

The Business of Expansion

How international businesses are harnessing growth and building resilience in an uncertain world

HSBC's report **'The Business of Expansion: How international businesses are balancing resilience and ambition in an uncertain world'** shows firms are still pushing international growth despite trade, tariff and geopolitical uncertainty. Based on a survey of **2,700 financial decision-makers** across **18 markets** (Dec 2025–Jan 2026), **77%** plan to expand overseas in the next two years and **48%** say tariffs have accelerated their plans. Growth (**38%**) and supply chain resilience (**35%**) lead the drivers, while economic conditions (**35%**), regulation / trade policy (**34%**) and political factors are the biggest barriers. Read the full report to learn more.

Key findings

Expansion intent:

80% of China HQ international enterprises intend to expand overseas in the next two years

Tariffs accelerating plans:

28% of international enterprises reported accelerating overseas expansion due to tariff changes

In 2026, China-headquartered mid-market and corporate decision-makers are being propelled overseas by a blend of operational and strategic drivers. The top triggers are operational support and supply chain management (**38%**), expansion aligned to broader international ambitions (**37%**), and the need for financial support and funding (**36%**)—pointing to firms scaling internationally while actively shoring up the capabilities and capital required to execute.

Market selection is strongly customer- and opportunity-led, with the existing customer base or target demographic the top consideration (**28%**), followed by market size and growth potential (**27%**) and political stability and risk (**26%**). This suggests Chinese firms are prioritising markets where they can win quickly with known segments, while still weighing macro risk as they diversify.

Execution constraints remain material. The leading barrier is banking and banking operations (**42%**)—including practical challenges such as opening local business bank accounts—followed by regulatory and trade agreements (**39%**), including sector-specific scrutiny, cross-ministry coordination gaps and lengthy approval processes, and then economic factors (**34%**). In terms of destinations, interest is concentrated in Asia-Pacific and key gateways: Singapore (**26%**), New Zealand (**24%**), Australia (**23%**), Hong Kong (**22%**) and the Middle East (**19%**).

Top triggers for international expansion

38%

Operational support (supply chain management)

37%

Growth in line with overall International ambitions

36%

Financial support and funding

35%

Resources in terms of people support

29%

Domestic market saturation

29%

Sector is expected to grow

Top considerations for market selection

Existing customer base or target demographics

28%

Market size and growth potential

27%

Political stability and risk

26%

Key corridors

Inbound

(International enterprises plan to expand to CN)

30%
HK

20%
SG

19%
ID

18%
JP

18%
FR

Outbound

(To expand into)

26%
SG

24%
NZ

23%
AU

22%
HK

19%
ME
(Middle East)

Barriers to international expansion for organisations

Bank and banking operations

42%

Financial barriers (top mentions)

Difficult to open a business bank account locally

Regulatory and trade agreements

39%

Regulatory barriers (top mentions)

Focused attention on particular sectors

Economic factors

34%

Lack of coordination between different lines of ministry

Cultural factors

29%

Bureaucratic approval process

Low knowledge of the local market

29%

This study, a mix of quantitative and qualitative methods, was conducted over a period of 18 months across 18 markets, concluding in Q1 2026, with over 2,700 mid-market companies. This study is not a product of HSBC Global Investment Research.

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