

Monetary statistics for June 2019

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

According to statistics published today (July 31) by the Hong Kong Monetary Authority, total deposits with authorised institutions stayed virtually unchanged in June 2019. With increases in time deposits exceeding decreases in demand and savings deposits, Hong Kong-dollar deposits went up by 0.5 per cent during the month. Overall foreign-currency deposits decreased by 0.4 per cent in June. Renminbi deposits in Hong Kong decreased by 3.2 per cent to RMB604.2 billion at the end of June. The total remittance of renminbi for cross-border trade settlement amounted to RMB440.6 billion in June, compared with RMB477.3 billion in May.

Total loans and advances rose by 1.1 per cent in June. Among the total, loans for use in Hong Kong (including trade finance) picked up by 1.2 per cent from a month ago, while loans for use outside Hong Kong increased by 0.8 per cent (Note). The Hong Kong-dollar loan-to-deposit ratio climbed to 89.3 per cent at the end of June from 88.3 per cent at the end of May, as Hong Kong-dollar loans increased at a faster pace than Hong Kong-dollar deposits.

In the second quarter of 2019, loans for use in Hong Kong (including trade finance) increased by 2.3 per cent following growth of 2.2 per cent in the previous quarter. Analysed by economic use, the increase in loans during the second quarter was mainly led by residential mortgage loans and loans to building, construction, property development and investment.

Both the Hong Kong-dollar M2 and M3 increased by 0.5 per cent in June and rose by 3.5 per cent from a year earlier. The increases in the Hong Kong-dollar M2 and M3 were led by a rise in Hong Kong-dollar deposits. The seasonally-adjusted Hong Kong-dollar M1 decreased by 0.8 per cent in June and declined by 4.1 per cent year-on-year, reflecting in part of the investment-related activities. With the increase in Hong Kong-dollar deposits exceeding the decline in foreign-currency deposits, total M2 and M3 both edged up by 0.1 per cent in June and grew by 4.0 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.

Lifesaving services at Golden Beach resume

Attention TV/radio announcers:

Please broadcast the following as soon as possible and repeat it at regular intervals:

Here is an item of interest to swimmers.

The Leisure and Cultural Services Department has announced that the lifesaving services at Golden Beach in Tuen Mun District resumed today (July 31). The lifesaving services at the beach were suspended earlier due to an insufficient number of lifeguards on duty.

Residential mortgage loans in negative equity: End of June 2019

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

The Hong Kong Monetary Authority announced today (July 31) the results of its survey on residential mortgage loans (RMLs) in negative equity at end-June 2019.

The estimated number of RMLs in negative equity decreased to 1 case at end-June 2019 from 44 cases at end-March 2019. The case was related to RML under mortgage insurance programme, which generally has a higher loan-to-value ratio.

The aggregate value of RMLs in negative equity decreased to HK\$3 million at end-June 2019 compared with HK\$230 million at end-March 2019.

The unsecured portion of these loans decreased to HK\$120,000 at end-June 2019 from HK\$6 million at end-March 2019.

Since the first quarter of 2011, there have been no RMLs in negative equity with delinquencies of more than three months.

It is important to note that the figures derived from this survey relate only to RMLs provided by authorized institutions on the basis of first

mortgages and which the reporting institution knows to be in negative equity (i.e. the outstanding loan amount with the reporting institution exceeds the current market value of the mortgaged property). Not included in these figures are RMLs associated with co-financing schemes which would be in negative equity if the second mortgages were taken into account. The extent to which such RMLs are in negative equity is not known because authorized institutions do not maintain records on the outstanding balances of the second mortgages.

The mortgage portfolios of the surveyed authorized institutions represent about 99% of the industry total. The survey results have been extrapolated to estimate the position of the banking sector as a whole.

Candidates interested in applying for A0, EOII, ALOII, AT0II and T0II posts reminded to apply for Common Recruitment Examination and Basic Law Test

The Government announced today (July 31) that the next round of recruitment exercises for the posts of Administrative Officer (A0), Executive Officer II (EOII), Assistant Labour Officer II (ALOII), Assistant Trade Officer II (AT0II) and Transport Officer II (T0II) will begin in September 2019.

As part of the entry requirements, applicants for these posts will need to have obtained:

- (a) Level 2 in the two language papers (Use of Chinese and Use of English) in the Common Recruitment Examination (CRE) or equivalent results; and
- (b) a Pass in the Aptitude Test (AT) paper in the CRE.

In addition, candidates' performance in the Basic Law Test (Degree / Professional Grades) (BLT) will be one of the considerations to assess their suitability.

The CRE and BLT will be held respectively in Hong Kong, and Beijing and six overseas cities. The details are set out below:

Location	Application Period (Hong Kong time)	Examination Date
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Hong Kong	August 2 to August 15 (5pm)	October 5 and 12
Beijing and six overseas cities (namely London, San Francisco, New York, Toronto, Vancouver and Sydney)	September 21 to October 4 (5pm)	December 7

Details relating to the CRE and BLT and an on-line application system will be made available on the website of Civil Service Bureau (www.csb.gov.hk/eng/cre.html) during the said application periods, while details of the 2019-20 AO, EOII, AL0II, AT0II and T0II recruitment exercises will be separately announced in September.

Candidates who later submit an application for these posts will not automatically be given places at the CRE. Therefore, candidates who wish to apply for these posts in the 2019-20 recruitment exercises but do not possess the requisite CRE results or equivalent results, as well as those who would like to attempt the BLT, must file a separate application to take the relevant CRE paper(s) and/or BLT during the relevant application periods. All CRE and/or BLT applicants may apply to take the examination in either Hong Kong or any one of the above-mentioned cities outside Hong Kong (i.e. Beijing and six overseas cities), but not both.

Applications for Common Recruitment Examination and Basic Law Test in Hong Kong open from August 2

Prospective applicants for civil service posts at degree or professional level can apply from August 2 to sit the Common Recruitment Examination and Basic Law Test (CRE and BLT) scheduled to be held on October 5 and 12 in Hong Kong.

A spokesman for the Civil Service Bureau (CSB) today (July 31) said that valid CRE results are required of applicants for civil service posts at degree or professional level, unless applicants possess equivalent results in the Hong Kong Diploma of Secondary Education Examination or other specified public examinations (the relevant details are available on the CSB webpage). Persons interested in applying for civil service posts at degree or professional level in the near future may wish to consider sitting the coming examination so as to be eligible to apply for these posts, which may become available before another CRE is held.

In addition, applicants for civil service posts will be assessed on their Basic Law knowledge. The result of the BLT will be one of the considerations to assess the suitability of a candidate.

Applicants for the coming CRE and BLT should be holders of a degree, or a qualification meeting the entry requirement on professional qualifications for civil service degree or professional posts, or university students who will have attained a degree in the 2019-20 academic year. Applicants may choose to take any of the CRE papers and/or the BLT paper in the coming examination.

Persons interested in taking the examination may apply from August 2 through the online application system on the CSB webpage at www.csb.gov.hk/eng/cre.html; or by using the CRE and BLT application form (CSB31 (7/2019)), which can be downloaded from the CSB webpage or obtained from any Home Affairs Enquiry Centre of the Home Affairs Department or Job Centre of the Labour Department. Applications must be made before 5pm on August 15 (Hong Kong time).

For the convenience of those studying or residing outside Hong Kong, the CRE and BLT is also scheduled to be held on December 7, 2019, in seven other cities, namely Beijing, London, San Francisco, New York, Toronto, Vancouver and Sydney. Applications for taking the examination outside Hong Kong will be open from September 21 to October 4, 2019. Persons applying to sit the examination in Hong Kong will not be allowed to apply again for sitting the examination outside Hong Kong.

More details about the coming CRE and BLT to be held in Hong Kong will be available on the CSB webpage from August 2. General enquiries may be directed to the Civil Service Examinations Unit by phone at 2537 6429 or by email to csbcseu@csb.gov.hk.