

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\$4,195.3 billion as at June 30, 2020, HK\$113.4 billion higher than that at the end of May 2020. Hong Kong dollar assets increased by HK\$87.2 billion and foreign currency assets increased by HK\$26.2 billion.

The rise in Hong Kong dollar assets was mainly due to an increase in Exchange Fund Bills and Notes issued but not yet settled and the mark-to-market revaluation on Hong Kong equities. The rise in foreign currency assets was mainly due to the purchase of US dollars through the trigger of strong-side convertibility undertaking under the Currency Board arrangements and the mark-to-market revaluation of investments denominated in foreign currencies, which were partly offset by a decrease in unsettled purchase of securities.

The Currency Board Account shows that the Monetary Base at the end of June 2020 was HK\$1,748.9 billion, increased by HK\$39.3 billion, or 2.3 per cent, from the end of May 2020. The rise was mainly due to the sale of HK dollars under the Currency Board arrangements.

The amount of Backing Assets increased by HK\$38.9 billion, or 2.0 per cent, to HK\$1,953.1 billion. The increase was mainly attributable to the purchase of US dollars under the Currency Board arrangements. The backing ratio decreased from 111.97 per cent at the end of May 2020 to 111.68 per cent at the end of June 2020.

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 2020, the scheduled dates for issuing the press releases are as follows:

July 7 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
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July 14 (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