

## CHRONOLOGY OF EVENTS (MAY – JULY 2001)

3 May 2001	The Hong Kong Monetary Authority (HKMA) publishes its Annual Report for 2000. The report explains the HKMA's work and achievements over the past year and sets out the challenges and objectives for the year ahead.
7 May 2001	The HKMA announces that the official foreign currency reserves of Hong Kong amounted to US\$115.1 billion at the end of April 2001.
10 May 2001	The Hong Kong Mortgage Corporation Limited (HKMC) publishes its Annual Report for 2000. The Corporation achieved a profit after tax of HK\$233.1 million in 2000.
14 May 2001	The HKMA releases key data on the balance sheet of the Exchange Fund in accordance with International Monetary Fund's (IMF) Special Data Dissemination Standard (SDDS). At the end of April 2001, foreign assets amounted to HK\$861.7 billion. The Monetary Base amounted to HK\$220.4 billion and claims on the private sector in Hong Kong amounted to HK\$50.1 billion.
18 May 2001	The HKMA announces that Mr Eddie Yue will take over the post of Executive Director (Corporate Services) from 1 July 2001. Mr Raymond Li will assume the new post of Executive Director (Banking Development) with effect from 1 July 2001.
21 May 2001	The HKMA announces that it will update the information on its currency board operations on a 24-hour basis with immediate effect. Forecast changes in the Aggregate Balance attributable to the HKMA's foreign exchange transactions for the currency board account concluded outside Hong Kong hours will be updated by the respective HKMA overseas offices on the Reuters page "HKMAOOC" as soon as practicable.
31 May 2001	The HKMA publishes the Abridged Exchange Fund Balance Sheet and Currency Board Account as at 30 April 2001. At the end of April 2001, the total assets of the Exchange Fund amounted to HK\$1,050.7 billion. The Monetary Base amounted to HK\$220.5 billion.
4 June 2001	The HKMA, the Airport Authority (AA), the HKMC, Kowloon-Canton Railway Corporation (KCRC) and MTR Corporation Limited (MTRC) announces that the HKMA will from 1 September 2001 cease to be the Arranger for the respective Note Issuance Programmes of the four corporations.
7 June 2001	The HKMA announces that the official foreign currency reserves of Hong Kong amounted to US\$114.7 billion at the end of May 2001.

14 June 2001	The HKMA releases key data on the balance sheet of the Exchange Fund in accordance with the IMF's SDDS. At the end of May 2001, foreign assets amounted to HK\$858 billion. The Monetary Base amounted to HK\$217.2 billion and claims on the private sector in Hong Kong amounted HK\$51.8 billion.
14 June 2001	The HKMA advises State Street Global Advisors Asia Limited, the Manager of TraHK, that the maximum number of units for which Hang Seng Index Shares will be made available under the Tap Facility for the period from 1 July 2001 to 30 September 2001 will be 900 million units.
19 June 2001	The HKMA, the Bank of China (BOC) and Standard Chartered Bank (SCB) announces the launch of enhanced \$1,000 banknotes with three additional security features. The enhanced banknotes follow the inclusion of similar security features in The Hongkong and Shanghai Banking Corporation Limited (HSBC) \$1,000 note announced in December 2000.
29 June 2001	The HKMA publishes the Abridged Exchange Fund Balance Sheet and Currency Board Account as at 31 May 2001. At the end of May 2001, total assets of the Exchange Fund amounted to HK\$1,042.5 billion. The Monetary Base amounted to HK\$217.2 billion.
3 July 2001	The final phase of interest rate deregulation covering Hong Kong dollar savings and current accounts takes effect on 3 July 2001 as scheduled. The interest rates on all types of deposits, including savings account deposits, is now determined by competitive market forces. The prohibition of interest on current accounts is also lifted at the same time. The HKMA will be monitoring the impact of deregulation closely.
9 July 2001	The HKMA announces that the official foreign currency reserves of Hong Kong amounted to US\$114.1 billion at the end of June 2001.
16 July 2001	The HKMA releases key data on the balance sheet of the Exchange Fund in accordance with IMF's SDDS. At the end of June 2001, foreign assets amounted to HK\$853.1 billion. The Monetary Base amounted to HK\$220.4 billion and claims on the private sector in Hong Kong amounted to HK\$45.3 billion.
18 July 2001	The HKMC announces an expansion of the Mortgage Insurance Programme (MIP) to provide insurance cover for equitable mortgage loans with loan-to-value (LTV) ratio of up to 90%.

20 - 22 July 2001	The HKMA opens its second annual summer exhibition “ <i>Money in Hong Kong 2001</i> ” at New Town Plaza, Sha Tin. The exhibition will also be held in two other locations in the summer: Pacific Place in Admiralty from 27 to 29 July; and Plaza Hollywood, Diamond Hill from 3 to 5 August. The aim of the exhibition is to foster communication between the HKMA and the general public and to promote public awareness of Hong Kong’s monetary and banking systems.
26 July 2001	The HKMC announces its half-year financial results for 2001. The unaudited interim results show that the operating profit after tax for the six months ended 30 June 2001 was HK\$110.3 million. The Board of Directors of the HKMC approves an increase in the loan size ceiling for mortgages covered under the Mortgage Insurance Programme (MIP) from HK\$5 million to HK\$8 million. The expansion covers initially mortgage loans for completed properties with loan-to-value (LTV) ratio of up to 85%.
26 July 2001	The HKMC, Convenor of the Steering Committee of the Project on the Standardisation of Mortgage Origination Documents in Hong Kong (the Steering Committee), announces on behalf of the Steering Committee the introduction of the Model Mortgage Deed and Model Deed of Guarantee and Indemnity, the two most important mortgage origination documents in Hong Kong.
27 July 2001	The HKMA publishes the unaudited balance sheet of the Exchange Fund as at the end of June 2001. In the first half of 2001, total assets increased by HK\$4.3 billion to HK\$1,027.7 billion. Accumulated Surplus of the Exchange Fund declined by HK\$15.0 billion to HK\$292.1 billion.
27 July 2001	The HKMA publishes the Abridged Exchange Fund Balance Sheet and Currency Board Account as at 30 June 2001. At the end of June 2001, total assets of the Exchange Fund amounted to HK\$1,027.7 billion. The Monetary Base amounted to HK\$220.4 billion.
30 July 2001	The Hong Kong Foreign Exchange and Money Market Practices Committee, chaired by Mr Tony Latter, Deputy Chief Executive of the HKMA announces that the Overnight Index Swap (OIS) has been launched in the Hong Kong dollar market. An OIS is a fixed/floating interest rate swap with the floating leg tied to a published index of an overnight reference rate.