

Senior appointment at Hong Kong Monetary Authority

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

The Hong Kong Monetary Authority (HKMA) announced today (June 29) that the Financial Secretary, on the advice of the Governance Sub-Committee of the Exchange Fund Advisory Committee, has approved the appointment of Mr Colin Pou as the Executive Director (Financial Infrastructure) with effect from October 29, 2018. Mr Pou will take over from Mr Li Shu-pui, who will leave the HKMA on resignation for personal reason with effect from the same date.

The Executive Director (Financial Infrastructure) is responsible for developing the financial market infrastructure, and for enhancing the fintech ecosystem of Hong Kong. He will also be in charge of the Currency and Settlement Division. Mr Pou's CV is attached.

Commenting on Mr Li's departure, the Chief Executive of the HKMA, Mr Norman Chan, said, "We are sorry to lose Mr Li, who has been with the HKMA for 17 years and has made numerous contributions to the work of the HKMA. I wish him the very best in his future endeavours."

Financial results for the two months ended May 31, 2018

The Government announced today (June 29) its financial results for the two months ended May 31, 2018.

Expenditure for the period April to May 2018 amounted to HK\$74 billion and revenue HK\$57.8 billion, resulting in a cumulative year-to-date deficit of HK\$16.2 billion.

A government spokesperson said that the cumulative year-to-date deficit for the period was mainly due to the fact that some major types of revenue including salaries and profits taxes are mostly received towards the end of a financial year.

The fiscal reserves stood at HK\$1,086.8 billion as at May 31, 2018.

More detailed figures are shown in Tables 1 and 2.

TABLE 1. CONSOLIDATED ACCOUNT (Note 1)

	Month ended May 31, 2018 HK\$ million	Two months ended May 31, 2018 HK\$ million
Revenue	24,529.5	57,855.2
Expenditure	(35,611.9)	(74,015.6)
Deficit	(11,082.4)	(16,160.4)
Financing		
Domestic		
Banking Sector (Note 2)	10,288.5	14,173.1
Non-Banking Sector	793.9	1,987.3
External	—	—
Total	11,082.4	16,160.4

Government Debts as at May 31, 2018 (Note 3)

HK\$1,500 million

Debts Guaranteed by Government as at May 31, 2018 (Note 4)

HK\$25,086.7 million

TABLE 2. FISCAL RESERVES

	Month ended May 31, 2018 HK\$ million	Two months ended May 31, 2018 HK\$ million
Fiscal Reserves at start of period	1,097,855.7	1,102,933.7
Consolidated Deficit	(11,082.4)	(16,160.4)
Fiscal Reserves at end of period (Note 5)	1,086,773.3	1,086,773.3

Notes:

1. This Account consolidates the General Revenue Account and the following eight Funds: Capital Works Reserve Fund, Capital Investment Fund, Civil Service Pension Reserve Fund, Disaster Relief Fund, Innovation and Technology Fund, Land Fund, Loan Fund and Lotteries Fund. It excludes the Bond Fund, the balance of which is not part of the fiscal reserves. The Bond Fund balance as

at May 31, 2018 was HK\$144,449 million.

2. Includes transactions with the Exchange Fund and resident banks.

3. These were the outstanding institutional notes as at May 31, 2018, which were denominated in Hong Kong dollars with maturity in July 2019. They do not include the outstanding bonds with nominal value of HK\$104,667 million and alternative bonds with nominal value of US\$3,000 million (equivalent to HK\$23,541 million as at May 31, 2018) issued under the Government Bond Programme (with proceeds credited to the Bond Fund). Of these bonds under the Government Bond Programme (including Silver Bonds with nominal value of HK\$5,867 million, which may be redeemed before maturity upon request from bond holders), bonds with nominal value of HK\$23,200 million will mature within the period from June 2018 to May 2019 and the rest within the period from June 2019 to March 2032.

4. Includes guarantees provided under the SME Loan Guarantee Scheme launched in 2001, the Special Loan Guarantee Scheme launched in 2008, the Special Concessionary Measures under the SME Financing Guarantee Scheme launched in 2012, and a commercial loan of the Hong Kong Science and Technology Parks Corporation.

5. Includes HK\$219,730 million being the balance of the Land Fund held in the name of "Future Fund" as from January 1, 2016, for long-term investments initially up to December 31, 2025. As from July 1, 2016, the Future Fund also includes HK\$4,800 million, being one-third of the actual surplus in 2015-16 as top-up.

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 (June 29) the analytical data on the Hong Kong Special Administrative Region's foreign currency reserves and foreign currency liquidity as at the end of May 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.

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

June 7 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
June 14 (Issued)	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)
June 29	SDDS Template on International Reserves and Foreign Currency Liquidity
June 29	Exchange Fund Abridged Balance Sheet and Currency Board Account

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 (June 29) that the total assets of the Exchange Fund amounted to HK\$4,055.4 billion as at May 31, 2018, HK\$112.6 billion lower than that at the end of April 2018. Foreign currency assets decreased by HK\$61.8 billion and Hong Kong dollar assets decreased by HK\$50.8 billion.

The decline in foreign currency assets was mainly due to a decrease in unsettled purchases of securities and the sale of US dollars under the Currency Board arrangements. The decline in Hong Kong dollar assets was mainly due to a decrease in Exchange Fund Bills and Notes issued but not yet settled and withdrawals of placements by Fiscal Reserves.

The Currency Board Account shows that the Monetary Base at the end of May 2018 was HK\$1,644.1 billion, decreased by HK\$26.5 billion, or 1.6%, from the end of April 2018. The decline was mainly due to a decrease in the balance of the banking system and the outstanding amount of Certificates of Indebtedness.

The amount of Backing Assets decreased by HK\$24.3 billion, or 1.3%, to

HK\$1,792.4 billion. The decrease was mainly due to the sale of US dollars under the Currency Board arrangements and the redemption of Certificates of Indebtedness. The backing ratio increased from 108.74% at the end of April 2018 to 109.02% at the end of May 2018.

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June 29	SDDS Template on International Reserves and Foreign Currency Liquidity
June 29	Exchange Fund Abridged Balance Sheet and Currency Board Account

“Hong Kong as an Information Society (2018 Edition)” published

The Census and Statistics Department (C&SD) released today (June 29) a publication entitled "Hong Kong as an Information Society (2018 Edition)".

This publication aims at presenting statistics compiled from a variety of data sources relevant to the development of an information society in Hong Kong, including the recent developments in information and communication technology services, the external trade of information and communication technology goods, and the use and penetration of information technology in the business, household and government sectors. Analyses of the demand for manpower in the information technology field and development of relevant educational programmes are also provided.

The publication is available for downloading free of charge from the website of the C&SD at www.censtatd.gov.hk/products_and_services/products/publications/statistical_report/commerce_and_industry/index_cd_B1110006_dt_latest.jsp.

Enquiries about this publication can be directed to the Science and Technology Statistics Section of the C&SD (Tel: 3903 7291 or email: itsurvey@censtatd.gov.hk).