

Residential Mortgage Survey Results for July 2020

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

The Hong Kong Monetary Authority announced the results of the residential mortgage survey for July 2020.

The number of mortgage applications in July decreased month-on-month by 4.2 per cent to 13,246.

Mortgage loans approved in July decreased by 9.8 per cent compared with June to HK\$43 billion. Among these, mortgage loans financing primary market transactions decreased by 2 per cent to HK\$8.2 billion and those financing secondary market transactions decreased by 12.3 per cent to HK\$29.7 billion. Mortgage loans for refinancing decreased by 6.3 per cent to HK\$5 billion.

Mortgage loans drawn down during July increased by 7.3 per cent compared with June to HK\$31.4 billion.

The ratio of new mortgage loans priced with reference to HIBOR decreased from 92.2 per cent in June to 91.6 per cent in July. The ratio of new mortgage loans priced with reference to best lending rates increased from 4.7 per cent in June to 5.1 per cent in July.

The outstanding value of mortgage loans increased month-on-month by 0.9 per cent to HK\$1,528 billion at end-July.

The mortgage delinquency ratio remained unchanged at 0.04 per cent and the rescheduled loan ratio remained unchanged at nearly 0 per cent.

Monetary Statistics for July 2020

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

According to statistics published today (August 31) by the Hong Kong Monetary Authority, total deposits with authorised institutions grew by 2.7 per cent in July 2020. Among the total, Hong Kong dollar deposits and overall foreign currency deposits rose by 4.2 per cent and 1.1 per cent respectively. Renminbi deposits in Hong Kong increased by 2.9 per cent to RMB658.3 billion at the end of July. The total remittance of renminbi for cross-border trade settlement amounted to RMB588.5 billion in July, compared with RMB542.8 billion in June.

Total loans and advances increased by 1.7 per cent in July. Among the

total, loans for use in Hong Kong (including trade finance) increased by 2.4 per cent, and loans for use outside Hong Kong edged up by 0.1 per cent. The Hong Kong dollar loan-to-deposit ratio decreased to 85.0 per cent at the end of July from 86.4 per cent at the end of June, as Hong Kong dollar deposits increased at a faster pace than Hong Kong dollar loans.

In July, growth in deposits and loans were partly driven by initial public offering (IPO) activities. Excluding IPO loans and the resulting creation of deposits, total deposits and Hong Kong dollar deposits would have increased by 1.5 per cent and 1.8 per cent respectively in July, and total loans and advances would have edged up by 0.1 per cent in July.

Hong Kong dollar M2 and M3 both picked up by 4.1 per cent in July, and increased by 5.8 per cent and 5.7 per cent respectively compared to a year ago. The seasonally-adjusted Hong Kong dollar M1 rose by 3.0 per cent in July, and expanded by 15.8 per cent compared to a year ago, reflecting in part investment-related activities. Total M2 and M3 both grew by 2.6 per cent in July, and rose by 6.7 per cent and 6.6 per cent respectively from a year earlier. Excluding deposits created by IPO loans, Hong Kong dollar M2 and M3 both would have picked up by 1.8 per cent in July, and increased by 3.5 per cent compared to a year ago. Total M2 and M3 both would have grown by 1.4 per cent in July, and risen by 5.6 per cent and 5.4 per cent respectively compared to a year ago.

As monthly monetary statistics are subject to volatilities due to a wide range of transient factors, such as seasonal and IPO-related funding demand as well as business and investment-related activities, caution is required when interpreting the statistics.

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Monday, August 31, 2020 is 104.8 (same as last Saturday's index).

â€‹The effective exchange rate index for the Hong Kong dollar on Saturday, August 29, 2020 was 104.8 (down 0.2 against last Friday's index).

CFS announces food safety report for

July

The Centre for Food Safety (CFS) of the Food and Environmental Hygiene Department today (August 31) released the findings of its food safety report for last month. The results of about 15 200 food samples tested were satisfactory except for seven samples that were announced earlier. The overall satisfactory rate was 99.9 per cent.

A CFS spokesman said about 1 400 food samples were collected for microbiological tests, some 3 600 samples were taken for chemical tests and the remaining 10 200 (including about 9 800 taken from food imported from Japan) were collected to test radiation levels.

The microbiological tests covered pathogens and hygiene indicators, while the chemical tests included pesticides, preservatives, metallic contaminants, colouring matters, veterinary drug residues and others.

The samples comprised about 3 600 samples of vegetables and fruit and their products; about 800 samples of cereals, grains and their products; about 700 samples of meat and poultry and their products; about 1 300 samples of milk, milk products and frozen confections; about 1 300 samples of aquatic and related products; and about 7 500 samples of other food commodities (including beverages, bakery products and snacks).

The seven unsatisfactory samples comprised three grass carp samples detected with trace amounts of malachite green, a sample of frozen green wrasse fillet found to contain excessive methylmercury, a sample of canned fried fish fibre detected with excessive mercury, a frozen confection sample found to contain excessive counts of hygiene indicator organisms and a vegetable sample detected with excessive pesticide residue.

The CFS has taken follow-up action on the unsatisfactory samples including informing the vendors concerned of the test results, instructing them to stop selling the affected food items and tracing the sources of the food items in question.

The spokesman reminded the food trade to ensure that food for sale is fit for human consumption and meets legal requirements. Consumers should patronise reliable shops when buying food and maintain a balanced diet to minimise food risks.

US Dollar Liquidity Facility tender

notice

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

US Dollar Liquidity Facility tender notice:

Tender date	: September 2 (Wednesday)
Tender submission time	: 9am to noon
Settlement date	: September 3 (Thursday)
Repayment date	: September 10 (Thursday)
Tenor	: 7 Days
Amount on offer	: US\$10,000 Million

Note: Licensed Banks interested in participating in the tender for the first time are encouraged to provide US dollar settlement instructions by email (settlementsection@hkma.gov.hk) to the Hong Kong Monetary Authority's Settlement Team in advance, preferably two days prior to the tender. Required information includes name of corresponding bank, name of final beneficiary (must be the Licensed Bank participating in the tender), and account or CHIPS number of a US dollar bank account to be settled in the US. Such information needs to be provided once only, unless there is further change.