Standard Chartered Hong Kong SME Leading Business Index

Results

Q3 2026

Background

- The “Standard Chartered Hong Kong SME Leading Business Index” is independently implemented by Hong Kong Productivity Council and sponsored by Standard Chartered Bank (Hong Kong) Limited.

Survey Objectives

- To analyse Hong Kong SMEs’ confidence in the recent business environment
- To explore the current situation and strategic plans of Hong Kong SMEs in operating cross-border business

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Results

Q3 2026

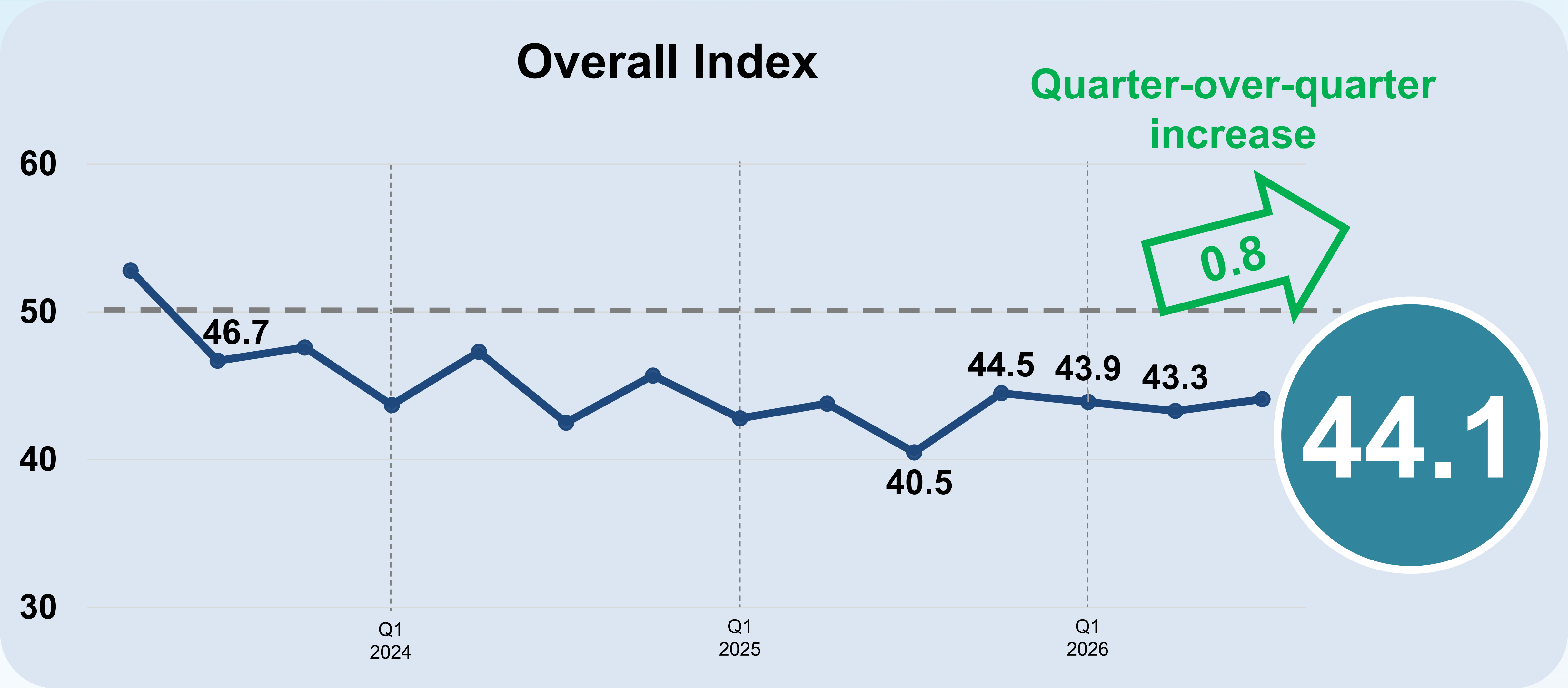
Key Findings of This Quarter

Overall Index was **44.1** for Q3 2026, up slightly by 0.8 from the previous quarter

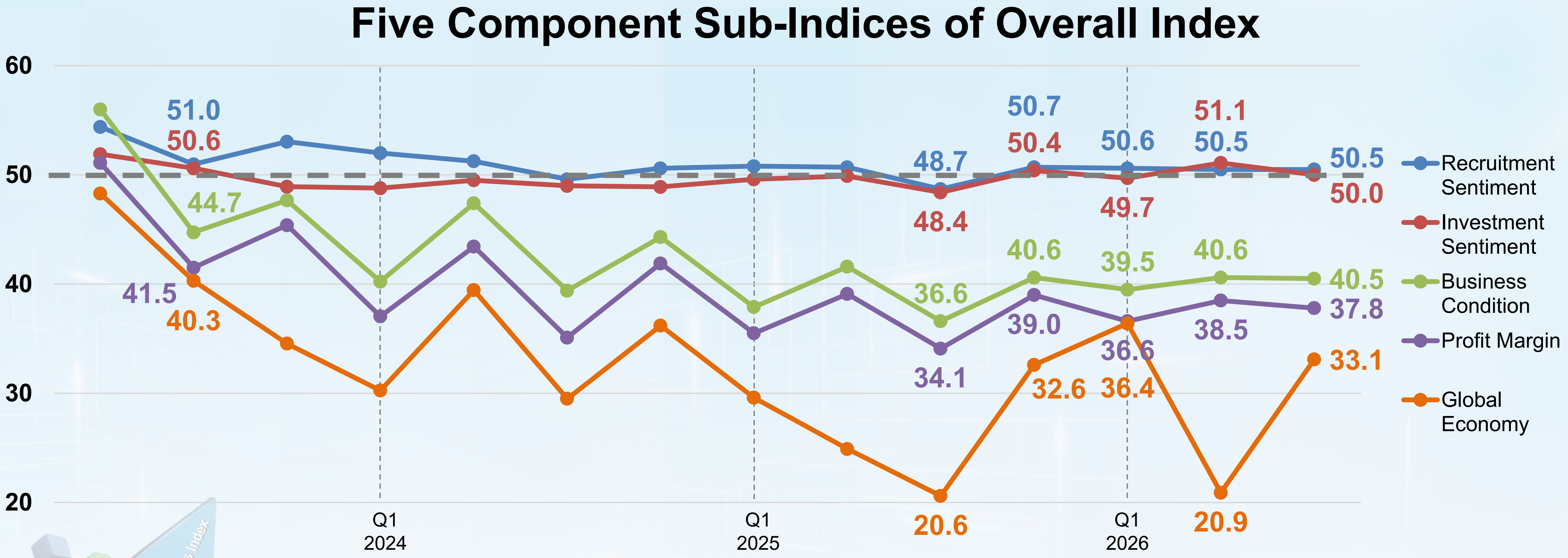
One-quarter of SMEs were currently operating cross-border business, while over 10% expressed interest in expanding into cross-border business

Employee training was the area where SMEs needed the most support in applying AI when going global

Overall Index in Q3 2026



Five Component Sub-Indices of Overall Index



- “Global Economy” sub-index rebounded significantly, rising by 12.2 to 33.1, returning to the level in Q4 2025
- The other four component sub-indices remained largely stable

Global Economy Sub-Index

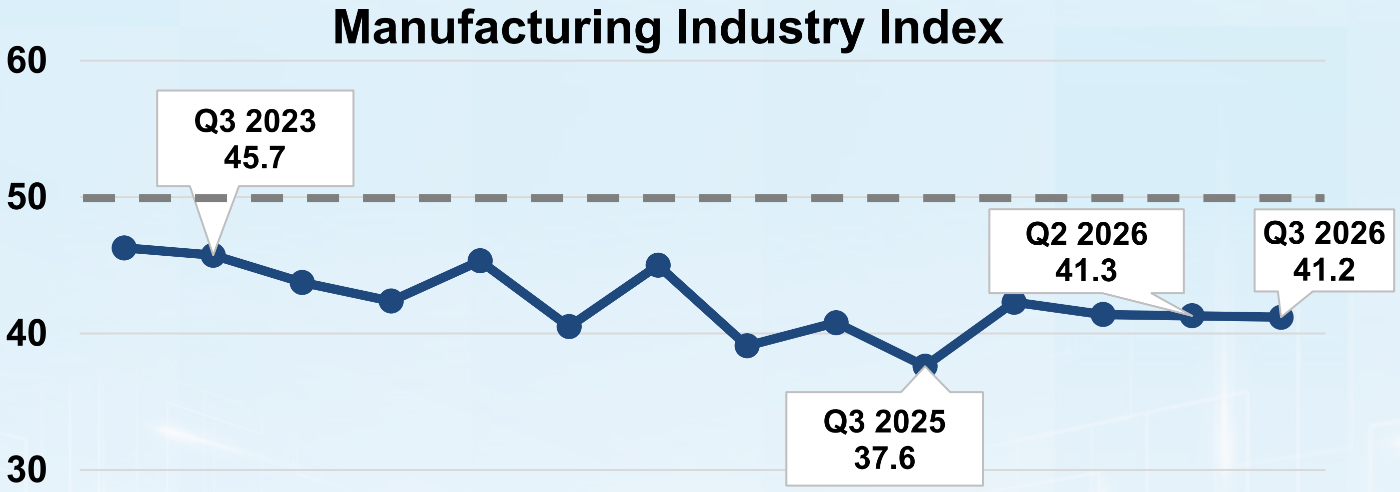
"Global Economy" sub-index for "Import / Export Trade and Wholesale" and "Professional and Business Services" recorded the largest increases this quarter, rising by 15.6 and 15.3 respectively.

This was followed by "Social and Personal Services", "Manufacturing", and "Financing and Insurance", all of which recorded increases of more than 10 points.

Industries Recording the Largest Increases in "Global Economy"

15.6	Import / Export Trade and Wholesale
15.3	Professional and Business Services
14.1	Social and Personal Services
12.0	Manufacturing
11.7	Financing and Insurance

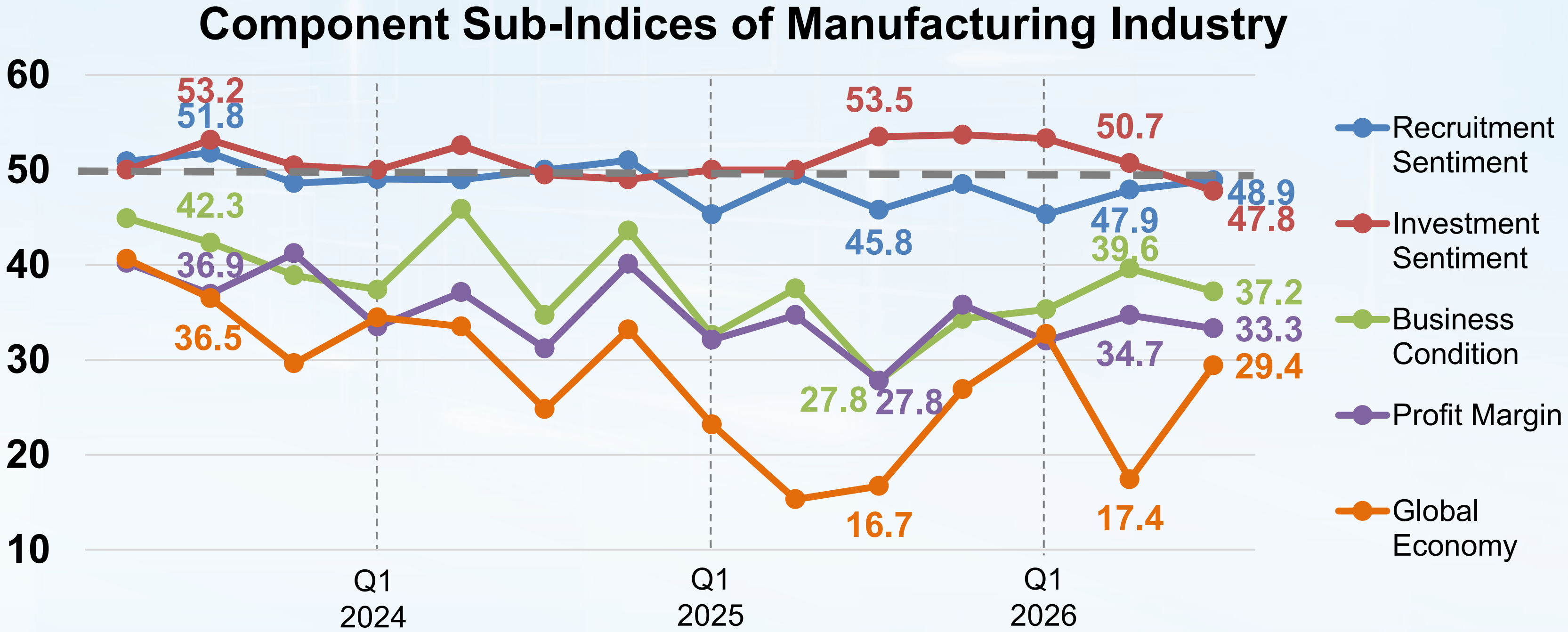
Manufacturing



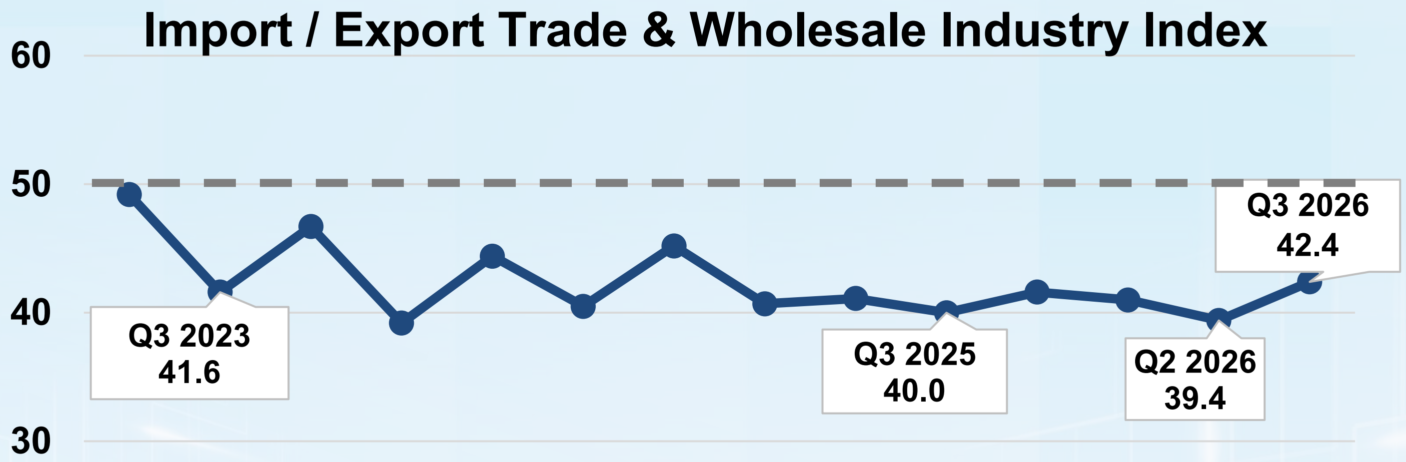
Industry index of Manufacturing Industry remained stable over the past three quarters, staying at around 41

“Global Economy” sub-index rebounded significantly, rising by 12.0 to 29.4.

In contrast, “Investment Sentiment” has recorded slight declines since Q1 2026, with a cumulative decrease of 5.9.



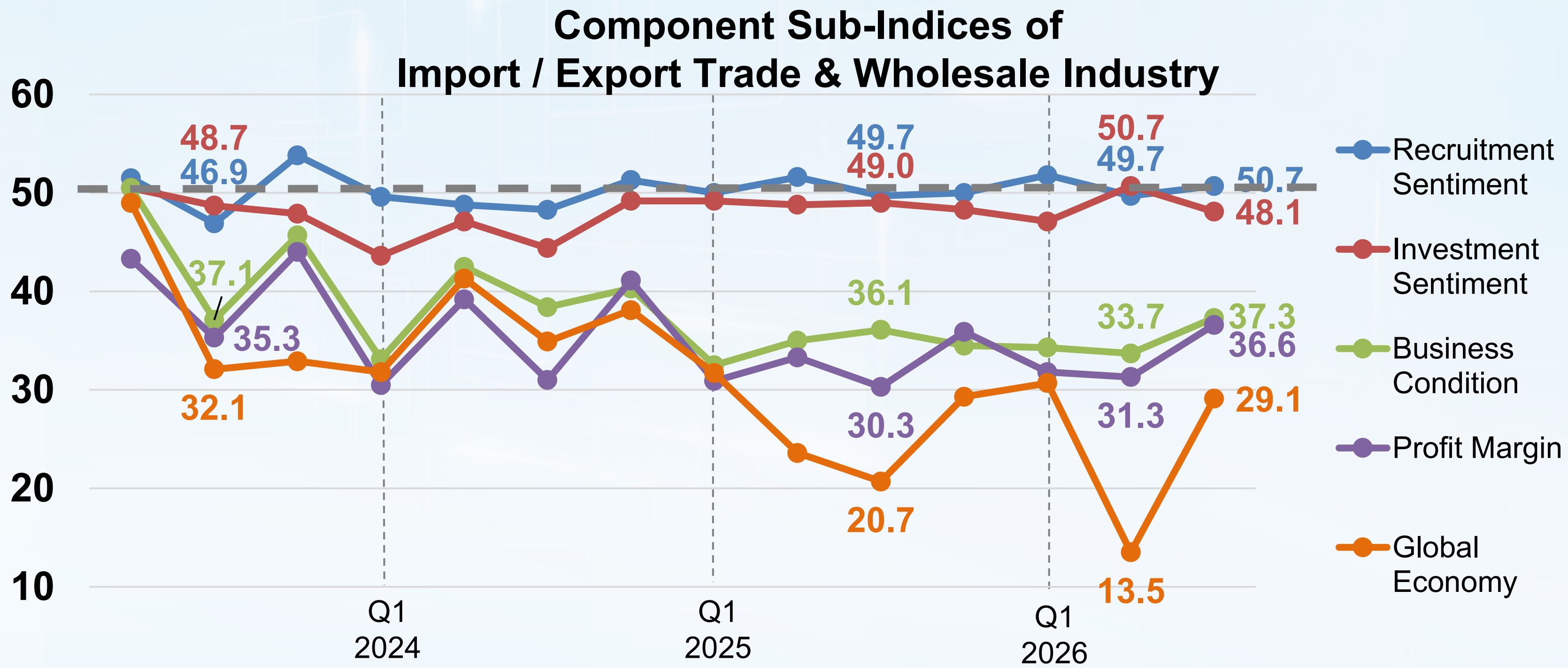
Import / Export Trade and Wholesale



Industry index of Import / Export Trade and Wholesale Industry rose by 3.0 to 42.4, reaching the highest level in recent two years

"Global Economy" rebounded, rising by 15.6 to 29.1, returning to the level in Q1 2026.

"Business Condition" and "Profit Margin" increased by 3.6 and 5.3 respectively.

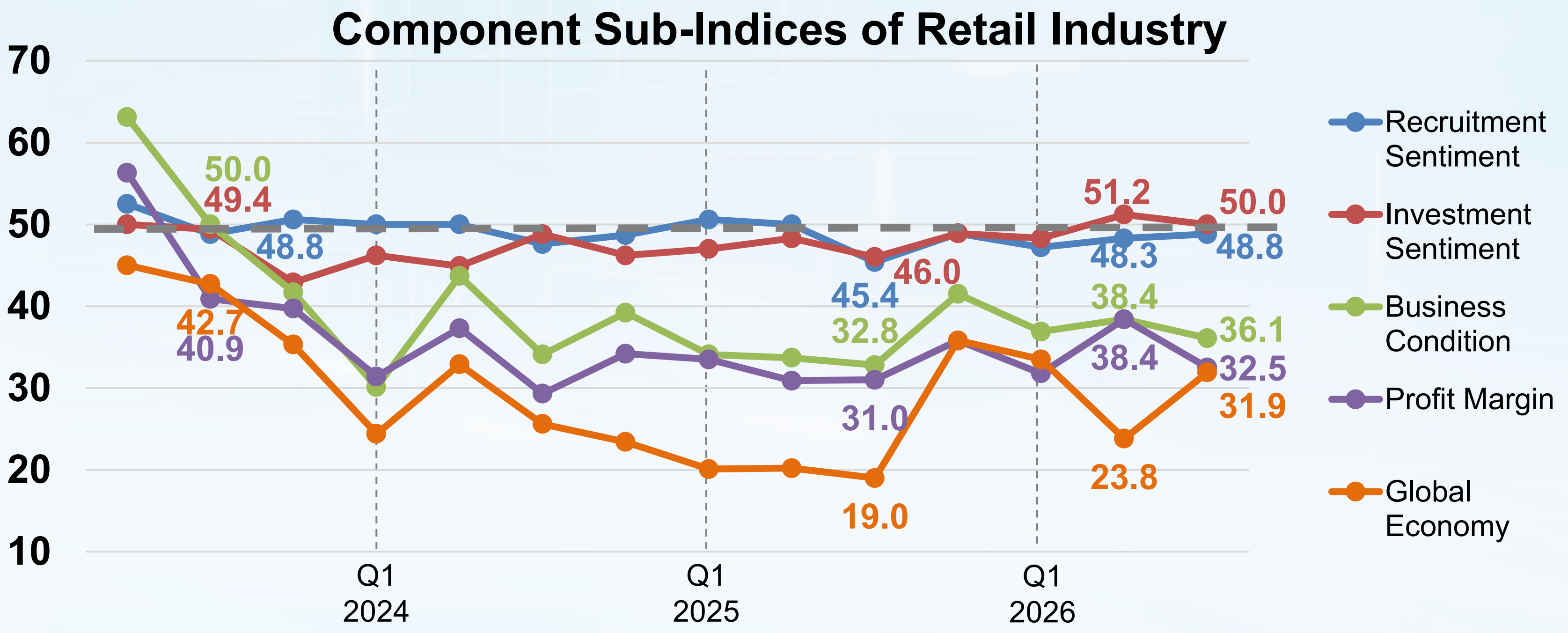


Retail

Industry index of Retail Industry declined slightly by 1.0 to 41.6

"Global Economy" sub-index rebounded by 8.1 to 31.9, returning to the level in Q1 2026.

However, "Profit Margin" recorded a relatively significant decline (-5.9).



Expectations towards Increases on Raw Materials Cost, Staff Salary and Price Factors

Proportion of surveyed SMEs:

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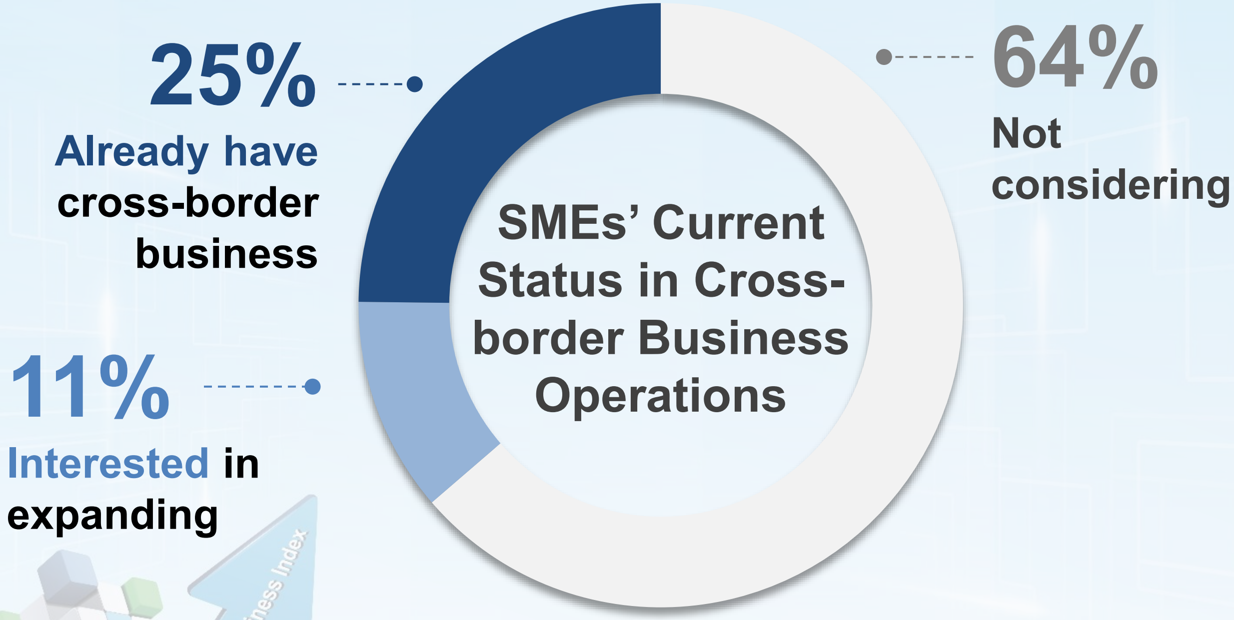
Thematic Topic

Current Situation and Strategic Plans of Hong Kong SMEs in Operating Cross-border Business

SMEs' Current Status in Cross-border Business Operations



Reasons Why SMEs Are Not Considering Expanding into Cross-border Business

1. Lack of manpower
2. High costs / Insufficient capital
3. Unfamiliarity with overseas markets
4. Higher risks

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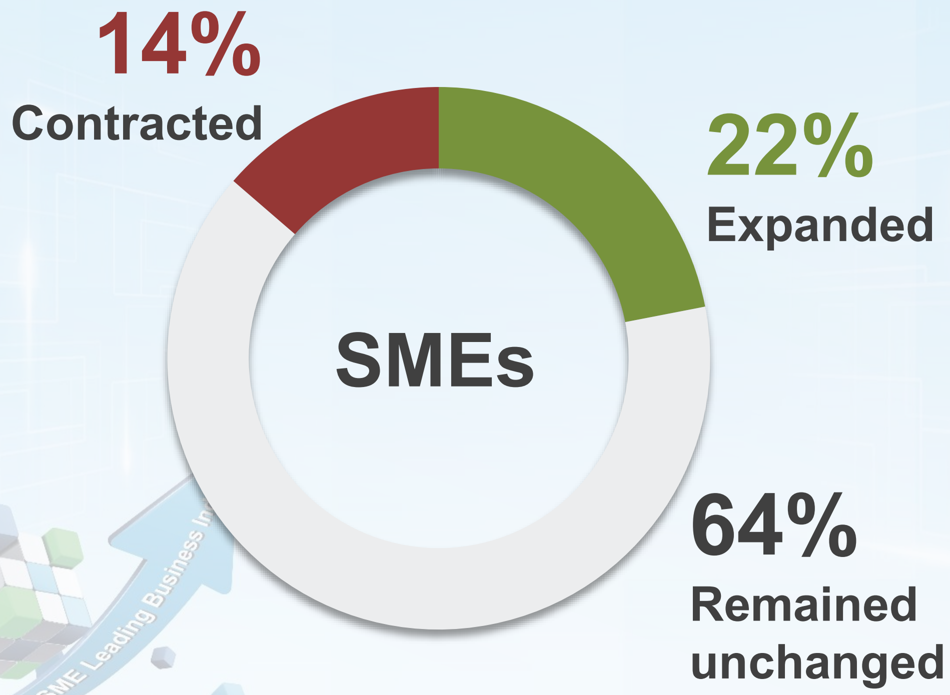
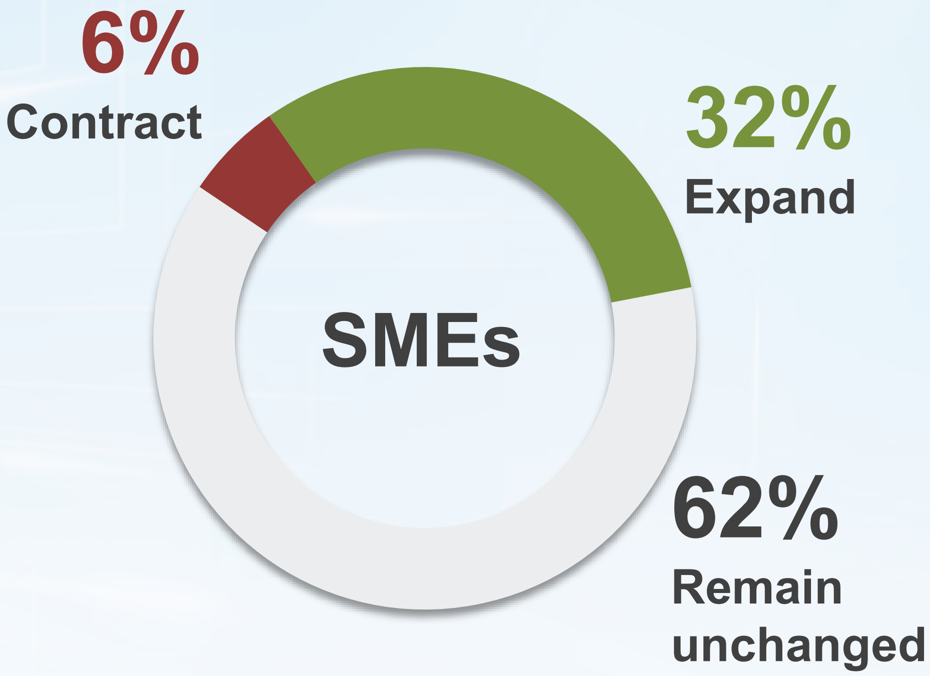
SMEs' Adjustments to Cross-border Business Strategies

Among SMEs currently operating cross-border business:

Adjustment made to cross-border business over the past year



Plan for cross-border business in the next year



Capabilities SMEs Need to Strengthen When Expanding Cross-border Business

Among SMEs planning to expand cross-border business in the coming year:

1. Market and Customer development
2. Digitalisation and Financing
3. Risk management
4. Talent and Team capabilities
5. Partnership networks

SMEs’ AI Adoption in Cross-border Business

Among SMEs currently operating or interested in expanding cross-border business:

1. Handling daily documentation and improving operational efficiency
2. Responding to customer enquiries or handling orders
3. Understanding overseas markets or regulatory requirements
4. Promoting and Attracting overseas customers
5. Conducting market and sales analysis

Support Needed for Applying AI When Going Global

- **43%** Providing AI training for employees
- **38%** Cybersecurity support
- **37%** Trial use of AI tools, or assistance in setup and implementation
- **29%** Guidance on selecting AI tools, solutions or vendors
- **25%** Funding or financing support

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Expert Analysis

Report Download

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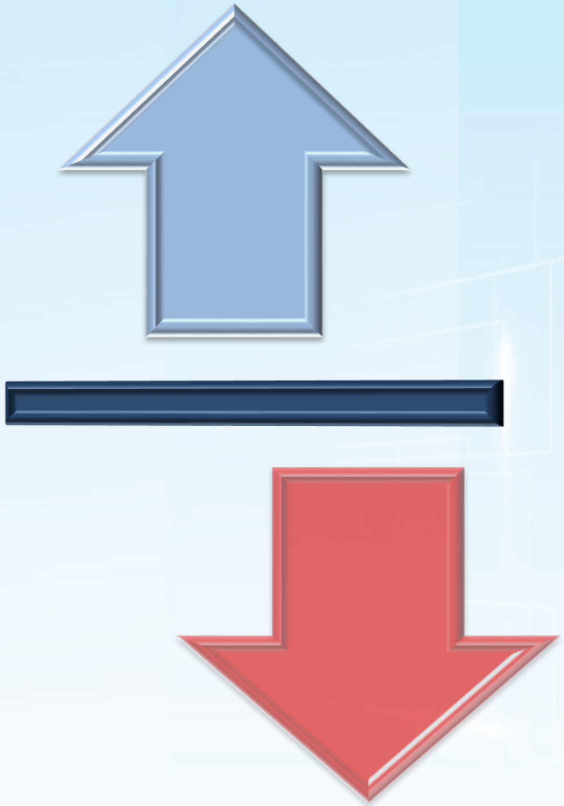
Survey Background

Introduction

Diffusion Index



An index above 50.0 indicates **optimistic** business sentiment among SMEs

A reading at 50.0 indicates **neutral** business sentiment among SMEs

An index below 50.0 indicates **pessimistic** business sentiment among SMEs

Methodology

Survey Design

- Telephone Interview
- The sample is stratified by referencing to the number of SMEs in relevant sectors
- This survey was conducted in May and June 2026
- Management of 826 SMEs were interviewed

Business Category

1. Manufacturing
2. Construction
3. Import / Export Trade and Wholesale
4. Retail
5. Transportation, Storage and Courier Services
6. Accommodation and Food Services
7. Information and Communications
8. Financing and Insurance
9. Professional and Business Services
10. Real Estate
11. Social and Personal Services

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