

Financial results for the seven months ended October 31, 2022

The Government announced today (November 30) its financial results for the seven months ended October 31, 2022.

Expenditure for the period April to October 2022 amounted to HK\$467.6 billion and revenue HK\$171.9 billion, resulting in a cumulative year-to-date deficit of HK\$275.7 billion after taking into account the proceeds of HK\$20 billion received from issuance of green bonds under the Government Green Bond Programme (Green Bond).

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\$681.4 billion as at October 31, 2022.

Detailed figures are shown in Tables 1 and 2.

TABLE 1. CONSOLIDATED ACCOUNT (Note 1)

	Month ended October 31, 2022 HK\$ million	Seven months ended October 31, 2022 HK\$ million
Revenue	40,134.6	171,870.5
Expenditure	(62,890.5)	(467,607.4)
Deficit before issuance of Green Bond	(22,755.9)	(295,736.9)
Proceeds received from issuance of Green Bond	–	20,000.0
Deficit after issuance of Green Bond	(22,755.9)	(275,736.9)
Financing		
Domestic		
Banking Sector (Note 2)	23,128.1	275,473.8

Non-Banking Sector	(372.2)	263.1
External	–	–
Total	22,755.9	275,736.9

Government Debts as at October 31, 2022 (Note 3)

HK\$74,388 million

Debts Guaranteed by Government as at October 31, 2022 (Note 4)

HK\$135,575 million

TABLE 2. FISCAL RESERVES

	Month ended October 31, 2022 HK\$ million	Seven months ended October 31, 2022 HK\$ million
Fiscal Reserves at start of period (Note 5)	704,147.4	957,128.4
Consolidated Deficit after issuance of Green Bond	(22,755.9)	(275,736.9)
Fiscal Reserves at end of period (Note 6)	681,391.5	681,391.5

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 October 31, 2022, was HK\$254,772 million.

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

3. These were the Green Bonds (equivalent to HK\$74,388 million as at October 31, 2022) issued under the Government Green Bond Programme. They were denominated in US dollars (US\$4,500 million with maturity from May 2024 to February 2051), euros (1,750 million euros with maturity from November 2026 to November 2041), Renminbi (RMB5,000 million with maturity from November 2024 to November 2026) and Hong Kong dollars (HK\$20,000 million with maturity in May 2025). They do not include the outstanding bonds with nominal value of HK\$218,828 million and alternative bonds with nominal value of US\$1,000 million (equivalent to HK\$7,849 million as at October 31, 2022) 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\$89,028 million, which may be redeemed before maturity upon request from bond holders), bonds with nominal value of HK\$1,000 million were repaid upon maturity on November 18, 2022; bonds with nominal value of HK\$25,800 million will mature within the period from December 2022 to October 2023 and the rest within the period from November 2023 to May 2042.

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

5. The fiscal reserves have taken into account adjustments made to the accounts for the year 2021-22.

6. Includes HK\$257,366 million, being the balance of the Land Fund held in the name of "Future Fund", for long-term investments initially up to December 31, 2025. The Future Fund also includes HK\$4,800 million, being one-third of the actual surplus in 2015-16 as top-up.