

Consumer Price Indices for January 2021

The Census and Statistics Department (C&SD) released today (February 22) the Consumer Price Index (CPI) figures for January 2021. According to the Composite CPI, overall consumer prices rose by 1.9% in January 2021 over the same month a year earlier, after a decrease of 0.7% in December 2020. The increase in January was mainly due to the low base of comparison resulted from the Government's payment of public housing rentals and waiver of two-thirds of rent for tenants of Group B estates by Hong Kong Housing Society in January last year. Netting out the effects of all Government's one-off relief measures, the year-on-year rate of change in the Composite CPI (i.e. the underlying inflation rate) in January 2021 was -0.5%, lower than that in December 2020 (0.0%). The decrease was mainly due to the decreases in the costs for meals bought away from home and the enlarged decreases in the prices of pork.

On a seasonally adjusted basis, the average monthly rate of change in the Composite CPI for the 3-month period ending January 2021 was 0.2%, and that for the 3-month period ending December 2020 was 0.6%. Netting out the effects of all Government's one-off relief measures, the corresponding rates of change were 0.1% and -0.1%.

Analysed by sub-index, the year-on-year rates of change in the CPI(A), CPI(B) and CPI(C) were 6.3%, 0.1% and -0.3% respectively in January 2021, as compared to -0.7%, -0.9% and -0.5% respectively in December 2020. Netting out the effects of all Government's one-off relief measures, the year-on-year rates of change in the CPI(A), CPI(B) and CPI(C) were -0.1%, -0.7% and -0.5% respectively in January 2021, as compared to 0.4%, -0.3% and -0.1% respectively in December 2020.

On a seasonally adjusted basis, for the 3-month period ending January 2021, the average monthly rates of change in the seasonally adjusted CPI(A), CPI(B) and CPI(C) were 0.3%, 0.2% and 0.2% respectively. The corresponding rates of change for the 3-month period ending December 2020 were 1.9%, 0.0% and -0.1% respectively. Netting out the effects of all Government's one-off relief measures, the average monthly rates of change in the seasonally adjusted CPI(A), CPI(B) and CPI(C) for the 3-month period ending January 2021 were 0.0%, 0.0% and 0.1% respectively, and the corresponding rates of change for the 3-month period ending December 2020 were -0.1%, -0.1% and 0.0% respectively.

Amongst the various components of the Composite CPI, year-on-year increases in prices were recorded in January 2021 for electricity, gas and water (19.1%); housing (6.1%); alcoholic drinks and tobacco (2.5%) as well as miscellaneous goods (0.8%).

On the other hand, year-on-year decreases in the components of the Composite CPI were recorded in January 2021 for transport (-3.1%), clothing

and footwear (-2.6%), durable goods (-1.8%), meals bought away from home (-0.8%), food (excluding meals bought away from home) (-0.3%) and miscellaneous services (-0.2%).

For the three months ending January 2021, the Composite CPI rose by 0.4% over a year earlier. The respective rates of change in the CPI(A), CPI(B) and CPI(C) were 1.7%, -0.4% and -0.3%. The corresponding rates of change after netting out the effects of all Government's one-off relief measures were -0.1%, 0.3%, -0.4% and -0.2%.

For the 12 months ending January 2021, the Composite CPI was on average 0.4% higher than that in the preceding 12-month period. The respective increases in the CPI(A), CPI(B) and CPI(C) were 0.2%, 0.4% and 0.5% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 1.0%, 1.4%, 0.8% and 0.7% respectively.

Commentary

A Government spokesman said that underlying consumer prices turned to a year-on-year decline of 0.5% in January, distorted by the fall in food prices against a high base of comparison last year due to the earlier arrival of the Lunar New Year (which fell in January last year but February this year). It would thus be more meaningful to examine the figures for January and February combined, when available, to assess the underlying inflation situation. On the other hand, headline consumer prices rose by 1.9% in January over a year earlier, due to the low base of comparison caused by the Government's one-off relief measures in January last year.

Looking ahead, price pressures from both external and domestic fronts should remain mild in the near term as global and local economic activities have yet to return to the pre-recession levels. The Government will continue to monitor the situation closely.

Further information

The CPIs and year-on-year rates of change at section level for January 2021 are shown in Table 1. The time series on the year-on-year rates of change in the CPIs before and after netting out the effects of all Government's one-off relief measures are shown in Table 2. For discerning the latest trend in consumer prices, it is also useful to look at the changes in the seasonally adjusted CPIs. The corresponding time series on the average monthly rates of change during the latest 3 months for the seasonally adjusted CPIs are shown in Table 3. The rates of change in the original and the seasonally adjusted Composite CPI and the underlying inflation rate are presented graphically in Chart 1.

More detailed CPI data (including year-on-year comparison, month-to-month comparison, seasonally adjusted data series and the CPIs by the Classification of Individual Consumption According to Purpose (COICOP)) are available in the monthly reports. Users can download the January 2021 issue of the "Monthly Report on the Consumer Price Index"

(www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=B1060001), the time series of CPIs at detailed level
(www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600001), the time series of CPIs at COICOP division level
(www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600002) and the time series of CPIs after netting out the effects of all Government's one-off relief measures
(www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600003) at the website of the C&SD.

The current CPI series are compiled based on the expenditure patterns obtained from the 2014/15 Household Expenditure Survey (HES). The 2019/20 HES is being conducted to collect information for updating the expenditure weights of the CPI series and the new 2019/20-based CPI series will be available around mid-2021. As a result of the rebasing exercise, the year-on-year changes of the new 2019/20-based CPI series will be compiled from October 2020 onwards. The year-on-year changes compiled from the new 2019/20-based CPI series may be different from those compiled from the current 2014/15-based CPI series. The 2014/15-based CPI series will continue to be compiled and published until the reference month of December 2021.

For enquiries about the CPIs, please contact the Consumer Price Index Section of the C&SD (Tel: 3903 7374 or email: cpi@censtatd.gov.hk).

Tender of 15-year Government Bonds under Institutional Bond Issuance Programme to be held on March 3

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

The Hong Kong Monetary Authority (HKMA), as representative of the Hong Kong Special Administrative Region Government (HKSAR Government), announces today (February 22) that a tender of 15-year Government Bonds (Bonds) under the Institutional Bond Issuance Programme will be held on March 3 (Wednesday), for settlement on March 4 (Thursday).

A total of HK\$1.0 billion 15-year Bonds will be tendered. The Bonds will mature on March 4, 2036 and will carry interest at the rate of 1.59 per cent per annum payable semi-annually in arrears.

Under the Institutional Bond Issuance Programme, tender is open only to Recognized Dealers which are appointed as Primary Dealers. Anyone wishing to apply for the Bonds on offer can do so through any of the Primary Dealers on the current published list, which can be obtained from the Government Bond

Programme's website at www.hkgb.gov.hk. Each tender must be for an amount of HK\$50,000 or integral multiples thereof.

Tender results will be published on the HKMA's website, the Government Bond Programme's website, the Reuters screen (HKGBINDEX), and Bloomberg (GBHK <GO>) not later than 3pm on the tender day.

HK SAR Government Institutional Bond Issuance Programme Tender Information

Tender information of 15-year Government Bonds under the Institutional Bond Issuance Programme:

Issue number	:	15GB3603
Stock code	:	4244 (HKGB 1.59 3603)
Tender date and time	:	March 3, 2021 (Wednesday) 9.30am to 10.30am
Issue and settlement date for tender amount	:	March 4, 2021 (Thursday)
Amount on offer	:	HK\$1.0 billion
Maturity	:	15 years
Maturity date	:	March 4, 2036
Interest rate	:	1.59 per cent p.a. payable semi-annually in arrears

Interest payment dates	:	September 6, 2021
		March 4, 2022
		September 5, 2022
		March 6, 2023
		September 4, 2023
		March 4, 2024
		September 4, 2024
		March 4, 2025
		September 4, 2025
		March 4, 2026
		September 4, 2026
		March 4, 2027
		September 6, 2027
		March 6, 2028
		September 4, 2028
		March 5, 2029
		September 4, 2029
		March 4, 2030
		September 4, 2030
		March 4, 2031
		September 4, 2031
		March 4, 2032
		September 6, 2032
		March 4, 2033
		September 5, 2033
		March 6, 2034
		September 4, 2034
		March 5, 2035
		September 4, 2035
		March 4, 2036
Method of tender	:	Competitive tender
Tender amount	:	Each competitive tender must be for an amount of HK\$50,000 or integral multiples thereof. Any tender applications for the Bonds must be submitted through a Primary Dealer on the current published list.
Other details	:	Please see Information Memorandum available on the Government Bond Programme's website at www.hkgb.gov.hk or approach Primary Dealers.

Expected commencement
date of dealing on : March 5, 2021
the Stock Exchange
of Hong Kong Limited

Price/yield table of the Government Bonds at tender for reference* only:

Yield-to-Maturity	Price	Yield-to-Maturity	Price
0.590	114.35	1.590	100.08
0.640	113.58	1.640	99.43
0.690	112.82	1.690	98.77
0.740	112.07	1.740	98.12
0.790	111.32	1.790	97.48
0.840	110.58	1.840	96.84
0.890	109.84	1.890	96.21
0.940	109.11	1.940	95.58
0.990	108.38	1.990	94.96
1.040	107.66	2.040	94.34
1.090	106.94	2.090	93.72
1.140	106.23	2.140	93.11
1.190	105.53	2.190	92.51
1.240	104.83	2.240	91.91
1.290	104.14	2.290	91.31
1.340	103.45	2.340	90.72
1.390	102.77	2.390	90.13
1.440	102.09	2.440	89.55
1.490	101.41	2.490	88.97
1.540	100.75	2.540	88.40
1.590	100.08	2.590	87.83

*Disclaimer

The information provided here is for reference only. Although extreme care has been taken to ensure that the information provided is accurate and up-to-date, the HKMA does not warrant that all, or any part of, the information provided is accurate in all respects. You are encouraged to conduct your own enquiries to verify any particular piece of information provided on it. The HKMA shall not be liable for any loss or damage suffered as a result of any use or reliance on any of the information provided here.

Education Bureau holds first territory-wide primary schools quiz on Chinese history and culture and secondary school of the year award

The Education Bureau (EDB) issued circular memoranda today (February 22) to invite primary schools to join "Take a Spark, Pass it on: The First Territory-wide Primary Schools Quiz Competition on Chinese History and Culture" and invite secondary schools to join the "Inheritance & Innovation: School of the Year Award for Promoting Chinese History and Culture" in a bid to deepen students' understanding of Chinese history and culture and to cultivate an active learning atmosphere.

A spokesman for the EDB said, "The EDB has all along been adopting multi-pronged strategies, including organising various large scale activities to enhance students' interests in learning Chinese history and culture. 'Take a Spark, Pass it on: The First Territory-wide Primary Schools Quiz Competition on Chinese History and Culture' will not only strengthen students' understanding of Chinese history and culture, but also enable them to pass on the magnificent Chinese culture, and to exude a love for Hong Kong, a sense of national identity and an international perspective."

The spokesman added that the contest comprises preliminary, semi-final and final stages targeting Primary Four to Six students. Each primary school may nominate a minimum of 20 students for the preliminary stage of the competition, which will be held online from April to May. The semi-final and final stages will be held at a television station from June to July.

The quiz competition is co-organised by the Academy of Chinese Studies. The EDB is pleased to have renowned experts serving as academic consultants with school councils and principal associations as supporting organisations.

In addition to the champion, first runner-up and second runner-up, there will be "18 Districts Outstanding Achievement Awards" and "Schools with Greatest Participation" to encourage more schools to take part in the event. The winners will be presented with trophies, certificates, books coupons, and more.

To help students learn more about Chinese history and culture, a series of reference materials, which suit the reading level of primary students, will be uploaded to the competition website. Schools can visit the EDB "Educational Multimedia" for reference (emm.edcity.hk/playlist/1_xnkwxlfp/0_a01h4st4) (Chinese only).

Applications for the first territory-wide primary schools quiz competition on Chinese history and culture are open for enrolment until March

19. For details, please visit the event website (fireflies.chiculture.org.hk/competition) (Chinese only).

As for secondary schools, the objective of "Inheritance & Innovation: School of the Year Award for Promoting Chinese History and Culture" is to encourage students to learn Chinese history and culture through self-directed learning and e-learning, as well as to reward and recognise the active participation of schools, teachers and students in promoting Chinese history and culture.

The spokesman said, in line with the implementation of the newly revised curriculum of junior secondary Chinese History, the EDB has consolidated the existing online teaching materials and launched the "Chinese History Student Self-learning Platform" in this school year. Student activities, including "A Taste of Chinese history and culture" competition and "Decoding Chinese history" creative video competition are being held to help secondary school students learn Chinese history and culture in a lively way.

Schools that have participated in the self-learning platform and student activities will qualify for competing in the School of the Year Award. A separate application is not necessary. The 10 schools with the highest scores will be presented with the "School of the Year Award for Actively Promoting Chinese History and Culture".

For details on the self-learning platform and student activities, please visit the EDB website (www.chist-elearning.org/index_student.php) (Chinese only).

Senior appointment (with photos)

The Government announced today (February 22) that Miss Vivian Lau Lee-kwan, Director of Food and Environmental Hygiene, will take up the post of Permanent Secretary for Food and Health (Food) on February 23, 2021. She will succeed Mr Philip Yung Wai-hung, who will take up the chairmanship of the Administrative Officer Recruitment Board before commencing his pre-retirement leave in May 2021.

Commenting on the appointment, the Secretary for the Civil Service, Mr Patrick Nip, said, "Miss Lau is a seasoned Administrative Officer with proven leadership and management skills. I have every confidence that she will serve the community with professionalism in her new capacity."

On the retirement of Mr Yung, Mr Nip said, "Mr Yung has rendered 37 years of loyal and dedicated service to the community of Hong Kong. During his tenure as Permanent Secretary for Food and Health (Food), he has made zealous efforts in helping to formulate and implement policies on

agriculture, fisheries, food safety, animal health, animal welfare and environmental hygiene. He has made great contributions in handling major food incidents and safeguarding environmental hygiene. He has also demonstrated exemplary leadership in overseeing matters related to quarantine, including the designated hotel scheme during the outbreak of COVID-19. I wish him a fulfilling and happy retirement."

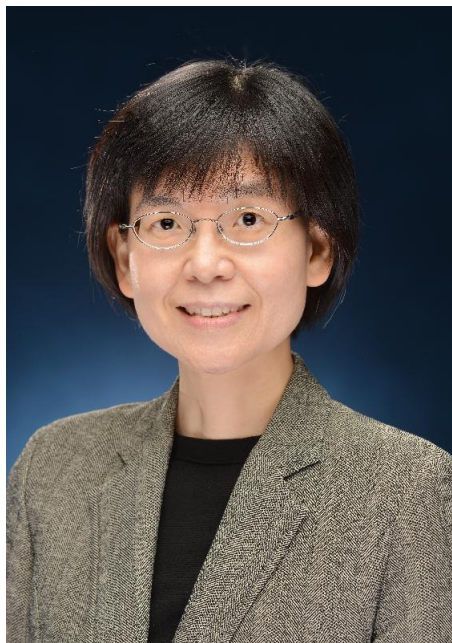
Brief biographical notes of the two officers are set out below:

Mr Philip Yung Wai-hung

Mr Yung joined the civil service and the Administrative Service in July 1983 and July 1986 respectively. He rose to the rank of Administrative Officer Staff Grade A1 in April 2016. He has served in various bureaux and departments, including the Housing Department, the former General Duties Branch, the former Constitutional Affairs Branch, the former City and New Territories Administration, the former Chief Secretary's Office, the former Chief Executive (Designate)'s Office, the Chief Secretary for Administration's Office, the Financial Secretary's Office, the Trade and Industry Department, the former Commerce, Industry and Technology Bureau and the former Environment, Transport and Works Bureau. He was Commissioner for Tourism from February 2010 to December 2014, Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism) from December 2014 to April 2018 and has been serving as Permanent Secretary for Food and Health (Food) since April 2018.

Miss Vivian Lau Lee-kwan

Miss Lau joined the Administrative Service in September 1988 and rose to the rank of Administrative Officer Staff Grade A in April 2016. She has served in various bureaux and departments, including the former City and New Territories Administration, the former Security Branch, the former Economic Services Branch, the former Finance Branch, the former Financial Services Bureau and the former Education and Manpower Bureau. She was Deputy Director-General of Trade and Industry from July 2008 to May 2010, Deputy Secretary for the Environment from May 2010 to March 2014 and has been serving as Director of Food and Environmental Hygiene since March 2014.



Government completes enforcement action on compulsory testing notice at housing estate block in Sha Tin

The Sha Tin District Office together with the Hong Kong Housing Society (HKHS), Shatin Police District, the Centre for Health Protection (CHP) and the Auxiliary Medical Service (AMS), conducted an enforcement operation today (February 22) at a block of a housing estate in Sha Tin, which was included in a compulsory testing notice earlier. The operation started at around 6am and ended at around 1pm today.

Starting from around 6am today, residents of Ming Yan Lau, Jat Min Chuen, Sha Tin, were requested to provide the SMS notification received through a mobile phone, or related certification containing the results of COVID-19 tests, to show that they had taken such tests as required pursuant to the compulsory testing notice of the block within the specified period issued by the Government earlier on. The Government arranged for staff to verify the testing certifications of the residents at the entrances/exits of the block, and conducted checks in the block to verify whether residents had undergone testing in compliance with the requirement.

During the operation, test records of around 2 500 residents were checked. Among them, around 70 persons were found to have violated the compulsory testing notice. The Government has issued compulsory testing orders and/or fixed penalties of \$5,000 to them, requiring them to undergo testing within a specified period. Non-compliance with a compulsory testing order is an offence, and offenders are liable to a fine of \$25,000 and

imprisonment for six months.

The Government reiterates that the aim of issuing a compulsory testing notice is to stop the spread of COVID-19 in the community as soon as possible to protect overall public health and safety. Persons subject to testing under a compulsory testing notice should, as far as reasonably practicable, take appropriate personal disease prevention measures including wearing a mask and maintaining hand hygiene, and, unless for the purpose of undergoing the specified test, stay at their place of residence and avoid going out until the test result is ascertained as far as possible.

The Government wishes to thank the many residents who had complied with the compulsory testing notice for their co-operation to fight against the virus together. The Government will continue to enforce the law strictly. All persons subject to compulsory testing should comply with the compulsory testing notice. Any person who fails to comply with the compulsory testing notice may be liable to a fixed penalty of \$5,000. The person will also be issued with a compulsory testing order, requiring him or her to undergo testing within a specified time frame. Non-compliance with the order is an offence and the offender may be liable to a fine of \$25,000 and imprisonment for six months.

The Sha Tin District Office is grateful for the support and co-operation of the HKHS, the Police, the CHP and the AMS to enable the enforcement action to be carried out smoothly. The Government understands that the enforcement process may cause some inconvenience to the residents, but hopes that the residents can understand.