

## CHRONOLOGY OF EVENTS (AUGUST '98 - OCTOBER '98)

10 August 1998	The Hong Kong Monetary Authority (HKMA) announced that the Erste Bank der oesterreichischen Sparkassen AG (EB) had been granted a banking licence by the Monetary Authority under the Banking Ordinance.
19 August 1998	The HKMA had been awarded ISO 9002 Certification for the provision of information technology infrastructure. The award represented a recognition by the certification bodies of the HKMA's commitment to ensure the quality of information technology services, effectiveness and efficiency of IT support, continuous improvement and achievement of defined quality levels.
1 September 1998	The HKMA announced that the official foreign currency assets of Hong Kong, including those held in Land Fund, were US\$96.5 billion at the end of July 1998, placing Hong Kong at the third position in world ranking. The foreign currency assets held in the Exchange Fund, excluding forward transactions yet to be settled were US\$77.8 billion and those in Land Fund were US\$18.7 billion.
5 September 1998	The HKMA announced a package of seven technical measures to further strengthen the currency board arrangements and make them less susceptible to manipulation by speculators to produce extreme conditions in the interbank market and interest rates. These measures also aimed at achieving an even higher degree of transparency and disclosure and enhancing the robustness of Hong Kong's monetary arrangement.
15 September 1998	The Hong Kong Mortgage Corporation (HKMC) announced its unaudited interim results which showed that the operating profit before tax for the six months ended 30 June 1998 was HK\$28.2 million. This enabled the HKMC to recoup the full amount of the operating loss of HK\$20.3 million incurred in 1997, which largely represented the start-up expenses.
15 September 1998	In view of the favourable market response, the HKMC decided to roll the Pilot Scheme into a regular programme and offer fixed rate mortgages as one of its standard products. The number of participating banks had been increased from 2 to 8.
15 September 1998	The Board of Directors of the HKMC appointed Ms Pamela Lamoreaux as the Chief Operating Officer. Ms Lamoreaux joined the Corporation in August 1997 as Senior Vice President (Operations).
21 September 1998	The HKMA announced that the official foreign currency assets of Hong Kong, including those held in Land Fund, were US\$92.1 billion at the end of August 1998, placing Hong Kong at the third position in world ranking. The foreign currency assets held in the Exchange Fund, excluding forward transactions yet to be settled were US\$73.4 billion and those in Land Fund were US\$18.7 billion.



23 September 1998	The HKMA announced that the Financial Secretary had approved the appointment of Mr Tony Latter as Deputy Chief Executive with effect from 4 January 1999. Mr Latter has held a variety of senior positions in the Bank of England. He has also served on secondments to the Bank for International Settlements (Basle), the Organisation for Economic Co-operation and Development (Paris), the International Monetary Fund (Washington DC), as well as the Hong Kong Government where he took up the position of Deputy Secretary for Monetary Affairs from 1982 to 1985. He was one of the original architects for the linked exchange rate system which was established in October 1983, and has continued throughout the years to maintain close association with Hong Kong in his professional and private capacity.
24 September 1998	The HKMA had granted the transfer of the banking licence of Creditanstalt AG (CA) to Bank Austria Creditanstalt International AG (BACAI) under the Banking Ordinance.
25 September 1998	The HKMA announced that Baden-Württembergische Bank Aktiengesellschaft (BW Bank) had been granted a banking licence by the Monetary Authority under the Banking Ordinance.
29 September 1998	The triennial survey of the foreign exchange and derivatives markets in Hong Kong, coordinated by the Bank for International Settlement (BIS) showed that the average net daily turnover of foreign exchange and OTC derivatives transactions in Hong Kong amounted to US\$82.4 bn in April 1998 (a decline of 12.8% from the US\$94.4 billion in 1995 and equivalent to an annual compounded decline of 4.5%). The overall figure was made up of US\$78.6 billion foreign exchange(a) transactions (US\$90.2 billion in 1995) and US\$3.8 billion OTC derivatives(b) transactions (US\$4.2 billion in 1995).
15 October 1998	The HKMC successfully launched the inaugural issue under the HK\$20 billion Debt Issuance Programme (DIP). In view of the favourable response from the Primary Dealers and the Selling Group Members, the issue size was increased from HK\$500 million to HK\$700 million.
20 October 1998	The HKMA had granted the transfer of the banking licence of Banco Exterior de Espana, S.A. (BEE) to Corporacion Bancaria de Espana, S.A. (CBE) under the Banking Ordinance.
22 October 1998	The HKMA announced that the official foreign currency assets of Hong Kong, including those held in the Land Fund, were US\$88.4 billion at the end of September 1998, placing Hong Kong at the third position in world ranking. The foreign currency assets held in the Exchange Fund, excluding forward transactions yet to be settled were US\$69.3 billion and those in the Land Fund were US\$19.1 billion.

22 October 1998	The HKMC announced that the mortgage rate applicable to newly originated Fixed Rate Mortgages was reduced from 10.5% to 10.25% with effect from 23 October, 1998.
26 October 1998	The Exchange Fund Investment Limited (EFIL) held its first Board of Directors meeting. Mrs. Marian Li was appointed as the Chief Executive Officer of the EFIL.