

Financial results for the seven months ended October 31, 2022

The Government announced today (November 30) its financial results for the seven months ended October 31, 2022.

Expenditure for the period April to October 2022 amounted to HK\$467.6 billion and revenue HK\$171.9 billion, resulting in a cumulative year-to-date deficit of HK\$275.7 billion after taking into account the proceeds of HK\$20 billion received from issuance of green bonds under the Government Green Bond Programme (Green Bond).

A Government spokesperson said that the cumulative year-to-date deficit for the period was mainly due to the fact that some major types of revenue including salaries and profits taxes are mostly received towards the end of a financial year.

The fiscal reserves stood at HK\$681.4 billion as at October 31, 2022.

Detailed figures are shown in Tables 1 and 2.

TABLE 1. CONSOLIDATED ACCOUNT (Note 1)

	Month ended October 31, 2022 HK\$ million	Seven months ended October 31, 2022 HK\$ million
Revenue	40,134.6	171,870.5
Expenditure	(62,890.5)	(467,607.4)
Deficit before issuance of Green Bond	(22,755.9)	(295,736.9)
Proceeds received from issuance of Green Bond	–	20,000.0
Deficit after issuance of Green Bond	(22,755.9)	(275,736.9)
Financing		
Domestic		
Banking Sector (Note 2)	23,128.1	275,473.8

Non-Banking Sector	(372.2)	263.1
External	–	–
Total	22,755.9	275,736.9

Government Debts as at October 31, 2022 (Note 3)

HK\$74,388 million

Debts Guaranteed by Government as at October 31, 2022 (Note 4)

HK\$135,575 million

TABLE 2. FISCAL RESERVES

	Month ended October 31, 2022 HK\$ million	Seven months ended October 31, 2022 HK\$ million
Fiscal Reserves at start of period (Note 5)	704,147.4	957,128.4
Consolidated Deficit after issuance of Green Bond	(22,755.9)	(275,736.9)
Fiscal Reserves at end of period (Note 6)	681,391.5	681,391.5

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 October 31, 2022, was HK\$254,772 million.

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

3. These were the Green Bonds (equivalent to HK\$74,388 million as at October 31, 2022) issued under the Government Green Bond Programme. They were denominated in US dollars (US\$4,500 million with maturity from May 2024 to February 2051), euros (1,750 million euros with maturity from November 2026 to November 2041), Renminbi (RMB5,000 million with maturity from November 2024 to November 2026) and Hong Kong dollars (HK\$20,000 million with maturity in May 2025). They do not include the outstanding bonds with nominal value of HK\$218,828 million and alternative bonds with nominal value of US\$1,000 million (equivalent to HK\$7,849 million as at October 31, 2022) 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\$89,028 million, which may be redeemed before maturity upon request from bond holders), bonds with nominal value of HK\$1,000 million were repaid upon maturity on November 18, 2022; bonds with nominal value of HK\$25,800 million will mature within the period from December 2022 to October 2023 and the rest within the period from November 2023 to May 2042.

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. The fiscal reserves have taken into account adjustments made to the accounts for the year 2021-22.

6. Includes HK\$257,366 million, being the balance of the Land Fund held in the name of "Future Fund", for long-term investments initially up to December 31, 2025. The Future Fund also includes HK\$4,800 million, being one-third of the actual surplus in 2015-16 as top-up.

Government follows up on positive results of sewage surveillance and appeals to residents to undergo virus testing

The Government announced today (November 30) that in order to fight the coronavirus epidemic, the Environmental Protection Department and the Drainage Services Department have been collecting sewage samples for virus testing in all districts, and had detected positive results in some areas, indicating that there may be hidden cases in the premises within these areas.

Rapid test

As regards positive sewage testing results with relatively high viral loads in the following areas, the respective District Offices will commence distributing about 40 000 sets of the COVID-19 rapid antigen test (RAT) kits to residents, cleaning workers and property management staff working in the following areas for them to take the test on their own, in order to help identify infected persons:

- Southern District – Wah Kwai Estate
- Tai Po District – Yee Nga Court

Members of the public may refer to (www.coronavirus.gov.hk/rat/eng/rat.html) for enquiries relating to the use of the RAT kits.

When using an RAT kit, please pay attention to and follow the instructions from the manufacturer to perform the test and read the result properly. It is advisable to record the displayed result by taking a photo immediately after reading. Users should wash their hands before and after performing the tests, and avoid placing non-essential items within the specimen collection area. After completing the test, wrap and seal all components of the test kit carefully and dispose properly. If the household environment is contaminated during the specimen collecting process, disinfection should be conducted with 1 in 49 diluted bleach solution or 70 per cent alcohol.

People who obtained a positive result through an RAT for the first time can report via the online platform "Declaration System for individuals tested positive for COVID-19 using Rapid Antigen Test" (www.chp.gov.hk/ratp). If individuals encounter difficulties using the online platform, they can call the automated system at 183 6119 to register their identification document and telephone number. The Centre for Health Protection of the Department of Health will contact the relevant person later to finish the report procedure.

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 (November 30) that the total assets of the Exchange Fund amounted to HK\$3,920.9 billion as at October 31, 2022, HK\$46.7 billion lower than that at the end of September 2022. Foreign currency assets decreased by HK\$25.5 billion and Hong Kong dollar assets decreased by HK\$21.2 billion.

The decline in foreign currency assets was mainly due to the sale of US dollars under the Currency Board arrangements. The decline in Hong Kong dollar assets was mainly due to the mark-to-market revaluation on Hong Kong equities.

The Currency Board Account shows that the Monetary Base at the end of October 2022 was HK\$1,902.3 billion, decreased by HK\$29.3 billion, or 1.5 per cent, from the end of September 2022. The decline was mainly due to the purchase of HK dollars under the Currency Board arrangements and a decrease in the outstanding amount of Certificates of Indebtedness.

â€‹The amount of Backing Assets decreased by HK\$31.1 billion, or 1.5 per cent, to HK\$2,097.8 billion. The decrease was mainly attributable to the sale of US dollars under the Currency Board arrangements and the redemption of Certificates of Indebtedness. The backing ratio increased from 110.21 per cent at the end of September 2022 to 110.27 per cent at the end of October 2022.

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 November 2022, the scheduled dates for issuing the press releases are as follows:

November 7 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
November 14 (Issued)	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)
November 30	SDDS Template on International Reserves and Foreign Currency Liquidity
November 30	Exchange Fund Abridged Balance Sheet and Currency Board Account

[Residential mortgage survey results for October 2022](#)

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

The Hong Kong Monetary Authority announced the results of the residential mortgage survey for October 2022.

The number of mortgage applications in October decreased month-on-month by 16.6 per cent to 7 280.

Mortgage loans approved in October decreased by 4.7 per cent compared with September to HK\$32.5 billion. Among these, mortgage loans financing primary market transactions increased by 14.6 per cent to HK\$7.8 billion and those financing secondary market transactions decreased by 3 per cent to HK\$15.5 billion. Mortgage loans for refinancing decreased by 18.6 per cent to HK\$9.2 billion.

Mortgage loans drawn down during October decreased by 18.7 per cent compared with September to HK\$21 billion.

The ratio of new mortgage loans priced with reference to HIBOR decreased from 96.4 per cent in September to 84.1 per cent in October. The ratio of new mortgage loans priced with reference to best lending rates increased from 1.3 per cent to 9.1 per cent in October.

The outstanding value of mortgage loans increased month-on-month by 0.1 per cent to HK\$1,798.9 billion at end-October.

The mortgage delinquency ratio remained unchanged at 0.04 per cent and the rescheduled loan ratio remained unchanged at nearly 0 per cent.

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 (November 30) the analytical data on the Hong Kong Special Administrative Region's foreign currency reserves and foreign currency liquidity as at the end of October 2022 (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 (SDDS).

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 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 November 2022, the scheduled dates for issuing the press releases are as follows:

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November 30

Exchange Fund Abridged Balance Sheet and Currency
Board Account