

KEY ANNOUNCEMENTS

(December 2004 to February 2005)

6 December 2004	The HKMA announces that the Hong Kong dollar has been included in the Continuous Linked Settlement System.
16 December 2004	The HKMA welcomes the announcement by EMEAP (Executives' Meeting of East Asia and Pacific Central Banks) of the planned launch of the second stage of the Asian Bond Fund, or ABF2.
28 December 2004	The monthly residential mortgage survey results show that new loans drawn down during November 2004 increased by 13.0% to HK\$13.9 billion, the highest level since mid-1999. New loans approved rose by 3.1% in number terms but declined by 5.1% to HK\$14.9 billion by value.
20 January 2005	The HKMA announces the investment performance of the Exchange Fund for 2004. The Exchange Fund recorded an investment income of HK\$56.7 billion in 2004. Of this investment income, the Fiscal Reserves' share amounts to HK\$14.5 billion, which exceeds the amount budgeted (HK\$12.3 billion) in the fiscal year 2004-05. At the end of 2004 the Accumulated Surplus stood at HK\$423.4 billion.
24 January 2005	The HKMA announces the appointment of Mr Hans Genberg as Executive Director in charge of research with effect from 7 February 2005. Mr Genberg will also become the Director of the Hong Kong Institute for Monetary Research.
25 January 2005	The monthly residential mortgage survey results indicate that the value of new loans drawn down in December 2004, at HK\$13.8 billion, was broadly similar to the previous month. Value of new loans approved increased slightly to HK\$15.1 billion.
17 February 2005	The number of residential mortgage loans in negative equity have declined by more than 80% from the peak of about 106,000 cases at end-June 2003 to some 19,200 cases with an aggregate value of HK\$33 billion at the end of 2004. Compared with end-September 2004, the number has fallen by 24%.
17 February 2005	The credit card lending survey results for the fourth quarter 2004 indicate that the charge-off amount continued to decline to HK\$0.53 billion or 0.94% of average receivables, from HK\$0.61 billion or 1.13% in the previous quarter.
22 February 2005	The International Monetary Fund projects that sustained economic growth and concerted efforts at government expenditure restraint in the Hong Kong Special Administrative Region will result in the achievement of budget balance ahead of schedule.
24 February 2005	The monthly survey of residential mortgage lending shows that new mortgage loans drawn down during January 2005 decreased by 9.8% to HK\$12.4 billion. New loans approved also declined by 2.4% to HK\$14.8 billion.
28 February 2005	The HKMA issues a circular to all authorized institutions reminding them of the need to monitor carefully the risks associated with residential mortgage lending and setting out the treatment of cash rebates and interest or repayment holidays within the context of the 70% loan-to-value ratio guideline.

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. The order of issue of the press releases each month is as follows:

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

The above press releases on the Exchange Fund data may be found on the HKMA's website at www.info.gov.hk/hkma/eng/press/category/exchange_index.htm

Other latest press releases may also be found at www.info.gov.hk/hkma/eng/press/index.htm