

Why has Hong Kong people's "taste" for

What kinds of business, economic and financial news do Hong Kong people consume? Why has Hong Kong people's "taste" for business news changed over the past two years?

A research done in September 2011 shows that China business and financial news (not corporate news) ranks top on the list, followed by corporate news, international news and property and construction news. The survey was conducted between Sept 16 and 18, 2011, counting the number of items of business news in 10 newspapers over a 3-day period.

As compared to a similar research done in early September 2009, the following salient points are revealed. Major findings:

1. News about China business and finance (not local corporate news) becomes the most popular.
2. Corporate news falls to second place.
3. International business news jumps from the fifth place to third.
4. Property market and construction news falls to the 4th place from second.
5. Retail and advertising news surges from 10th place to 6th.

A brief analysis

Business news is about companies, stock performances and business people and it seems that corporate news should remain the most popular among Hong Kong people. Why has it fallen to second place in 2011 then? Well, the answer is on the walls. As the mainland's economy grows, Beijing's ties with Hong Kong have tightened. Also, China's role in the world economic scene has strengthened this year, so has the coverage of mainland news. Hence, it should surprise few people that China business news tops the chart.

Like the rapid rise of China news, international

business news also surges to the 3rd position from 5th two years ago. Every day we are flooded with news about a possible recession in the US and more debt crises in the Euro zone. In late September, the world stock markets fell like a stone, raising fear of another financial tsunami.

As Hong Kong's property market has cooled down somewhat due to Beijing's toughened rules on housing speculation (which means the flow of hot money from the mainland to Hong Kong has slowed), property news has dropped to 4th place from second in 2009.

The rise in China and international business news has pushed stock market stories down to the 5th place this year from 3rd in 2009. In the same vein, banking news and local economic news have dropped to 9th and 10th places, respectively, from 7th and 9th two years ago.

A big surprise in this survey is the rise in retail and advertising stories' coverage. It surprises many people that retail and advertising stories climb from the 10th place in 2009 to the 6th in September 2011. Perhaps one explanation is an increase in the coverage of foodstuff prices, which continue to rise incessantly.

In September 2011, Hong Kong newspapers were splashed with "dim sum" (renminbi) bond issues, China's rising inflation, President Obama's job-creation plan and numerous initial public offering stories.

Business news' latest trends

Our survey, in fact, also counted the number of columns written by reporters, columnists and stock analysts. Because these are analytical items and not news, we didn't include them in the rankings. Had we done so, the number of business columns would have been ranked 1st (193 pieces

Types of business news	Corporate news	Property & construction	Stock market	China business & finance	International news	Bonds, Option Derivatives	Banking
2011 Ranking	2	4	5	1	3	7	9
2009 Ranking	1	2	3	4	5	6	7

Types of business news	Commodities (gold etc)	Economic policy & statistics	Retail and advertising	Trade and industry	High tech	Transportation	others
2011 Ranking	11	10	6	8	12	13	
2009 Ranking	8	9	10	11	12	13	

Types of business news consumed and rankings: (2011 vs 2009)

Note 1: The British Press reported on October 18, 2010 that Neil Collins, a financial journalist at Reuters Breakingviews, has resigned after it was discovered that he had written about companies in which he held shares and made trades shortly afterwards.

business news changed?

compared to China business news' 180 items and corporate news' 163). Nevertheless, the finding shouldn't shock anyone as we know Hong Kong people love to gamble in the stock market and they'd love to read about recommendations of stocks by analysts or pseudo-analysts. There is a trend. We'd like to see, however, that whenever analysts recommend certain companies' stocks, they should declare whether they have holdings in these companies and whether the firms they work for have business dealings (such as capital-raising agreements) with the companies they recommend. We need to be seen to be impartial. (see Note 1)

If we had included commentaries in the ranking, they would have occupied the second place in 2009. The development that we have observed is the continuing growth of "gossip columns" in local newspapers. Business news, as we all know, performs the functions of informing, educating and enlightening the public. But now business news also starts to "entertain" readers, very much like newspapers' "bagua" entertainment sections. We see nothing wrong with this development. In fact, business news shouldn't always be technical and hard to read. Business news not only covers companies and markets. It should also tell stories about people and how they invest their money; and the writing styles can be lively and creative. Of course, gossips are fine as long as they are supported by facts. Reporters and columnists are well advised not to spread rumors.

Business journalists should be ethical

The Hong Kong Journalists Association has a code of ethics for all reporters and editors. But we hold the view that business journalists should also observe the following: they shouldn't purchase stocks of companies that they are covering to avoid conflict of interest. (see Note 2) It is very hard to be objective when one's life savings are at stake. To avoid this predicament and consequent embarrassment, newspaper companies should set strict rules to ban business journalists from buying stocks of companies in their beat.

Development since 2009

Since 2009, we have seen business publications launch and fold. Five business magazines have folded. They are "Hong Kong Business", "CFO (Chief Financial Officer) Asia and CFO China", "The Far Eastern Economic Review" and

"Power". A new business magazine called "Investor" was launched in 2010. A free newspaper, "Headline Daily", has launched a section in August 2011 called Headline Business Daily, the editor of which is a veteran journalist Alice Kwok.

Richard Li's new "baby", a financial newswire called "Cai", was born in 2009. Unfortunately, "Cai" faded out of the market in mid-2011.

In its stead, Richard Li founded "EJinsight.com" in 2011, which focuses on China economic and financial news. Investment bankers, brokers and fund managers in New York or London before the markets open read news and analysis about Asian countries (including China) and companies mainly from Bloomberg, Reuters, Dow Jones, AP and AFP. "EJinsight.com" can provide authoritative coverage and analysis of Chinese companies and economies in the Greater China region.

This is great news for aspiring business journalists who can write in Chinese and English. Headed by Chan King-cheung and Chris Yeung, sky is the limit for "EJinsight.com". The prospects of "EJinsight.com" can be summed up in the lyrics of Elton John's "Skyline Pigeon":

*For just a Skyline Pigeon
Dreaming of the open
Waiting for the day
He can spread his wings
And fly away again*

In business news education, its development has seen leaps and bounds in the past two years. Hong Kong Baptist University was the first in Hong Kong to launch a master's program in business journalism, in autumn, 2009. And it will also be the first government-funded university to start a new undergraduate major in financial journalism, in September 2012. Hang Seng College launched a journalism program focusing on business news in September 2011.

In the field of business journalism, there is always exciting news.

Victor Keung FUNG

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Note 2: The Jakarta Post reported on Feb 12, 2010 that the Indonesian Press Council has found three out of four journalists accused of violating the Journalists' Code of Ethics guilty of using their position to obtain shares of state-owned steel firm PT Krakatau Steel during its initial public offering (IPO). The newspaper quoted the Press Council chairman, saying: "Their actions could create conflicts of interest because, as journalists covering the Indonesian Stock Exchange, they attempted to engage in stock trading for their own personal benefit, which is against Article 6 of the Journalists' Code of Ethics."