

Financial results for the 10 months ended January 31, 2020

The Government announced today (February 28) its financial results for the 10 months ended January 31, 2020.

There was a surplus of HK\$75.1 billion in the month of January, thereby bringing a cumulative year-to-date surplus of HK\$25 billion after receipt of net proceeds of HK\$7.8 billion from issuance of green bonds under the Government Green Bond Programme (Green Bond) and repayment of institutional notes of HK\$1.5 billion. Expenditure for the 10-month period amounted to HK\$461.9 billion and revenue HK\$480.6 billion.

The fiscal reserves stood at HK\$1,195.9 billion as at January 31, 2020.

A government spokesperson said that the cumulative year-to-date surplus for the period was mainly due to the receipt of land premium, profits tax and stamp duties. Taking into account the forecast revenue and expenditure for the remaining two months, the deficit for the 2019-20 financial year is expected to be HK\$37.8 billion and the fiscal reserves are estimated to be HK\$1,133.1 billion as at the end of March 2020.

Detailed figures are shown in Tables 1 and 2.

TABLE 1. CONSOLIDATED ACCOUNT (Note 1)

	Month ended January 31, 2020 HK\$ million	10 months ended January 31, 2020 HK\$ million
Revenue	124,528.2	480,612.6
Expenditure	(49,442.0)	(461,891.3)
Surplus before issuance and repayment of government bonds and notes	75,086.2	18,721.3
Net proceeds from issuance of Green Bond	–	7,828.7
Repayment of government bonds and notes	–	(1,500.0)

Surplus after issuance and repayment of government bonds and notes	75,086.2	25,050.0
Financing		
Domestic		
Banking Sector (Note 2)	(73,633.7)	(24,191.1)
Non-Banking Sector	(1,452.5)	(858.9)
External	–	–
Total	(75,086.2)	(25,050.0)

Government Debts as at January 31, 2020 (Note 3)

HK\$7,769 million

Debts Guaranteed by Government as at January 31, 2020 (Note 4)

HK\$29,224 million

TABLE 2. FISCAL RESERVES

	Month ended January 31, 2020 HK\$ million	10 months ended January 31, 2020 HK\$ million
Fiscal Reserves at start of period	1,120,846.3	1,170,882.5
Consolidated Surplus after issuance and repayment of government bonds and notes	75,086.2	25,050.0
Fiscal Reserves at end of period (Note 5)	1,195,932.5	1,195,932.5

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 January 31, 2020, was HK\$131,587 million.

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

3. These were the green bonds of US\$1,000 million (equivalent to HK\$7,769 million as at January 31, 2020) which were denominated in US dollars with maturity in May 2024. They do not include the outstanding bonds with nominal value of HK\$93,427 million and alternative bonds with nominal value of

US\$2,000 million (equivalent to HK\$15,538 million as at January 31, 2020) 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\$8,827 million, which may be redeemed before maturity upon request from bond holders), bonds with nominal value of HK\$12,700 million were repaid upon maturity on February 5, 2020; bonds with nominal value of HK\$12,365 million and alternative bonds with nominal value of US\$1,000 million (equivalent to HK\$7,769 million as at January 31, 2020) will mature within the period from March 2020 to January 2021 and the rest within the period from February 2021 to March 2034.

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. Includes HK\$219,730 million being the balance of the Land Fund held in the name of "Future Fund" as from January 1, 2016, for long-term investments initially up to December 31, 2025. As from July 1, 2016, the Future Fund also includes HK\$4,800 million, being one-third of the actual surplus in 2015-16 as top-up.

[Residential mortgage survey results for January 2020](#)

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

The Hong Kong Monetary Authority (HKMA) announced the results of the residential mortgage survey for January 2020.

The number of mortgage applications in January 2020 increased month-on-month by 16.3 per cent to 9 115.

Mortgage loans approved in January 2020 decreased by 6.4 per cent compared with December 2019 to HK\$24.9 billion. Among these, mortgage loans financing primary market transactions decreased by 13 per cent to HK\$4.6 billion and those financing secondary market transactions decreased by 7.1 per cent to HK\$14.7 billion. Mortgage loans for refinancing increased by two per cent to HK\$5.6 billion.

Mortgage loans drawn down during January 2020 increased by 9.6 per cent compared with December 2019 to HK\$23.4 billion.

The ratio of new mortgage loans priced with reference to HIBOR increased from 77.1 per cent in December 2019 to 80.2 per cent in January 2020. The

ratio of new mortgage loans priced with reference to best lending rates decreased from 19.8 per cent in December 2019 to 16.7 per cent in January 2020.

The outstanding value of mortgage loans increased month-on-month by 0.7 per cent to HK\$1,446 billion at end-January 2020.

The mortgage delinquency ratio decreased slightly to 0.02 per cent and the rescheduled loan ratio remained unchanged at nearly 0 per cent.

[ExCo Non-official Members distribute surgical masks to elderly \(with photos\)](#)

The following is issued on behalf of the Executive Council Secretariat:

Non-official Members of the Executive Council (ExCo Non-official Members) Mr Chow Chung-kong, Mr Jeffrey Lam, Mr Ronny Tong and Mr Kenneth Lau joined representatives of Yan Oi Tong, Tung Wah Group of Hospitals and Pok Oi Hospital today (February 28) and yesterday (February 27) to visit and distribute surgical masks to the elderly in Tai Hing Estate in Tuen Mun, Pak Tin Estate in Sham Shui Po and Tai Kei Ling Tsuen in Yuen Long.

â€‹ The four ExCo Non-official Members distributed surgical masks, food, leaflets with health information and supplies to the elderly, learned about the impact of the epidemic on their daily lives, and extended to them their warm regards. They called on the public to maintain good personal hygiene to effectively prevent the spread of the disease.

â€‹ The ExCo Non-official Members said that they were aware of the difficulties faced by the public in purchasing surgical masks, and therefore supported the Government's recent decision in passing all surgical masks donated by charity and other people to non-governmental organisations for re-distribution to the elderly and grassroots families in need so that all could ride out the storm together.





[GLD's latest service arrangement](#)

The Government Logistics Department (GLD) announced today (February 28) that the GLD Collection Office on 10/F, North Point Government Offices will resume normal operation starting from March 2 (Monday). It will be open from Monday to Friday from 8.30am to 1pm and from 2pm to 5pm.

[Effective Exchange Rate Index](#)

The effective exchange rate index for the Hong Kong dollar on Friday, February 28, 2020 is 106.9 (down 0.2 against yesterday's index).