

Exchange Fund Abridged Balance Sheet and Currency Board Account

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

The Hong Kong Monetary Authority (HKMA) announced today (June 28) that the total assets of the Exchange Fund amounted to HK\$4,083.3 billion as at May 31 2019, HK\$162.2 billion lower than that at the end of April 2019. Foreign currency assets decreased by HK\$84.2 billion and Hong Kong dollar assets decreased by HK\$78.0 billion.

The decline in foreign currency assets was mainly due to a decrease in unsettled purchases of securities and the redemption of Certificates of Indebtedness. The decline in Hong Kong dollar assets was mainly due to a decrease in Exchange Fund Bills and Notes issued but not yet settled and the fall in market value of Hong Kong equities.

The Currency Board Account shows that the Monetary Base at the end of May 2019 was HK\$1,623.6 billion, decreased by HK\$6.3 billion, or 0.4%, from the end of April 2019. The decline was mainly due to a decrease in the outstanding amount of Certificates of Indebtedness.

The amount of Backing Assets decreased by HK\$1.6 billion, or 0.1%, to HK\$1,807.0 billion. The decrease was mainly attributable to the redemption of Certificates of Indebtedness, which was partly offset by interest from investments and revaluation gains. The backing ratio increased from 110.95% at the end of April 2019 to 111.29% at the end of May 2019.

At present, four press releases relating to the Exchange Fund's data are issued by the HKMA each month. Three of these releases are issued to disseminate monetary data in accordance with the International Monetary Fund's Special Data Dissemination Standard (SDDS). The fourth press release, on the Exchange Fund's Abridged Balance Sheet and Currency Board Account, is made in accordance with the HKMA's policy of maintaining a high level of transparency. For the month of June 2019, the scheduled dates for issuing the press releases are as follows:

June 6 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
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June 14 (Issued)	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)
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June 28	SDDS Template on International Reserves and Foreign Currency Liquidity
June 28	Exchange Fund Abridged Balance Sheet and Currency Board Account

Missing man in Yau Ma Tei located

A man who went missing in Yau Ma Tei has been located.

Wong Kam-yu, aged 75, went missing after he left his hostel on Public Square Street on June 26 morning. A staff member of the hostel made a report to Police on the same day.

The man was located on Public Square Street in Yau Ma Tei this afternoon (June 28). He sustained no injuries and no suspicious circumstances were detected.

Opening remarks by SDEV on land sale programme for July to September 2019

Following is the transcript of the opening remarks by the Secretary for Development, Mr Michael Wong, at a media session today (June 28) on the land sale programme for July to September 2019:

In the second quarter of 2019-20, the Government will sell by tender two residential sites. The sites are located in Kai Tak and Tuen Mun, capable of providing around 1 350 flats in total. The MTR Corporation Limited also plans to tender Package 4 of the Wong Chuk Hang Station project, which will produce about 800 flats. Including the supply from private development and redevelopment projects, the private housing land supply in the second quarter is estimated to produce about 2 480 flats in total.

Together with the residential land supply in the first quarter, the total private housing land supply in the first half of 2019-20 from all sources will stand at about 5 420 flats.

In the second quarter, the Government will put up for sale one commercial site atop the Hong Kong West Kowloon Station of the Guangzhou-Shenzhen-Hong Kong Express Rail Link, capable of providing about 294 000 square meters of gross floor area, making it the largest commercial site to be sold in recent years.

We tendered the commercial site Area 4C Site 4 in Kai Tak in the first quarter. The sale was eventually cancelled with the successful tenderer failing to pay the balance of the land premium by the payment deadline. We will re-tender this site in the second quarter. Including the West Kowloon site, these two commercial sites are capable of providing about 374 200 square meters of gross floor area.

Looking ahead, the Government will continue to increase land supply through a multi-pronged approach to meet the community's demands for housing, economic and social development land.

Thank you very much.

International Reserves and Foreign Currency Liquidity

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

The Hong Kong Monetary Authority (HKMA) released today (June 28) the analytical data on the Hong Kong Special Administrative Region's foreign currency reserves and foreign currency liquidity as at the end of May 2019 (Annex). These data are published monthly in the Template on International Reserves and Foreign Currency Liquidity in accordance with the International Monetary Fund's Special Data Dissemination Standard.

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Regulators conclude consultation on annual update to the list of Financial Services Providers under the clearing obligation for OTC derivative transactions

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

The Hong Kong Monetary Authority (HKMA) and the Securities and Futures Commission (SFC) today issued [joint consultation conclusions](#) on the annual update to the list of Financial Services Providers (FSP List) (Note 1) under the clearing obligation for OTC derivative transactions (Note 2).

Pursuant to market feedback, the HKMA and the SFC will proceed with their proposals on the FSP List in the joint consultation (Note 3) with some fine tuning. The consultation conclusions paper can be downloaded from the websites of the [HKMA](#) or the [SFC](#).

Notes:

1. The FSP List includes entities that meet the following two criteria –
(i) They belong to a group of companies appearing on the list of global systemically important banks published by the Financial Stability Board, or on the list of dealer groups which undertook to the OTC Derivatives Supervisors Group to work collaboratively with central counterparties, infrastructure providers and global supervisors to continue to make structural improvements to the global OTC derivatives markets; and

(ii) They are members of the largest central counterparties offering clearing for interest rate swaps in the United States, Europe, Japan and Hong Kong.

2. The current clearing regime covers transactions between major dealers where at least one of them is a prescribed person (ie, an authorized institution, an approved money broker or a licensed corporation). Transactions in standardised interest rate swaps in G4 currencies (ie, US dollar, Euro, British pound and Japanese yen) and Hong Kong dollar between a prescribed person which has reached the prescribed clearing threshold and another major dealer which is not a prescribed person also have to be centrally cleared. To that end, the concept of FSP was introduced to identify such major dealers outside of Hong Kong.

3. See the April 2019 [joint consultation paper](#) on enhancements to the OTC derivatives regulatory regime for Hong Kong to mandate the use of Unique Transaction Identifiers for the reporting obligation, revise the list of designated jurisdictions for the masking relief of the reporting obligation and update the FSP List under the clearing obligation for OTC derivative transactions.