

## Macro Roundup Article

**Headline:** [China's Rich Entrust Total Strangers to Sneak Cash Out of the Country](#)

**Article Link:** <https://www.bloomberg.com/news/articles/2023-10-08/how-china-s-rich-are-using-underground-networks-to-move-their-money-abroad?sref=U3dOGIDF>

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**Tweet:** As Chinese have become more wealthy, they have increasingly sought to evade capital controls by moving money out of China through informal networks, often using Hong Kong as a conduit.

**Summary:** Opportunities to move cash legitimately from China are severely limited, with individuals normally allowed to wire only \$50,000 a year overseas. They also have a one-time opportunity to move their money when they emigrate. Plugging the gap is where the underground networks come into play. Two other private bankers at different European banks say that while on the books they can't help clients avoid capital controls, they do pass on contact information for underground remittance agencies for close and trusted customers. The explosion in wealth in China over the past decades means there's plenty of potential demand. UBS Group AG, for example, estimated in its annual wealth report that there were 6.2 million Chinese with assets of more than \$1 million at the end of 2022. Related: China Notes, July '23: On Technological Momentum and Rich Chinese Eye Australia Homes as 700,000 to Leave by 2025 and Singapore Asks Banks to Keep Quiet on Wealth Inflows During China Boom

**Primary Topic:** China

**Topics:** China, GDP, News article, Politics, Savings Glut/Trade Deficit

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