

CHRONOLOGY OF EVENTS (AUGUST 96 – OCTOBER 96)

6 AUG	The HKMA issued two chapters of the Code of Banking Practice on personal referees and the use of debt collection agencies to provide further guidance to banks. The remaining chapters of the Code will be issued in 1997.
14 AUG	The Financial Secretary appointed Miss Amy Yip York-tak as the new Executive Director (Reserves Management) of the HKMA. She replaced Mr John Nugée who returned to the Bank of England. Miss Yip reported duty on 1 October.
15 AUG	The third issue of Mass Transit Railway Corporation (MTRC) Notes, arranged by the HKMA, was tendered. The 5-year MTRC Notes with a coupon rate of 7.35% was 1.41 times over-subscribed.
9 SEP	The HKMA was invited by the Bank for International Settlements (BIS) to become a member of BIS by subscribing to its shares. The invitation is a clear recognition of Hong Kong's status as a leading and autonomous international financial centre. BIS also extended the offer of membership to eight other central banks and monetary authorities including the People's Bank of China. The fact that Hong Kong and China were offered separate membership shows that the international financial community is fully supportive of the "one country, two systems" policy enshrined in the Basic Law.
10 SEP	The Bank of England organised a seminar titled "Hong Kong's Monetary Arrangements through 1997" in London. Mr Joseph Yam, Chief Executive of the HKMA, and Mr Chen Yuan, Deputy Governor of the People's Bank of China, were speakers.
17 SEP	The contract of Mr David Carse, Deputy Chief Executive of the HKMA, which was due to expire on 30 April 1997 was extended three years from that date. Mr Carse is responsible for banking supervision and banking policy matters.
18 SEP	A limited quantity of commemorative gold coins will be issued in July 1997 to mark the establishment of the Hong Kong Special Administrative Region. The gold coin will bear the standard Bauhinia design on the obverse side, with a special commemorative design of Hong Kong skyline on the reverse side. It will have a face value of \$1,000 and will be in 22 carat gold.
18 SEP	A cheque presentation ceremony to acknowledge the cash sponsors for the 1997 World Bank Group/International Monetary Fund Annual Meetings was held. Sponsorships resulting in a savings of more than \$70 million had been received so far, with some \$40 million in cash and the rest in kind.

25 SEP	With a view to aligning the Bid and Offer Rates under the Liquidity Adjustment Facility (LAF) more closely with the US dollar market interest rates, the HKMA announced a change of reference rate for setting the LAF Rates from the US discount rate to the US Fed Funds Target Rate.
26 SEP	Based on the standardised methodology of measuring market risks in the Basle proposals, a new return of market risk exposure was issued to all locally incorporated banks. Banks need to report the data to HKMA on a quarterly basis starting from 31 December 1996.
3 OCT	The HKMA opened its first overseas office in New York. The New York Office enables the HKMA to monitor more closely the foreign exchange and US fixed income markets in the New York time zone and to liaise with the Federal Reserve Bank of New York, other US regulatory authorities and Exchange Fund external managers.
19 OCT	A bilateral repurchase (repo) agreement in US Treasuries was signed between the Monetary Authority of Singapore and the HKMA. This is HKMA's seventh repo agreement with central banks in the region.
25 OCT	The HKMA issued a letter to the chief executives of all licensed banks reminding them to ensure that their computer systems, operational procedures and staff are ready to operate under the Real Time Gross Settlement environment on 9 December.
28 OCT	The inaugural issue of 10-year Exchange Fund Notes was tendered. The 10-year Notes, which carried a coupon rate of 7.37% were 13.52 times over-subscribed, setting a new record for Exchange Fund paper issued so far. The issue extended further the benchmark yield curve to 10-year area, marking a milestone in HKMA's effort to develop the Hong Kong dollar debt market.