

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 (August 31) that the total assets of the Exchange Fund amounted to HK\$4,156.1 billion as at July 31, 2020, HK\$39.1 billion lower than that at the end of June 2020. Hong Kong dollar assets decreased by HK\$70.0 billion while foreign currency assets increased by HK\$30.9 billion.

The decline in Hong Kong dollar assets was mainly due to a decrease in Exchange Fund Bills and Notes issued but not yet settled, which was partly offset by the mark-to-market revaluation of Hong Kong equities. The rise in foreign currency assets was mainly due to the income from foreign currency investments, which was partly offset by a decrease in unsettled purchase of securities.

The Currency Board Account shows that the Monetary Base at the end of July 2020 was HK\$1,801.4 billion, increased by HK\$52.5 billion, or 3.0 per cent, from the end of June 2020. The rise was mainly due to the sale of Hong Kong dollars under the Currency Board arrangements.

The amount of Backing Assets increased by HK\$54.0 billion, or 2.8 per cent, to HK\$2,007.1 billion. The increase was mainly attributable to the purchase of US dollars under the Currency Board arrangements. The backing ratio decreased from 111.68 per cent at the end of June 2020 to 111.42 per cent at the end of July 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 August 2020, the scheduled dates for issuing the press releases are as follows:

August 7 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
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August 14 (Issued)	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)
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August 31	SDDS Template on International Reserves and Foreign Currency Liquidity
August 31	Exchange Fund Abridged Balance Sheet and Currency Board Account