

Record of discussion of meeting of Exchange Fund Advisory Committee Currency Board Sub-Committee held on April 30

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

(Approved for Issue by the Exchange Fund Advisory Committee by circulation)

Report on Currency Board Operations (25 December, 2024 – 16 April, 2025)

The Currency Board Sub-Committee (Sub-Committee) noted that the Hong Kong dollar (HKD) traded within a range of 7.7555 – 7.7927 against the US dollar (USD) during the review period. The HKD exchange rate moderated in early January 2025 as liquidity tightness subsided at the end of 2024 and global markets reacted to US tariff announcements, but strengthened in mid-February 2025, supported by strong performance of the local stock market amid Mainland China's recent advancements in artificial intelligence and net inflows from the Southbound Stock Connect. In early April, in response to further US tariffs, the HKD strengthened further as long USD carry trades unwound amid a risk-off sentiment and southbound inflows continued. HKD interbank rates (HIBORs) continued to track the USD rates while shorter-tenor rates were also being affected by local supply and demand. Short-term HIBORs tightened briefly near the year-end but softened thereafter as funding demand faded. The Convertibility Undertakings were not triggered during the review period and the Aggregate Balance was stable at around HK\$45 billion. No abnormality was noted in the usage of the Discount Window. Overall, the HKD exchange and interbank markets continued to trade in a smooth and orderly manner.

The Sub-Committee noted that the Monetary Base increased to HK\$1,980.99 billion at the end of the review period. In accordance with the Currency Board principles, all changes in the Monetary Base had been fully matched by changes in foreign reserves.

The Report on Currency Board Operations for the review period is at Annex.

Monitoring of Risks and Vulnerabilities

The Sub-Committee noted that downside growth risks to the global economy had intensified following the US announcement of imposing reciprocal tariffs that exceeded market expectations. In response, global financial markets had gyrated, although they continued to operate smoothly with no sign of

widespread funding stress. While the postponement of reciprocal tariffs had offered some reprieve for export-reliant Asian economies which generally faced higher rates, the prospect of tariffs being implemented further down the road still posed significant growth headwinds.

The Sub-Committee noted that in Mainland China, the economy entered 2025 amid some green shoots and improved equity market sentiment. In particular, at the "two sessions" in March, the authorities sent strong pro-growth signals, including prioritising consumption and strengthening fiscal support. From April onwards, the Mainland economic outlook faced stiffer external headwinds due to the US reciprocal tariffs. It was expected that Mainland China would place increasing emphasis on supporting consumption.

The Sub-Committee noted that in Hong Kong, downside risks to the growth outlook heightened following the imposition of the US reciprocal tariffs. Yet, several factors might help alleviate some of the impact, including the Mainland's pro-growth policies and its advancement in artificial intelligence, the prospective US rate cuts expected by the markets, and the ongoing recovery of inbound tourism. Meanwhile, housing market transactions gained momentum in March following the Government's adjustment in stamp duties for lower-value properties, although market sentiment turned conservative in early April amid the global financial market volatility. The commercial real estate markets remained subdued, especially in the office segment.

A Study on "Discount Window Stigma"

The Sub-Committee noted a paper that examined the usage of the Hong Kong Monetary Authority's (HKMA) Discount Window and the associated "stigma effect" by banks over time. The results showed that the Discount Window was tapped more frequently and the associated stigma diminished in the current period of tight liquidity, compared with the previous period of tight liquidity in 2018 – 2020. This trend coincided with the HKMA's proactive communication efforts with banks to alleviate concerns about the "stigma effect" during recent periods.

Analytical Accounts of Exchange Fund

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

The Hong Kong Monetary Authority (HKMA) released today (June 13) the key analytical accounts of the Exchange Fund at the end of May 2025.

Foreign assets, representing the external assets of the Exchange Fund, increased during the month by HK\$201.3 billion to HK\$3,586.6 billion.

The Monetary Base, comprising Certificates of Indebtedness, Government-issued currency notes and coins in circulation, the balance of the banking system and Exchange Fund Bills and Notes issued, amounted to HK\$2,124.9 billion.

Claims on the private sector in Hong Kong amounted to HK\$325.6 billion.

Foreign liabilities amounted to HK\$31.0 billion.

The analytical accounts of the Exchange Fund are released in accordance with the International Monetary Fund's Special Data Dissemination Standard (SDDS) and are referred to as the Analytical Accounts of the Central Bank under SDDS (Annex).

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 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 2025, the scheduled dates for issuing the press releases are as follows:

June 6 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
June 13	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)
June 30	SDDS Template on International Reserves and Foreign Currency Liquidity
June 30	Exchange Fund Abridged Balance Sheet and Currency Board Account

[Effective Exchange Rate Index](#)

The effective exchange rate index for the Hong Kong dollar on Friday, June 13, 2025 is 103 (same as yesterday's index).

Government announces senior appointments (with photos)

The Government announced today (June 13) the following senior appointments:

(a) Ms May Chan Wing-shiu, Commissioner for Labour, will take up the post of Permanent Secretary for Education on July 2, 2025, to succeed Ms Michelle Li Mei-sheung who will proceed on pre-retirement leave on the same day;

(b) Mr Sam Hui Chark-shum, Deputy Secretary for Health, will take up the post of Commissioner for Labour on July 2, 2025; and

(c) Ms Kinnie Wong Kit-ye, Head (Policy Coordination), Chief Secretary for Administration's Private Office, will take up the post of Registrar of Companies on July 3, 2025, to succeed Miss Helen Tang, who has proceeded on pre-retirement leave.

Commenting on the appointment of Ms Chan, Mr Hui and Ms Wong, the Secretary for the Civil Service, Mrs Ingrid Yeung, said, "The appointees are seasoned Administrative Officers with proven leadership and management skills. I have every confidence that they will continue to serve the community with professionalism in their new capacity."

On the retirement of the two senior officials, Mrs Yeung thanked them for each rendering over 30 years of loyal and dedicated service to the community and making significant contributions to the Government. She wished them a fulfilling and happy retirement.

Mrs Yeung said, "During Ms Li's tenure as Permanent Secretary for Education, she made commendable efforts in formulating and overseeing the implementation of various policies to promote quality education, developing Hong Kong into an international hub for high-calibre talent, and nurturing young people to become virtuous and capable lifelong learners with global competitiveness, positive values and love for our country and the city. She made valuable contributions to enhancing the quality of education, strengthening the professionalism of teachers, enhancing governance of schools and institutions, expanding vocational and professional education and training, promoting the internationalisation and diversification of the post-secondary sector, as well as catering for students with diverse learning needs."

Turning to Miss Tang, Mrs Yeung said, "During Miss Tang's tenure as Registrar of Companies, she capably led the Companies Registry to provide efficient, cost-effective and quality services for incorporation or registration of companies. She also paved the way for the company re-domiciliation initiative in Hong Kong, which complements the Government's efforts in proactively attracting enterprises and investment."

Brief biographical notes of the five officers are set out below:

Ms Michelle Li Mei-sheung

Ms Li joined the Administrative Service in September 1988 and rose to the rank of Administrative Officer Staff Grade A1 in April 2021. She has served in various bureaux and departments, including the Transport Department, the former City and New Territories Administration, the former Finance Branch, the former Central Policy Unit, the former Education and Manpower Branch, the Chief Secretary for Administration's Office, the Home Affairs Department, the former Home Affairs Bureau, the Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service and the Education Bureau. She served as Director of Leisure and Cultural Services from July 2014 to September 2019, Permanent Secretary for Financial Services and the Treasury (Financial Services) from September 2019 to August 2020, and has been serving as Permanent Secretary for Education since August 2020.

Miss Helen Tang

Miss Tang joined the Administrative Service in July 1988 and rose to the rank of Administrative Officer Staff Grade B1 in April 2022. She has served in various bureaux and departments, including the former City and New Territories Administration, the former Civil Service Branch, the former Health and Welfare Branch, the former Home Affairs Branch, the former Television and Entertainment Licensing Authority, the former Information Technology and Broadcasting Bureau, the former Commerce, Industry and Technology Bureau, the Department of Health, the Labour and Welfare Bureau, the Financial Services and the Treasury Bureau and the Chief Secretary for Administration's Office. She was Deputy Director of Government Logistics from April 2014 to April 2021, Deputy Secretary for Home Affairs (later renamed Deputy Secretary for Home and Youth Affairs) from April 2021 to July 2022, and has been serving as Registrar of Companies since July 2022.

Ms May Chan Wing-shiu

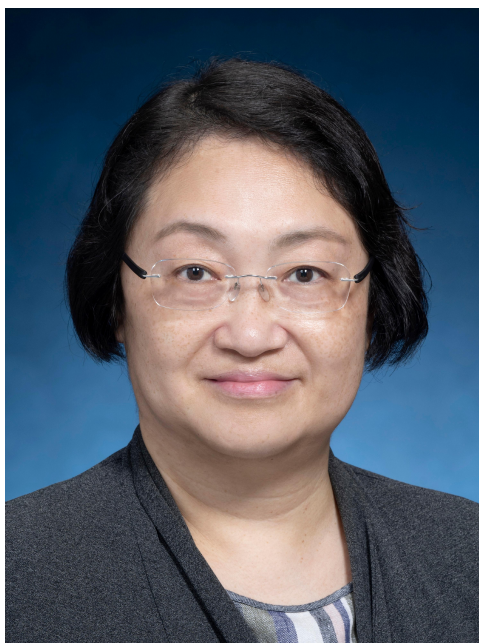
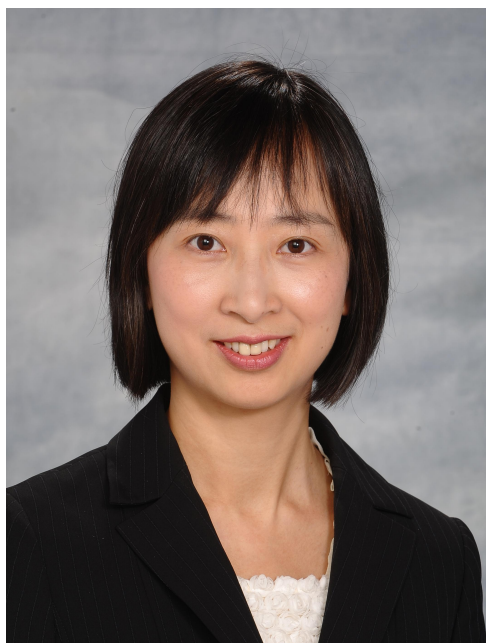
Ms Chan joined the Administrative Service in August 1994 and rose to the rank of Administrative Officer Staff Grade A in April 2024. She has served in various bureaux and departments, including the former Constitutional Affairs Branch, the former Home Affairs Branch, the Housing Department, the Security Bureau, the former Constitutional Affairs Bureau, the Home Affairs Department and the Civil Service Bureau. She was Deputy Secretary for Education from October 2017 to December 2020, Deputy Secretary for Financial Services and the Treasury (Financial Services) from December 2020 to September 2022, and has been serving as Commissioner for Labour since September 2022.

Mr Sam Hui Chark-shum

Mr Hui joined the Administrative Service in August 1996 and rose to the rank of Administrative Officer Staff Grade B1 in April 2024. He has served in various bureaux and departments, including the Home Affairs Department, the former Transport Bureau, the Civil Service Bureau, the former Education and Manpower Bureau, the former Economic Development and Labour Bureau, the former Transport and Housing Bureau, the Hong Kong Economic and Trade Office in Geneva, and the Commerce and Economic Development Bureau. He was Deputy Representative to the Hong Kong Economic and Trade Office in Brussels from August 2016 to January 2020, Deputy Secretary for Financial Services and the Treasury (Financial Services) from January 2020 to April 2023, and has been serving as Deputy Secretary for Health since April 2023.

Ms Kinnie Wong Kit-yee

Ms Wong joined the Administrative Service in August 1993 and rose to the rank of Administrative Officer Staff Grade B in April 2022. She has served in various bureaux and departments, including the Chief Secretary's Office, the former Industry Department, the Home Affairs Department, the former Health and Welfare Bureau, the former Financial Services Bureau (later reorganised as Financial Services and the Treasury Bureau), the former Economic Development and Labour Bureau (later reorganised as Commerce and Economic Development Bureau), the Constitutional and Mainland Affairs Bureau, and the Chief Executive's Office. She was Principal Assistant Secretary (Treasury) from December 2017 to August 2020, Deputy Secretary for Home Affairs from August 2020 to June 2022, and has been serving as Head (Policy Coordination) to the Chief Secretary for Administration's Private Office since July 2022.





Approved Cheung Sha Wan Outline Zoning Plan amended

The Town Planning Board today (June 13) announced amendments to the approved Cheung Sha Wan Outline Zoning Plan (OZP).

The amendments mainly involve rezoning a site at Castle Peak Road from "Other Specified Uses" annotated "Hotel" to "Commercial (5)".

The Notes and Explanatory Statement of the OZP are amended to take into account the above amendments. Opportunity is also taken to update the general information of various land use zones and the planning scheme area, where

appropriate.

The draft Cheung Sha Wan OZP No. S/K5/40, incorporating the amendments, is available for public inspection during office hours at (i) the Secretariat of the Town Planning Board, (ii) the Planning Enquiry Counters, (iii) the Tsuen Wan and West Kowloon District Planning Office, and (iv) the Sham Shui Po District Office.

Any person may make written representations in respect of the amendments to the Secretary of the Town Planning Board on or before August 13. Any person who intends to make a representation is advised to read the Town Planning Board Guidelines No. 29C on "Submission and Processing of Representations and Further Representations" (TPB PG-No. 29C).

Submission of a representation should comply with the requirements set out in TPB PG-No. 29C. In particular, the representer should take note of the following:

- * If the representer fails to provide his or her full name and the first four alphanumeric characters of his or her Hong Kong identity card or passport number as required under TPB PG-No. 29C, the representation submitted shall be treated as not having been made; and
- * The Secretariat of the Town Planning Board reserves the right to require the representer to provide identity proof for verification.

The Guidelines and the submission form are available at the above locations (i) and (ii) as well as the Town Planning Board's website (www.tpb.gov.hk).

Copies of the draft Cheung Sha Wan OZP are available for sale at the Map Publications Centre in North Point. The electronic version of the OZP can be viewed on the Town Planning Board's website (www.tpb.gov.hk).