

## Earthquake Causes Minimal Finance Disruptions

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By [Joshua Hamerman](#)

Monday's devastating earthquake in China did not seriously affect investment banking and other financial services operations in the country.

Most financial institutions in China have representative offices in Beijing, Shanghai and/or Hong Kong. All three cities are far from the epicenter, which was in the southwestern part of Sichuan province. Sichuan is located in south-central China.

The earthquake, which has killed more than 14,800 people, could be felt in other parts of the nation and in neighboring countries such as Thailand and Vietnam.

A spokeswoman for **Credit Suisse** said she was not aware of any disruptions to the firm's Chinese operations. A source close to **Goldman Sachs** said none of that bank's offices or employees in China were affected.

A **BMO Financial Group** spokeswoman said the firm experienced "no impact," while a **UBS** spokesman told *IDD*, "UBS has not been affected in terms of death or injury to personnel or damage to offices."

A spokeswoman for **Merrill Lynch** said the firm has no offices in the Sichuan province.

In addition, a **Deutsche Bank** spokesman said the bank "experienced no disruption as a result of the earthquake -- business is operating as usual."

**Josh Boley**, principal and co-founder of US-China business consultancy **Dynasty Resources**, said Dynasty's main Chinese office is in Shanghai, more than 900 miles away from the epicenter. Dynasty did not suffer property damage or employee injuries, though Boley and his colleagues were unable to communicate with their Shanghai counterparts for several hours after the earthquake.

Boley said he spoke to someone in Beijing who could feel the earthquake but was not injured. He called two friends in Sichuan, who were okay.

A spokesman for the **US-China Business Council** said staff in the organization's Beijing and Shanghai offices could feel tremors but reported no damage or injuries. The US-China Business Council has not received reports of extensive disruptions in the Chinese financial services sector.

**Stewart Kim**, managing partner and founder of Los Angeles-based boutique **PGP Capital Advisors**, said one of his colleagues, who is fluent in Mandarin, monitored Mandarin-language media reports from China about the earthquake. According to Chinese media sources, the earthquake occurred 30 minutes before the market close and caused no interruption, though several buildings in Shanghai's financial district were evacuated. Sixty-six public companies based in southwestern China suspended trading on Tuesday.

"Sichuan is largely an agricultural province, especially around the area of the epicenter," said Kim. "Chengdu and Chongqing, the two major cities in Sichuan, are not financial hubs in China. Due to the distance from the epicenter and the lack of related news and announcements, I presume the impact to investment banks and financial institutions is limited."

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