



# 東風 Tung Feng



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11<sup>th</sup> September, 2013

## Last Week's Proceedings – 4<sup>th</sup> September, 2013

President Jonathan Lamport started the luncheon meeting at 1pm. Our Past District Governor Uncle Peter Hall came to join our September 4<sup>th</sup> luncheon in celebration of his 88th birthday. PDG Ada Cheng of Rotary Club of Wanchai, with Deputy District Secretary PP Eddie Wong and PP Grace Yen of RC Harbour, as well as PP William Fong Yan of HK North came to have their make-up meeting here and to celebrate the birthday of Uncle Peter together with us. Rtn. William Wong brought his wife Fanny as his guest.

Pres. Jonathan welcomed back PP John Luk, PP Andrew Chen, PP Paul Chan, and PP George Leung, Rtn Miranda Chin, Rtn David Ng, Rtn Freddie Wu and Rtn Jason Chiu. PP George shared his happy moment in Istanbul with us, with his pleasure seeing old friend, our ex-member Ates Yucl from there.

September 4<sup>th</sup> luncheon speaker was Mr. Charles Lam, the managing director, real estate of Baring Private Equity Asia. Mr. Lam shared with us his research on whether investor sentiment could affect the pricing of residential property in Hong Kong.

Pres. Jonathan invited all Past Presidents to sing birthday song for Uncle Peter, when he cut the birthday cake. IPP Nancy Yee was also celebrating her birthday in September. All members and guests joined this big photo thereafter.

Pres. Jonathan made his announcement as follows:

1. This year's Mongolia visit has scheduled from 11 to 16 Sep. 2013. District Governor Eugene is going to lead this delegation to South Gobi Desert & Ulaanbaatar for 6 days / 5 nights. I will participant the trip as well
2. Our sister club Makati North sent us the invitation of fund raiser and official induction that will be held 14 September, our PP George Leung, Dir William Wong and SAA Jonah Cheung will participate the captioned event, , members who are interested please enroll to Hon Secretary Carl Yau



**THE ROTARY CLUB OF HONG KONG ISLAND EAST LTD.**  
香港東區扶輪社週報  
**Club 16340**  
**District 3450**  
**Chartered on 06 April, 1954 by Charter President**  
**PDG (Uncle) John Yuen**

3. The First "Area-3" Joint Meeting will be held on the 18<sup>th</sup> September Wednesday evening and same as the past two years the theme will be Mid-Autumn festival, Guest speaker will be Dr. Gabriel Leung Cheuk Wai, he was the former Director of Office of the Chief Executive of Hong Kong. Also our regular luncheon on the same day will move to evening meeting, members who are interested please enroll to HS Carl.
4. This year Uncle Peter Cup Golf tournament will be held at Fanling HK Golf Club on September 18<sup>th</sup> morning, the venue is the Hong Kong Golf Club, Fanling, the same day of our Joint-Area 3 evening dinner meeting. To secure tees early, please enroll Golf tournament to HS Carl Yau or PP Norman Lee.
5. District Vocational Service Seminar will be held on the 22nd Oct Tue, 12:30 pm to 2:00pm at Marco Polo Hong Kong Hotel, through the seminar you may know why vocational service is important. All attendants only need to pay for own lunch fee \$280, members who are interested please enroll to HS Carl.

After Pres. Jonathan's announcements Sergeant-At-Arm Jonah Cheung reported that the red box collection was HK\$1,700.

Chief District Secretary PP Eric Chin introduced the background of Mr. Charles Lam, who was a CFA and joined Baring Private Equity Asia as Managing Director, Real Estate in November, 2011, based in Hong Kong with primary focus on Greater China real estate investments. Mr. Lam had very substantial real estate investment in Greater China, such as with Pramerica Real Estate Investors, a subsidiary of Prudential Financial U.S. and one of the largest real estate investors in the world, during his 4-year stay with PREI Mr. Lam had managed over US\$1 billion of real estate investments, refinancing, and disposition projects in China and in Hong Kong.

Mr. Charles Lam had a research interest in real estate and he would be presenting his DBA thesis to Hong Kong Polytechnic University soon for his oral examination. Mr. Lam was kind enough to share his research findings with us in the layman term, regarding the topic about whether or not an investor sentiment would affect the pricing of residential property in Hong Kong and examining the association between sentiment and future price movement of Hong Kong residential properties.

Mr. Lam shared some interesting facts about the residential property background with us:

- We had nearly 2.6 million flat units in HK for our 7.136 million people (as of March 2012).
- Among them are 1.45 million of flat units from private segment (about 56%), and the remaining 1.15 millions of flat units from the public segment (about 44%)
- Centa-City Leading Index (中原城市指數) was a popular residential pricing index in Hong Kong from a real estate agent, to show an increase of 98.8% between 2001-2010.
- Whereas the Hong Kong median income from census data, only showing an 9.5% increase from HK\$18,710 in Year 2001 to HK\$20,500 in Year 2010.

Mr. Lam did his data collections for 15 residential projects in HK, Kowloon and the New Territories regarding their property pricing and real estate returns, over a twenty-year period. Mr. Lam's research focus was the investment sentiment, being measured by a compiled investor sentimental index for residential properties, first of its kind in Hong Kong.

Mr. Lam had briefly outlined his statistical research using data regression model, to fit a trend line, to make assumptions and testing on its predictive power. The data was from the property pricing and return in 15 residential estates covering (different class from A to E), covering from both Hong Kong Island, Kowloon and the New Territories. Mr. Lam compiled an investor sentiment index based on his research parameter (factors), and made a fair comparison with the trend of Centa-City Index over the same 20-year period.

His research was an application of behavioral finance, a modeling from investor sentiment and in relation to price level as well as investment return, and to review its theoretical and empirical evidence for these predictions in the Hong Kong property market. The research finding showed a negative correlation of the pricing and the investor sentiment (with 3-15 months time lag), and also more particular to small size units for their economic returns.

To thank the speaker, Rtn. Jason Chiu (another CFA) pointed out rightly that the US share market had already adopted various measurements for investor activity for market clues and those readings of investor sentiment could be important. Some investor sentiment research reports were even published by large investment firms or research firms, which periodically poll their clients to determine market consensus. Nevertheless Rtn. Jason had applauded the initiative of our speaker for his innovative use of the investor sentiment index for the Hong Kong residential property market.

Rtn. Jason thanked the speaker for his informative talk in our usual Rotary manners.

Pres. Jonathan adjourned the meeting in time, and reminded the members that he would be joining DG Eugene and PP Eric in their Mongolian visit on September 11, when IPP Nancy had agreed to step in to chair the meeting for him. Also September 18 (Wednesday) would be Uncle Peter golf event, and the dinner meeting would be in the evening, joining other clubs in Area 3 as well, for advance Mid-Autumn Festival celebration. Pres. Jonathan proposed a toast to RI coupled with RC of Wanchai, Hong Kong Harbour and Hong Kong North. The guests and members all stayed for a group photo at end.

  
LAUGH FOR THE WEEK

Subject: British Humor

You got to love British humor!

These are classified ads which were actually placed in a U.K. newspaper:

**FREE YORKSHIRE TERRIER.**

8 years old.  
Hateful little bastard.  
Bites!

**FREE PUPPIES.**

1/2 Cocker Spaniel, 1/2 sneaky neighbor's dog.

**FREE PUPPIES.**

Mother is a Kennel Club registered German Shepherd.  
Father is a Super Dog, able to leap tall fences in a single bound.

**COWS, CALVES: NEVER BRED.**

Also 1 gay bull for sale.

**JOINING NUDIST COLONY!**

Must sell washer and dryer £100.

**WEDDING DRESS FOR SALE.**

Worn once by mistake.  
Call Stephanie.

\*\*\*\* And the WINNER is... \*\*\*\*

**FOR SALE BY OWNER.**

Complete set of Encyclopedia Britannica, 45 volumes.  
Excellent condition, £200 or best offer. No longer needed, got married,  
wife knows everything.



**YEAR 2013-2014**

<i>President</i>	<i>Secretary</i>	<i>Treasurer</i>	<i>Ex-Officio</i>	<i>Club Advisor</i>		
Jonathan Lamport	Carl Yau	Rudy Law	Nancy Yee	Peter Hall Henry Chan	YK Cheng Hubert Chan	
<i>Directors:</i>					<i>PP Council Rep</i>	
John Kwok	Eric Chin	Stacy Ho	Heman Lam	Norman Lee	William Wong	Andrew Chen
<i>Service Chairs:</i>						
Anthony Kwong	Kevin Leung	Dr. Freddie Wu Teresa Ho	Sharon Lamport	Laurence Chan		

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**Club website:** <http://hkierotary3450.org>

**Make-up cards to Club Secretary:** Ms Anne Ng

c/o Li, Tang, Chen & Co., 10/F, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong

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**ROTARY CLUB OF HONG KONG ISLAND EAST MEETS EVERY WEDNESDAY, 12:30 p.m.  
at Regal Hong Kong Hotel, Causeway Bay, Hong Kong.**

04 September 2013 - Luncheon Meeting  
Rotary Club of Hong Kong Island East



Members of RC of HK Island East welcomed visiting Rotarians to our luncheon meeting



PDG Uncle Peter, Guest Speaker - Charles Lam  
& Pres. Jonathan Lamport



Hon. Sec. Carl Yau, PDG Ada Cheng from RC of Wanchai  
& PP Uncle John Kwok



PP Stephen Liu, PP Andrew Chen  
& PP Eric Chin



Rtn. Jason Chiu, PP George Leung  
& visiting Rotarian PP William Fong Yan of HK North



PP John Luk, Hon. Tres. PP Rudy Law  
& Rtn. Freddie Wu



SAA Jonah Cheung, Dir. William Wong  
& Rotarianne Fanny Wong



Rtn. Miranda Chin & PP Grace Yen  
from RC of HK Harbour



Visiting Rotarian PP William Fong  
Yan of HK North & PP Henry Chan



IPP Nancy Yee & PP Eddie Wong from  
RC of HK Harbour



PP Andy Wong, PP Paul Chan  
& Rtn. Jason Chiu



PP Rudy Law, Rtn. Freddie Wu  
& PP David Li



Rtn. Tony Loy & Rtn. David Ng



IPP Nancy Yee presented the 100%  
attendance certificate to PP David Li



IPP Nancy Yee presented a  
Certification of Appreciation to thank  
PP Andrew Chen's support in the  
2012-13 service projects



PP George shared his recent travel  
experience to Istanbul



Guest speaker Mr. Charles Lam - MD of Real Estate Baring Private Equity Asia shared his study in "Will investor sentiment affects the pricing of residential property"



Pres. Jonathan Lamport presented Mr. Charles Lam a photo in action to thank his interesting talk.



Rtn. Jason Chiu gave a vote of thanks to Speaker - Charles Lam on behalf of the Club



This week we celebrated PDG Uncle Peter's Birthday!





All Rotarians enjoyed the celebration of PDG Uncle Peter's Birthday!



Group photo with members, guest speaker, visiting Rotarians & guests.