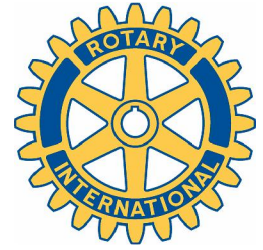




# 東風 Tung Feng



Vol. 61 No. 40

7<sup>th</sup> May, 2014

## Last Week's Proceedings – 30<sup>th</sup> April, 2014

A great and lively dinner meeting was held for the last regular meeting of April 2014. Special thanks to Past President (PP) David Li and Rotarian (Rtn.) Teresa Ho for an amazing dinner organized at the Zeffirino Ristorante, courtesy of the new Italian Chef, on the 30<sup>th</sup> floor of the Regal Hong Kong Hotel.

We also welcomed the following guests:

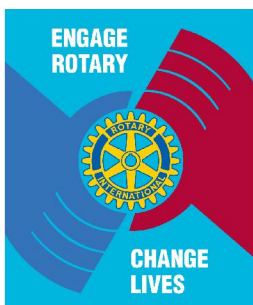
Mr. Jonathan Cheung (Introduced by Assistant Governor Heman Lam)  
Mr. Alan Young (Introduced by AG Heman Lam)  
Mr. Yin Toa Lee (Introduced by District Governor Nominee Designate Eric Chin)  
DGND Eric's spouse Christine  
Mr. Simon Ng (Introduced by Rtn. Ronnie Pao).

DGND Eric's Announcement:

The Asia Pacific Regional Conference for Rotoractors (APRRC) will be held in July for 4 days in El Hotel in the Philippines. Over 200 Rotoractors can be invited to the conference where they will learn and experience the spirit of rotary, leadership and project management.

To support the APRRC we encouraged our Rotaractors to join as it is a golden opportunity for them to meet new friends from Asia Pacific countries.

There are 19 Rotaractors from the Hong Kong Community College who have shown their interest to join. Our Club will sponsor 10 members each with HK\$1,600 as approved by the board. The rest of the 9 members will be sponsored by PP Andrew Chen each with \$1,600. Thank you for the generosity from PP Andrew to support their enrolment.



**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**

There are 9 rotaractors from Lingnan University and two from HK Island East. They will be sponsored by our Club, each with \$ 1,600.

They have to sign an undertaking to our Club that they will attend all 4 days in the Conference and also pay \$ 500 for the conference fee.

President Jonathan Lamport's Announcement:

A golf tournament, the "Uncle John Kwok Cup", will be held on Monday morning, the 5<sup>th</sup> of May 2014 in the Fanling Golf Club. We already have a full house and four teams of four golfers are formed. Fellowship dinner follows at Chinese Recreation Club in Tai Hang with fellow Rotarians and guests being welcomed. Dinner starts at 7:00pm.

Acting Sergeant At Arm (SAA) William Wong reported that the red box collection of the day was \$1,100 with generous donations from our Rotary family.

DGND Eric Chin introduced potential member, friend and DBA cohort Mr. Yin Tao Lee, partner of Financial Services and Financial Accounting Advisory Services in Ernst and Young to have a talk on the current and upcoming trends in the banking sector.

Yin Toa is a Financial Accounting Advisory Services / Capital Markets partner responsible for leading IFRS and capital markets advisory projects for our financial services and corporate clients in Hong Kong.

He is a frequent speaker on IFRS topics to various financial institutions, corporates, regulators and standard setters. He is a Steering Committee member of EY's Financial Instruments Working Group. He is a Director of The Hong Kong Society of Financial Analysts.

Mr. Lee began the talk with a summary of the aftermath of the financial crisis in 2008 and how the banking system went out of control thus there was a lot of new regulation in place post Lehman Brothers.

He summarized the five main key points to the new banking era and they were

1. Regulation
2. Impact to Customer
3. Banks becoming similar to technology companies and vice versa
4. New technologies in banking
5. Banking sector's image in society.

On regulation the current banking landscape requires banks to focus more on its traditional roles such as lending and private banking and less on the hedge fund, prop trading and private equity aspects. However, with this new regulation the function of banking is becoming commoditized because all banks are utilizing similar strategies in that their goal is to extract additional revenues and investment from the client with insurance and funds.

An additional point that Mr. Lee noted was that selling these clients additional services required more labor, more time and thus induced highest cost. This leads to the banks to raise the fees and such services became more expensive for the regular customer and such is the cycle post 2008 regulatory market.

Another point raised was the return on equity in earlier days was 20-30%, nowadays it is more likely that the return on equity is between the single digit and low tens.

On the current banking system and its impact to the customers, customers nowadays are a lot more savvy and since the availability of internet and mobile phone access, information is easy to access. Banks are using technology to capture customer information such as call center and e-Banking. Internet banking has not completely taken over traditional banking interactions such as human face to face and call center because banks will leverage the face to face or voice interaction to sell more products to the consumer.

A few trends were mentioned in the speech on banks and technology. Firstly, banks are emulating technology companies in a few ways. For example, the interior design and customer interaction points of a bank are changing; in central we can see the new bank branches looking more alike to Apple store rather than traditional counter approach. Technology companies are also taking up banking functions and several examples were mentioned.

Alibaba now pays a 6% yield for customers who deposit money into their Alipay account. WeChat account is also linked to credit card so that customers can pay water and electricity bills. Since the ebanking system is not as developed in China, customers are turning also to Alipay to pay utilities bills. Alibaba is subsidizing the public to use its cab detect and hiring services. Peer to peer financing is becoming popular in China.

With all these new innovations, how will the landscape be in the near future? Currently these areas are not heavily regulated.

Post the financial crisis, the public's impression of the banking sector has been negative. Bankers are seen to be gamblers that don't pay back and have the government using the taxpayer's dollars to bail them out.

Graduates do not see banking as an attractive career. Whereas in previous years, the smartest and brightest PHDs, scientists and mathematicians moved to work in the financial sector, now we can see there is potential that the PHDs, scientists and mathematicians will work back on scientific endeavors.

In summary, post the financial crisis much has changed in the banking sector. Internet companies are taking up banking functions. Banks are using big data to collect and predict consumer needs. Privacy will become an increasingly crucial issue. Traditional banking interactions will still be valuable because they allow for upselling opportunity.

Rtn. Morris Mak thanked the speaker in our usual Rotary manner.

President Jonathan made a toast to Rotary International and the Rotary Club of Hong Kong Island East.

Meeting adjourned and members and guests were invited to stay for a group photo.

  
LAUGH FOR THE WEEK

Subject: ***Telling him softly***

In a very seductive voice a wife asked her husband, "Have you ever seen Twenty Dollars all crumpled up?"

"No" said her husband.

She gave him a sexy little smile, unbuttoned the top three buttons of her blouse and slowly reached down in her cleavage, created by a soft, silky, pushup bra and pulled out a crumpled Twenty Dollar bill.

He took the crumpled Twenty Dollar bill from her and smiled approvingly.

She then asked, "Have you ever seen Fifty Dollars all crumpled up?"

"No I haven't," he said with a very anxious tone in his voice.

She gave him another sexy little smile, unzipped her skirt, letting it drop to the floor and seductively reached into her panties and pulled out a crumpled Fifty Dollar bill.

He took the crumpled Fifty Dollar bill and started breathing very rapidly with anticipation.

"Now," she said, "Have you ever seen 50,000 Dollars all crumpled up?"

"No way" he said becoming even more aroused and excessively excited to which she replied:

"Go look in the garage."



## 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://hkie.rotary3450.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

Tel : (852) 2827 8663 (ext.176) Fax : (852) 2827 5086

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

## The meeting Photos for 30th April, 2014



Pres. Jonathan opened our meeting by welcoming guests and members of our club



Special welcome to the guest of Rtn. Ronnie Pao Mr. Simon Ng



Pres. Jonathan welcomed back Dr Chu (middle) and PP Tajwar (left) with guest Mr. Simon Ng (right)



(L to R) From our head table were DGND Eric, wife Christina, Guest speaker Mr. Yin Tao Lee, Pres. Jonathan, and PE Norman.



PE Norman, PP John, and PP David Li



PP George, Dir. William and Rtn Morris



Dir. Teresa, Rtn Charles and PP Andrew



PP John, PP Heman and new candidate for membership Johnny Cheng



Pres. Jonathan gives PP Tajwar a special greeting



It is PP Tajwar's birthday today



PP Andrew gave PP Tajwar his special greeting



PP Tajwar gave thanks to our club



DGND Eric introducing our guest speaker for today: Mr. Yin Tao Lee



Mr. Lee giving his speech



Pres. Jonathan presenting a souvenir to our guest speaker



Rtn Morris thanking our speaker for today



The group photo of our meeting at the Zeffirino Ristorante on 30<sup>th</sup> June, 2014