

Monetary Statistics for January 2021

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

According to statistics published today (February 26) by the Hong Kong Monetary Authority, total deposits with authorised institutions increased by 9.8 per cent in January 2021. Among the total, Hong Kong dollar deposits and overall foreign currency deposits grew by 18.6 per cent and 1.0 per cent respectively. Renminbi deposits in Hong Kong increased by 10.5 per cent to RMB797.7 billion at the end of January. The total remittance of renminbi for cross-border trade settlement amounted to RMB581.3 billion in January, compared with RMB535.8 billion in December 2020.

Total loans and advances increased by 11.8 per cent in January. Among the total, loans for use in Hong Kong (including trade finance) expanded by 16.7 per cent, and loans for use outside Hong Kong edged up by 0.3 per cent. The Hong Kong dollar loan-to-deposit ratio increased to 83.9 per cent at the end of January from 83.5 per cent at the end of December 2020, as Hong Kong dollar loans increased at a faster pace than Hong Kong dollar deposits.

In January, changes 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 3.2 per cent and 5.3 per cent respectively in January, and total loans and advances would have increased by 2.6 per cent in January.

Hong Kong dollar M2 and M3 both expanded by 17.3 per cent in January, and grew by 23.3 per cent and 23.2 per cent respectively compared to a year ago. The seasonally-adjusted Hong Kong dollar M1 increased by 5.9 per cent in January, and rose by 31.0 per cent compared to a year ago, reflecting in part investment-related activities. Total M2 and M3 both went up by 9.0 per cent in January, and expanded by 15.2 per cent and 15.1 per cent respectively from a year earlier. Excluding deposits created by IPO loans, Hong Kong dollar M2 and M3 both would have increased by 5.1 per cent in January, and increased by 10.4 per cent compared to a year ago. Total M2 and M3 both would have increased by 2.8 per cent in January, and risen by 8.6 per cent 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.