

The Business of Expansion Energy, Materials & Power Sector

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

74%

international enterprises intend on expanding internationally in the next 2 years

54%

of international enterprises reported acceleration of expansion plans due to tariff changes

- ◆ Of those looking to expand internationally, **70%** of companies have plans to expand their products or services digitally to new markets in the next 2 years and **84%** plan to expand physical operations

Current markets of operation

1. **Singapore**
2. **Europe**
3. **Australia**
4. **Hong Kong**
4. **Mainland China**

Markets for expansion

1. **Australia**
2. **Malaysia**
2. **Singapore**
4. **Mainland China**
5. **Japan**

Expansion model

50%

Partnerships or collaborations: forming strategic alliances, joint ventures, franchising, etc.

48%

Customer growth: targeting new customer segments

47%

Product / service expansion: new product or service

46%

Geographic expansion: expanding into new locations

46%

Channel expansion: using new distribution models or expanding digital presence

Top considerations for market selection

Economic stability

30%

Technology and infrastructure readiness

24%

Market size and growth potential

22%

Key technologies being adopted

1. **AI**
2. **Cybersecurity**
3. **Generative AI**
4. **Internet of Things**
5. **5G**

Top regulatory barriers

Regulatory barriers (top mentions)

Bureaucratic approval process

Non conducive policies

Lack of coordination between different lines of ministry

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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