

“HA Risk Alert” latest issue published

The following is issued on behalf of the Hospital Authority:

The 61st issue of "HA Risk Alert" was published today (April 30) by the Hospital Authority (HA) as a risk management and communication initiative to further strengthen the reporting and monitoring of medical incidents in public hospitals.

In the fourth quarter of 2020 (October to December), there were 12 Sentinel Events reported, comprising four cases of retained instrument/material after surgery/interventional procedure, two cases of inpatient suicide, one case of wrong part procedure, one case of maternal morbidity, one case of medication error and three cases in other categories. Among the 31 reported Serious Untoward Events, there were 27 related to medication error and four patient misidentifications.

"Subsequent to incident review and analysis of the root causes of these incidents, important lessons for patient safety have been identified, while recommendations are made and shared in this publication to avoid similar events in future," the HA spokesperson said.

The HA Head Office has released the latest "HA Risk Alert" to all staff. It can also be accessed by the public at www.ha.org.hk/riskalert. "HA Risk Alert" is published on a quarterly basis and posted on the HA website on the last working Friday in the months of January, April, July and October. The next issue is scheduled on July 30, 2021 (Friday).

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 (April 30) that the total assets of the Exchange Fund amounted to HK\$4,535.7 billion as at March 31, 2021, HK\$46.1 billion lower than that at the end of February 2021. Foreign currency assets decreased by HK\$40.6 billion and Hong Kong dollar assets decreased by HK\$5.5 billion.

The decline in foreign currency assets was mainly due to a decrease in the month-end balances of unsettled purchase of securities and reduction in Fiscal Reserves placements. The decline in Hong Kong dollar assets was mainly due to the mark-to-market valuation of Hong Kong equities.

The Currency Board Account shows that the Monetary Base at the end of March 2021 was HK\$2,107.9 billion, decreased by HK\$9.1 billion, or 0.4 per cent, from the end of February 2021. The decline was mainly due to a decrease in the outstanding amount of Certificates of Indebtedness.

The amount of Backing Assets decreased by HK\$4.6 billion, or 0.2 per cent, to HK\$2,320.0 billion. The decrease was mainly attributable to the redemption of Certificates of Indebtedness, which was partly offset by the translation effect of foreign currency investments into Hong Kong dollar. The backing ratio increased from 109.80 per cent at the end of February 2021 to 110.06 per cent at the end of March 2021.

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 April 2021, the scheduled dates for issuing the press releases are as follows:

April 9 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
April 14 (Issued)	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)
April 30	SDDS Template on International Reserves and Foreign Currency Liquidity
April 30	Exchange Fund Abridged Balance Sheet and Currency Board Account

[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 (April 30) the analytical data on the Hong Kong Special Administrative Region's foreign currency reserves and foreign currency liquidity as at the end of March 2021 (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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Residential Mortgage Survey Results for March 2021

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 March 2021.

The number of mortgage applications in March increased month-on-month by 44.1 per cent to 17 946.

Mortgage loans approved in March increased by 39 per cent compared with February to HK\$53 billion. Among these, mortgage loans financing primary market transactions increased by 86.5 per cent to HK\$9.7 billion and those financing secondary market transactions increased by 31.5 per cent to HK\$36.2 billion. Mortgage loans for refinancing increased by 31.7 per cent to HK\$7.1 billion.

Mortgage loans drawn down during March increased by 56.3 per cent compared with February to HK\$30.2 billion.

The ratio of new mortgage loans priced with reference to HIBOR decreased from 95.9 per cent in February to 95.7 per cent in March. The ratio of new mortgage loans priced with reference to best lending rates increased from 1.7 per cent in February to 1.8 per cent in March.

The outstanding value of mortgage loans increased month-on-month by 0.6 per cent to HK\$1,605.3 billion at end-March.

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

Residential mortgage loans in negative equity: End of March 2021

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

The Hong Kong Monetary Authority announced today (April 30) the results of its survey on residential mortgage loans (RMLs) in negative equity at end-March 2021.

The estimated number of RMLs in negative equity decreased to 67 cases at end-March 2021 from 185 cases at end-December 2020. These cases were related to bank staff housing loans or RMLs under mortgage insurance programme, which generally have a higher loan-to-value ratio.

The aggregate value of RMLs in negative equity decreased to HK\$379 million at end-March 2021 compared with HK\$1,060 million at end-December 2020.

The unsecured portion of these loans decreased to HK\$10 million at end-

March 2021 from HK\$30 million at end-December 2020.

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 authorised 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 authorised institutions do not maintain records on the outstanding balances of the second mortgages.

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