

CS visits Sham Shui Po Police Station

The Chief Secretary for Administration, Mr Matthew Cheung Kin-chung, visited Sham Shui Po Police Station today (July 31) to learn more about the community policing of Sham Shui Po District and meet with front-line officers.

Mr Cheung started his visit by meeting with the District Commander (Sham Shui Po), Mr Tony Ho, and senior officers of the District. Accompanied by Mr Ho, Mr Cheung then toured Sham Shui Po Police Station, a Grade II Historic Building built in 1925.

Mr Cheung was then given an update on the situation of the street sleepers and illegal structures in the district, as well as the challenges faced by front-line police officers in this respect. He also received a briefing on how the police enhanced communication with non-ethnic Chinese in Sham Shui Po to help them integrate into the community and encourage their involvement in crime prevention and detection.

During the visit, Mr Cheung met with front-line officers from different sections and commended them for their professionalism and positive attitude in ensuring that Hong Kong remains one of the safest cities in the world.

Residential Mortgage Survey Results for June 2018

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 June 2018.

The number of mortgage applications in June increased month-on-month by 0.6 per cent to 14 579.

Mortgage loans approved in June decreased by 4.8 per cent compared with May to HK\$40.6 billion. Among these, mortgage loans financing primary market transactions decreased by 11.9 per cent to HK\$5.6 billion and those financing secondary market transactions decreased by 0.5 per cent to HK\$24.1 billion. Mortgage loans for refinancing decreased by 9.6 per cent to HK\$10.9 billion.

Mortgage loans drawn down during June increased by 8.6 per cent compared with May to HK\$33.7 billion.

The ratio of new mortgage loans priced with reference to HIBOR increased from 67.1 per cent in May to 89.7 per cent in June. The ratio of new mortgage loans priced at fixed rates decreased from 28.5 per cent in May to 5.2 per cent in June.

The outstanding value of mortgage loans increased month-on-month by 0.9 per cent to HK\$1,257.8 billion at end-June.

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

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 (July 31) that the total assets of the Exchange Fund amounted to HK\$4,100.7 billion as at June 30, 2018, HK\$45.4 billion higher than that at the end of May 2018. Foreign currency assets increased by HK\$62.5 billion while Hong Kong dollar assets decreased by HK\$17.1 billion.

The rise in foreign currency assets was mainly due to an increase in unsettled purchases of securities. The decline in Hong Kong dollar assets was mainly due to the fall in market value of Hong Kong equities and withdrawals of placements by Fiscal Reserves.

The Currency Board Account shows that the Monetary Base at the end of June 2018 was HK\$1,652.1 billion, increased by HK\$7.9 billion, or 0.5 per cent, from the end of May 2018. The rise was mainly due to the increase in the outstanding amount of Certificates of Indebtedness.

The amount of Backing Assets increased by HK\$10.0 billion, or 0.6 per cent, to HK\$1,802.3 billion. The increase was mainly attributable to the issuance of Certificates of Indebtedness and income from investments. The backing ratio increased from 109.02 per cent at the end of May 2018 to 109.10 per cent at the end of June 2018.

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 July 2018, the scheduled dates for issuing the press releases are as follows:

July 6 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
July 13 (Issued)	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)
July 31	SDDS Template on International Reserves and Foreign Currency Liquidity
July 31	Exchange Fund Abridged Balance Sheet and Currency Board Account

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 (July 31) the analytical data on the Hong Kong Special Administrative Region's foreign currency reserves and foreign currency liquidity as at the end of June 2018 (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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Residential mortgage loans in negative equity June quarter 2018

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

The Hong Kong Monetary Authority announced today (July 31) the results of its latest survey on residential mortgage loans (RMLs) in negative equity.

Surveyed authorised institutions did not report any RMLs in negative equity at end-June 2018.

It is important to note that the figures derived from this survey relate only to RMLs provided by authorised 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 authorised institutions do not maintain records on the outstanding balances of the second mortgages.

The mortgage portfolios of the surveyed authorised 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.