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News Release

HONG KONG BUSINESSES TURN TO REGIONAL DIVERSIFICATION AND AI AS TRADE COSTS RISE, HSBC SURVEY FINDS

- 40% of Hong Kong businesses identify shipping and freight as a factor affecting their cost base over the past six months, ahead of tariffs and currency fluctuations
- 70% expect their costs to rise further over the next two years
- 69% of respondents have deployed AI in at least one trade-related function, but Hong Kong businesses have implemented an average of just 2.9 of the 10 AI safeguards
- 72% remain confident in their ability to grow international trade over the next two years

Hong Kong, 17 November 2026 — Shipping and freight costs were the most commonly cited factor affecting the cost base of Hong Kong businesses over the past six months (40% of respondents), followed by tariffs (38%) and currency fluctuations (35%), according to HSBC's Global Trade Pulse Survey 2026.

The survey captures the views of 10,000 senior business leaders across 26 markets, including 500 respondents in Hong Kong, on trade, tariffs, supply chains and technology.

According to the survey, these pressures are expected to persist. Sixty-four per cent of Hong Kong business leaders say they have already experienced higher overall costs, 70% expect costs to rise further over the next two years, and 50% report higher working capital requirements since 2025.

Despite continued uncertainty, 72% of Hong Kong business leaders say they remain confident in their ability to grow international trade over the next two years. This confidence represents a slight increase from 12 months ago (69%). Four in five respondents (80%) said they had taken, or were considering taking, action to use AI tools to improve efficiency or competitiveness. This places AI alongside pricing changes (82%), risk planning (80%) and organisational adjustments (80%) as part of businesses' wider balancing act over trade disruption.

Frank Fang, Head of Commercial Banking, Hong Kong and Macau, HSBC, said: "Hong Kong businesses are showing that resilience is more than absorbing disruption. It's using change as a catalyst to evolve. Companies are revising pricing strategies, strengthening supply chains and exploring AI to improve how they operate. With 69% saying wider disruption is encouraging them to rethink their long-term business models, uncertainty is also creating momentum for transformation."

This news release is issued by
The Hongkong and Shanghai Banking Corporation Limited

Registered Office and Head Office:
1 Queen's Road Central, Hong Kong SAR
Web: www.hsbc.com.hk
Incorporated in the Hong Kong SAR with limited liability

AI reshapes how businesses trade

Companies expect AI infrastructure investments to contribute to new sources of demand. According to the survey, more than half (52%) of Hong Kong respondents anticipate that AI investments in infrastructure and supporting power infrastructure will increase demand for their products and services over the next two years.

AI is also reshaping how businesses operate and trade. Sixty-nine per cent of respondents say they have deployed AI in at least one trade-related function. The most common uses are customer service and demand forecasting (37% each).

However, the survey indicates that AI adoption may be advancing faster than the governance frameworks needed to support it. Although businesses are deploying AI across a range of trade-related functions, they report uneven levels of testing, accountability and formal oversight. Hong Kong businesses have implemented an average of 2.9 of the 10 AI safeguards[1] identified as important for effective governance. For example, 37% had developed internal AI use policies or employee guidelines, while 35% had trained employees on responsible AI use.

Aditya Gahlaut, Head of Global Trade Solutions, Asia, HSBC, said: “The AI-led supercycle is as much a trade and infrastructure story as it is a tech story. Demand for hardware and software is creating new cross-border opportunities for many businesses across Asia. From the building of data centres and renewable-energy infrastructure that powers them, to the upgrading of more traditional infrastructure such as transport and telecoms, there are immense trade and investment opportunities.”

Hong Kong companies diversifying regional networks

The vast majority of firms have taken or are planning to take action to manage cost and supply chain pressures. This includes broadening supplier bases across regions (75%) and building more self-contained supply chains within key regions (74%).

Hong Kong businesses are deepening domestic and regional trade ties, primarily to grow sales (45%) and diversify their supplier bases (45%). They are increasing their reliance on Singapore (24%), Chinese mainland (21%), Hong Kong (21%), Malaysia (19%) and Japan (19%), highlighting the dual role of these markets as sources of demand and supply.

Hong Kong continues to be an attractive location within the supply chains of global businesses, particularly those in Asia. Bangladesh (32% of the market’s respondents), Thailand (29%), and the Philippines (26%) are the top three markets where businesses are looking to increase their reliance on Hong Kong.

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For more information, visit HSBC's Global Trade Pulse Survey 2026: business.hsbc.com/tradepulse

Survey Methodology
10,000 senior business leaders were surveyed between 18 September and 6 October 2026 across 26 markets. 250 responses were collected in: Australia, Bangladesh, Brazil, Egypt, France, Germany, Indonesia, Italy, Japan, Malaysia, the Philippines, Saudi Arabia, Singapore, South Korea, Spain, Taiwan, Thailand, Türkiye, UAE, and Vietnam. 500 responses were collected in: Hong Kong and Mexico. 1,000 responses were collected in: India, Chinese mainland, the UK, and the US. 14% had a global turnover of over $2 billion in the past 12 months; the rest turned over between $50 million and $2 billion. The survey was commissioned by HSBC and conducted by British Polling accredited Savanta.

[1] AI safeguarding measures as defined in the survey

- Appointed a Chief AI Officer or equivalent senior leadership role
- Established a dedicated AI ethics or oversight committee
- Integrated AI oversight into existing risk or compliance functions
- Developed internal AI use policies or employee guidelines
- Implemented quality control protocols to manage hallucination or output-accuracy risk
- Provided board-level reporting on AI risks and opportunities
- Included AI scenarios in enterprise risk or scenario planning
- Conducted formal testing / validation of AI outputs before deployment
- Defined approved / prohibited AI use cases
- Trained employees on responsible AI use

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