

WEAK HONG KONG DOLLAR CONTRIBUTES TO SUCCESS



Thanks to a number of factors, Hong Kong managed to welcome more tourists than ever before last year, with record levels of spending. If all goes well, the number of tourists could reach the 40 million mark this year.

When a country's currency weakens, it is generally considered to be a bad sign. However, the inbound tourism really proves to be a silver lining in this case. Hong Kong's dollar weakened last year whilst other currencies in Asia such as the Yuan strengthened against the US dollar. The result is that holidays and trips to Hong Kong became better value for money, meaning more people came and spent more. Indeed, **around 36 million tourists visited Hong Kong in 2010, an increase of 22% on the previous year.** It is hoped that 40 million people could arrive in 2011.

After the disastrous time in 2009 with the financial crisis deterring people from traveling at all, coupled with the swine flu pandemic, any improvement is good, yet the speed of the increase in visitors to Hong Kong has raised a few eyebrows. **Most tourists have come from the Chinese mainland**, yet more and more people have been arriving from other Asian countries thanks to the advantageous financial conditions created by movements in currency values.

The currency changes do not explain the success in full. **Hong Kong is also an ideal gap year destination**, with students from all over the world arriving to enjoy culturally rich surroundings for their year out. It is also a bargain hunter's paradise, especially around December time. Hong Kong also manages to host a number of events to draw more tourists in, such as the spring festival, which is approaching in February and usually lasts for around 40 days.

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