

## CHRONOLOGY OF EVENTS (FEBRUARY 96 – APRIL 96)

1 FEB	The Liquidity Adjustment Facility's bid and offer rates were lowered to 4% and 6% from 4.25% and 6.25% respectively. The following day, the Hong Kong Association of Banks announced a cut in interest rates on retail deposits with maturities of less than seven days of 0.25 percentage point.
9 FEB	The People's Bank of China and the HKMA signed a repurchase agreement of US dollar government securities to provide liquidity on a bilateral basis. This was the sixth bilateral repurchase agreement signed with central banks in the region.
9 FEB	The HKMA granted a banking licence to the Iyo Bank (IYO) to conduct banking business in Hong Kong. The licence for IYO was the first banking licence granted by the HKMA since it became the licensing authority for all three types of authorised institution after the Banking (Amendment) Ordinance 1995 came into effect on 15 November 1995.
20 FEB	The HKMA announced that it would act as an intervention agent on behalf of the Bank of Japan to enhance the stability of the Yen against the US dollar in the Hong Kong foreign exchange market. This is another example of practical co-operation between central banks in the region.
23 FEB	The HKMA sent a letter to all AIs drawing their attention to the Personal Data (Privacy) Ordinance and asked them to review and revise, if necessary, their policies and practices in respect of the collection, use, holding and disclosure of personal data of customers.
27 FEB	Second issue of 7-year Exchange Fund Notes was tendered. The Notes, which carried interest at fixed rate of 6.02%, were 2.86 times oversubscribed.
20 MAR	The HKMA sent a letter to all locally incorporated AIs to inform them of the finalised proposal of the Basle Committee on market risks and HKMA's intention to start implementing the market risk framework by the end of 1996.
22 MAR	The HKMA issued further guidance to all AIs relating to the conduct of unsolicited calls in respect of leveraged foreign exchange contracts.
26 MAR	The HKMA announced the unaudited results of the Exchange Fund at end-1995 with total assets of the Fund up 13.5% to HK\$460.7 bn and a 27% growth in accumulated earnings. The foreign currency assets of the Exchange Fund totalled US\$57.2 bn, placing Hong Kong seventh in the world in overall foreign exchange reserves and second in terms of per capita reserves.

27 MAR	The HKMA issued a guideline on risk management of derivatives and other traded instruments to all AIs. The guideline provides more detailed guidance on specific, in particular the operational, aspects of the process for managing the risks of AIs' derivatives activities.
1 APR	The HKMA announced the completion of the acquisition of De La Rue's banknote printing plant which was renamed the Hong Kong Note Printing Limited (HKNPL). Mr Joseph Yam, Chief Executive of the HKMA, became Chairman of the HKNPL while Mr Peter So Lai-yin was appointed the General Manager.
15 APR	The HKMA issued a consultation paper on the mortgage corporation proposal. In the light of the outcome of the consultation exercise, the Government will decide on whether it should proceed to set up the mortgage corporation.
18 APR	The HKMA announced setting up a HKMA hotline (tel: 28781378) for the public to lodge complaints against improper behavior (such as intimidatory, violent or illegal actions) of debt collection agencies appointed by AIs.
25 APR	The HKMA has agreed with the Bank of Japan acting as agent for the Japanese Ministry of Finance to sign a bilateral US Treasuries repurchase agreement.