

# Exchange Fund Abridged Balance Sheet and Currency Board Account

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) announced today (May 31) that the total assets of the Exchange Fund amounted to HK\$4,245.5 billion as at April 30, 2019, HK\$74.3 billion higher than that at the end of March 2019. Foreign currency assets increased by HK\$14.5 billion and Hong Kong dollar assets increased by HK\$59.8 billion.

The rise in foreign currency assets was mainly due to income from foreign currency investments and an increase in unsettled purchases of securities, which were partly offset by the sale of US dollars under the Currency Board arrangements. The rise in Hong Kong dollar assets was mainly due to an increase in Exchange Fund Bills and Notes issued but not yet settled and additional placements from Fiscal Reserves.

The Currency Board Account shows that the Monetary Base at the end of April 2019 was HK\$1,630.0 billion, decreased by HK\$9.4 billion, or 0.6%, from the end of March 2019. The decline was mainly due to a decrease in the balance of the banking system.

The amount of Backing Assets decreased by HK\$7.0 billion, or 0.4%, to HK\$1,808.5 billion. The decrease was mainly due to the sale of US dollars under the Currency Board arrangements, which was partly offset by interest from investments. The backing ratio increased from 110.74% at the end of March 2019 to 110.95% at the end of April 2019.

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At present, four press releases relating to the Exchange Fund's data are issued by the HKMA each month. Three of these releases are issued to disseminate monetary data in accordance with the International Monetary Fund's Special Data Dissemination Standard (SDDS). The fourth press release, on the Exchange Fund's Abridged Balance Sheet and Currency Board Account, is made in accordance with the HKMA's policy of maintaining a high level of transparency. For the month of May 2019, the scheduled dates for issuing the press releases are as follows:

May 7	SDDS International Reserves
(Issued)	(Hong Kong's Latest Foreign Currency Reserve Assets Figures)

May 14 (Issued)	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)
May 31	SDDS Template on International Reserves and Foreign Currency Liquidity
May 31	Exchange Fund Abridged Balance Sheet and Currency Board Account

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## Residential mortgage survey results for April 2019

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) announced the results of the residential mortgage survey for April 2019.

The number of mortgage applications in April decreased month-on-month by 4.3 per cent to 15 026.

Mortgage loans approved in April 2019 increased by 7.9 per cent compared with March to HK\$40.2 billion. Among these, mortgage loans financing primary market transactions increased by 5.9 per cent to HK\$8.4 billion and those financing secondary market transactions increased by 12.8 per cent to HK\$21.2 billion. Mortgage loans for refinancing increased by 0.6 per cent to HK\$10.6 billion.

Mortgage loans drawn down during April increased by 6.5 per cent compared with March to HK\$21.3 billion.

The ratio of new mortgage loans priced with reference to HIBOR increased from 86.1 per cent in March to 89 per cent in April. The ratio of new mortgage loans priced with reference to best lending rates decreased from 10.8 per cent in March to 8.1 per cent in April.

The outstanding value of mortgage loans increased month-on-month by 0.4 per cent to HK\$1,337 billion at end-April.

The mortgage delinquency ratio remained unchanged at 0.02 per cent and the rescheduled loan ratio remained unchanged at nearly 0 per cent.

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## Monetary statistics for April 2019

The following is issued on behalf of the Hong Kong Monetary Authority:

According to statistics published today (May 31) by the Hong Kong Monetary Authority, total deposits with authorised institutions rose by 1.3 per cent in April 2019. Hong Kong-dollar deposits expanded by 1.6 per cent during the month, mainly driven by increases in demand and time deposits. Overall foreign-currency deposits picked up by 1.1 per cent in April. Renminbi deposits in Hong Kong increased by 1.7 per cent to RMB612.3 billion at the end of April. The total remittance of renminbi for cross-border trade settlement amounted to RMB420.7 billion in April, compared with RMB464.5 billion in March 2019.

Total loans and advances went up by 0.8 per cent in April. Among the total, loans for use in Hong Kong (including trade finance) grew by 1.0 per cent from a month ago, and loans for use outside Hong Kong edged up by 0.1 per cent (Note). The Hong Kong-dollar loan-to-deposit ratio decreased to 87.3 per cent at the end of April from 87.8 per cent at the end of March, as Hong Kong-dollar loans grew at a slower pace than Hong Kong-dollar deposits.

On a seasonally-adjusted basis, Hong Kong-dollar M1 rose by 1.7 per cent in April and declined by 5.4 per cent year-on-year. Seasonally unadjusted Hong Kong-dollar M3 picked up by 1.5 per cent during the month and decreased by 0.3 per cent from a year earlier.

Note: The December 2018 figures for loans for use in/outside Hong Kong have been restated to reflect authorised institutions' reclassification of working capital loans. The reported month-on-month and quarter-on-quarter growth rates are calculated based on the reclassified loan data. As reclassified loan data before December 2018 are not available, year-on-year growth rates of loans for use in/outside Hong Kong (including their sub-components) as shown in Table 1H of the Annex are calculated based on the data without such reclassification.

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## International Reserves and Foreign Currency Liquidity

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) released today (May 31) the

analytical data on the Hong Kong Special Administrative Region's foreign currency reserves and foreign currency liquidity as at the end of April 2019 (Annex). These data are published monthly in the Template on International Reserves and Foreign Currency Liquidity in accordance with the International Monetary Fund's Special Data Dissemination Standard.

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At present, four press releases relating to the Exchange Fund's data are issued by the HKMA each month. Three of these releases are issued to disseminate monetary data in accordance with the International Monetary Fund's Special Data Dissemination Standard (SDDS). The fourth press release, on the Exchange Fund's Abridged Balance Sheet and Currency Board Account, is made in accordance with the HKMA's policy of maintaining a high level of transparency. For the month of May 2019, the scheduled dates for issuing the press releases are as follows:

May 7 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
May 14 (Issued)	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)
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## [Interest rate of first interest payment for Silver Bond Series due 2021](#)

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA), as representative of the Hong Kong Special Administrative Region Government, announces today (May 31) the relevant per annum interest rate for the first interest payment of Silver

Bond Series due 2021 (Issue Number 03GB2112R) (the Bonds) issued under the Retail Bond Issuance Programme of the Government Bond Programme.

According to the Issue Circular dated November 22, 2018 for the Bonds, the first interest payment of the Bonds is scheduled to be made on June 17, 2019, and the relevant interest rate is scheduled to be determined and announced on May 31, 2019 as the higher of the prevailing Floating Rate and Fixed Rate.

On May 31, 2019, the Floating Rate and Fixed Rate are as follows:

Floating Rate: +2.43 per cent

Fixed Rate: +3.00 per cent

Based on the Floating Rate and Fixed Rate set out above, the relevant interest rate for the first interest payment is determined and announced as 3.00 per cent per annum.