

# Monetary Statistics for July 2019

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

According to statistics published today (August 30) by the Hong Kong Monetary Authority, total deposits with authorised institutions and its Hong Kong-dollar deposits component stayed virtually unchanged in July 2019, as decreases in time deposits offset increases in demand and savings deposits. Overall foreign-currency deposits edged down by 0.1 per cent in July. Renminbi deposits in Hong Kong increased by 2.0 per cent to RMB616.0 billion at the end of July. The total remittance of renminbi for cross-border trade settlement amounted to RMB455.8 billion in July, compared with RMB440.6 billion in June.

Total loans and advances edged down by 0.1 per cent in July. Among the total, loans for use in Hong Kong (including trade finance) declined slightly by 0.2 per cent from a month ago, while loans for use outside Hong Kong increased by 0.2 per cent (Note). The Hong Kong-dollar loan-to-deposit ratio dropped to 88.9 per cent at the end of July from 89.3 per cent at the end of June, as Hong Kong-dollar loans decreased while Hong Kong-dollar deposits stayed virtually unchanged.

Both the Hong Kong-dollar M2 and M3 edged down by 0.1 per cent in July, but rose by 3.3 per cent from a year earlier. The decreases in the Hong Kong-dollar M2 and M3 were led by a decline in negotiable certificates of deposit issued by authorised institutions held outside the banking sector, while Hong Kong-dollar deposits was unchanged. The seasonally-adjusted Hong Kong-dollar M1 edged down by 0.1 per cent in July and declined by 3.0 per cent from a year earlier, reflecting in part investment-related activities. Total M2 and M3 both edged down by 0.2 per cent in July, but grew by 3.8 per cent from a year earlier.

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.

Note: The December 2018 figures for loans for use in/outside Hong Kong have been restated to reflect authorised institutions' reclassification of working capital loans. The reported month-on-month and quarter-on-quarter growth rates are calculated based on the reclassified loan data. As reclassified loan data before December 2018 are not available, year-on-year growth rates of loans for use in/outside Hong Kong (including their sub-components) as shown in Table 1H of the Annex are calculated based on the data without such reclassification.