



AmCham

**2026**

# **BUSINESS SENTIMENT SURVEY**

**FINDINGS REPORT  
FEBRUARY 2026**



# FOREWORD

In an ever-evolving global landscape, Hong Kong stands at a pivotal crossroads, where optimism meets caution. The findings presented in this report shed light on the current business sentiments, challenges, and strategies that characterize the outlook for 2026.

As we navigate through complexities—ranging from geopolitical tensions to shifting economic perceptions—businesses in Hong Kong are adapting with a blend of cautious optimism and strategic foresight. This year marks a significant uptick in confidence, with more companies expressing positive expectations for their operational environment compared to previous periods. The decrease in those reporting a "not very good" or "poor" environment is a testament to resilient business spirit in the face of adversity.

This report serves as a comprehensive overview of the key insights that illuminate the current state of business in Hong Kong. It offers an informed perspective on the challenges and opportunities that lie ahead, providing a roadmap for stakeholders to effectively navigate the complexities of this dynamic environment. As we look forward, the commitment to resilience, adaptation, and strategic planning will be essential in shaping a sustainable future for businesses in Hong Kong.

It is with great anticipation that we invite you to explore the insights presented in this document, as they hold the key to understanding the trajectory of Hong Kong's business landscape in 2026 and beyond.

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# RESEARCH DETAILS & DEMOGRAPHICS



## Target group

AmCham members in Hong Kong, specifically the senior representative of each AmCham company member.



## Methodology

Online survey. The questionnaire was designed and run by AmCham.



## Sample size

The survey was sent to over 450 corporate members from a wide range of business sectors. The survey had a response rate of around 25%, and was filled by mainly business decision makers of the organization. Over 40% of participating companies had global revenues of over US\$1B.



## Survey Timing

November 11, 2025 – January 16, 2026

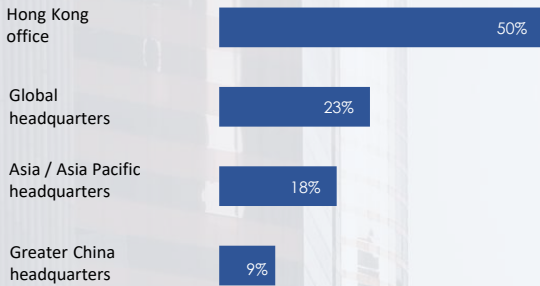


## Other Remarks

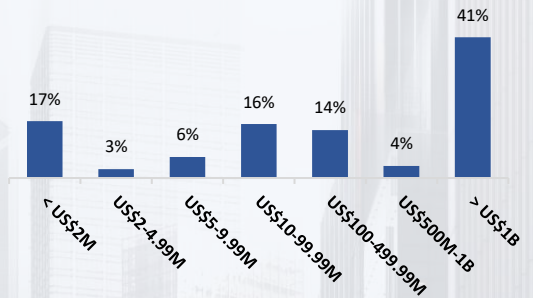
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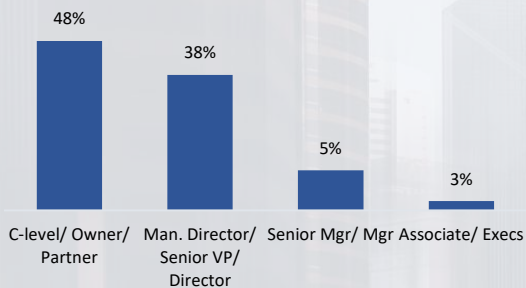
## ROLE OF HONG KONG OFFICE



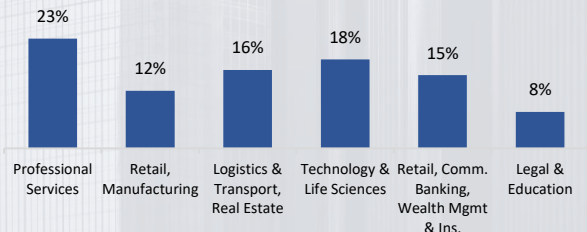
## GLOBAL REVENUE IN 2025



## POSITION



## SECTORS





# EXECUTIVE SUMMARY

## Hong Kong Business & Investment Outlook

- Companies in this survey assessed 2025 to be satisfactory, with a 15% decrease in the number reporting a "not very good" or "poor" environment, dropping from 42% to 27%. This shift indicates a more favorable assessment of the economic landscape.
- Over 50% of respondents expressed optimism about their business outlook for the next 12 months, a significant rise from 33% last year. This represents the highest level of optimism recorded in the past two years, highlighting renewed confidence in future conditions.
- 57% of firms planned to maintain their current investment strategies in Hong Kong over the next two years. Meanwhile, 33% intended to expand investments, although this figure reflects a slight decrease of 2% compared to the previous year.

## Business Challenges

- Companies continued to view tensions in U.S.-China relations as the foremost business challenge. Concerns about a slowing Chinese economy and overseas perceptions of Hong Kong further complicated the business environment.

## Geopolitics: U.S.-China-Hong Kong Relations

- Looking toward 2026, only 11% predicted a deterioration in the U.S.-China relations, while 57% expected stability, marking a 32% increase in those anticipating no change compared to last year.
- Respondents viewed that "general uncertainty in the outlook" and "perceived lack of perception of differentiation between Hong Kong and China" have had the greatest impact on their companies in the current geopolitical climate, which may affect their operational strategies.
- 82% felt that the current trade environment would affect their business plans in the next 3 years. 32% felt that the imposition of tariffs as one of the key issues for their companies. As a result, 40% felt the need to make new business plans.
- A majority, over 52%, of businesses are now factoring geopolitical stability into their strategic planning. This is particularly relevant concerning potential conflicts in the Taiwan Strait, highlighting a shift in how companies assess risk.

## Hong Kong's Business Environment & Competitiveness Factors

- Most respondents perceived the international business environment in Hong Kong as stable, with 64% believing it has remained the same compared to the previous year. While international connectivity and free flow of capital were viewed as primary competitive advantages, high living costs and geopolitical tensions posed challenges to competitiveness.
- Confidence in Hong Kong as a business hub was high, with 92% of multinational corporations indicating no plans to relocate their headquarters in the next three years. However, a trend of function relocation was seen, with 68% of firms having transferred certain operations out of Hong Kong.

## Legal Considerations & Impact

- 94% expressed confidence in Hong Kong's rule of law, indicating an upward trend in perceptions from previous years.
- Regulations stemming from the National Security Law had a small negative impact on business operations, with 74% of respondents reporting no adverse effects. However, others cited concerns related to overseas perceptions of Hong Kong, which may indirectly impact investor confidence.

## Human Resources

- Hiring plans among companies remain stable, with 55% intending to maintain their current workforce. Despite this stability, high HR costs and challenges in attracting qualified talent persist as significant concerns for businesses.

## Data Freedom & Cybersecurity

- A notable 65% of respondents reported satisfaction with data freedom in Hong Kong, reflecting a gradual improvement over previous years. 62% expressed optimism regarding the maintenance of free internet access.

## Innovation, Technology, & AI

- Sentiment towards government support for research and development has risen to 57%. 91% of companies viewed the integration of artificial intelligence as essential for business operations, predominantly focusing on information-centric functions rather than physical automation.

## Greater Bay Area Engagement

- Business activity in the Greater Bay Area has surged, with 67% of companies now operating in the region. This reflects a strong commitment, as 37% planned to expand operations, while a notable shift in attitudes was seen, with no companies indicating plans to reduce their presence.

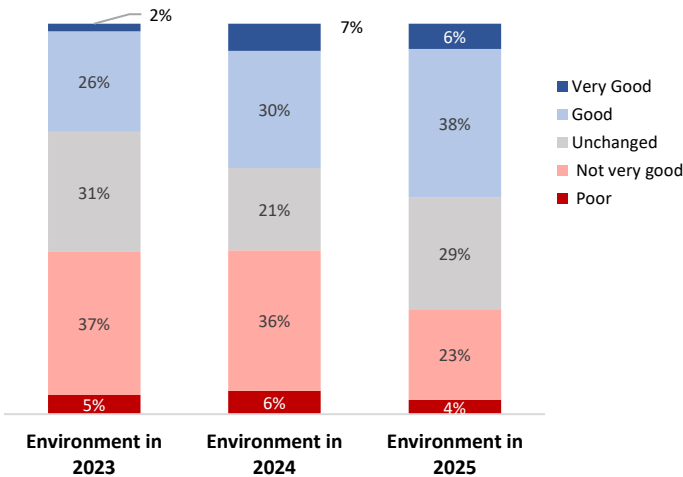




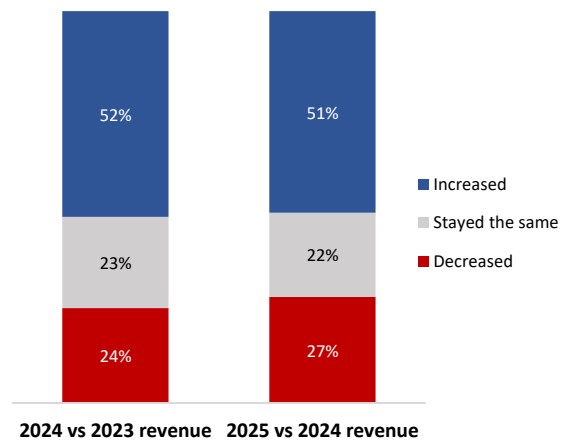
# HONG KONG BUSINESS & INVESTMENT OUTLOOK

Companies were notably satisfied with Hong Kong's business environment in 2025, with a 15% decrease (from 42% to 27%) in those reporting a "not very good" or "poor" environment compared to 2024. Despite these improved assessments, reported revenues have remained steady, with 3% increase in the number of companies experiencing declining revenues compared to the previous year.

**Fig 5A. What is your/your company's assessment of Hong Kong's business environment over the past 12 months?**

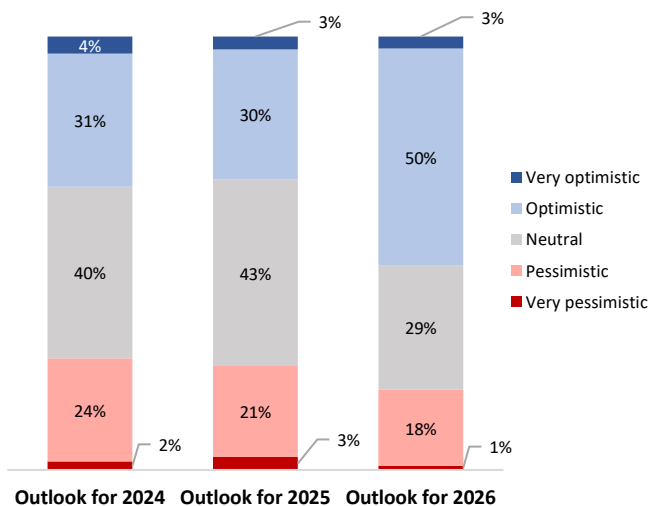


**Fig 5B. Change in revenue (vs. a year ago)**

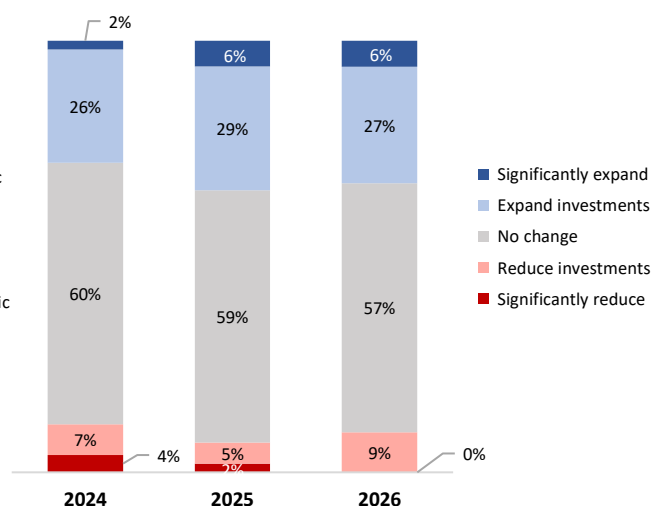


Looking ahead to the 2026 business outlook, over 50% were optimistic about business outlook for the next 12 months, which was a notable increase from last year (33%), representing the highest level of optimism in the past two years. Most companies planned to maintain their current investment strategies in Hong Kong over the next two years (57%), while 33% (2% decrease from last year) planned to expand investments, and 9% planned to reduce investments (2% increase from last year).

**Fig 5C. Business outlook for the next 12 months**



**Fig 5D. Investment plans for next 2 years**





# BUSINESS CHALLENGES

The majority of companies continued to view tensions in U.S.-China relations as the primary business challenge for the coming year, along with concerns about a slowing Chinese economy and overseas perceptions of Hong Kong.

**Fig 6A. Top Business Challenges in 2024**



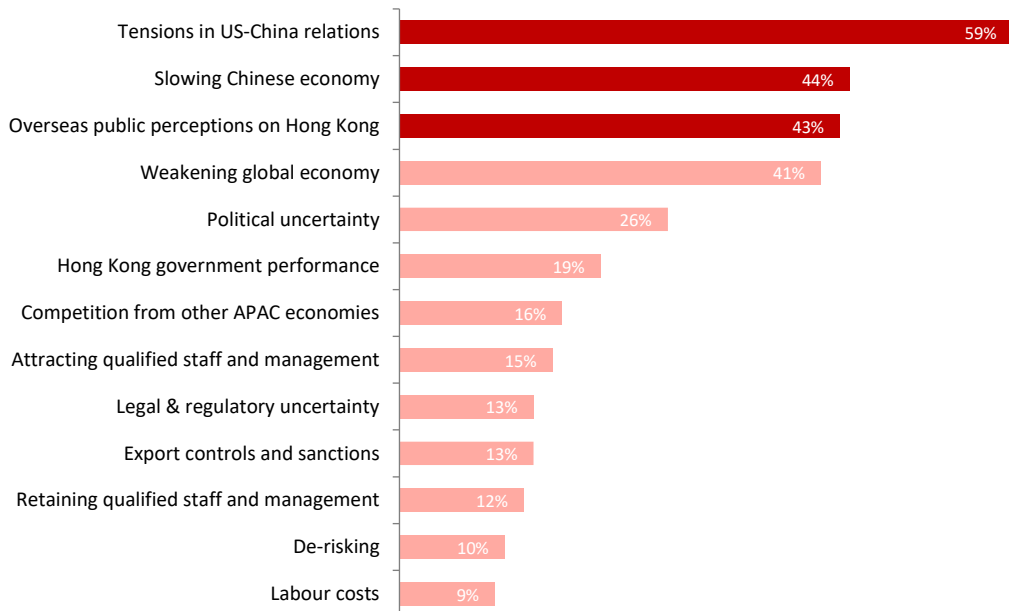
**Fig 6B. Top Business Challenges in 2025**



**Fig 6C. Top Business Challenges in 2026**



**Fig 6D. What are Hong Kong's top 3 business challenges in the coming 12 months?**

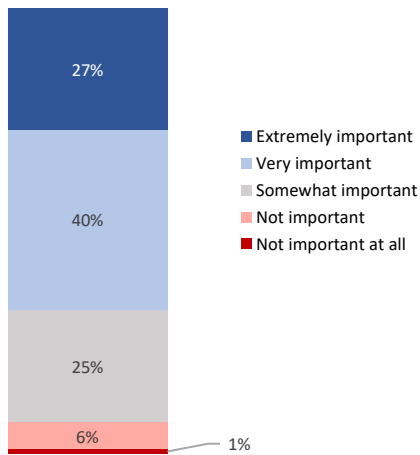




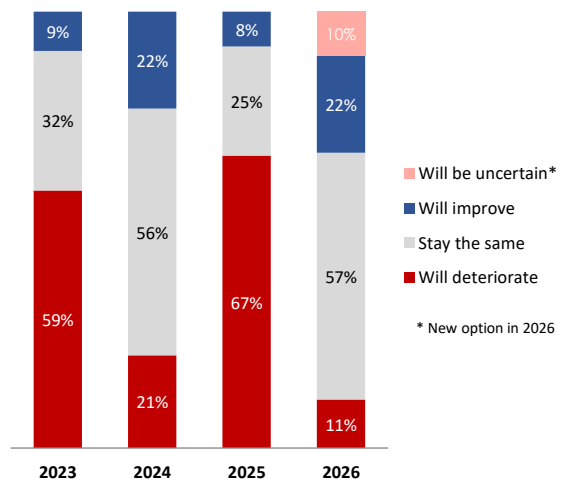
# U.S.-CHINA RELATIONS

93% of companies recognized the importance of U.S.-China relations for their operations in Hong Kong and China. Regarding the trajectory of U.S.-China relations in 2026, only 11% (56% decrease from last year) thought it would deteriorate, with 57% (32% increase from last year) thought it would stay the same, and 22% believed relations would be improved.

**Fig 7A. How important are positive U.S.-China relations to your business in Hong Kong and China?**



**Fig 7B. How do you believe the U.S.-China relations will go in the next 12 months?**



Respondents viewed that “general uncertainty in outlook” (61%) and the “perceived lack of differentiation between Hong Kong and China” (62%) have had the greatest impact on their companies in the current geopolitical environment. Other challenges included the imposition of trade tariffs (30%) and compliance with U.S. and China regulations (29%).

**Fig 7C. Which issues have had the greatest impact on your company?**



\*As multiple selection is allowed, percentages may total over 100%

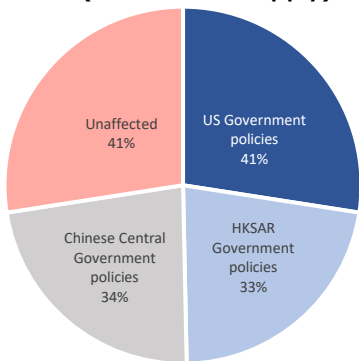


# U.S.-CHINA RELATIONS

Government policies influence the ability to conduct business in Hong Kong. While 41% of respondents reported being unaffected by any government policies, 41% indicated that U.S. government policies have impacted their operations. This was followed by the effects of Chinese Central Government policies (34%) and HKSAR Government policies (33%).

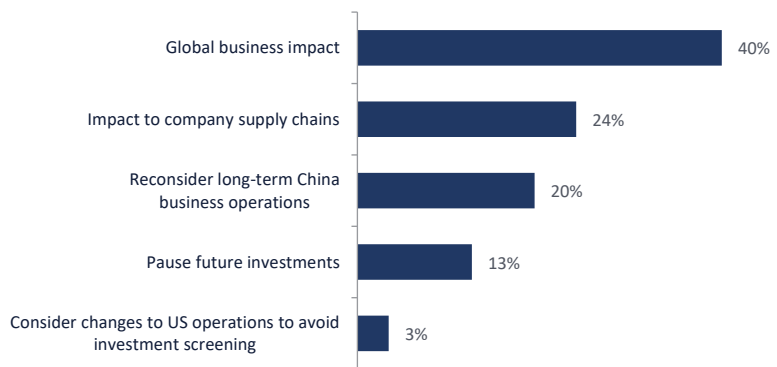
U.S. policies restricting investment in China were impacting corporate strategy, with 40% of companies reporting effects on their global business performance. Operational challenges were also apparent, as 24% of members have experienced supply chain disruptions, and 13% have already paused future investments. Additionally, 20% of respondents were reconsidering their long-term business operations in China.

**Fig 8A. Which of the following has affected your ability to do business in Hong Kong? (Select all that apply)**



\*As multiple selection is allowed, percentages may total over 100%

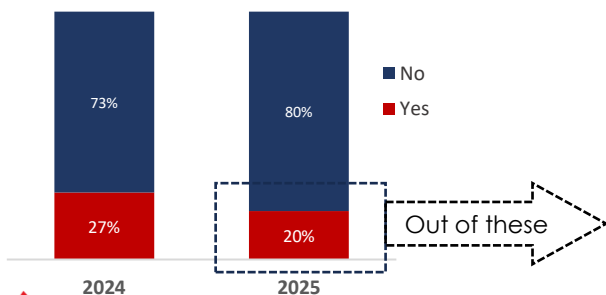
**Fig 8B. How would U.S. policies restricting investments in China impact your business?**



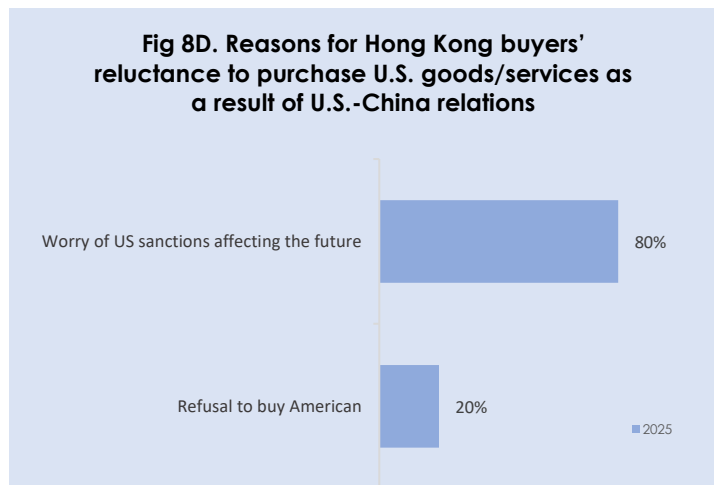
\*As multiple selection is allowed, percentages may total over 100%

Tensions in U.S.-China relations have contributed to 20% of members reporting reluctance from Hong Kong buyers, though it was 7% decrease from 2024. This hesitation was primarily driven by fears of future U.S. sanctions, with 80% of respondents attributing the reluctance to such concerns. 20% respondents thought that buyers' reluctance was due to the products'/ services' American origin.

**Fig 8C. In the past year, has your business encountered any reluctance of Hong Kong buyers in buying your service/product as a result of recent U.S.-China relations?**



**Fig 8D. Reasons for Hong Kong buyers' reluctance to purchase U.S. goods/services as a result of U.S.-China relations**



## U.S.-HONG KONG RELATIONS

To enhance U.S.-Hong Kong relations, 74% of members advocated for emphasizing Hong Kong's uniqueness, international character, and sectoral legal distinctions from the mainland. 57% believed it would be essential for the U.S. government to recognize the fundamental differences between Hong Kong and China as a critical action.

**Fig 9A. In your view, what actions by the Hong Kong Government would help to improve U.S.-HK relations? (Select all that apply)**

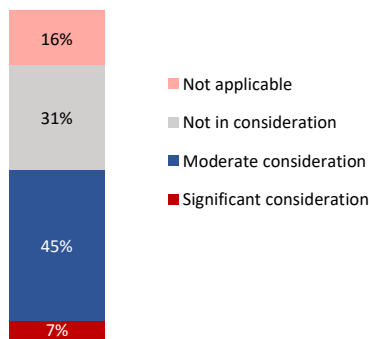


**Fig 9B. In your view, what actions by the U.S. Government would help to improve U.S.-HK relations? (Select all that apply)**



## CONTINGENCY PLANNING FOR GREATER CHINA OPERATIONS

**Fig 9C. How significantly do you consider a potential Taiwan Strait conflict when making your business plans?**



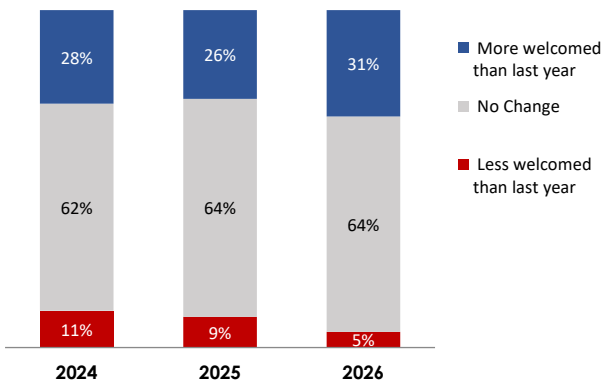
The majority of businesses are incorporating geopolitical stability into their strategies, with over 52% of respondents giving either significant (7%) or moderate (45%) consideration to the potential for a conflict in the Taiwan Strait. However, a notable portion of the market remains unaffected or unconcerned: 31% chose not to consider it as relevant or significant at the moment, and 16% thought that the Taiwan factor does not apply to their individual organization's business planning.



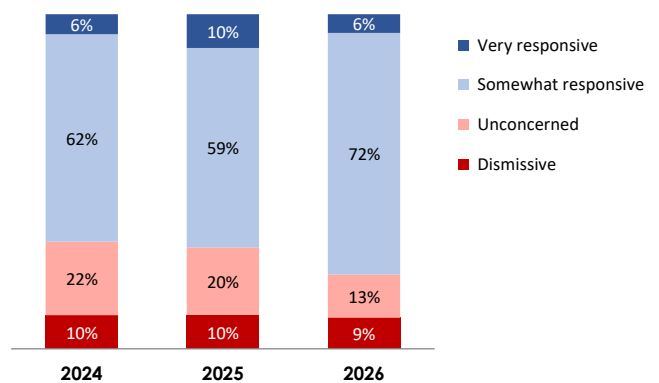
# HONG KONG'S BUSINESS ENVIRONMENT & COMPETITIVENESS FACTORS

When asked about the perception of foreign businesses in Hong Kong compared to the previous year, the sentiment remained largely positive. The majority of respondents (64%) believed the environment has stayed the same, while nearly one-third felt more welcomed than before. Only 5% felt less welcomed than last year, a decrease from 9% in 2025. Qualitative feedback pointed to ongoing issues included: a perceived bias towards Chinese companies, increased administrative burdens, challenges in attracting talent due to visa issues and a lack of legal recognition. Additionally, 78% of respondents viewed the Hong Kong Government as responsive to business concerns and opportunities, with negative perceptions reaching their lowest levels (22%) in recent years.

**Fig 10A. Do you feel foreign businesses are welcomed in Hong Kong?**

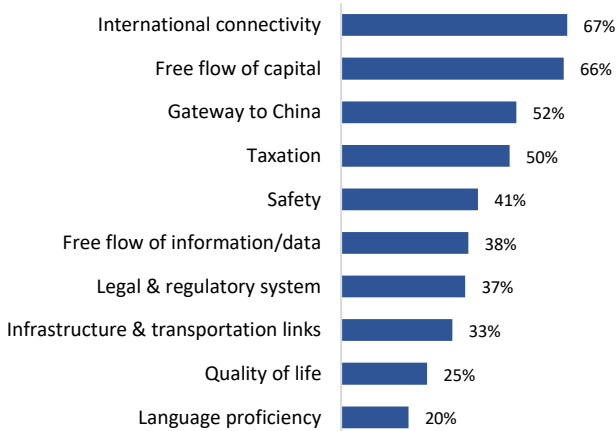


**Fig 10B. How well would you rate the Hong Kong Government's effectiveness in responding to business concerns and opportunities?**

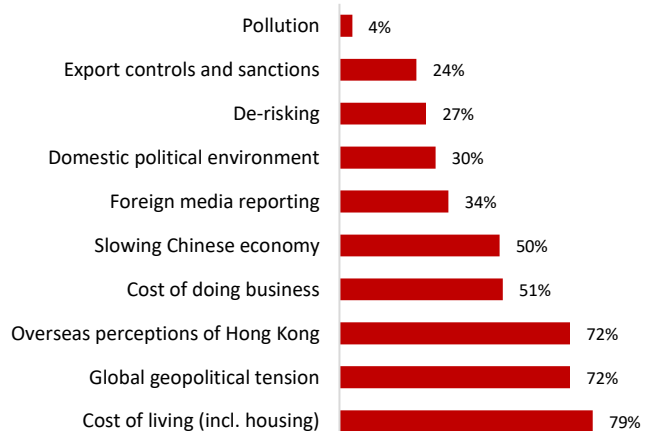


International connectivity remains a top competitive factor for Hong Kong, followed closely by the free flow of capital, low taxation, and its role as a gateway to and from China. Conversely, the primary constraints on competitiveness stemmed from the high cost of living, alongside global geopolitical tensions and overseas perceptions of Hong Kong. Overall, the latest results indicate that while Hong Kong's structural and financial advantages remain compelling, external pressures and affordability concerns are significantly impacting business sentiment.

**Fig 10C. Top 10 business factors that make Hong Kong competitive**



**Fig 10D. Top 10 business factors that make Hong Kong uncompetitive**



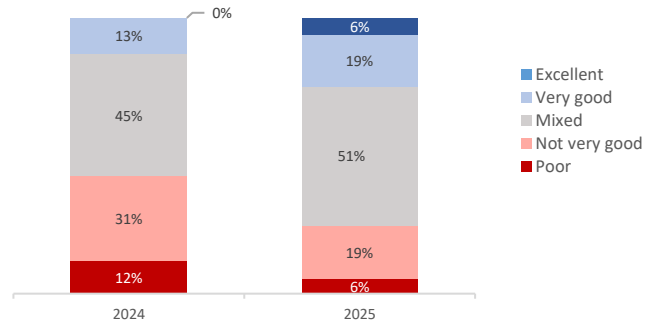
\*As multiple selection is allowed, percentages may total over 100%

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## OPPORTUNITIES FOR SMALL & MEDIUM BUSINESSES IN HONG KONG

51% respondents expressed mixed feelings about the outlook for SME opportunities in Hong Kong. 25% believed that opportunities will be "not very good" or "poor." In contrast, 13% viewed the entrepreneurial environment as "very good," while 6% rated it as "excellent," reflecting a 6% increase from last year.

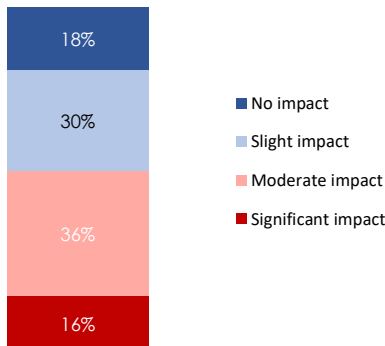
**Fig 11A. What do you think of the opportunities for SMEs in Hong Kong over the next 2 years?**



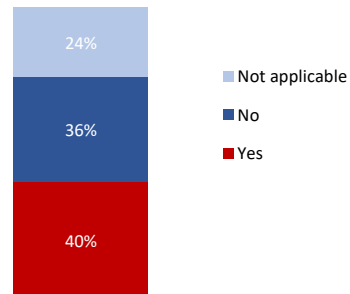
## CURRENT TRADE ENVIRONMENT

The current trade environment is significantly affecting most businesses' plans for the next three years, with 82% reporting different levels of impact: over a third cited a moderate impact (36%), while 30% reported a slight impact, and 16% indicated a significant impact. Global trade policy changes are prompting tangible adjustments: 40% reported having to make new business plans, while 36% said they have not.

**Fig 11B. Has the current trade environment affected your business plan in the next 3 years?**



**Fig 11C. Have you had to make new business plans because of the global trade policy changes?**

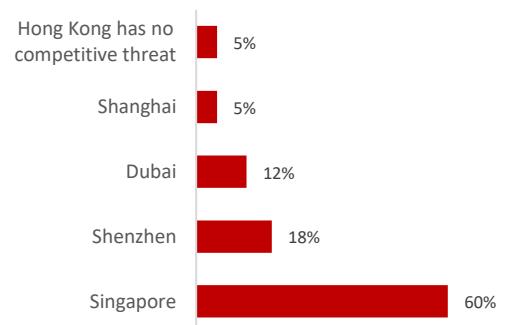


## HONG KONG'S BIGGEST COMPETITORS

Singapore was widely perceived as Hong Kong's most significant competitive threat, identified by 60% of respondents. Following this, Shenzhen (18%) and Dubai (12%) represented a secondary tier of competition, while Shanghai (5%) was mentioned far less frequently. 5% of participants felt that Hong Kong faces no competitive threat at all.

Other competitors suggested include Greater Bay Area, India, Vietnam, and broader competition beyond Asia, which may vary by industry.

**Fig 11D. Which city represents the greatest competitive threat to Hong Kong?**

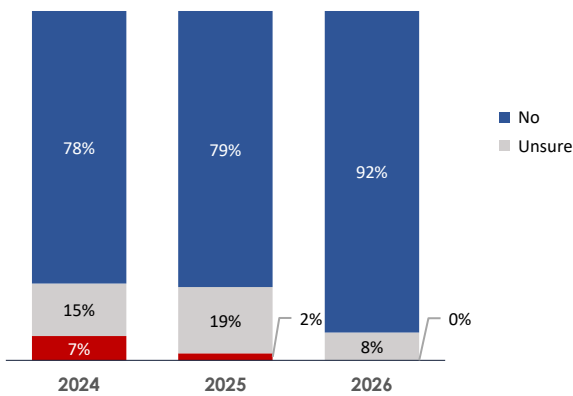




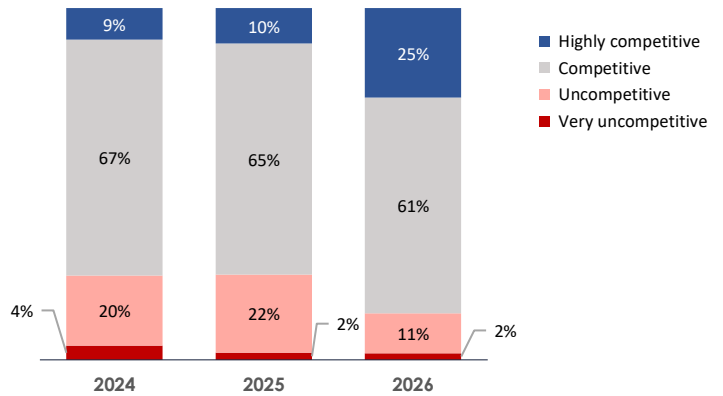
# ASSESSING FUTURE PLANS IN HONG KONG

For multinational corporations (MNCs), confidence in Hong Kong's capacity to retain businesses has markedly increased, with 92% of respondents reporting no intentions to relocate their headquarters within the next three years, and none indicating a definitive exit strategy. This commitment is underscored by a robust belief in the market's viability, as 86% of respondents classified Hong Kong as either competitive or highly competitive as an international business hub in Asia.

**Fig 12A. Do you plan to move your headquarters away from Hong Kong in the next 3 years?**

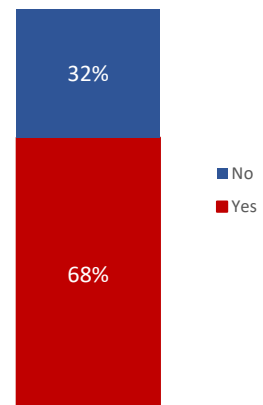


**Fig 12B. What is your assessment of Hong Kong's competitiveness as an international business hub in Asia?**



However, a notable trend of function relocation is observed, with 68% of respondents noting that companies have transferred functions out of Hong Kong.

**Fig 12C. Have you observed companies moving functions out of Hong Kong?**



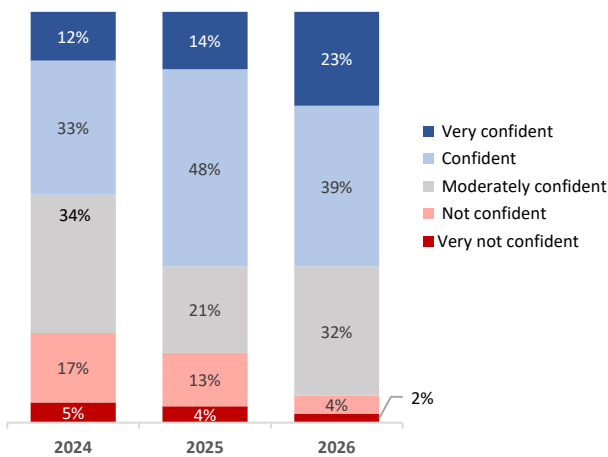


# LEGAL CONSIDERATIONS & SANCTIONS

Confidence in Hong Kong's rule of law is predominantly positive, with 94% of respondents indicating that they are very confident, confident, or moderately confident - a continuous increase from 83% in 2025 and 79% in 2024. Only 6% expressed low confidence, reflecting an 11% decrease from 2025.

The majority of respondents indicated that their companies' confidence has remained stable over the past 12 months, with 76% reporting no change. Furthermore, 10% said the rule of law has improved. 14% asserted that it has worsened, which is a gradual decrease from 33% in 2024 and 26% in 2025.

**Fig 13A. Current confidence in Hong Kong's rule of law**



**Fig 13B. How has your company's confidence in the rule of law in Hong Kong changed over the last 12 months?**

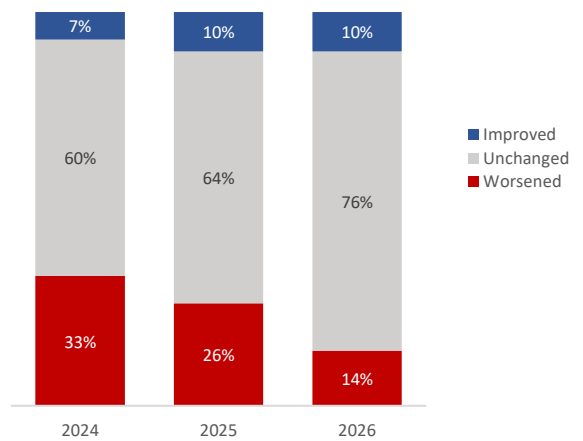
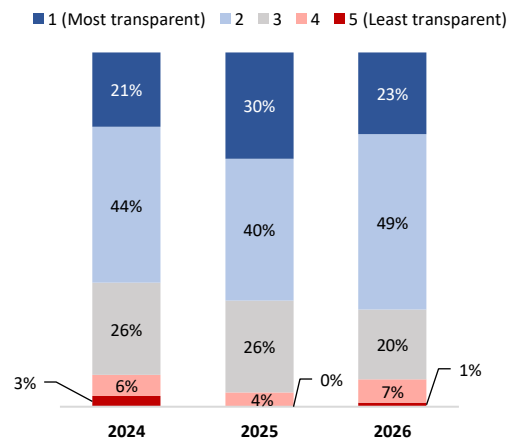


Fig. 13C reflects industry perceptions of regulatory environment transparency across three consecutive years: 2024, 2025, and 2026. A combined 72% of respondents rated the regulatory environment as highly transparent or transparent (1 & 2) in 2026, which was 2% and 7% improvement from 2025 and 2024 respectively.

Conversely, views regarding the least transparent categories (4 & 5) show some fluctuation, changing from 9% in 2024, to 4% in 2025 to 8% in 2026.

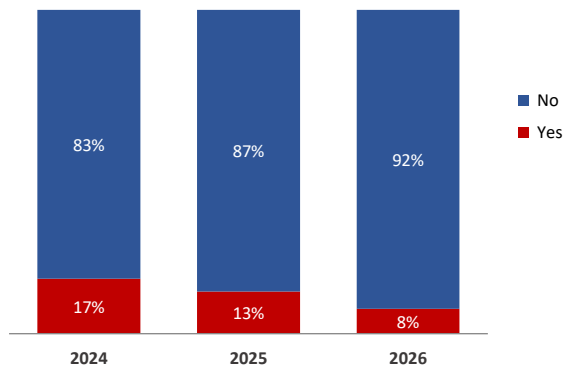
This trend may indicate an improvement in regulatory practices or enhanced communication from policy makers for some industries, and suggests that more transparency may be needed for some other industries.

**Fig 13C. On a scale of 1-5, in your view, how transparent is your industry's regulatory environment?**



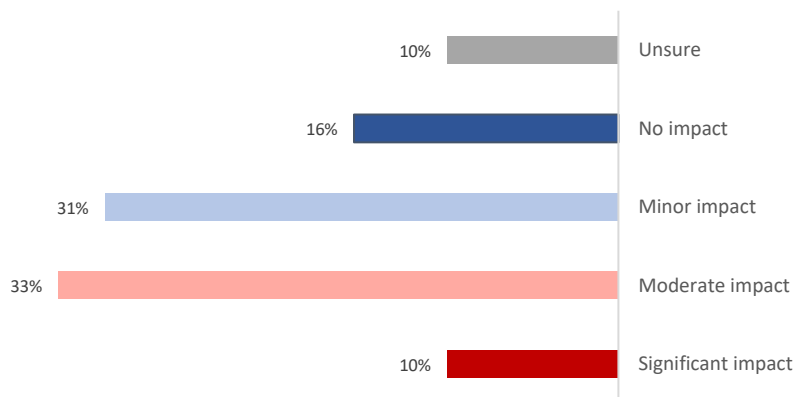
It was suggested that the operational effects related to sanctions are diminishing in significance, with 92% of respondents indicating that foreign governments' sanctions on certain Hong Kong government officials have not influenced their company's operations.

**Fig 14A. Have foreign governments' sanctions on some Hong Kong Government officials impacted your company's operations?**



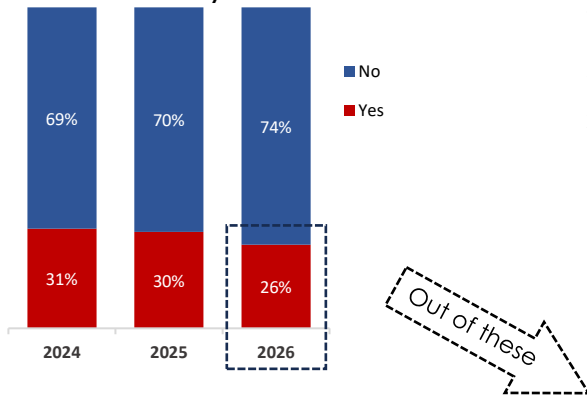
Nevertheless, international sanctions and related KYC/AML requirements were noted to exert a varying degree of operational impact. 64% of respondents reported experiencing either a minor (31%) or moderate (33%) impact, indicating that while disruptions are present, they are generally manageable. Concurrently, 10% of participants reported a significant impact, while 16% indicated no impact at all.

**Fig 14B. To what extent do international sanctions, and related KYC/anti-money laundering ("AML") requirements, impact business operations in Hong Kong**



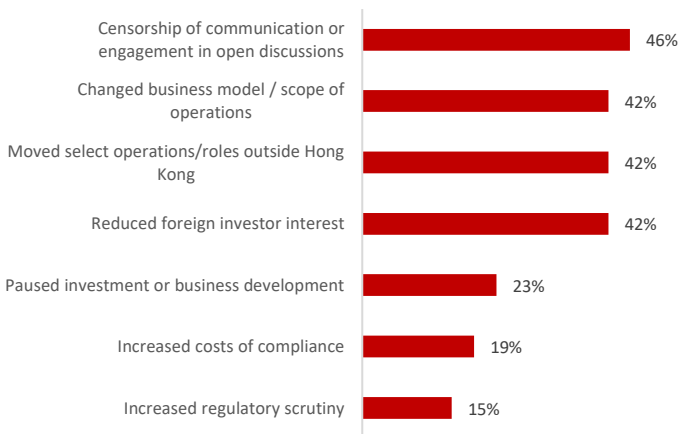
## NATIONAL SECURITY LAW AND ARTICLE 23 LEGISLATION

**Fig 15A. Has your company's operations in Hong Kong been negatively impacted by the National Security Law?**

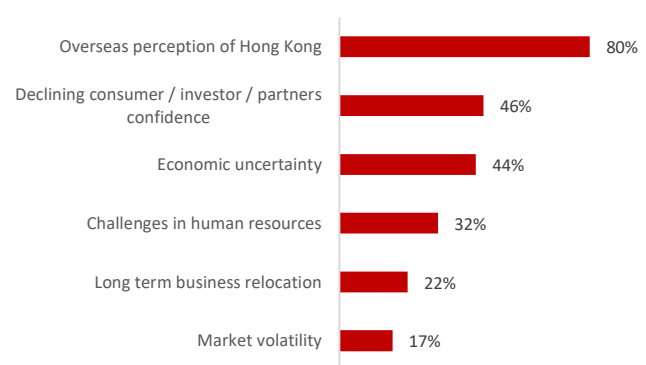


Regulations related to National Security Law continue to have a small negative impact on business operations. 26% of respondents reported a negative impact, representing a 4% decrease compared to 2025 and 5% decrease from 2024. 74% indicated no negative impact.

**Fig 15B. Direct negative impacts of NSL and/or Article 23 that apply to your company's operations**



**Fig 15C. Indirect negative impacts of NSL and/or Article 23 that apply to your company's operations**



Of the 26% respondents who reported a negative impact, notably, 46% of respondents reported adopting measures such as censorship or increased caution in communications and open discussions. 42% had changes to their business model or scope, 42% relocated select operations or roles outside of Hong Kong, and 42% saw a decline in foreign investor interests.

In contrast, fewer respondents mentioned immediate pullbacks or compliance burdens, including paused investment or business development (23%), increased compliance costs (19%), and heightened regulatory scrutiny (15%).

Among the 26% of respondents who reported experiencing a negative impact, several indirect effects have been identified. A significant majority cited the overseas perception of Hong Kong as a concern (80%), followed by declining confidence among consumers, investors, and partners (46%) and economic uncertainty (44%). A noteworthy portion also mentioned challenges related to human resources (32%), while fewer respondents indicated long-term business relocation (22%) or market volatility (17%).

These findings suggest that the indirect effects are predominantly related to reputation, confidence, and sentiment rather than operational impact.

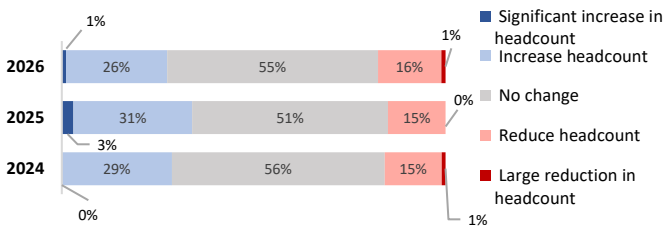


# HUMAN RESOURCES

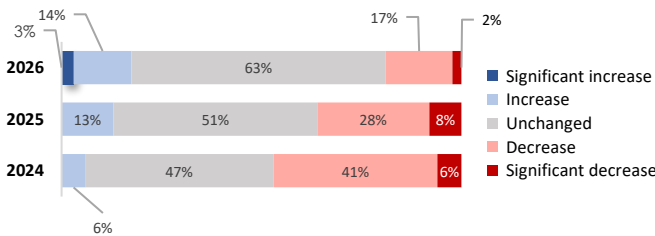
## HIRING OUTLOOK AND CHALLENGES

Hiring plans for the next 12 months are largely stable, with 55% of firms intending to maintain their current headcount. Only 27% anticipated growth, while 17% projected reductions. Regarding the availability of qualified staff, 63% of respondents perceived it as "unchanged". 19% believed it has decreased, representing improvements of 14% and 28% compared to 2025 and 2024, respectively. Despite signs of stabilization in staff availability, high HR costs remained a significant constraint. Over half of the respondents identified rising salary and wage expenses as the primary challenge to human resources, followed by a diminishing talent pool (50%) and difficulties in attracting skilled executives (44%).

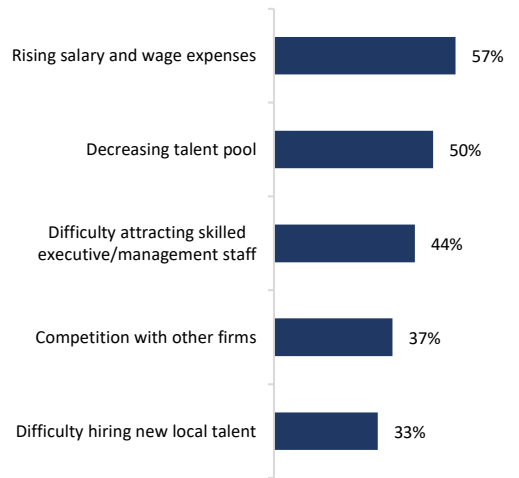
**Fig 16A. What are your expected hiring plans over the next 12 months?**



**Fig 16B. What is your assessment of the availability of qualified staff in Hong Kong in the past 12 months?**



**Fig 16C. Please select your top five human resource challenges in Hong Kong**

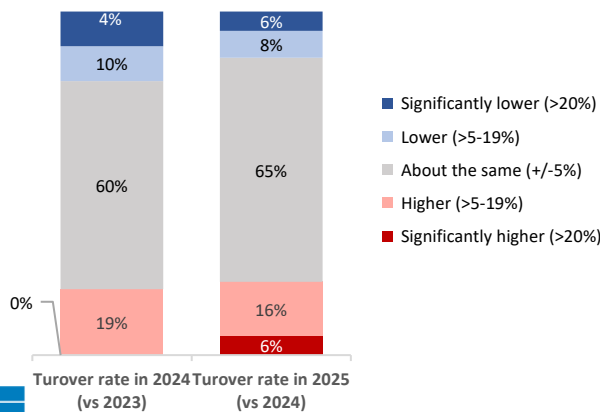


\*As multiple selection is allowed, percentages may total over 100%

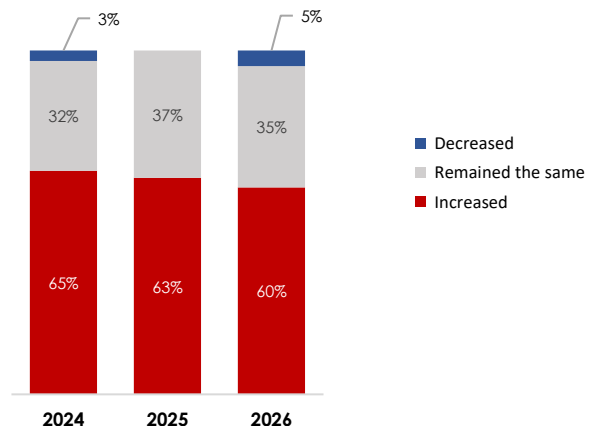
## SALARIES AND EMPLOYEE TURNOVER RATE

Labor market volatility has intensified in 2025, as the proportion of respondents reporting increased or significantly increased levels of employee turnover has risen from 19% in 2024 to 21%. Consequently, a notable 5% of respondents have reduced their expenditures on employee compensation.

**Fig 16D. Employee turnover rate in 2025 compared to 2024**



**Fig 16E. How has the cost of paying employees changed in the past 12 months for your company?**



**Fig 17A. Top 5 human resource priorities for 2026 in Hong Kong**

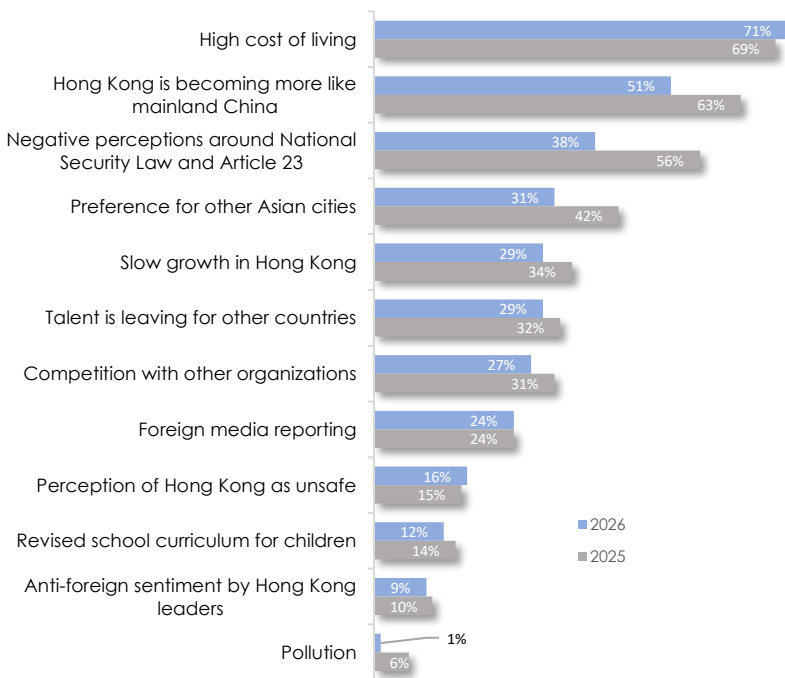
**HUMAN RESOURCE PRIORITIES FOR 2026**

Amid a subdued outlook for future hiring, initiatives aimed at employee training (64%) and engagement (63%) have surpassed efforts in recruitment (49%) and local talent acquisition (46%). Mentorship and staff well-being (45-46%) were regarded as equally important as hiring, whereas foreign talent acquisition (28%) and contract evaluation (11%) ranked as less pressing priorities. This trend indicates a strategic pivot toward optimizing existing human capital rather than pursuing external expansion, reflecting a commitment to internal stability and professional development.



\*As multiple selection is allowed, percentages may total over 100%

**Fig 17B. Which of the following factors is a significant challenge to your organization's ability to recruit and retain foreign talent to work in Hong Kong?**



\*As multiple selection is allowed, percentages may total over 100%

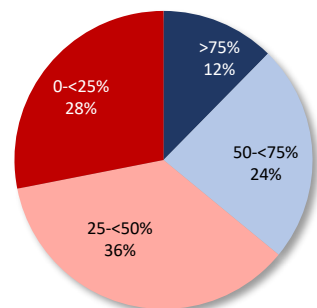
**HIRING FOREIGN TALENT**

When it comes to recruiting and retaining foreign talent, the high cost of living remains the top obstacle, followed closely by the perception that Hong Kong is increasingly resembling mainland China and the external perceptions surrounding the National Security Law. Concerns related to mainland integration and national security laws have decreased to 51% and 38%, respectively. Furthermore, competitive pressures from other Asian cities and outward talent migration have also diminished compared to 2025. This shift underscores that the prohibitive living costs are the principal deterrents for international professionals.

**GENDER DIVERSITY**

Gender representation within Hong Kong's upper management continues to exhibit a notable imbalance, as 63% of respondents indicated that women occupy less than half of executive positions. While 36% of firms have attained gender parity or a female majority, a mere 12% have achieved high-level representation exceeding 75%. These findings indicate that although the presence of women in senior roles is evident, the majority of companies still lag in achieving a balanced executive diversity.

**Fig 17C. In your company, what is the percentage of female top management in Hong Kong?**



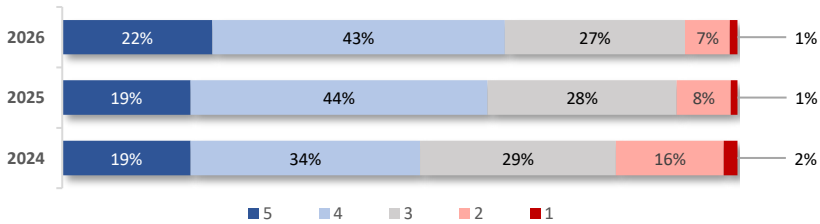


# DATA FREEDOM & PRIVACY

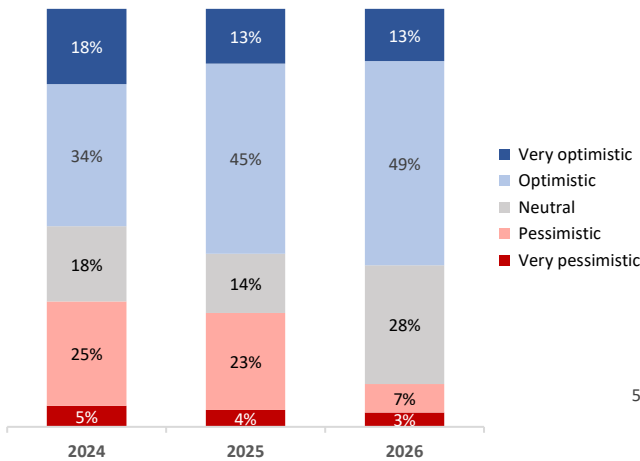
## CURRENT & FUTURE ACCESS TO THE INTERNET AND INFORMATION PLATFORMS

Latest findings indicate a gradual strengthening of business sentiment and data accessibility over the past three years. In 2026, 65% of respondents expressed a high level of satisfaction (categories 4 & 5) with data freedom in Hong Kong, reflecting a slight increase from 63% in 2025 and 54% in 2024 (Fig 18A). Furthermore, 62% of companies expressed optimism about maintaining free internet access, a 10% increase from 2024 (Fig 18B). On data access, 47% of respondents reported that they never encountered issues accessing online information, an improvement over the 42% reported in the preceding two years (Fig 18C). 6% reported they have encountered difficulties in accessing data online for various reasons.

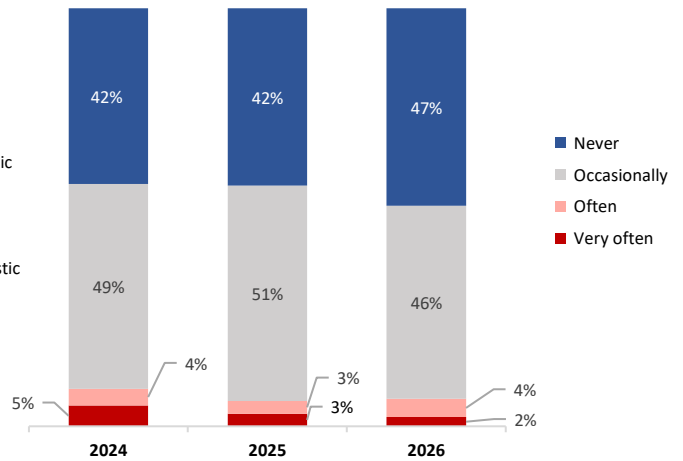
**Fig 18A. On a scale of 1-5 (1 being least and 5 being most), how happy are you with the data freedom in Hong Kong?**



**Fig 18B. Companies' expectation for Hong Kong to continue to have free access (without government censorship and/or firewall) to global internet and information platforms in the next 3 years**



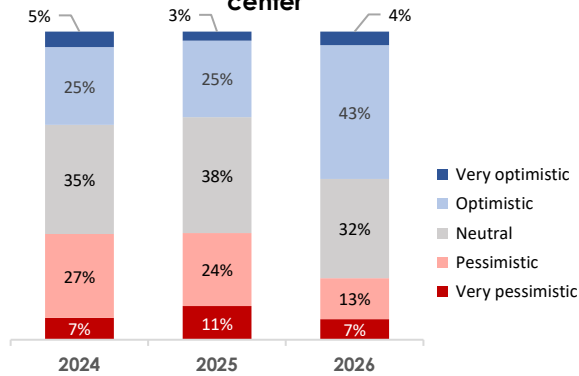
**Fig 18C. Frequency of businesses encountering difficulties in accessing data (e.g. news, information, website) online in Hong Kong**



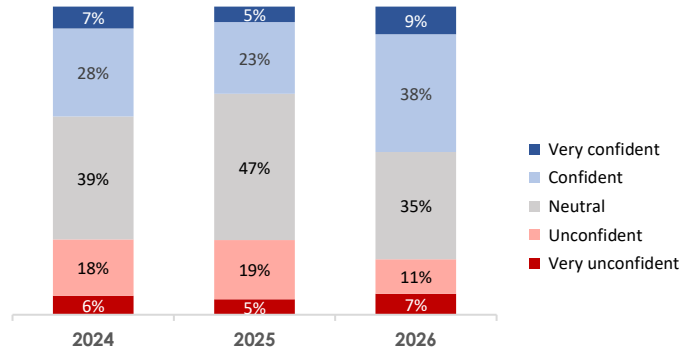
## HONG KONG AS A REGIONAL DATA CENTER

Perceptions of Hong Kong's data infrastructure have significantly improved, with optimism about the city's future as a regional data center rising to 47%, a significant increase from 28% in 2025 (Fig 19A). Concurrently, confidence in local data storage has also climbed to 47%, reflecting a 19% improvement over the previous year (Fig 19B). Fewer respondents expressed pessimism about Hong Kong's future and lack of confidence in local data storage compared to earlier years. These trends indicate a renewed trust in the region's long-term viability and security as a data hub.

**Fig 19A. Hong Kong's future as regional data center**



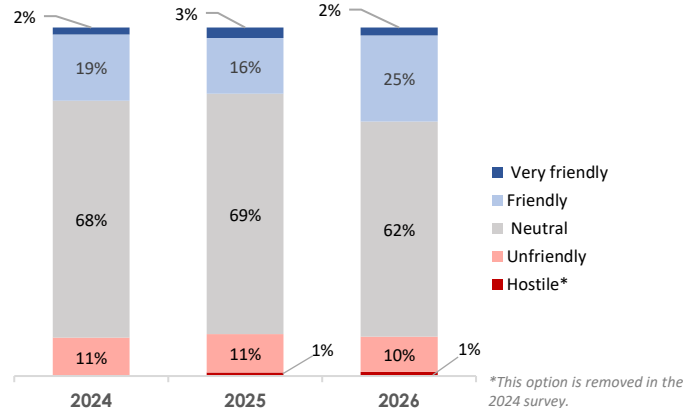
**Fig 19B. Confidence in storing customer and company data locally in Hong Kong**



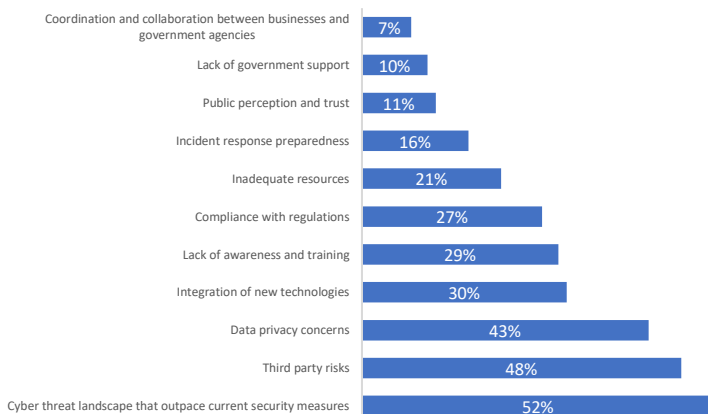
## DATA PRIVACY

62% of respondents adopted a neutral stance toward Hong Kong's data privacy regulations, reflecting a 7% decrease from 2025 (Fig 19C). This shift is accompanied by an increase in favorable sentiment, which rose from 19% in 2025 to 27% in 2026. Perceptions categorized as "unfriendly" or "hostile" remained consistent, accounting for a combined 11% in 2026. These results suggest a moderate transition from neutral to positive views over the past twelve months, while negative sentiment has remained relatively stable.

**Fig 19C. How comfortable is your company with the regulation of data privacy protection in Hong Kong currently when it comes to the impact on your business?**



**Fig 19D. What are the primary cybersecurity challenges your organization faces?**



## CYBERSECURITY

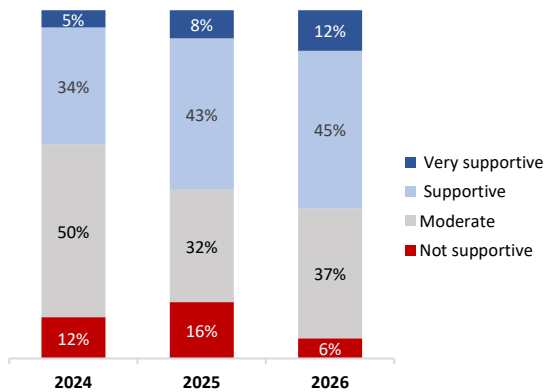
Given the increasing frequency and sophistication of cyber threats in today's digital landscape, a question specifically addressing challenges related to cybersecurity was included. The most common challenge for organizations is a cyber threat landscape that outpaces current security measures (52%), followed closely by third-party risks (48%) and data privacy concerns (43%), indicating both external and operational vulnerabilities. Internal barriers such as technology integration (30%) and awareness training (29%) have shown moderate difficulties. In addition, collaboration with government agencies (7%) and lack of government support (11%) were ranked as the least pressing issues, suggesting a widespread prioritization of technical defense over institutional engagement.



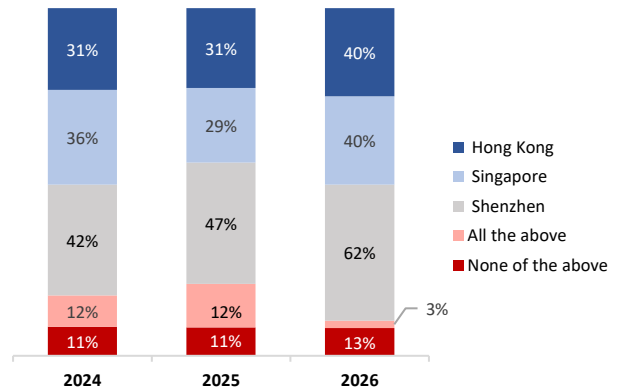
# INNOVATION & TECHNOLOGY, R&D & START UPS

Positive sentiment regarding the Hong Kong Government R&D support reached a peak of 57%, continuing a steady upward trend from 39% in 2024. This shift is also shown through a sharp decline in negative perceptions, which fell to 6% in 2026. Despite improved domestic support, Shenzhen was ranked as the leading R&D location, with favorability surging from 47% in 2025 to 62% in 2026. While Hong Kong and Singapore both reached 40% favorability, Shenzhen's widening lead indicates a strong regional preference that currently outpaces local policy improvements in the innovation sector.

**Fig 20A. Hong Kong Government support to Research & Development and development of Innovation & Technology**

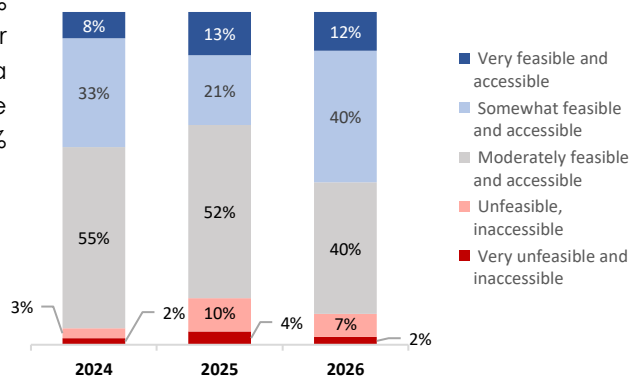


**Fig 20B. Best location for Research & Development**



On the accessibility of venture capital funding for Hong Kong entrepreneurs, 52% of respondents rated funding as very or somewhat feasible and accessible, a strong recovery from 34% in 2025. Negative sentiment declined to 9%, down from 14% in 2025.

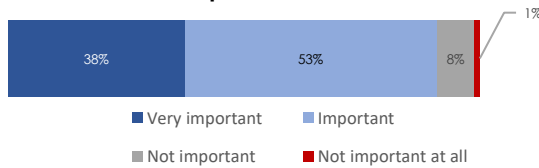
**Fig 20C. Access to venture capital funding for entrepreneurs in Hong Kong**



## USE OF ARTIFICIAL INTELLIGENCE

In recent years, the integration of artificial intelligence (AI) into business operations has emerged as a transformative trend, significantly shaping the competitive landscape across various industries. Organizations are increasingly leveraging AI to enhance efficiency, drive innovation, and improve decision-making processes. As a result, understanding the sentiment towards AI adoption is crucial for assessing its impact on business dynamics and future readiness.

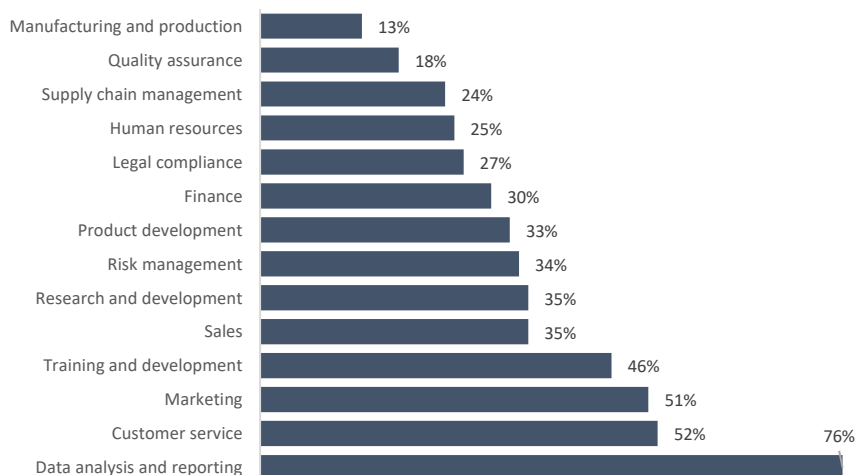
**Fig 21A. How important is the application of artificial intelligence in your business operation?**



There was an overwhelming consensus regarding the operational significance of AI, with a combined 91% of respondents rating it as essential, and only 9% labeling it unimportant and a 1% dismissing it entirely.

The integration of artificial intelligence (AI) is primarily concentrated within information-centric and customer-facing functions. Notably, data analysis and reporting have emerged as the leading areas of adoption, with 76% of respondents indicating utilization in this domain. This was followed by customer services (52%), marketing (51%), and training and development (46%). In contrast, the application of AI in manufacturing and quality assurance was significantly less pronounced, with only 13% and 18% of respondents, respectively, reporting its use. These findings suggest that while AI is broadly employed across various business functions, its predominance lies in information management rather than in physical automation.

**Fig 21B. Which of the following areas is artificial intelligence applied in your business operation?**



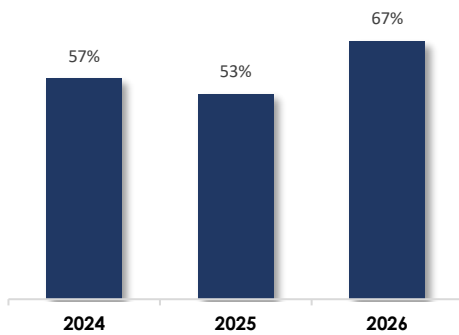


# GREATER BAY AREA

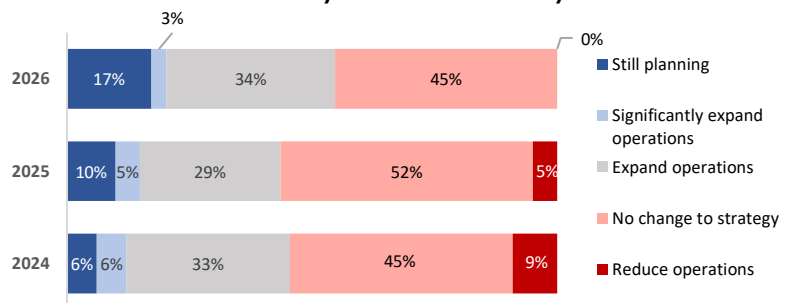
## OPERATIONS & PROSPECTS IN THE GREATER BAY AREA

Business activity in the Greater Bay Area (GBA) has reached a new peak, with 67% of companies now operating in the region. This was supported by increasingly clearer growth plans, as 37% of firms intended to expand operations over the next three years. Notably, the number of companies looking to reduce their regional footprint has dropped to 0% for the first time. These trends signify a robust and renewed commitment and interest in the Greater Bay Area. While existing GBA operators show a shift toward deliberate growth, the 17% of respondents who were still in the planning phase - increased from 6% and 10% in 2024 and 2025 respectively - indicates a more cautious approach to scaling.

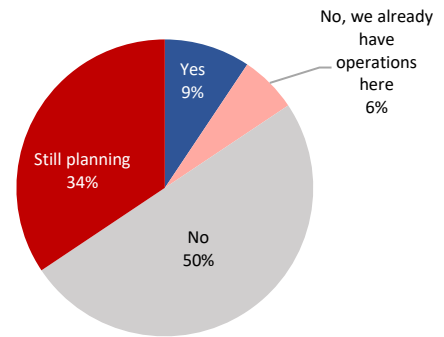
**Fig 22A. Percentage of members whose companies are conducting business in the GBA, excluding Hong Kong**



**Fig 22B. (For those who have presence in the GBA) Does your company plan to expand its operations in the Greater Bay Area in the next 3 years?**

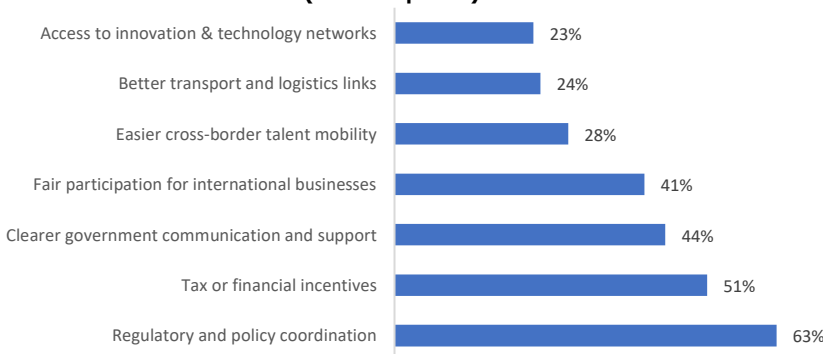


**Fig 22C. Does your company plan to set-up operations in the Greater Bay Area in the next 3 years?**



Sentiment regarding potential entry into the GBA is divided. While 50% of companies did not have plans to establish a presence in the region, 44% were actively evaluating the opportunity. Among these, 10% have confirmed immediate intentions to set up operations, while 34% are still in the planning phase.

**Fig 22D. What would most help Hong Kong business capture GBA opportunities? (Select up to 3)**



\*As multiple selection is allowed, percentages may total over 100%

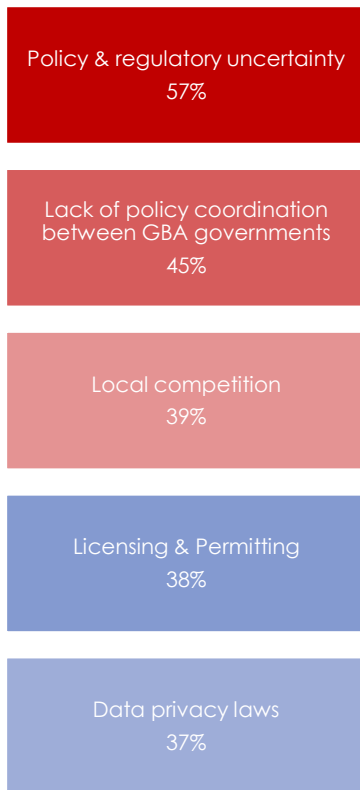
When seeking support for growth, respondents placed greater emphasis on structural and financial frameworks rather than on physical infrastructure. The majority identified regulatory and policy coordination (63%) and tax or financial incentives (51%) as the most critical factors. While operational elements such as transport links (24%) and talent mobility (28%) were still relevant, they were regarded as secondary to the necessity for a coordinated and incentivized governance environment.



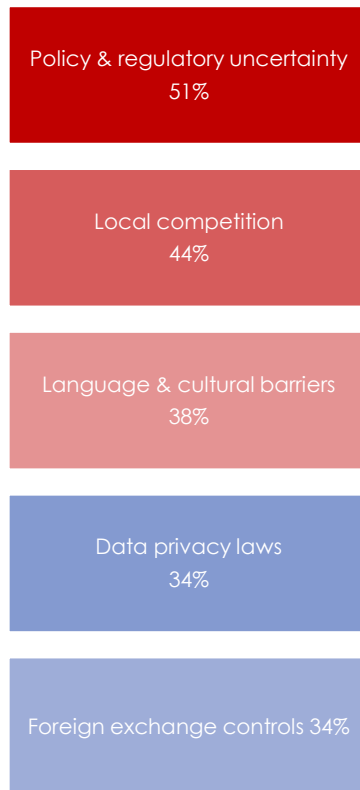
## CHALLENGES WITHIN THE GREATER BAY AREA

Companies operating in the GBA are contending with intensified competition, with local competition emerging as a predominant concern. This apprehension has escalated from 39% in 2024 to 44% in 2025, and further to 54% in 2026. Concurrently, obstacles such as policy and regulatory uncertainty (54%) and challenges associated with licensing and permitting (44%) remain significant barriers. As a result, businesses are compelled to navigate an increasingly demanding environment characterized by both a substantial regulatory burden, evident in prior years, and heightened competitive pressures.

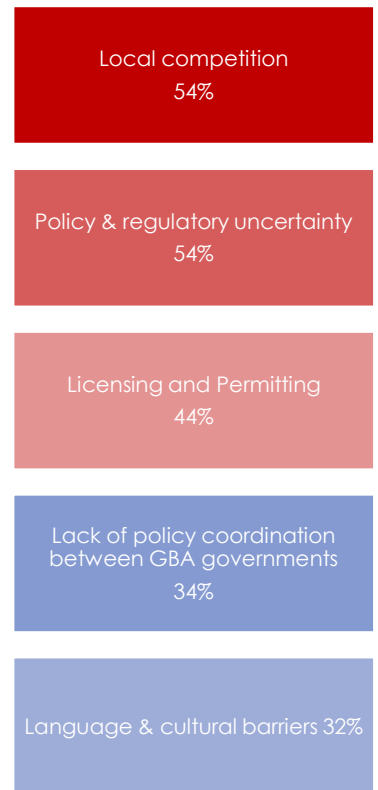
**Fig 23A. Top 5 challenges in doing business in the GBA in 2024**



**Fig 23B. Top 5 challenges in doing business in the GBA in 2025**

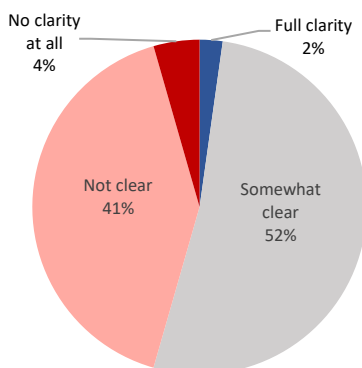


**Fig 23C. Top 5 challenges in doing business in the GBA in 2026**



*\*As multiple selection is allowed, percentages may total over 100%*

**Fig 23D. Rate the clarity of the GBA policy and regulatory environment**



A considerable segment of businesses continues to experience uncertainty regarding the policy and regulatory environment of the GBA. Specifically, 52% of respondents described the situation as "somewhat clear", while a significant 46% indicated that it is "not clear" or "no clarity at all". This underscores a pressing need for enhanced communication regarding policies and regulations.



## **ABOUT THE AMERICAN CHAMBER OF COMMERCE IN HONG KONG**

With over 1,900 members, the American Chamber of Commerce in Hong Kong (AmCham) is one of the largest American Chambers outside the United States, the largest international chamber in Hong Kong, and one of the most dynamic and influential international business organizations in the Asia-Pacific region. AmCham's mission is to foster commerce among the United States, Hong Kong, and Mainland China; and to enhance Hong Kong's stature as an international business center.

Enquiries: [amcham@amcham.org.hk](mailto:amcham@amcham.org.hk)