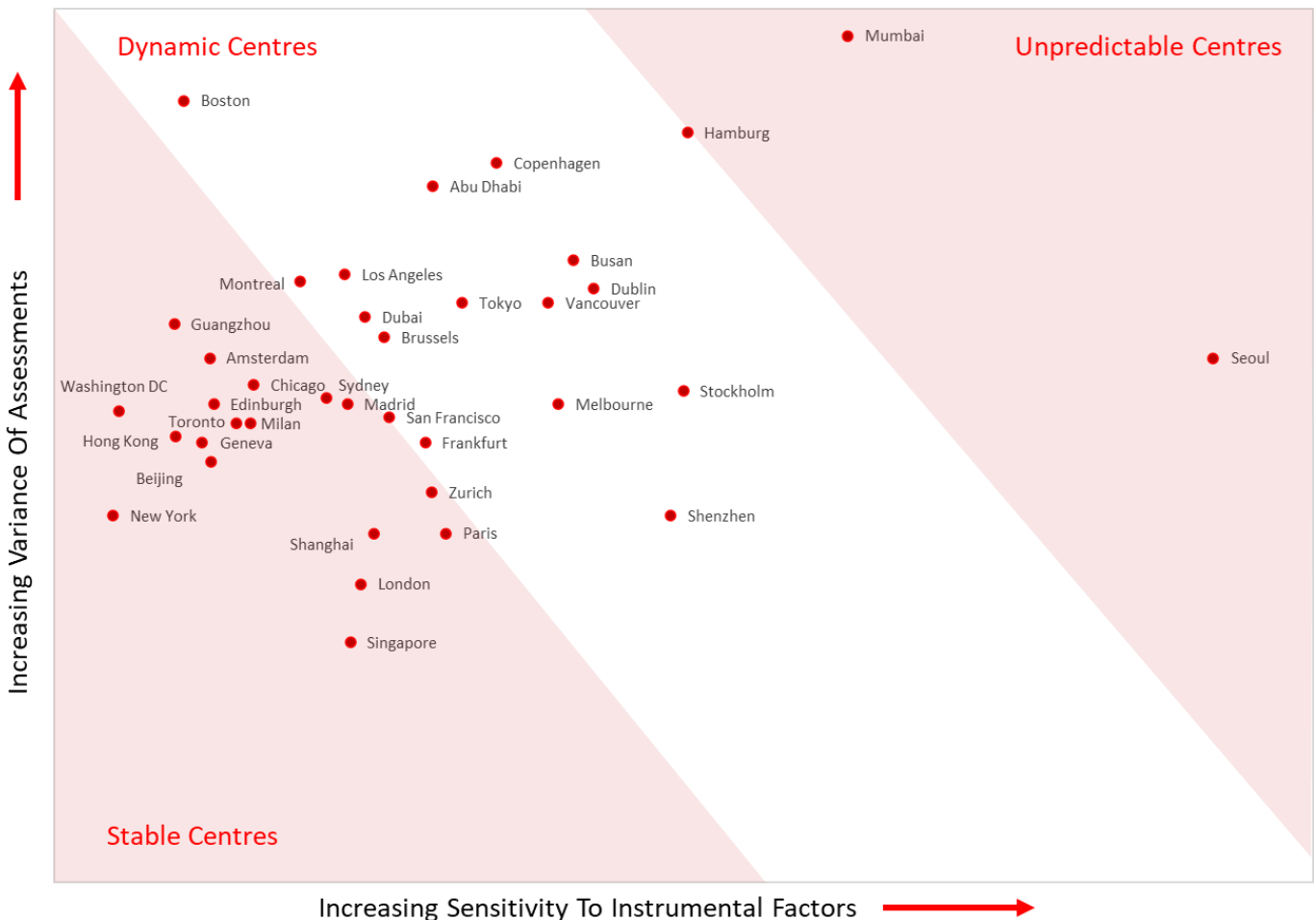
Stability

The GFCI model allows for an analysis of the volatility in financial centre competitiveness. Chart 45 contrasts the ‘spread’ or variance of the individual assessments given to each of the top 40 centres with the sensitivity to changes in the instrumental factors.

The chart shows three bands of financial centres. The unpredictable centres in the top right of the chart have a higher sensitivity to changes in the instrumental factors and a higher variance of assessments. These centres have the highest potential future movement. The stable centres in the bottom left have a lower sensitivity to changes in the instrumental factors and a lower variance of assessments.

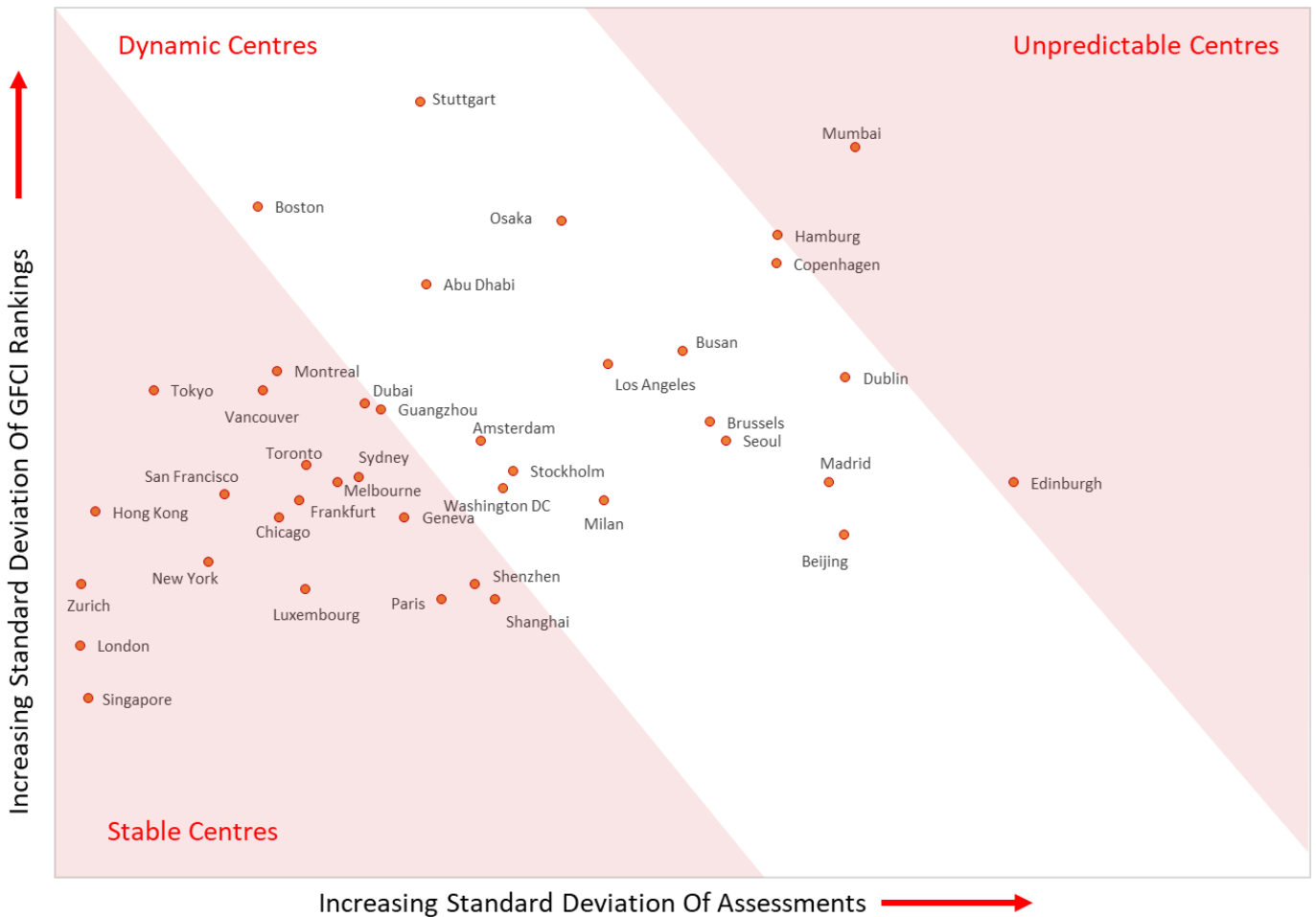
We have only plotted the top 40 centres (for clarity) but it is worth noting that most of the centres lower in the index would be in the dynamic and unpredictable areas of the chart if plotted. The top ten centres in the index are all in the stable area, with Brussels and Copenhagen shown in the dynamic area for the first time.

Chart 45 | Stability Of The Top 40 Centres In GFCI 28



We can also look at the stability of rankings in the index over time. Chart 46 shows the standard deviation of index rankings against the variance in assessments over the last 24 months. Some of the centres in the dynamic table area in the most recent analysis in Chart 45 move into the stable area when their rankings and assessments are considered over time, for example, Montreal, Dubai, and Melbourne.

Chart 46 | Standard Deviation In Index Rankings And Assessments Over Time



“Access to clients is important, particularly in the field of Private Banking. We need to be able to have in-person meetings with clients and prospective clients and cross-border rules need to take this into account. Ease and speed of travel will remain important and many meetings cannot take place over Video Conferencing/remotely!”

Reputation

We look at reputation in the GFCI model by examining the difference between the weighted average assessment given to a financial centre and the overall rating in the index.

The first measure reflects the average score a centre receives from financial professionals across the world, adjusted for time, with more recent assessments given more weight (see Appendix 3 for details).

The second measure is the GFCI rating itself, which represents the assessments adjusted to take account of the instrumental factors. If a centre has a higher average assessment than its GFCI rating, this indicates that respondents' perceptions of a centre are more favourable than the quantitative measures alone suggest.

Table 13 shows the top 15 centres with the greatest positive difference between the average assessment and the GFCI rating. Eleven of the top 15 centres in terms of reputational advantage are in the Asia/Pacific region. Stuttgart, New York, London, and Frankfurt also show a strong reputational advantage. This may be due to strong marketing, or awareness of a centre's existing or emerging strengths.

The majority of leading centres in this list have seen a continued increase in their reputational advantage since GFCI 27. These centres will need to put in sustained effort to maintain their reputational advantage over increasing numbers of challengers, and to improve their underlying competitiveness.

Table 13 | GFCI 28 Top 15 Centres Assessments And Ratings — Reputational Advantage

Centre	Weighted Average Assessment	GFCI 28 Rating	GFCI 28 Reputational Advantage
GIFT City-Gujarat	915	563	352
Qingdao	835	654	181
Stuttgart	825	672	153
Shenzhen	820	732	88
Singapore	828	742	86
Guangzhou	792	710	82
Manila	572	491	81
Shanghai	820	748	72
Beijing	809	741	68
New York	836	770	66
London	827	766	61
Sydney	743	682	61
Melbourne	748	693	55
Hong Kong	792	743	49
Frankfurt	759	715	44

Table 14 shows the 15 centres with the greatest reputational disadvantage. This indicates that respondents’ perceptions of a centre are less favourable than the quantitative measures alone would suggest. The centres featured might benefit from a stronger marketing effort as well as tackling some core issues relating to the centre.

Table 14 | GFCI 28 Bottom 15 Centres Assessments And Ratings — Reputational Disadvantage

Centre	Weighted Average Assessment	GFCI 28 Rating	GFCI 28 Reputational Advantage
Jakarta	506	568	-62
Tianjin	412	477	-65
Vienna	574	640	-66
Mauritius	527	598	-71
Mumbai	606	678	-72
Xi'an	429	506	-77
Kuala Lumpur	585	663	-78
Wellington	579	657	-78
New Delhi	568	652	-84
Cyprus	503	588	-85
Oslo	554	651	-97
Hamburg	585	690	-105
Nanjing	437	550	-113
Casablanca	538	655	-117
Calgary	491	649	-158

“Business environment represents the most important factor affecting the competitiveness of financial centres, followed by human capital , reputation, infrastructure, and financial sector development.”

SENIOR ECONOMIC RESEARCHER, GOVERNMENT BODY, ABU DHABI

Industry Sectors

We investigate the differing assessments for relevant industry sectors by building the index separately using only the responses provided by people working in those industries. This creates separate sub-indices for Banking, Investment Management, Insurance, Professional Services, Government & Regulatory, Finance, FinTech, and Trading sectors. Table 15 shows the top 15 financial centres in these eight industry sectors.

New York has consolidated its leading position, now coming first for Investment Management. Shanghai has moved into first place for Insurance and Hong Kong takes first place for trading. Zurich shows particular strength in the Government & regulatory sub-index.

Table 15 | GFCI 28 Industry Sector Sub-Indices — Top Fifteen

Rank	Banking	Investment Management	Insurance	Professional Services	Government & Regulatory	Finance	FinTech	Trading
1	New York	New York	Shanghai	New York	New York	New York	New York	Hong Kong
2	London	London	Beijing	London	London	Shanghai	Singapore	New York
3	Shanghai	Singapore	New York	Luxembourg	Zurich	Beijing	Shanghai	Singapore
4	Tokyo	Hong Kong	Luxembourg	Hong Kong	Hong Kong	London	London	London
5	Hong Kong	Shanghai	London	Singapore	Singapore	Hong Kong	Hong Kong	Shanghai
6	Beijing	Luxembourg	Hong Kong	Shanghai	Shanghai	Tokyo	San Francisco	Frankfurt
7	Shenzhen	Beijing	Singapore	Geneva	Luxembourg	Shenzhen	Beijing	Luxembourg
8	Guangzhou	Stuttgart	Shenzhen	San Francisco	Shenzhen	Frankfurt	Shenzhen	Geneva
9	San Francisco	Shenzhen	Zurich	Beijing	Geneva	Paris	Tokyo	Beijing
10	Singapore	San Francisco	Tokyo	Zurich	Los Angeles	Los Angeles	Zurich	Los Angeles
11	Luxembourg	Dubai	Paris	Montreal	Tehran	Brussels	Luxembourg	Tokyo
12	Edinburgh	Edinburgh	Seoul	Tokyo	Tokyo	Singapore	Chicago	Shenzhen
13	Zurich	Washington DC	Frankfurt	Shenzhen	San Francisco	Edinburgh	Amsterdam	Zurich
14	Paris	Sydney	Copenhagen	Frankfurt	Frankfurt	Geneva	Los Angeles	Chicago
15	Geneva	Liechtenstein	Montreal	Toronto	Malta	San Francisco	Frankfurt	Dubai

“Luxembourg offers a highly developed and, in some cases, unique regulatory framework, e.g. Professional Of The Financial Sector (PSF) status”

REGIONAL MANAGER, FINTECH FIRM, LUXEMBOURG

Working Patterns Post Covid-19

In recent months, we have included in the GFCI questionnaire a section on working patterns before and after the covid-19 pandemic. Chart 47 shows the pattern of former and expected future work patterns, divided between spending time in clients’ premises, at home and in the office, with Chart 48 showing the data by region.

Overall, respondents are projecting a shift in working from office to home of around 20% of their time in the future, with home working reaching almost 40% of working time. Time spent with clients is expected to remain similar.

There is a marked difference by region between Western Europe and other regions in terms of future expectations. While in most regions, respondents expected to be spending 30 to 40% of their time working from home, in Western Europe, this figure rose to almost 60%.

Chart 47 | Percentage Of Time Spent With Clients, At Home, And In The Office Before Covid-19 And Moving Forward

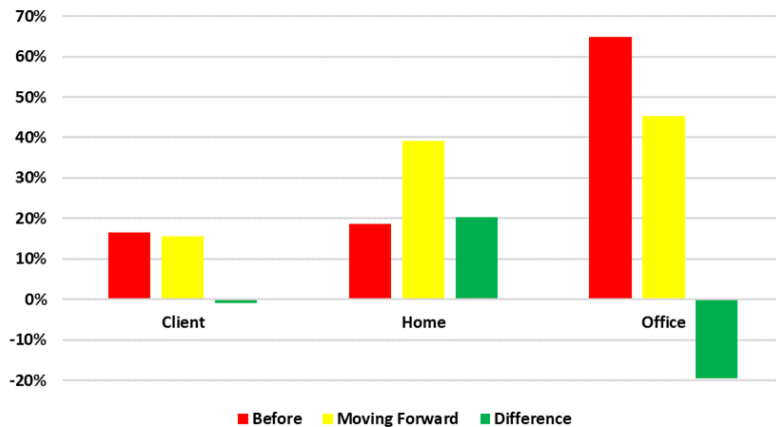
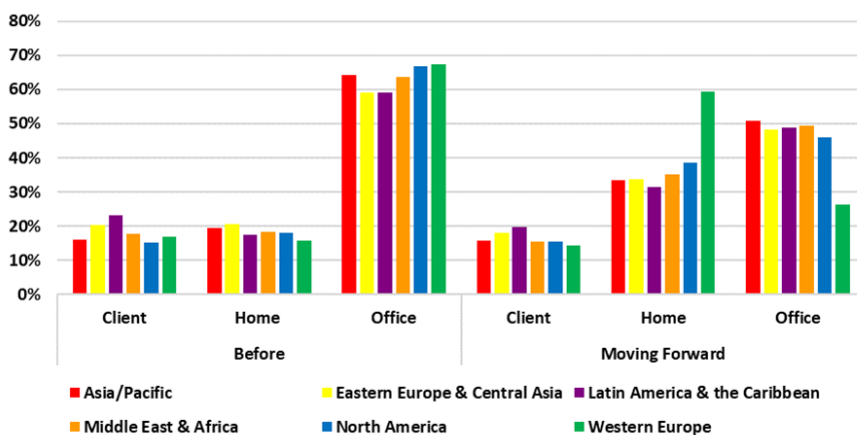


Chart 48 | Expected Change In working Pattern By Region Before Covid-19 And Moving Forward



We also asked respondents to comment on future working patterns. The main issues raised were:

- The shift to online working and video conferencing is set to continue.
- Staggered hours will become the norm and employment routines are likely to be more flexible.
- Processes were being digitized at a faster pace than before, with AI and machine learning applications used more extensively.
- Increased interest in RegTech and FinTech.
- Reduction in travel, especially long-haul, but with increased international connectivity through digital means.
- Where travel takes place, it is likely to be for longer trips, basing the worker in another centre for 2 to 3 weeks.
- There is a need to redesign office space.
- Financial centres will remain important, differentiated by regulatory structures, ethics and values.
- For some purposes face-to-face meetings will remain important and need to be managed.
- The increase in telecommuting will have a big impact on the real estate market. The number of office leases will decrease and the desire for residential environments will increase.
- There is an opportunity for sharing office space between organisations.

These findings are consistent with the findings of a separate research project, [The Covid Crisis: Effects On The Financial Services Industry](#), published by the Financial Services Club and Ravco Marketing, which found both a marked difference between Western European attitudes to working from home going forward compared with other regions.

“London has a good reputation, clear legal framework and effective regulators. However Brexit will reduce its attractiveness in the short/mid term”

CONSULTANT, PROFESSIONAL SERVICES FIRM, LONDON



FinTech

In the GFCI survey, we have introduced questions looking directly at FinTech. As a result, we are able to produce a ranking of financial centres as competitive locations for fostering a FinTech industry. Table 16 shows the centres that received sufficient assessments to feature in the Fintech index, together with the change in their rank and ratings since GFCI 27. Chinese and U.S. centres feature strongly, reflecting their focus on technology development.

Table 16 | GFCI 28 FinTech Ranks And Ratings - Top 35 Centres

Centre	GFCI 28		GFCI 27		Change In Rank	Change In Rating
	FinTech Rank	FinTech Rating	FinTech Rank	FinTech Rating		
New York	1	735	1	735	0	0
Beijing	2	725	2	729	0	▼4
Shanghai	3	719	3	722	0	▼3
London	4	716	4	719	0	▼3
Shenzhen	5	713	6	709	▲1	▲4
Hong Kong	6	707	7	705	▲1	▲2
San Francisco	7	706	9	701	▲2	▲5
Guangzhou	8	701	8	702	0	▼1
Singapore	9	698	5	714	▼4	▼16
Washington DC	10	696	11	697	▲1	▼1
Boston	11	694	20	676	▲9	▲18
Los Angeles	12	693	14	692	▲2	▲1
Chicago	13	685	15	691	▲2	▼6
Tokyo	14	677	10	698	▼4	▼21
Paris	15	674	18	678	▲3	▼4
Edinburgh	16	669	26	656	▲10	▲13
Amsterdam	17	665	25	659	▲8	▲6
Seoul	18	661	27	655	▲9	▲6
Frankfurt	19	660	19	677	0	▼17
Vancouver	20	659	New	New	New	New
Sydney	21	655	17	682	▼4	▼27
Toronto	22	654	16	688	▼6	▼34
Brussels	23	653	33	624	▲10	▲29
Hamburg	24	650	New	New	New	New
Stuttgart	25	649	12	696	▼13	▼47
Vilnius	26	648	13	695	▼13	▼47
Montreal	27	646	New	New	New	New
Dubai	28	645	23	665	▼5	▼20
Munich	29	644	30	643	▲1	▲1
Zurich	30	643	21	675	▼9	▼32
Madrid	31	642	40	609	▲9	▲33
Chengdu	32	641	28	649	▼4	▼8
Qingdao	33	640	32	633	▼1	▲7
Mumbai	34	639	New	New	New	New
Abu Dhabi	35	638	29	644	▼6	▼6

The Global Financial Centres Index 28

Table 16 (Continued) | GFCI 28 FinTech Ranks And Ratings - Remaining Centres

Centre	GFCI 28		GFCI 27		Change In Rank	Change In Rating
	FinTech Rank	FinTech Rating	FinTech Rank	FinTech Rating		
Milan	36	637	34	622	▼2	▲15
Busan	37	636	24	661	▼13	▼25
Copenhagen	38	635	New	New	New	New
Rome	39	633	36	619	▼3	▲14
Geneva	40	632	22	674	▼18	▼42
Oslo	41	631	New	New	New	New
Dublin	42	623	38	612	▼4	▲11
Taipei	43	621	35	621	▼8	0
Vienna	44	620	New	New	New	New
Moscow	45	619	39	611	▼6	▲8
Sao Paulo	46	608	48	583	▲2	▲25
Bangkok	47	605	46	592	▼1	▲13
Lisbon	48	604	New	New	New	New
Istanbul	49	602	49	563	0	▲39
Mexico City	50	599	42	606	▼8	▼7
Osaka	51	598	43	604	▼8	▼6
Luxembourg	52	595	37	618	▼15	▼23
San Diego	53	593	New	New	New	New
Rio de Janeiro	54	592	New	New	New	New
Prague	55	587	New	New	New	New
Athens	56	578	New	New	New	New
Doha	57	571	31	641	▼26	▼70
Santiago	58	569	44	603	▼14	▼34
Tianjin	59	567	51	507	▼8	▲60
Nanjing	60	559	53	500	▼7	▲59
Xi'an	61	556	New	New	New	New
Budapest	62	550	45	593	▼17	▼43
GIFT City-Gujarat	63	546	New	New	New	New
Wuhan	64	544	New	New	New	New
Dalian	65	540	52	506	▼13	▲34
Hangzhou	66	539	50	544	▼16	▼5
Almaty	67	537	New	New	New	New
Cyprus	68	536	New	New	New	New
Bahamas	69	510	New	New	New	New
Bahrain	70	506	New	New	New	New
Casablanca	71	505	New	New	New	New
Panama	72	499	41	608	▼31	▼109
Jersey	73	489	New	New	New	New
Monaco	74	459	New	New	New	New
Isle of Man	75	457	New	New	New	New
Liechtenstein	76	454	New	New	New	New
British Virgin Islands	77	443	47	585	▼30	▼142
Bermuda	78	433	New	New	New	New
Cayman Islands	79	427	New	New	New	New

We asked survey respondents to identify the four most important elements to generate a competitive environment for FinTech providers and the most important areas of current FinTech activity currently. Charts 49 and 50 show the results, with access to finance and the availability of skilled people seen as the leading factors, and with big data analytics and payment transaction systems the most important applications.

Chart 49 | Most Important Elements In Generating A Competitive Environment For FinTech Providers

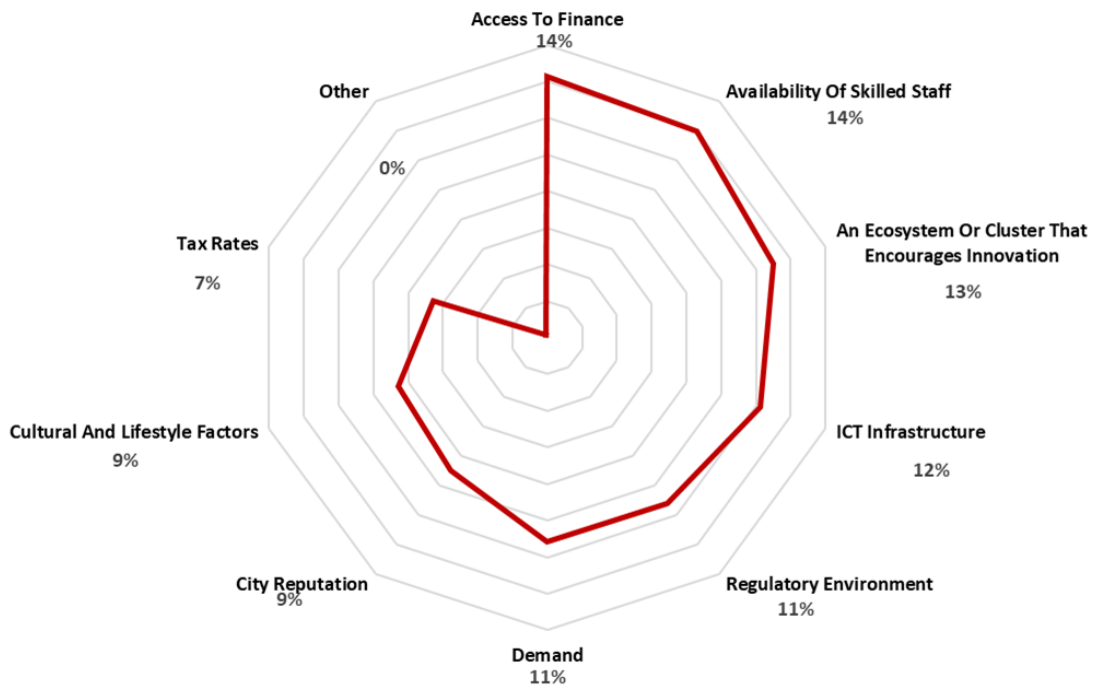
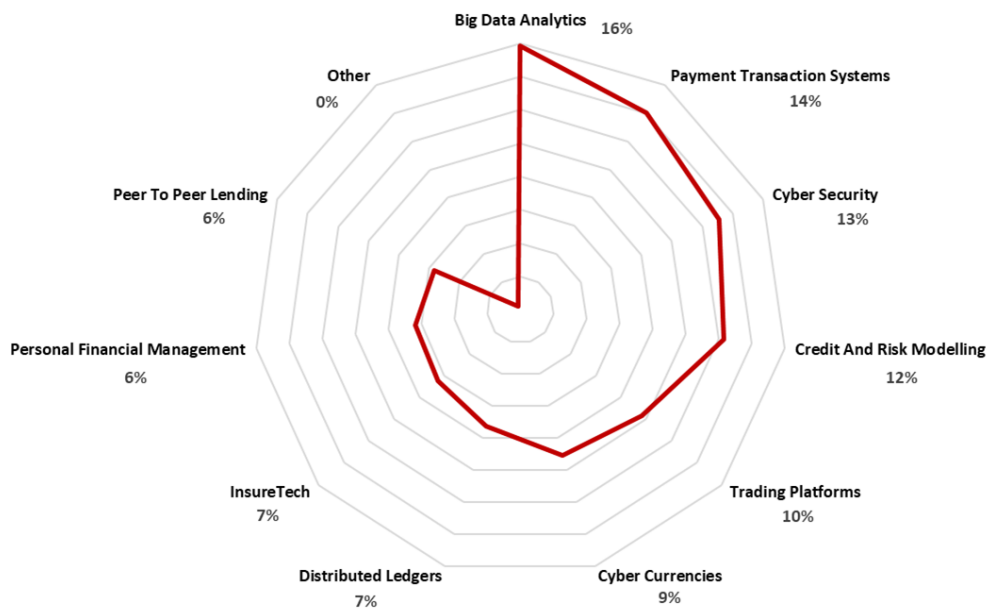


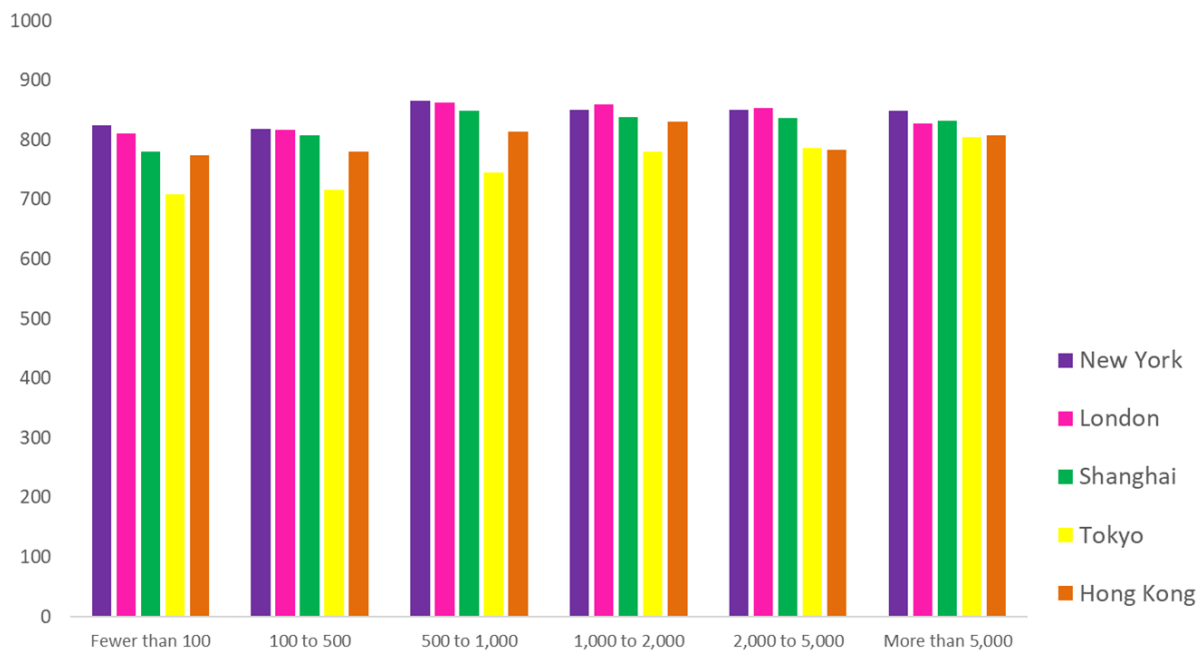
Chart 50 | Most Important Areas Of FinTech Activity



Size Of Organisation

We have analysed how the leading centres in the index are viewed by respondents working for organisations of difference sizes. New York and London are leaders, or amongst the leaders, in all sizes of organisation, with Shanghai consistently third. Tokyo does well with respondents from larger organisations, while Hong Kong is strongest in smaller organisations.

Chart 51 | GFCI 28 Average Assessments By Respondents' Organisation Size (Number Of Employees)



“with the aid of the Internet, artificial intelligence, and big data, China's financial institutions' technical ability continuously improves. Product development speed is becoming closer and closer to advanced international counterparts. To do a good job in financial services, the most urgent concern is always to put the customer's interests in first place.”

ACCOUNTANT, RESEARCH INSTITUTE, NANJING

Appendix 1: Assessment Details

Table 17 | GFCI 28 Details Of Assessments By Centre

Centre	GFCI 28		Assessments		
	Rank	Rating	Number	Average	St. Dev
New York	1	770	3,132	838	169
London	2	766	1,917	830	157
Shanghai	3	748	2,218	820	166
Tokyo	4	747	1,141	750	202
Hong Kong	5	743	2,622	794	182
Singapore	6	742	1,195	830	146
Beijing	7	741	2,373	808	178
San Francisco	8	738	488	755	185
Shenzhen	9	732	1,348	816	169
Zurich	10	724	573	770	173
Los Angeles	11	720	830	722	206
Luxembourg	12	719	397	759	168
Edinburgh	13	718	294	685	187
Geneva	14	717	440	733	181
Boston	15	716	604	695	229
Frankfurt	16	715	726	761	181
Dubai	17	714	1,252	703	200
Paris	18	713	953	727	166
Washington DC	19	712	535	756	186
Chicago	20	711	719	734	190
Guangzhou	21	710	1,903	793	199
Amsterdam	22	701	544	706	194
Stockholm	23	700	177	665	189
Vancouver	24	698	209	654	202
Seoul	25	695	293	712	194
Montreal	26	694	231	661	205
Melbourne	27	693	175	750	187
Madrid	28	692	266	645	187
Hamburg	29	690	228	586	225
Brussels	30	686	306	664	197
Toronto	31	684	384	724	184
Sydney	32	682	437	748	188
Abu Dhabi	33	681	642	668	218
Dublin	34	679	417	668	204
Mumbai	35	678	254	609	237
Copenhagen	36	674	219	682	221
Stuttgart	37	672	294	837	243
Milan	38	670	383	691	184
Osaka	39	665	390	634	227
Busan	40	664	738	684	208
Kuala Lumpur	41	663	187	579	217
Taipei	42	662	477	662	198
Chengdu	43	659	2,397	675	291
Wellington	44	657	94	606	300
Tel Aviv	45	656	173	631	236
Casablanca	46	655	186	553	273
Qingdao	47	654	1,281	827	179
Munich	48	653	318	670	190
New Delhi	49	652	173	572	241
Oslo	50	651	187	560	244
Calgary	51	649	162	507	263
Glasgow	52	648	95	601	239
Rome	53	643	507	670	203
Vienna	54	640	236	587	226
Jersey	55	637	215	663	202
Doha	56	627	347	610	220
Warsaw	57	618	131	595	206
Bangkok	58	617	255	607	197
Lisbon	59	608	186	615	174
San Diego	60	605	221	601	247
Bermuda	61	601	197	558	250
Moscow	62	600	526	593	205
Mauritius	63	598	147	535	241
Istanbul	64	595	350	561	196
Helsinki	65	594	148	627	196
Prague	66	593	195	557	213
Cape Town	67	592	157	594	194
Liechtenstein	68	591	192	610	247
Bahamas	69	590	213	541	236
Mexico City	70	589	403	578	205
Cyprus	71	588	185	504	238
British Virgin Islands	72	587	264	578	253
Malta	73	586	164	578	219
Nur-Sultan	74	585	161	560	275
Monaco	75	580	227	585	229
Vilnius	76	578	186	599	281
Isle of Man	77	577	207	576	223
Cayman Islands	78	575	254	580	252
Guernsey	79	574	162	554	248
Sao Paulo	80	569	305	541	210
Jakarta	81	568	135	513	232
GIFT City-Gujarat	82	563	471	910	227
Bahrain	83	562	253	579	243
Gibraltar	84	561	123	560	254
Rio de Janeiro	85	560	178	511	231
Barbados	86	559	99	574	273
Bratislava	87	552	90	589	221
Tallinn	88	551	147	504	252
Nanjing	89	550	820	436	215
Johannesburg	90	549	149	499	220
Panama	91	548	282	540	238
Athens	92	547	198	524	241
Santiago	93	546	199	578	201
Buenos Aires	94	543	166	567	238
Sofia	95	540	135	490	237
Nairobi	96	539	115	484	230
Riga	97	538	138	491	236
Baku	98	537	128	489	240
Almaty	99	536	180	537	264
Reykjavik	100	535	113	548	278
Budapest	101	531	246	529	213
Tehran	102	528	130	487	247
Kuwait City	103	524	149	548	263
St Petersburg	104	523	154	546	224
Xi'an	105	506	370	429	221
Manila	106	491	96	557	244
Riyadh	107	486	165	501	244
Tianjin	108	477	895	405	209
Hangzhou	109	463	1,129	490	265
Dalian	110	455	995	411	220
Wuhan	111	420	566	376	241

Appendix 2: Respondents' Details

Table 18 | GFCI 28 Respondents By Industry Sector

Industry Sector	Number of Respondents	% of Respondents
Banking	2,369	28%
Finance	751	9%
FinTech	511	6%
Government & Regulatory	459	5%
Insurance	497	6%
Investment Management	869	10%
Professional Services	933	11%
Trade Association	352	4%
Trading	521	6%
Not Specified	1,287	15%
Total	8,549	100%

Table 19 | GFCI 28 Respondents By Region

Region	Number of Respondents	% of Respondents
Western Europe	1,540	18%
Asia/Pacific	5,405	63%
North America	581	7%
Middle East & Africa	411	5%
Eastern Europe & Central Asia	348	4%
Latin America & The Caribbean	136	2%
Multi-Regional	128	1%
Total	8,549	100%

Table 20 | GFCI 28 Respondents By Size Of Organisation

Size of Organisation	Number of Respondents	% of Respondents
Fewer than 100	2,701	32%
100 to 500	1,334	16%
500 to 1,000	776	9%
1,000 to 2,000	980	11%
2,000 to 5,000	742	9%
More than 5,000	2,012	24%
Not Specified	4	0%
Total	8,549	100%

Appendix 3: Methodology

The GFCI provides ratings for financial centres calculated by a 'factor assessment model' that uses two distinct sets of input:

Instrumental factors: objective evidence of competitiveness was sought from a wide variety of comparable sources. For example, evidence about the telecommunications infrastructure competitiveness of a financial centre is drawn from the ICT Development Index (supplied by the United Nations), the Networked Readiness Index (supplied by the World Economic Forum), the Telecommunication Infrastructure Index (by the United Nations) and the Web Index (supplied by the World Wide Web Foundation). Evidence about a business-friendly regulatory environment is drawn from the Ease of Doing Business Index (supplied by the World Bank), the Government Effectiveness rating (supplied by the World Bank) and the Corruption Perceptions Index (supplied by Transparency International) amongst others.

A total of 138 instrumental factors are used in GFCI 28 of which 62 were updated since GFCI 27 and one is new to the GFCI. Not all financial centres are represented in all the external sources, and the statistical model takes account of these gaps.

Financial centre assessments: by means of an online questionnaire, running continuously since 2007. We received 10,328 responses to the questionnaire in the 24 months to June 2020. Of these 8,549 respondents provided 54,509 valid assessments of financial centres. Financial centres are added to the GFCI questionnaire when they receive five or more mentions in the online questionnaire in response to the question: 'Are there any financial centres that might become significantly more important over the next two to three years?'

A centre is only given a GFCI rating and ranking if it receives more than 150 assessments from people based in other centres over time in the online survey. Centres in the GFCI that do not receive 50 assessments in a 24 month period are removed and added to the associate list until the number of assessments increases.

At the beginning of our work on the GFCI, a number of guidelines were set out. Additional Instrumental Factors are added to the GFCI model when relevant and meaningful ones are discovered:

- indices should come from a reputable body and be derived by a sound methodology;
- indices should be readily available (ideally in the public domain) and be regularly updated;
- updates to the indices are collected and collated every six months;
- no weightings are applied to indices;

- Indices are entered into the GFCI model as directly as possible, whether this is a rank, a derived score, a value, a distribution around a mean, or a distribution around a benchmark;
- if a factor is at a national level, the score will be used for all centres in that country; nation-based factors will be avoided if financial centre (city) - based factors are available;
- if an index has multiple values for a city or nation, the most relevant value is used (and the method for judging relevance is noted);
- if an index is at a regional level, the most relevant allocation of scores to each centre is made (and the method for judging relevance is noted);
- if an index does not contain a value for a particular city, a blank is entered against that centre (no average or mean is used).

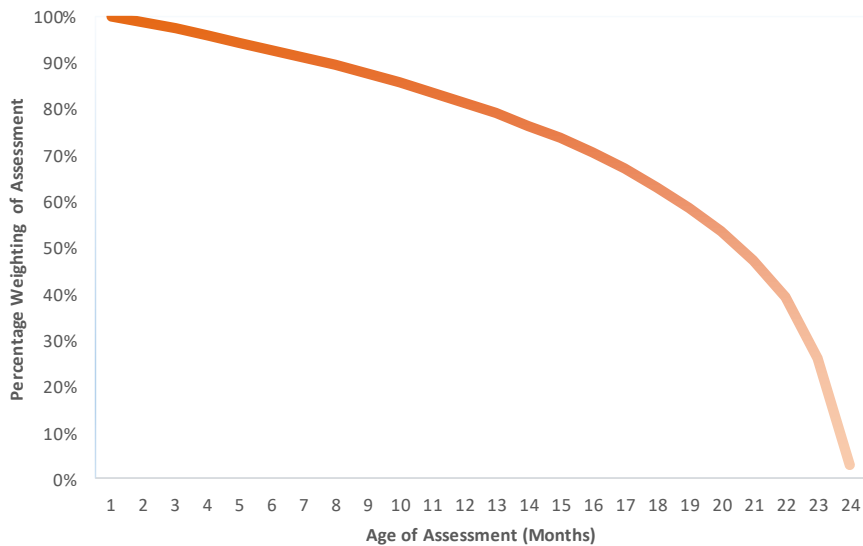
Creating the GFCI does not involve totalling or averaging scores across instrumental factors. An approach involving totalling and averaging would involve a number of difficulties:

- indices are published in a variety of different forms: an average or base point of 100 with scores above and below this; a simple ranking; actual values (e.g. \$ per square foot of occupancy costs); a composite 'score';
- indices would have to be normalised, e.g. in some indices a high score is positive while in others a low score is positive;
- not all centres are included in all indices;
- the indices would have to be weighted.

The guidelines for financial centre assessments by respondents are:

- responses are collected via an online questionnaire which runs continuously. A link to this questionnaire is emailed to the target list of respondents at regular intervals and other interested parties can fill this in by following the link given in the GFCI publications;
- financial centre assessments will be included in the GFCI model for 24 months after they have been received;
- respondents rating fewer than three or more than half of the centres are excluded from the model;
- respondents who do not say where they work are excluded;
- financial centre assessments from the month when the GFCI is created are given full weighting and earlier responses are given a reduced weighting on a log scale.

Chart 52 | Reduction In Weighting As Assessments Get Older



The financial centre assessments and instrumental factors are used to build a predictive model of centre competitiveness using a support vector machine (SVM). SVMs are based upon statistical techniques that classify and model complex historic data in order to make predictions of new data. SVMs work well on discrete, categorical data but also handle continuous numerical or time series data. The SVM used for the GFCI provides information about the confidence with which each specific classification is made and the likelihood of other possible classifications.

A factor assessment model is built using the centre assessments from responses to the online questionnaire. Assessments from respondents’ home centres are excluded from the factor assessment model to remove home bias. The model then predicts how respondents would have assessed centres they are not familiar with, by answering questions such as:

- If an investment banker gives Singapore and Sydney certain assessments then, based on the relevant data for Singapore, Sydney and Paris, how would that person assess Paris?

Or

- If a pension fund manager gives Edinburgh and Munich a certain assessment then, based on the relevant data for Edinburgh, Munich and Zurich, how would that person assess Zurich?

Financial centre predictions from the SVM are re-combined with actual financial centre assessments (except those from the respondents’ home centres) to produce the GFCI – a set of financial centre ratings.

The GFCI is dynamically updated either by updating and adding to the instrumental factors or through new financial centre assessments. These updates permit, for instance, a recently changed index of rental costs to affect the competitiveness rating of centres.

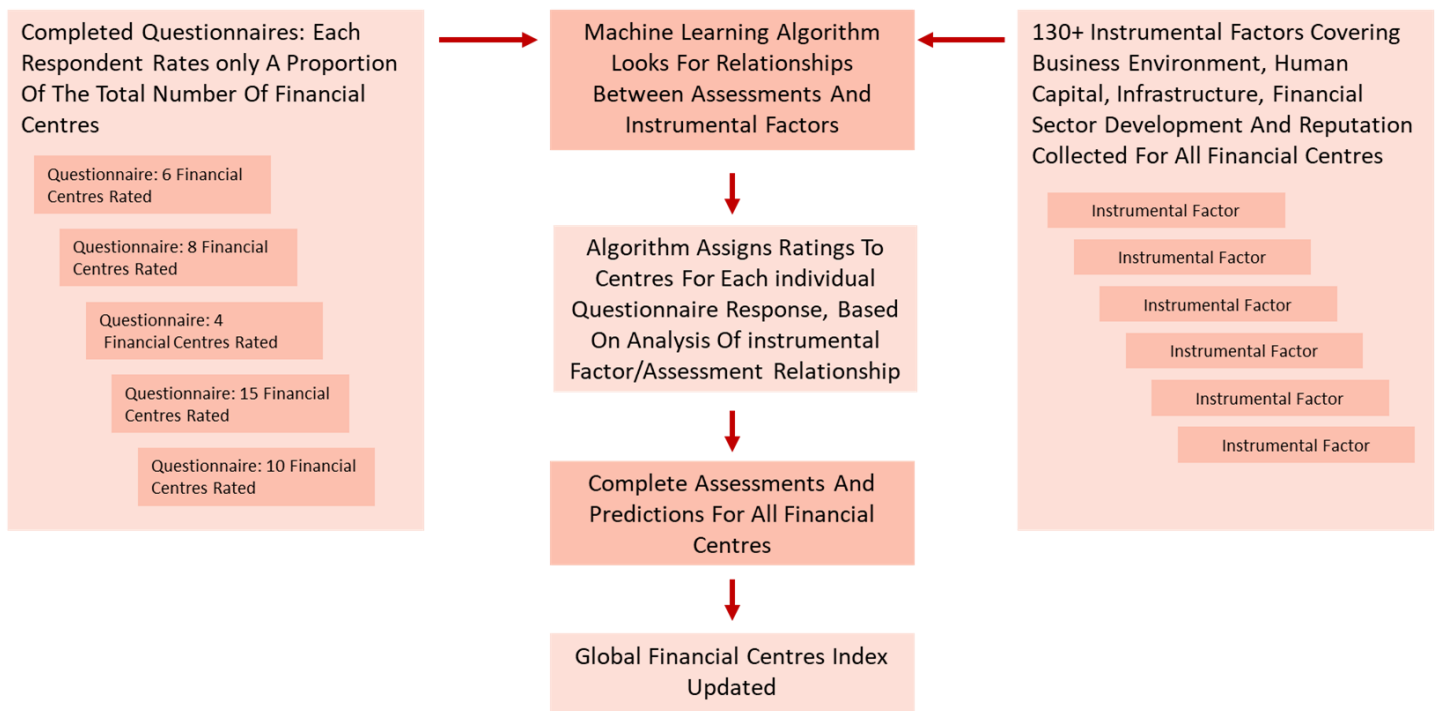
It is worth drawing attention to a few consequences of basing the GFCI on instrumental factors and questionnaire responses:

- several indices can be used for each competitive factor;
- a strong international group of ‘raters’ has developed as the GFCI progresses;
- sector-specific ratings are available using the business sectors represented by questionnaire respondents. This makes it possible to rate Frankfurt as competitive in Banking (for example) while less competitive Insurance (for example);
- the factor assessment model can be queried in a ‘what if’ mode – ‘how much would London rental costs need to fall in order to increase London’s ranking against New York?’

Part of the process of building the GFCI is extensive sensitivity testing to changes in factors of competitiveness and financial centre assessments.

There are over ten million data points in the current GFCI model. The accuracy of predictions given by the SVM are regularly tested against actual assessments.

Chart 53 | The GFCI Process



Appendix 4: Instrumental Factors

Table 21 | Top 30 Instrumental Factors By Correlation With GFCI 28

Instrumental Factor	R-squared
Domestic Credit Provided by Banking Sector (% Of GDP)	0.666
Global Power City Index	0.499
Global Cities Index	0.495
Innovation Cities Global Index	0.482
Price Levels	0.465
Sustainable Cities Index	0.444
IESE Cities In Motion index	0.421
Wage Comparison Index	0.412
Best Countries for Business	0.411
Household net financial wealth	0.401
Share Of Renewables In Electricity Production	0.399
Logistics Performance Index	0.386
Quality Of Roads	0.382
Government Effectiveness	0.381
Business Environment Rankings	0.379
The Global Green Finance Index (Quality)	0.376
JLL Real Estate Transparency Index	0.370
Quality Of Living City Rankings	0.369
Global Competitiveness Index	0.358
Corruption Perception Index	0.355
Global Enabling Trade Report	0.350
Rule Of Law	0.343
Regulatory Enforcement	0.343
Cost Of Living City Rankings	0.342
Legatum Prosperity Index	0.342
The Global Green Finance Index (Depth)	0.340
Sustainable Cities Mobility Index	0.338
Citizens Domestic Purchasing Power	0.337
Control Of Corruption	0.335
Office Occupancy Cost	0.332

Table 22 | Top 30 Instrumental Factors By Correlation With FinTech Rankings In GFCI 28

Instrumental Factor	R-squared
Innovation Cities Global Index	0.595
JLL Real Estate Transparency Index	0.531
Global Cities Index	0.493
IESE Cities In Motion Index	0.415
Global Cybersecurity Index	0.406
Domestic Credit Provided By Banking Sector (% Of GDP)	0.391
Logistics Performance Index	0.372
Office Occupancy Cost	0.360
Global Innovation Index	0.354
Cost of Living City Rankings	0.349
Global Power City Index	0.348
Best Countries For Business	0.320
Household Net Financial Wealth	0.289
Open Data Barometer	0.275
Number of International Association Meetings	0.267
Quality Of Domestic Transport Network	0.265
Ease Of Doing Business Index	0.260
Legatum Prosperity Index	0.236
External Positions Of Central Banks As A Share Of GDP	0.233
Share Of Renewables In Electricity Production	0.233
Business Environment Rankings	0.228
Regulatory Enforcement	0.227
Sustainable Cities Mobility Index	0.222
Green Bond Segments On Stock Exchanges (Y/N)	0.219
Global Enabling Trade Report	0.202
Sustainable Cities Index	0.200
Corruption Perception Index	0.198
4G Availability	0.196
Educational Attainment	0.196
Individual Income Tax Rates	0.186

Table 23 | GFCI 28 Business Environment Factors

Instrumental Factor	Source	Website	Change Since GFCI 27
Business Environment Rankings	EIU	http://country.eiu.com/All	Updated
Ease Of Doing Business Index	The World Bank	https://www.doingbusiness.org/en/reports/global-reports/doing-business-2020	
Operational Risk Rating	EIU	http://viewswire.eiu.com/site_info.asp?info_name=VW2_RISK_nib&page=rk&page_title=Risk%20table	Updated
Real Interest Rate	The World Bank	https://databank.worldbank.org/reports.aspx?source=world-development-indicators&series=FR.INR.RINR	Updated
Global Services Location	AT Kearney	https://www.atkearney.com/digital-transformation/gsli	
Corruption Perception Index	Transparency International	https://www.transparency.org/en/cpi/2019/	Updated
Wage Comparison Index	UBS	https://www.ubs.com/microsites/prices-earnings/en/	
Corporate Tax Rates	PWC	https://www.pwc.com/payingtaxes	
Individual Income Tax Rates	KPMG	https://home.kpmg.com/xx/en/home/services/tax/tax-tools-and-resources/tax-rates-online/individual-income-tax-rates-table.html	Updated
Personal Tax Rates	OECD	https://stats.oecd.org/index.aspx?DataSetCode=TABLE_I6	Updated
Tax Revenue As Percentage Of GDP	The World Bank	https://data.worldbank.org/indicator/GC.TAX.TOTL.GD.ZS	Updated
Bilateral Tax Information Exchange Agreements	OECD	http://www.oecd.org/ctp/exchange-of-tax-information/taxinformationexchangeagreementstieas.htm	
Economic Freedom Of The World	Fraser Institute	http://www.freetheworld.com/release.html	
Government Debt As % Of GDP	CIA	https://www.cia.gov/library/publications/the-world-factbook/rankorder/2186rank.html	
Oecd Country Risk Classification	OECD	http://www.oecd.org/trade/topics/export-credits/documents/cre-crc-current-english.pdf	Updated
Global Peace Index	Institute for Economics & Peace	http://www.visionofhumanity.org/	Updated
Financial Secrecy Index	Tax Justice Network	http://www.financialsecrecyindex.com/	Updated
Government Effectiveness	The World Bank	http://info.worldbank.org/governance/wgi/index.aspx#home	
Open Government	World Justice Project	http://worldjusticeproject.org/rule-of-law-index	Updated
Regulatory Enforcement	World Justice Project	http://worldjusticeproject.org/rule-of-law-index	Updated
Press Freedom Index	Reporters Without Borders (RSF)	https://rsf.org/en/ranking/2020	Updated
Currencies	Swiss Association for Standardization (SNV)	http://www.currency-iso.org/en/home/tables/table-a1.html	
Commonwealth Countries	The Commonwealth	http://thecommonwealth.org/member-countries	
Common Law Countries	CIA	https://www.cia.gov/library/publications/the-world-factbook/fields/308.html	
Inflation, GDP Deflator	The World Bank	https://data.worldbank.org/indicator/NY.GDP.DEFL.KD.ZG	Updated
Rule Of Law	The World Bank	http://info.worldbank.org/governance/wgi/index.aspx#home	
Political Stability And Absence Of Violence/Terrorism	The World Bank	http://info.worldbank.org/governance/wgi/index.aspx#home	
Regulatory Quality	The World Bank	http://info.worldbank.org/governance/wgi/index.aspx#home	
Control Of Corruption	The World Bank	http://info.worldbank.org/governance/wgi/index.aspx#home	
Best Countries For Business	Forbes	https://www.forbes.com/best-countries-for-business/list/	
Lloyd's City Risk Index 2015-2025	Lloyd's	https://cityriskindex.lloyds.com/about/	
Global Cybersecurity Index	ITU	http://www.itu.int/en/ITU-D/Cybersecurity/Pages/GCI.aspx	
Open Budget Survey	International Budget Partnership	http://survey.internationalbudget.org/#download	Updated
Democracy Index	The Economist	https://www.eiu.com/topic/democracy-index	Updated

The Global Financial Centres Index 28

Table 24 | GFCI 28 Human Capital Factors

Instrumental Factor	Source	Website	Change Since GFCI 27
Graduates In Social Science, Business And Law (As % Of Total Graduates)	The World Bank	http://databank.worldbank.org/data/reports.aspx?source=Education%20Statistics&series=UIS.FOSGP.5T8.F400	Updated
Gross Tertiary Graduation Ratio	The World Bank	http://databank.worldbank.org/data/reports.aspx?source=Education%20Statistics&series=SE.TER.CMPL.ZS	Updated
Passport Index	Henley Partners	https://www.henleypassportindex.com/passport	Updated
Human Development Index	UN Development Programme	http://hdr.undp.org/en/2019-report/download	
Citizens Domestic Purchasing Power	UBS	https://www.ubs.com/microsites/prices-earnings/en/	
Number Of High Net Worth Individuals	Capgemini	https://www.worldwealthreport.com/	Updated
Homicide Rates	UN Office of Drugs & Crime	https://dataunodc.un.org/content/data/homicide/homicide-rate	Updated
Top Tourism Destinations	Euromonitor	https://go.euromonitor.com/white-paper-travel-2019-100-cities.html	
Average Precipitation In Depth	The World Bank	http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators&series=AG.LND.PRCP.MM	
Quality Of Living City Rankings	Mercer	https://mobilityexchange.mercer.com/insights/quality-of-living-rankings	
Health Care Index	Numbeo	http://www.numbeo.com/health-care/rankings.jsp	Updated
Global Skills Index	Hays	http://www.hays-index.com/	
Linguistic Diversity	Ethnologue	https://www.ethnologue.com/guides/countries-most-languages	
Global Terrorism Index	Institute for Economics & Peace	http://visionofhumanity.org/indexes/terrorism-index/	
World Talent Rankings	IMD	https://www.imd.org/wcc/world-competitiveness-center-rankings/world-talent-ranking-2019/	
Cost Of Living City Rankings	Mercer	https://www.mercer.com/our-thinking/career/cost-of-living.html	Updated
Quality Of Life Index	Numbeo	http://www.numbeo.com/quality-of-life/rankings.jsp	Updated
Crime Index	Numbeo	http://www.numbeo.com/crime/rankings.jsp#	Updated
Household Net Adjusted Disposable Income	OECD	https://stats.oecd.org/Index.aspx?DataSetCode=BLI	
Household Net Financial Wealth	OECD	https://stats.oecd.org/Index.aspx?DataSetCode=BLI	
Education Attainment	OECD	https://stats.oecd.org/Index.aspx?DataSetCode=BLI	
Life Expectancy	OECD	https://stats.oecd.org/Index.aspx?DataSetCode=BLI	
Employees Working Very Long Hours	OECD	https://stats.oecd.org/Index.aspx?DataSetCode=BLI	
Human Freedom Index	Cato Institute	https://www.cato.org/human-freedom-index	

Table 25 | GFCI 28 Infrastructure Factors

Instrumental Factor	Source	Website	Change Since GFCI 27
Office Occupancy Cost	CBRE Research	https://www.cbre.com/research-and-reports/Global-Prime-Office-Occupancy-Costs-2019	
Prime International Residential Index	Knight Frank	http://www.knightfrank.com/wealthreport	Updated
JLL Real Estate Transparency Index	Jones Lang LaSalle	https://www.jll.co.uk/en/trends-and-insights/	Updated
ICT Development Index	United Nations	http://www.itu.int/net4/ITU-D/idi/2017/index.html	
Telecommunication Infrastructure Index	United Nations	https://publicadministration.un.org/egovkb/en-us/Data-Center	Updated
Quality Of Domestic Transport Network	World Economic Forum	http://reports.weforum.org/travel-and-tourism-competitiveness-report-2019/rankings/#series=TRSP EFFICY	
Quality Of Road Infrastructure	World Economic Forum	http://reports.weforum.org/travel-and-tourism-competitiveness-report-2019/rankings/#series=EOSQ057	
Roadways Per Land Area	CIA	https://www.cia.gov/library/publications/the-world-factbook/rankorder/2085rank.html	
Railways Per Land Area	CIA	https://www.cia.gov/library/publications/the-world-factbook/rankorder/2121rank.html	
Networked Readiness Index	World Economic Forum	http://reports.weforum.org/global-information-technology-report-2016/	
World Energy Trilemma Index	World Energy Council	https://trilemma.worldenergy.org/	
Metro Network Length	Metro Bits	http://mic-ro.com/metro/table.html	Updated
Open Data Barometer	World Wide Web Foundation	https://opendatabarometer.org/4thedition/?year=2016&indicator=ODB	
Environmental Performance Index	Yale University	https://epi.yale.edu/epi-results/2020/	Updated
Global Sustainable Competitiveness Index	Solability	http://solability.com/the-global-sustainable-competitiveness-index/the-index	
Logistics Performance Index	The World Bank	http://lpi.worldbank.org/international/global	
Networked Society City Index	Ericsson	https://www.ericsson.com/en/reports-and-papers/networked-society-insights/city-index	
Tomtom Traffic Index	TomTom	https://www.tomtom.com/en_gb/traffic-index/ranking/	Updated
Sustainable Cities Mobility Index	Arcadis	https://www.arcadis.com/en/global/our-perspectives/sustainable-cities-mobility-index-2017/	
Water Quality	OECD	https://stats.oecd.org/Index.aspx?DataSetCode=BLI	
INRIX Traffic Scorecard	INRIX	http://inrix.com/scorecard/	Updated
Air Quality Data	WHO	http://www.who.int/airpollution/data/cities/en/	
Forestry Area	World Bank	http://databank.worldbank.org/data/reports.aspx?source=2&series=AG.LND.FRST.ZS&country=	Updated
CO2 Emissions Per Capita	World Bank	https://databank.worldbank.org/reports.aspx?source=2&series=EN.ATM.CO2E.PC&country=#	Updated
Buildings Energy Efficiency Policies Database (Y/N)	IEA	https://www.iea.org/policies	
4G Availability %	Open Signal	https://www.opensignal.com/reports/2020/05/global-state-of-the-mobile-network	Updated
Worldwide Broadband Speed League	Cable	https://www.cable.co.uk/broadband/speed/worldwide-speed-league/	
Share Of Wind And Solar In Electricity Production	Enerdata Statistical Yearbook	https://yearbook.enerdata.net/download/	Updated
Energy Intensity Of GDP	Enerdata Statistical Yearbook	https://yearbook.enerdata.net/download/	Updated
Share Of Renewables In Electricity Production	Enerdata Statistical Yearbook	https://yearbook.enerdata.net/download/	Updated
City Commitment To Carbon Reduction (Cooperative Action)	UNFCCC	http://climateaction.unfccc.int/views/stakeholders.html?type=cities	Updated

The Global Financial Centres Index 28

Table 26 | GFCI 28 Financial Sector Development Factors

Instrumental Factor	Source	Website	Change Since GFCI 27
Capitalisation Of Stock Exchanges	The World Federation of Stock Exchanges	https://focus.world-exchanges.org/issue/july-2020/market-statistics	Updated
Value Of Share Trading	The World Federation of Stock Exchanges	https://focus.world-exchanges.org/issue/july-2020/market-statistics	Updated
Volume Of Share Trading	The World Federation of Stock Exchanges	https://statistics.world-exchanges.org/ReportGenerator/Generator#	Updated
Broad Stock Index Levels	The World Federation of Stock Exchanges	https://focus.world-exchanges.org/issue/july-2020/market-statistics	Updated
Value Of Bond Trading	The World Federation of Stock Exchanges	https://statistics.world-exchanges.org/ReportGenerator/Generator#	Updated
Domestic Credit Provided By Banking Sector (% Of GDP)	The World Bank	http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators&series=FS.AST.DOMS.GD.ZS	Updated
Percentage Of Firms Using Banks To Finance Investment	The World Bank	http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators&series=IC.FRM.BNKS.ZS	Updated
Total Net Assets Of Regulated Open-End Funds	Investment Company Institute	http://www.icifactbook.org/	Updated
Islamic Finance Country Index	Islamic Banks and Financial Institutions	http://www.gifr.net/publications	
Net External Positions Of Banks	The Bank for International Settlements	http://www.bis.org/statistics/annex_map.htm	Updated
External Positions Of Central Banks As A Share Of GDP	The Bank for International Settlements	http://www.bis.org/statistics/annex_map.htm	Updated
Liner Shipping Connectivity Index	The World Bank	http://databank.worldbank.org/data/reports.aspx?source=2&series=IS.SHP.GCNW.XQ	Updated
Global Connectedness Index	DHL	www.logistics.dhl/gci	
Economic Performance Index	The Brookings Institution	https://www.brookings.edu/research/global-metro-monitor-2018/#rank	
Financial Centre Sustainability Disclosure	Corporate Knights	https://www.finance-watch.org/publication/global-green-finance-index-3/	
Financial Centre Carbon Intensity	Corporate Knights	https://www.finance-watch.org/publication/global-green-finance-index-3/	
Financial Centre Carbon Intensity	Corporate Knights	https://www.finance-watch.org/publication/global-green-finance-index-3/	
Financial System Green Alignment	Corporate Knights	https://www.finance-watch.org/publication/global-green-finance-index-3/	
Labelled Green Bonds Issued by Country Of Issuer	Corporate Knights	https://www.finance-watch.org/publication/global-green-finance-index-3/	
Total Issuance Of Labelled Green Bonds To December 2018, USDm	CBI	http://www.finance-watch.org/our-work/dossiers?fid=192	Updated
Sustainable Stock Exchanges (Y/N)	UN Sustainable Stock Exchange Initiative	http://www.sseinitiative.org/sse-partner-exchanges/list-of-partner-exchanges/	Updated
Green Bond Segments On Stock Exchanges (Y/N)	CBI	https://www.climatebonds.net/green-bond-segments-stock-exchanges	
The Global Fintech Index	Findexable	https://findexable.com/	Updated
The Global Green Finance Index (Depth)	Z/Yen	https://www.longfinance.net/programmes/financial-centre-futures/global-green-finance-index/	Updated
The Global Green Finance Index (Quality)	Z/Yen	https://www.longfinance.net/programmes/financial-centre-futures/global-green-finance-index/	New

The Global Financial Centres Index 28

Table 27 | GFCI 28 Reputation Factors

Instrumental Factor	Source	Website	Change Since GFCI 27
World Competitiveness Scoreboard	IMD	https://www.imd.org/wcc/world-competitiveness-center-rankings/world-competitiveness-ranking-2019/	Updated
Global Competitiveness Index	World Economic Forum	http://reports.weforum.org/global-competitiveness-report-2019/competitiveness-rankings/	
Foreign Direct Investment Inflows	UNCTAD	http://unctadstat.unctad.org/wds/TableViewer/tableView.aspx?ReportId=96740	
Fdi Confidence Index	AT Kearney	https://www.atkearney.com/foreign-direct-investment-confidence-index	Updated
GDP Per Person Employed (Constant 2011 PPP \$)	The World Bank	https://databank.worldbank.org/reports.aspx?source=world-development-indicators&series=SL.GDP.PCAP.EM.KD	Updated
Global Innovation Index	INSEAD	http://www.globalinnovationindex.org/content.aspx?page=GII-Home	
Global Intellectual Property Index	Taylor Wessing	https://united-kingdom.taylorwessing.com/en/ip-index/reports	
RPI (% Change On Year Ago)	The Economist	https://www.economist.com/economic-and-financial-indicators/2020/07/11/economic-data-commodities-and-markets	Updated
Price Levels	UBS	https://www.ubs.com/microsites/prices-earnings/en/	
Number Of International Association Meetings	World Economic Forum	http://reports.weforum.org/travel-and-tourism-competitiveness-report-2019/rankings/#series=NRFAIREX	
Innovation Cities Global Index	2ThinkNow Innovation Cities	https://www.innovation-cities.com/index-2019-global-city-rankings/18842/	
Big Mac Index	The Economist	http://www.economist.com/content/big-mac-index	Updated
Sustainable Economic Development	Boston Consulting Group	https://www.bcg.com/en-gb/publications/2019/seda-measuring-well-being.aspx	
Global Enabling Trade Report	World Economic Forum	https://www.weforum.org/focus/global-enabling-trade-report-2016	
Good Country Index	Good Country Party	https://www.goodcountry.org/index/results	
Legatum Prosperity Index	Legatum Institute	http://www.prosperity.com/#!/ranking	
IESE Cities In Motion Index	IESE	http://citiesinmotion.iese.edu/indicecim/?lang=en	Updated
Fdi Inward Stock (In Million Dollars)	UNCTAD	http://unctad.org/en/Pages/DIAE/World%20Investment%20Report/Annex-Tables.aspx	Updated
Sustainable Cities Index	Arcadis	https://www.arcadis.com/en/global/our-perspectives/sustainable-cities-index-2018/citizen-centric-cities/	
Global Cities Index	AT Kearney	https://www.atkearney.com/global-cities/2019	
Quality Of Nationality Index	Henley Partners	https://nationalityindex.com/#	
Best Countries	U.S.News	https://www.usnews.com/news/best-countries/overall-rankings	Updated
Global Power City Index	The Mori Memorial Foundation	http://mori-m-foundation.or.jp/english/ius2/gpci2/index.shtml	
Trace Bribery Risk Matrix	Trace International	https://matrixbrowser.traceinternational.org/	
Rf25 Jurisdictions Participating In The Convention On Mutual Administrative Assistance In Tax Matters	OECD	https://www.oecd.org/tax/exchange-of-tax-information/convention-on-mutual-administrative-assistance-in-tax-matters.htm	New

Vantage

Financial Centres

Vantage Financial Centres is an exclusive network of financial centres around the world run by Z/Yen Partners for organisations looking for a deeper understanding of financial centre competitiveness. Members receive enhanced access to GFCI data, marketing opportunities, and training for centres seeking to enhance their profile and reputation.



Seoul is a rising star among the financial cities of the world. It is already one of the top 10 cities in the world based on various indices, and it has many more opportunities to offer as a financial hub and great growth potential. Seoul believe global financial companies are our true partners for growth. There are many incentives provided to global financial companies that enter into Seoul, such as the financial incentives provided when moving into IFC, so that we can all jointly work towards the growth and development of the financial market.

It is sure that Seoul will become a top star of global financial hubs in the near future! Pay close attention to Seoul's potentials and preemptively gain a foothold in the Seoul financial hub. Seoul is the gateway to Northeast Asia and the world.

**Daehur Kim at vera8804@seoul.go.kr
[/www.seoul.go.kr/main/index.jsp](http://www.seoul.go.kr/main/index.jsp)**



Supported by the industry, the Financial Services Development Council (FSDC) is a high-level, cross-sectoral advisory body to the Hong Kong Special Administrative Region Government.

FSDC formulates proposals to promote the further development of Hong Kong's financial services industry and to map out the strategic direction for the development. As of March 2020, 110 of the 137 policy recommendations had been adopted by the Government and relevant regulators since FSDC's inception in 2013. On top of research, FSDC also carries out market promotion and human capital development functions.

Among others, FSDC focuses on topics including Mainland and international connectivity, green and sustainable finance, FinTech, as well as asset and wealth management.

**enquiry@fsdc.org.hk
<https://www.fsdc.org.hk/en>**



Luxembourg for Finance (LFF) is the Agency for the Development of the Financial Centre. It is a public-private partnership between the Luxembourg Government and the Luxembourg Financial Industry Federation (PROFIL). Founded in 2008, its objective is to develop Luxembourg's financial services industry and identify new business opportunities.

LFF connects international investors to the range of financial services provided in Luxembourg, such as investment funds, wealth management, capital market operations or advisory services. In addition to being the first port of call for foreign journalists, LFF cooperates with the various professional associations and monitors global trends in finance, providing the necessary material on products and services available in Luxembourg.

Furthermore, LFF manages multiple communication channels, organises seminars in international business locations, and takes part in selected world-class trade fairs and congresses.

**lff@lff.lu
luxembourgforfinance.com**



Finance Montréal's mandate is to promote Montréal as a world-class financial hub and foster cooperation among its member institutions to accelerate the industry's growth. With renowned research capacities in artificial intelligence and a booming fintech sector, Montréal offers an experienced, diversified and innovative pool of talent as well as a stable, low cost and dynamic business environment.

For financial institutions searching for an ideal location to set up an intelligent service centre and operationalize their digital transformation, Finance Montréal can advise on the advantageous tax incentives aimed at facilitating the establishment and development of financial services corporations in the city.

**info@finance-montreal.com
www.finance-montreal.com/en**

Vantage

Financial
Centres

Please find out more at: www.vantagefinancialcentres.net

or by contacting Mike Wardle at mike_wardle@zyen.com



Since 2009 Busan Metropolitan City has been developing a financial hub specialized in maritime finance and derivatives. With its strategic location in the center of the southeast economic block of Korea and the crossroads of a global logistics route, Busan envisions growing into an international financial city in Northeast Asia. Following the successful launch of the 63-story Busan International Finance Center in 2014, the second phase development of the Busan Financial Hub was completed in 2018, residing the fintech hub center and financial museum. In addition, Busan has been designated as a Regulation-Free Blockchain Zone by the government, becoming a hub of the financial industry that applies the new technology.

With this world-class business infrastructure, BIFC offers an attractive incentive package to global financial leaders, including 25 years of free office rentals to be offered to a small number of companies.

BIFC will support you to identify opportunities in Busan, one of the fastest developing cities in Asia.

bifc@bepa.kr
www.bifc.kr/eng



Casablanca Finance City is an African financial and business hub located at the crossroads of continents. Recognized as the leading financial center in Africa, and partner of the largest financial centers in the world, CFC has built a strong and thriving community of members across four major categories: financial companies, regional headquarters of multinationals, service providers and holdings.

CFC offers its members an attractive value proposition and a premium “Doing Business” support that fosters the deployment of their activities in Africa. Driven by the ambition to cater to its community, CFC is committed to promoting its members expertise across the continent, while enabling fruitful business and partnership synergies through its networking platform.

Manal Bernoussi at manal.bernoussi@cfca.ma
www.casablancafinancecity.com



Approved by the China’s State Council, China Development Institute (CDI) was founded in 1989 with one hundred and sixteen representatives from the government, academia and business in China. Being an independent think tank, CDI is committed to develop policy solutions via research and debates that help to advance China’s reform and opening-up. After years of development, CDI has become one of the leading think tanks in China. CDI focuses on the studies of open economy and innovation-driven development, regional economy and regional development, industrial policies and industrial development, urbanization and urban development, business strategies and investment decision-making. Via conducting research, CDI provides policy recommendations for the Chinese governments at various levels and develops consultation for corporate sectors at home and abroad. CDI organizes events in different formats that evokes dialogue among scholars, government officials, business people and civil society members around the globe. Based in Shenzhen, Southern China, CDI has one hundred and sixty staff, with an affiliated network that consists of renowned experts from different fields.

Carol Feng at carolf@cdi.org.cn
www.cdi.org.cn



AIFC is an all-around financial centre located in Nur-Sultan, the capital of Kazakhstan, which offers ample opportunities for businesses to grow. AIFC provides greater access to world-class capital markets and the asset management industry. It also promotes financial technology and drives the development of niche markets such as Islamic and green finance in the region.

AIFC provides unprecedented conditions and opportunities for its participants and investors: legal system based on the principles of English law, independent judicial system, regulatory framework consistent with internationally recognised standards, wide range of financial services and instruments, simplified visa and labour regimes, zero corporate tax rate, and English as a working language.

Located in the heart of Eurasia, AIFC is striving to become the gateway to the Eurasian Economic Union, Central Asia and Caucasus, and play a key role in the Belt and Road Initiative. AIFC is already gaining tremendous recognition as a leading financial hub in the region: recently, Asiamoney Awards recognised it as the best Belt and Road Initiative project of 2019.

Asset Onglassov a.onglassov@aifc.kz
www.aifc.kz

Vantage

Financial Centres

Vantage Financial Centres is an exclusive network of financial centres around the world run by Z/Yen Partners for organisations looking for a deeper understanding of financial centre competitiveness. Members receive enhanced access to GFCI data, marketing opportunities, and training for centres seeking to enhance their profile and reputation.



The Long Finance initiative grew out of the London Accord, a 2005 agreement among investment researchers to share environmental, social and governance research with policy-makers and the public. Long Finance was established more formally by Z/Yen Group and Gresham College from 2007 with the aim of exploring long-term thinking across a global network of people.

We work on researching innovative ways of building a more sustainable financial system. In so doing, we try to operate openly and emulate scientific ideals. At the same time, we are looking to create a supportive and caring community where people can truly question the accepted paradigms of risk and reward.

www.longfinance.net



Dubai International Financial Centre (DIFC) is one of the world's most advanced financial centres, and the leading financial hub for the Middle East, Africa and South Asia (MEASA) region, which comprises 72 countries with an approximate population of 3 billion and a nominal GDP of US\$ 7.7 trillion.

DIFC is home to an internationally recognised, independent regulator and a proven judicial system with an English common law framework, as well as the region's largest financial ecosystem of more than 24,000 professionals working across over 2,300 active registered companies – making up the largest and most diverse pool of industry talent in the region. The Centre's vision is to drive the future of finance. Today, it offers one of the region's most comprehensive FinTech and venture capital environments, including cost-effective licensing solutions, fit-for-purpose regulation, innovative accelerator programmes, and funding for growth-stage start-ups.

Comprising a variety of world-renowned retail and dining venues, a dynamic art and culture scene, residential apartments, hotels and public spaces, DIFC continues to be one of Dubai's most sought-after business and lifestyle destinations.

www.difc.ae **Twitter @DIFC**



Global Times Consulting

Global Times Consulting Co. is a strategic consultancy with a focus on China. We help Chinese (local) governments at all levels to build their reputation globally, providing strategic counsel, stakeholder outreach and communications to support their sustainable development. We also partner with multinational companies operating in this dynamic but challenging market, serving as a gateway to China. In addition, we help Chinese companies extend their reach overseas.

Global Times Consulting Co. adopts a research and knowledge-based approach. With extensive contacts and deep insights into China's political and economic landscape, we develop and execute integrated programs for stakeholder relations and reputation management. Our extensive relationship with media and government organizations in China and worldwide helps us successfully execute programs and achieve desired goals.

Daniel Wang at danielwang@globaltimes.com.cn
www.globaltimes.com.cn



ABU DHABI GLOBAL MARKET
سوق أبوظبي العالمي

Abu Dhabi Global Market (ADGM), an award-winning financial centre in the capital of the UAE, opened for business in October 2015, consisting of three independent authorities: the Registration Authority (RA); the Financial Services Regulatory Authority (FSRA); and ADGM Courts. Comprised of the three independent authorities where Common English Law is directly applicable, ADGM plays an essential role in the diversification of the economy in the UAE and is committed to providing a comprehensive business ecosystem operating with the highest standards of integrity and is renowned for its ease of doing business.

Strategically situated in Abu Dhabi, home to one of the world's largest sovereign wealth funds, ADGM plays a vital role in positioning Abu Dhabi as a global trade and business hub and serves as a link between the growing economies of the Middle East, Africa and South Asia to the rest of the world. ADGM has earned industry recognition as the Financial Centre of the Year (MENA) four years in a row as well as being recognized as the leading FinTech Hub in the region.

www.adgm.com/ info@adgm.com

PRODUCED BY



www.zyen.com

Z/Yen helps organisations make better choices – our clients consider us a commercial think-tank that spots, solves and acts. Our name combines Zen and Yen – “a philosophical desire to succeed” – in a ratio, recognising that all decisions are trade-offs. One of Z/Yen’s specialisms is the study of the competitiveness of financial centres around the world. A summary of this work is published every six months as the Global Financial Centres Index. Z/Yen also publishes the [Global Green Finance Index](#) that seeks to encourage financial centres to become greener and develop financial services in a way that enables society to live within planetary boundaries.

CO-PRODUCED BY



en.cdi.org.cn

Approved by the China’s State Council, China Development Institute (CDI) was founded in 1989 with one hundred and sixteen representatives from the government, academia and business in China. Being an independent think tank, CDI is committed to develop policy solutions via research and debates that help to advance China’s reform and opening-up. After years of development, CDI has become one of the leading think tanks in China. CDI focuses on the studies of open economy and innovation-driven development, regional economy and regional development, industrial policies and industrial development, urbanization and urban development, business strategies and investment decision-making. Via conducting research, CDI provides policy recommendations for the Chinese governments at various levels and develops consultation for corporate sectors at home and abroad. CDI organizes events in different formats that evokes dialogue among scholars, government officials, business people and civil society members around the globe. Based in Shenzhen, Southern China, CDI has one hundred and sixty staff, with an affiliated network that consists of renowned experts from different fields.

PUBLISHED BY LONG FINANCE AND FINANCIAL CENTRE FUTURES



www.longfinance.net

Long Finance is a Z/Yen initiative designed to address the question “**When would we know our financial system is working?**” This question underlies Long Finance’s goal to improve society’s understanding and use of finance over the long-term. In contrast to the short-termism that defines today’s economic views the Long Finance timeframe is roughly 100 years.



www.globalfinancialcentres.net

Financial Centre Futures is a programme within the Long Finance Initiative that initiates discussion on the changing landscape of global finance. Financial Centre Futures comprises the Global Financial Centres Index, the Global Green Finance Index and other research publications that explore major changes to the way we will live and work in the financial system of the future.