

CALENDAR OF EVENTS 2003

JANUARY

27 The direct link from the HKMA's Central Moneymarkets Unit (CMU) to the settlement system of Clearstream Banking Luxembourg commences live operation, allowing CMU Members to clear, settle and hold Clearstream-eligible securities through their CMU accounts.

FEBRUARY

25 The International Monetary Fund Staff Mission to Hong Kong for the Article IV Consultation, in its concluding statement, expects the Hong Kong economy to grow by 3 per cent in 2003. The faster growth in 2003 is based on strengthening external demand, supported by robust growth on the Mainland. The Mission strongly supports the Linked Exchange Rate system, which remains robust.

MARCH

28 The HKMA issues a statutory guideline on its approach to supervising the regulated activities of authorized institutions that are registered with the Securities and Futures Commission under the Securities and Futures Ordinance (SFO). The guideline upholds one of the primary objectives of the SFO of maintaining a level playing field for all securities intermediaries.

APRIL

1 The HKMA launches a new public register containing specified particulars of the staff of authorized institutions engaging in securities business, following the commencement of the Securities and Futures Ordinance and Banking (Amendment) Ordinance 2002.

16 The Chief Executive-in-Council has approved the Deposit Protection Scheme Bill for introduction into the Legislative Council on 30 April 2003. The Bill contains the HKMA's proposals on how the deposit protection scheme (DPS) in Hong Kong should be structured, including the establishment of a Deposit Protection Board and a DPS Fund.

28 Hong Kong processes its first transaction through the new euro clearing system, allowing financial institutions in Hong Kong and in the region to settle euro transactions real-time in the Asian time zone.

MAY

30 The HKMA issues a statutory guideline specifying the minimum standards that authorized institutions should observe in the sharing and use of consumer credit data through a credit reference agency.

JUNE

2 EMEAP (the Executives' Meeting of East Asia-Pacific Central Banks) Group, of which the HKMA is a member, launches the Asian Bond Fund. The Fund will have an initial size of about US\$1 billion, and will be invested in a basket of US dollar denominated bonds issued by major Asian Economies. All 11 members of the EMEAP Group will invest in the Fund at its launch.

16 The HKMA, the Hong Kong Association of Banks and the DTC Association announce plans for the establishment of a commercial credit reference agency in Hong Kong in 2004. The agency will collect credit data of small and medium-sized enterprises and make this information available to authorized institutions.

21 The new Cheque Imaging and Truncation System (CITS) commences operation. With the CITS, the new image-based cheque clearing method transforms the current clearing process driven by physical exchange of cheques.

25 The Financial Secretary and the Monetary Authority exchange letters setting out the division of functions and responsibilities between the two. A further, accompanying letter from the Financial Secretary to the Monetary Authority specifies the monetary policy objective and the structure of the monetary system of Hong Kong.

27 The International Monetary Fund publishes its Financial System Stability Assessment, concluding that the financial system in the HKSAR is resilient, sound and overseen by a comprehensive supervisory framework.

AUGUST

- 1** A pilot scheme to facilitate retail access to Exchange Fund Notes is launched. Under the scheme, a portion of each quarterly issue of 2-year and 3-year Notes is made available for non-competitive tender by retail investors.
- 25** The HKMA and the China Banking Regulatory Commission sign a Memorandum of Understanding, which provides for the sharing of supervisory information and co-operation in the area of banking supervision.
- 27** Mr William Ryback is appointed Deputy Chief Executive of the HKMA. He will succeed Mr David Carse, who will leave the HKMA in September.

SEPTEMBER

18 The HKMA holds its Sixth Distinguished Lecture. The People's Bank of China Governor Zhou Xiaochuan, speaks on "Reform Gradualism and Evolution of Exchange Rate Regime in Mainland China".

19 The Monetary Authority and the Insurance Authority sign a Memorandum of Understanding, which aims at increasing the co-operation, exchange of information and mutual assistance between the two authorities.

OCTOBER

14 The HKMA issues a circular to all authorized institutions in Hong Kong on suspected ATM frauds setting out its expectation on the precautionary measures that should be undertaken and the way in which customer complaints in this relation should be handled.

NOVEMBER

18 The Chief Executive of the Hong Kong Special Administrative Region announces that, following approval from the State Council, the People's Bank of China has agreed to provide clearing arrangements for banks in Hong Kong to conduct personal renminbi business on a trial basis. The scope of renminbi business to be offered will be confined to transactions that facilitate personal spending, including deposit-taking, exchange, remittances, and renminbi cards, but do not involve investment and other capital account transactions.

DECEMBER

15 The new series of \$100 and \$500 banknotes is put into circulation. New notes for the remaining three denominations of \$20, \$50 and \$1,000 are to go into circulation in the second half of 2004. A number of advanced security features have been added to the new banknotes to enhance their anti-counterfeiting capabilities. All existing banknotes continue to be legal tender and to circulate along with the new banknotes.

23 The results of the 2002/03 annual self-assessment conducted by authorized institutions on their compliance with the *Code of Banking Practice* are announced: the overall state of compliance has significantly improved, with 99% of AIs reporting either full or almost full compliance with the Code.

24 The HKMA announces that it has been notified by the People's Bank of China of its decision, following a selection process, to appoint Bank of China (Hong Kong) Limited as the Clearing Bank for renminbi business in Hong Kong. The term of appointment is three years.