

## **Residential mortgage loans in negative equity March quarter 2019**

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

The Hong Kong Monetary Authority announced today the results of its latest survey on residential mortgage loans (RMLs) in negative equity.

The estimated number of RMLs in negative equity decreased to 44 cases at end-March 2019 from 262 cases at end-December 2018. These cases were related to bank staff housing loans or RMLs under mortgage insurance programme, which generally have a higher loan-to-value ratio.

The aggregate value of RMLs in negative equity decreased to HK\$230 million at end-March 2019 compared with HK\$1,190 million at end-December 2018.

The unsecured portion of these loans decreased to HK\$6 million at end-March 2019 from HK\$58 million at end-December 2018.

Since the first quarter of 2011, there have been no RMLs in negative equity with delinquencies of more than three months.

It is important to note that the figures derived from this survey relate only to RMLs provided by authorized institutions on the basis of first mortgages and which the reporting institution knows to be in negative equity (i.e. the outstanding loan amount with the reporting institution exceeds the current market value of the mortgaged property). Not included in these figures are RMLs associated with co-financing schemes which would be in negative equity if the second mortgages were taken into account. The extent to which such RMLs are in negative equity is not known because authorized institutions do not maintain records on the outstanding balances of the second mortgages.

The mortgage portfolios of the surveyed authorized institutions represent about 99 per cent of the industry total. The survey results have been extrapolated to estimate the position of the banking sector as a whole.

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## **Residential Mortgage Survey Results for March 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 March 2019.

The number of mortgage applications in March increased month-on-month by 55 per cent to 15 703.

Mortgage loans approved in March 2019 increased by 43 per cent compared with February to HK\$37.3 billion. Among these, mortgage loans financing primary market transactions increased by 16.6 per cent to HK\$7.9 billion and those financing secondary market transactions increased by 57.5 per cent to HK\$18.8 billion. Mortgage loans for refinancing increased by 43.8 per cent to HK\$10.6 billion.

Mortgage loans drawn down during March increased by 20.7 per cent compared with February to HK\$19.9 billion.

The ratio of new mortgage loans priced with reference to HIBOR increased from 77.5 per cent in February to 86.1 per cent in March. The ratio of new mortgage loans priced with reference to best lending rates decreased from 20.8 per cent in February to 10.8 per cent in March.

The outstanding value of mortgage loans increased month-on-month by 0.3 per cent to HK\$1,332.2 billion at end-March.

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 March 2019

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

According to statistics published today (April 30) by the Hong Kong Monetary Authority, total deposits with authorized institutions grew by 0.5 per cent in March 2019. Hong Kong-dollar deposits expanded by 1.2 per cent during the month, as the increase in time deposits exceeded the decline in demand and savings deposits. Overall foreign-currency deposits decreased by 0.3 per cent in March. Renminbi deposits in Hong Kong declined by 1.0 per cent to RMB602.2 billion at the end of March. The total remittance of renminbi for cross-border trade settlement amounted to RMB464.5 billion in March, compared with RMB338.6 billion in February 2019.

Total loans and advances went up by 1.1 per cent in March. Among the total, loans for use in Hong Kong (including trade finance) expanded by 1.2 per cent from a month ago, and loans for use outside Hong Kong picked up by 0.9 per cent (Note). The Hong Kong-dollar loan-to-deposit ratio picked up to

87.8 per cent at the end of March from 87.3 per cent at the end of February, as Hong Kong-dollar loans grew at a faster pace than Hong Kong-dollar deposits.

In the first quarter of 2019, loans for use in Hong Kong (including trade finance) increased by 2.2 per cent following growth of 1.3 per cent in the previous quarter. Analysed by economic use, the increase in loans during the first quarter was mainly led by trade finance, loans to financial concerns, and loans to building, construction, property development and investment.

On a seasonally-adjusted basis, Hong Kong-dollar M1 decreased by 1.3 per cent in March and declined by 4.5 per cent year-on-year. Seasonally unadjusted Hong Kong-dollar M3 increased by 1.1 per cent during the month and grew by 3.0 per cent from a year earlier.

Note: The December 2018 figures for loans for use in/outside Hong Kong have been restated to reflect authorized 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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## Adjustment of parking fees for government public car parks managed by TD

The Transport Department (TD) today (April 30) announced that the parking fees of 11 government public car parks under its management will be increased with effect from June 1.

"In considering the adjustment of parking fees for the 11 government public car parks, the TD has taken into account several factors including the inflation rate since the last parking fees adjustment, the charges of nearby public car parks operated by private sector and the utilisation of the government car parks," a spokesman for the TD said.

The 11 car parks are Kennedy Town Car Park, Rumsey Street Car Park, Star Ferry Car Park, City Hall Car Park, Tin Hau Car Park, Shau Kei Wan Car Park, Aberdeen Car Park, Yau Ma Tei Car Park, Sheung Fung Street Car Park, Kwai Fong Car Park and Tsuen Wan Car Park.

Unless otherwise indicated, the adjustment of parking fees of the 11 car

parks is summarised as follows:

Vehicle Type	Hourly Rate	Day Park	Night Park	Monthly Parking Ticket	Quarterly Parking Ticket
Private Car/ Van	+\$1	+\$20	+\$5 (Note 1)	+\$100 (Note 2)	+\$300
Motorcycle	—	+\$2	+\$1	+\$20	+\$60
Taxi	—	—	—	+\$50	+\$150

Note 1: The Night Park rate of Kwai Fong and Tsuen Wan Car Parks remains unchanged.

Note 2: The monthly fee of a reserved parking space in Star Ferry Car Park remains unchanged.

For details of the new parking fees, please refer to the Annex or visit the TD's website ([www.td.gov.hk/en/transport\\_in\\_hong\\_kong/parking/carparks](http://www.td.gov.hk/en/transport_in_hong_kong/parking/carparks)) .

The car park operators will put up notices inside the car parks in advance to inform motorists of the fee changes.

The last increase of parking fees of TD car parks was implemented on May 1, 2018.

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## Exchange Fund Bills Tender Results

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

### Exchange Fund Bills Tender Results

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Tender date	: April 30, 2019
Paper on offer	: EF Bills
Issue number	: Q1918
Issue date	: May 2, 2019
Maturity date	: July 31, 2019
Amount applied	: HK\$97,336 MN
Amount allotted	: HK\$36,792 MN
Average yield accepted	: 2.05 PCT
Highest yield accepted	: 2.11 PCT
Pro rata ratio	: About 7 PCT
Average tender yield	: 2.16 PCT

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Tender date	: April 30, 2019
Paper on offer	: EF Bills
Issue number	: H1947
Issue date	: May 2, 2019
Maturity date	: October 30, 2019
Amount applied	: HK\$32,250 MN
Amount allotted	: HK\$11,000 MN
Average yield accepted	: 2.01 PCT
Highest yield accepted	: 2.07 PCT
Pro rata ratio	: About 100 PCT
Average tender yield	: 2.14 PCT

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Hong Kong Monetary Authority tenders to be held in the week beginning May 6:

Tender date	: May 7, 2019
Paper on offer	: EF Bills
Issue number	: Q1919
Issue date	: May 8, 2019
Maturity date	: August 7, 2019
Tenor	: 91 Days
Amount on offer	: HK\$40,887 MN

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Tender date	: May 7, 2019
Paper on offer	: EF Bills
Issue number	: H1948
Issue date	: May 8, 2019
Maturity date	: November 6, 2019
Tenor	: 182 Days
Amount on offer	: HK\$15,000 MN