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HSBC GROUP SENIOR ECONOMIST TALKS ON GLOBAL ECONOMIC SLOWDOWN

HSBC Mauritius organised a conference on the topic of "The global economic slowdown and its impact on emerging economies" on 31 July for its clients in the domestic and global business sectors. More than 100 HSBC customers enjoyed a high calibre presentation made by Robert Prior, senior HSBC Asia Economist.

Robert Prior, co-Head of Asian Economics within HSBC Group's Research team, spoke on the origins of the sub-prime crisis, its impact on the US economy, the UK and Eurozone economies as well on Asian and emerging economies.

He gave an overview of the impact on growth as well as inflationary risks and also explained the dynamics around commodity and energy price fluctuations. The senior economist had the following analysis to share: "The second half of this year will see synchronised weakness in the US, Western Europe and other developed countries undermining the export performance of the developing world, including Mauritius. At the same time surging global commodity prices, partly reflecting key structural developments, has pushed inflation higher across the world. Policy makers hence face key challenges but a judicious mix of monetary and fiscal action will ensure growth continues and inflation doesn't become entrenched. Infrastructure improvements and structural reform, designed to boost economic flexibility, is key to improving the sustainable growth rate over the long term. Mauritius is moving in the right direction but plenty of work remains to be done".

Robert Prior joined HSBC Group in 1994, having previously worked for another bank where he was UK economist for 3 years. At HSBC, he was based in London for 12 years, covering various Continental European economies and becoming HSBC's chief eurozone economist at the inception of the single currency in 1999. Robert relocated to the Singapore office in June 2006 and is now responsible for the coverage of the Indian,

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Indonesian, Malaysian, Singapore and Vietnamese economies for the Group. He is currently co-Head, Asian Economics for HSBC Group.

The Right Honourable, Deputy Prime Minister and Minister of Finance and Economic Development, Doctor Rama Sithanen, opened the conference by saying: “Let me [...] congratulate the HSBC for organizing this seminar thus creating an opportunity to share views on a theme that is at the cutting edge of debates on the economy worldwide”.

“I should like to add that like the rest of the world, Mauritius will indeed face tough challenges, caught between slowing global growth and rising prices. And so we have to take the approach that would maintain our export markets, continue to grow our GDP, keep the unemployment rate on a declining path and per capita income on its rising trend while being prudent on the inflation front. In the face of the tough challenge and uncertainties confronting our economy, I am convinced that we are on the right track by consolidating growth and building further resilience and the Second Miracle that the IMF is talking about is down the road.”

Sandeep Uppal, CEO HSBC Mauritius expressed his satisfaction for such a high quality input from Robert Prior: “This conference is in line with our strategy to use HSBC's global resources for the benefit of the wider corporate sector. Given the challenges facing the global as well as the domestic economy, this conference has been timely as it did provide a forum for discussion on the global economy and its impact on the Mauritius economy. ”

The seminar was characterised by high level of interaction.

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Notes to editors

1. HSBC Bank Mauritius

In Mauritius, the HSBC Group offers an extensive range of financial services through a network of 11 branches and offices. These services include personal and commercial financial services, financial planning, trade finance, treasury and financial markets, payments and cash management and securities custody.

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2. HSBC Bank (Mauritius) Limited

HSBC was one of the first banks to set up an Offshore Banking Unit (OBU) in Mauritius in 1991, and has grown to be the largest one of its kind in Mauritius. The OBU's capabilities have since been enhanced with the opening of a locally incorporated subsidiary, HSBC Bank (Mauritius) Limited. Through the new subsidiary, HSBC is able to offer many of its global customers more sophisticated financial products and structures that benefit from the extensive range of international double taxation avoidance treaties that Mauritius has negotiated.

3. Profile Robert Prior

Robert joined HSBC in 1994, having previously worked for another bank where he was UK economist for 3 years. At HSBC, he was based in London for 12 years, covering various Continental European economies and becoming HSBC's chief eurozone economist at the inception of the single currency in 1999. Robert relocated to the Singapore office in June 2006 and is now responsible for the coverage of the Indian, Indonesian, Malaysian, Singapore and Vietnamese economies for the Group. He holds a First and Masters degree in Economics from Warwick University in the UK.

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