HONG KONG MONETARY AUTHORITY
香港金融管理局

Briefing to the Legislative Council Panel on Financial Affairs

6 November 2026

Discussion Topics

Updates on

- Financial and Economic Environment
- Currency Stability
- Banking Stability
- Financial Infrastructure
- Hong Kong as an International Financial Centre
- Investment Environment and Performance of the Exchange Fund
- The Hong Kong Mortgage Corporation Limited

Financial and Economic Environment

Global economic growth forecasts

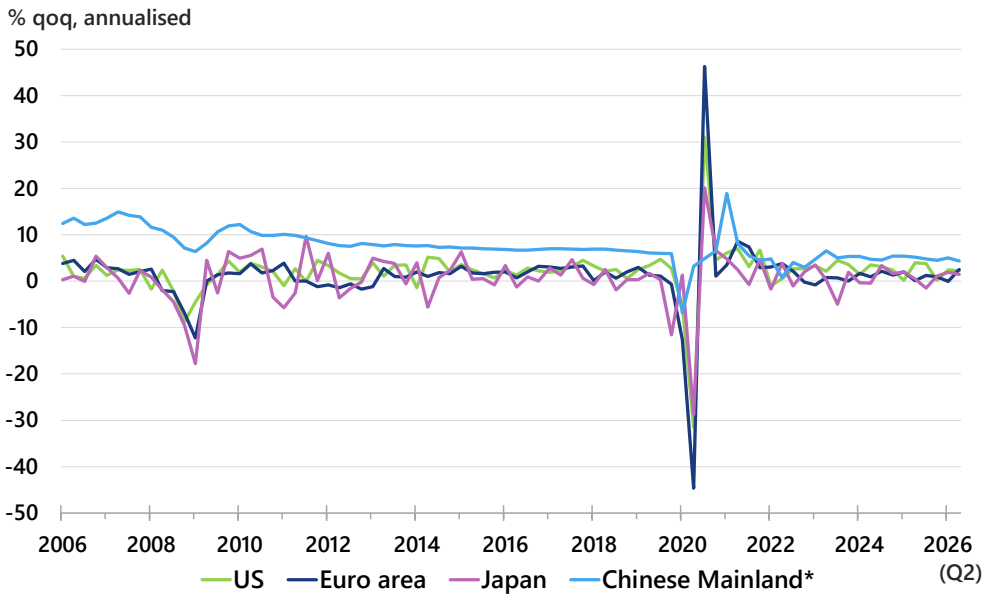
Real GDP Growth

(% year-on-year)

	2025	2026 Forecasts	2027 Forecasts
US	2.3	2.3	2.2
Euro area	1.2	1.0	1.3
Japan	1.2	0.8	0.8
Asia (ex-Japan)	5.2	5.1	4.7
Chinese Mainland	5.0	4.6	4.5
Hong Kong	3.6	3.5-4.5(*)	N.A.

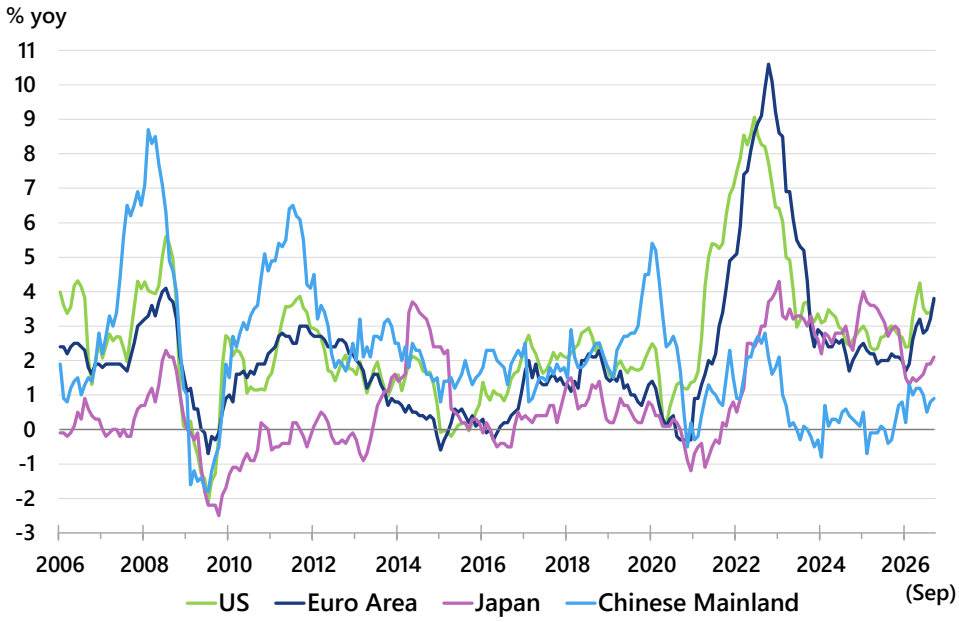
(*) Latest forecast by the HKSAR Government on 14 August 2026.
Sources: October 2026 Consensus Economics and the Office of the Government Economist, HKSAR

Real GDP growth in major economies



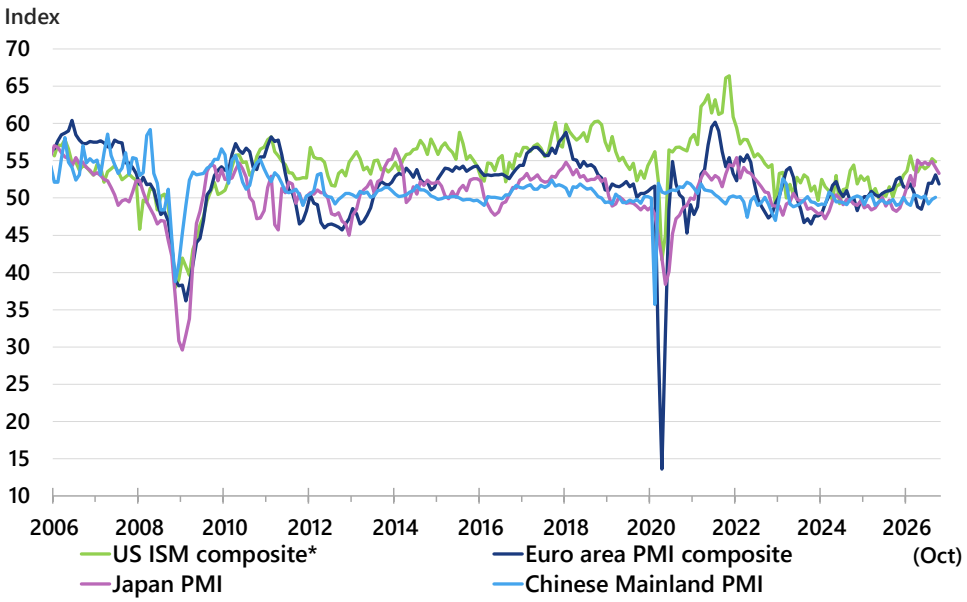
* Real GDP growth for Chinese Mainland is reported on a year-on-year basis.
Source: CEIC

Headline inflation in major economies



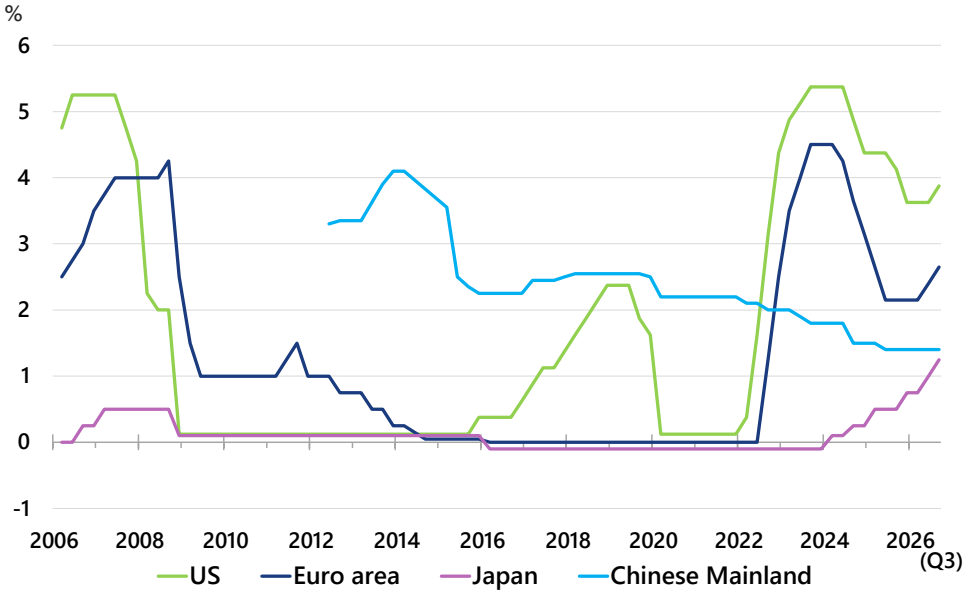
Source: CEIC

Purchasing Managers' Index (PMI) in major economies



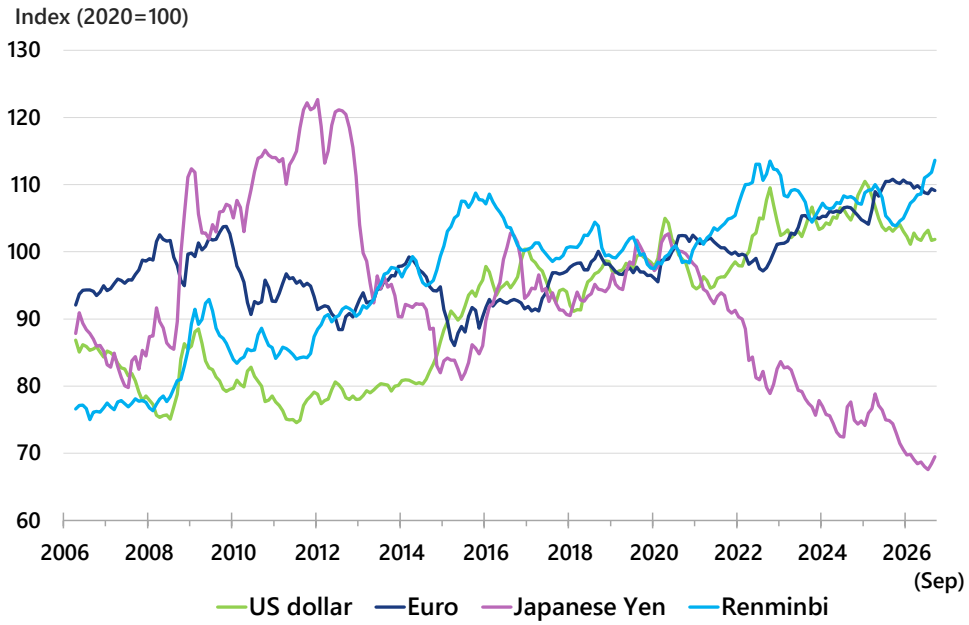
* Weighted average of the ISM Manufacturing and Services PMIs.
Source: CEIC

Monetary policy rates in major economies



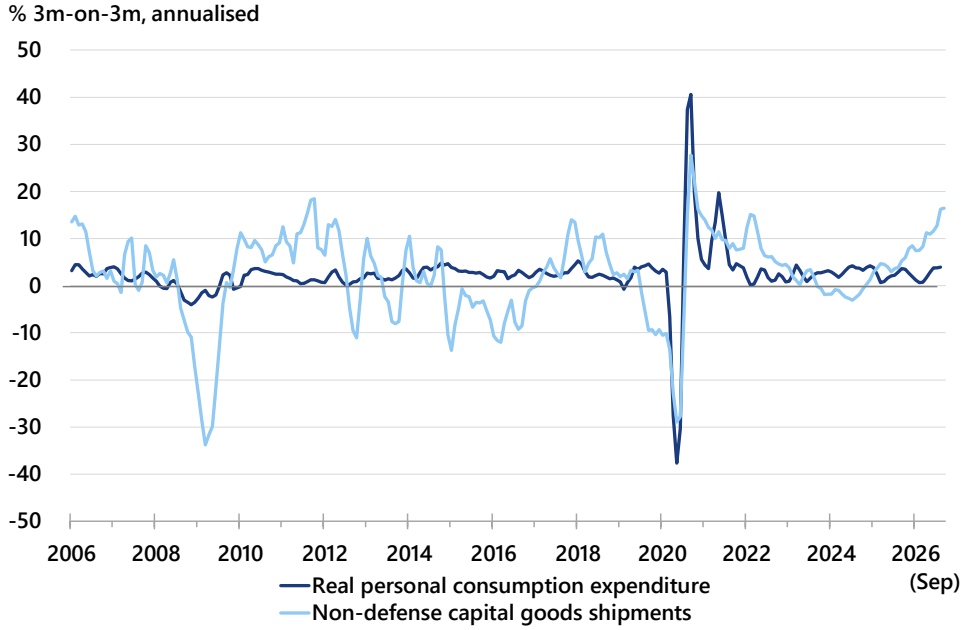
Note: Policy rate for Euro area is ECB main refinancing operations rate, policy rate for Chinese Mainland is 7-day reverse repo rate (starting from Q2 2012).
Source: Bloomberg

Nominal effective exchange rate index of major currencies



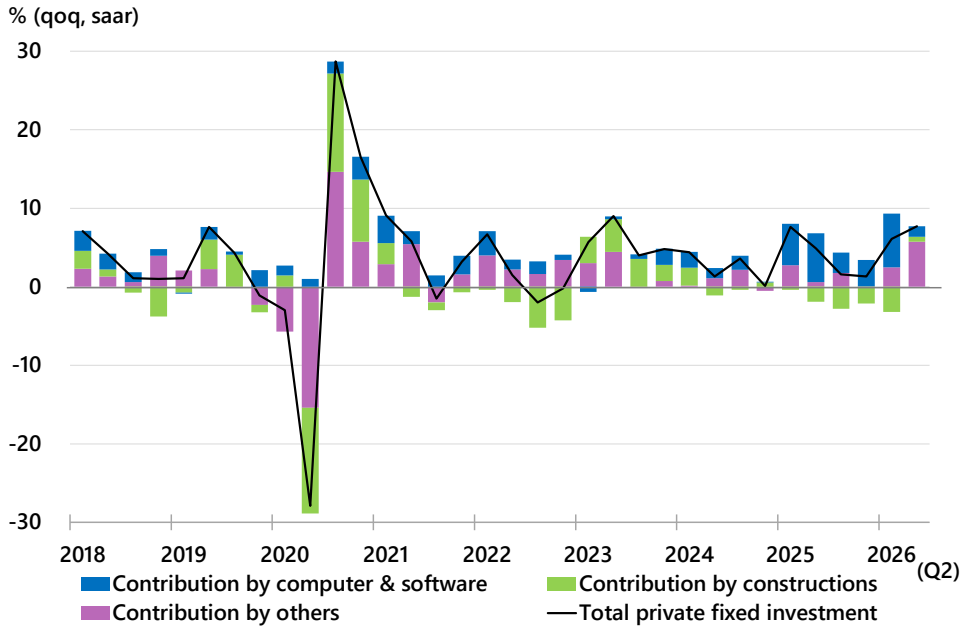
Source: CEIC

US: Consumption growth and business investment activity



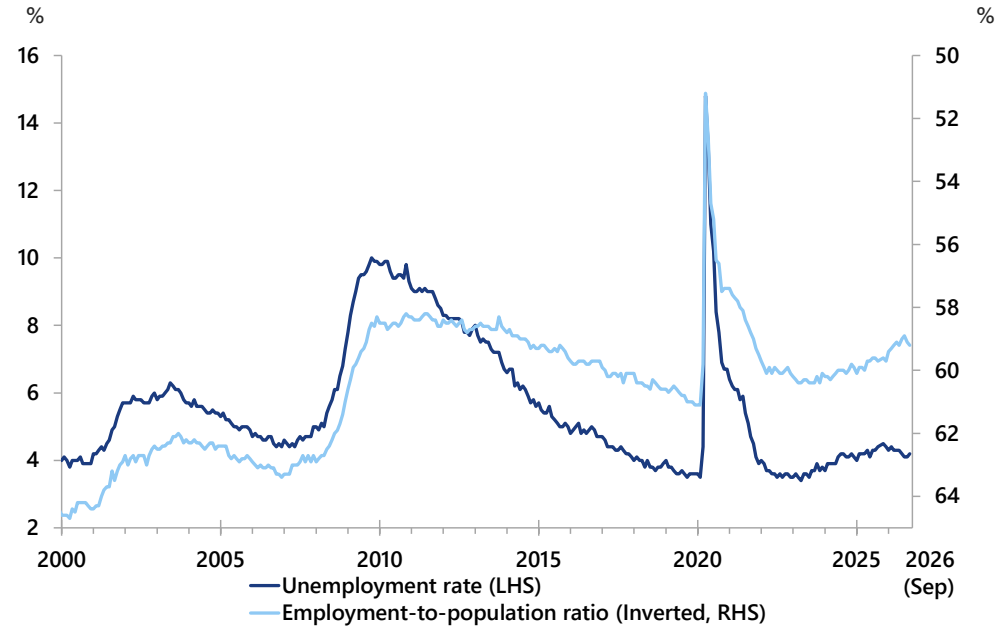
Source: CEIC

US: Fixed investment growth



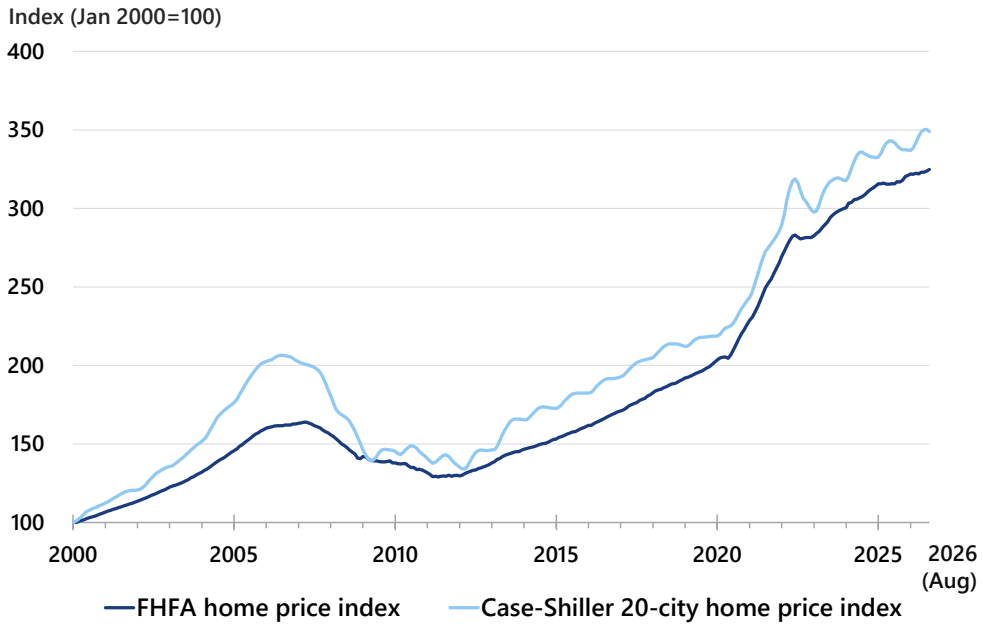
Source: CEIC

US: Labour market situation



Source: CEIC

US: Home prices

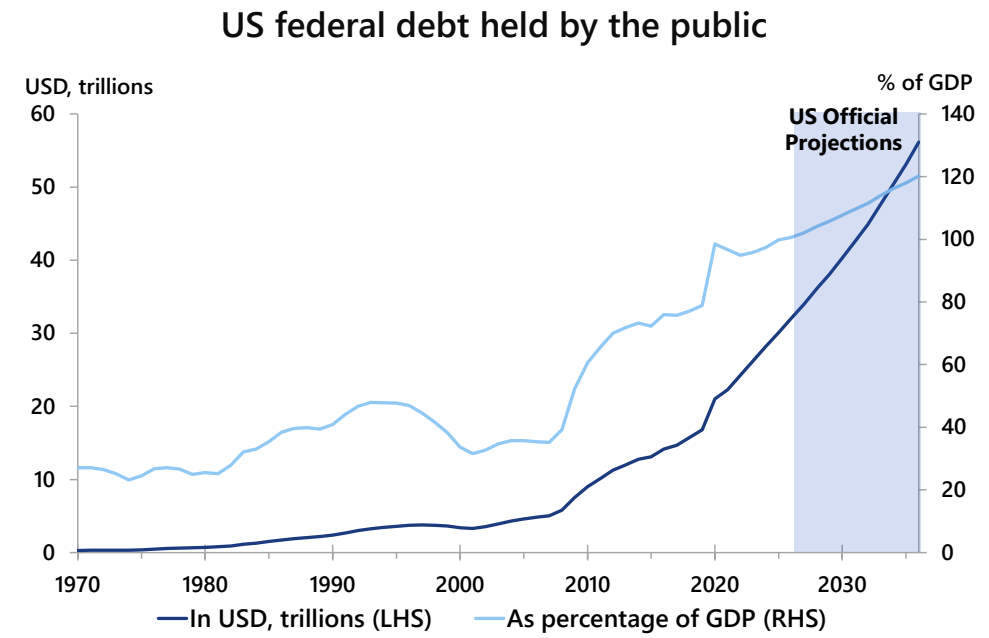


Sources: CEIC and S&P

US: Home sales

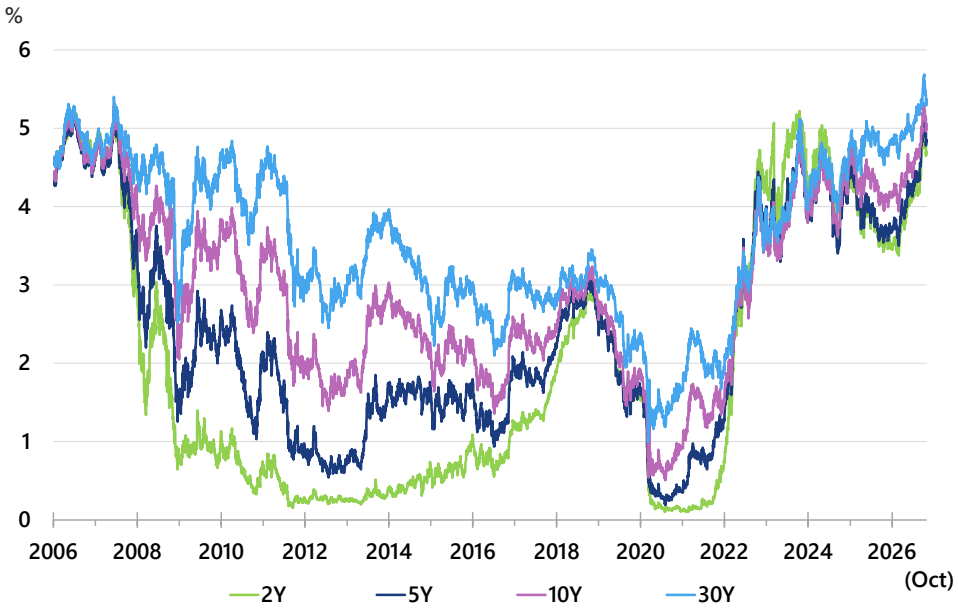
Sources: CEIC and National Association of Realtors

US: Federal government debt



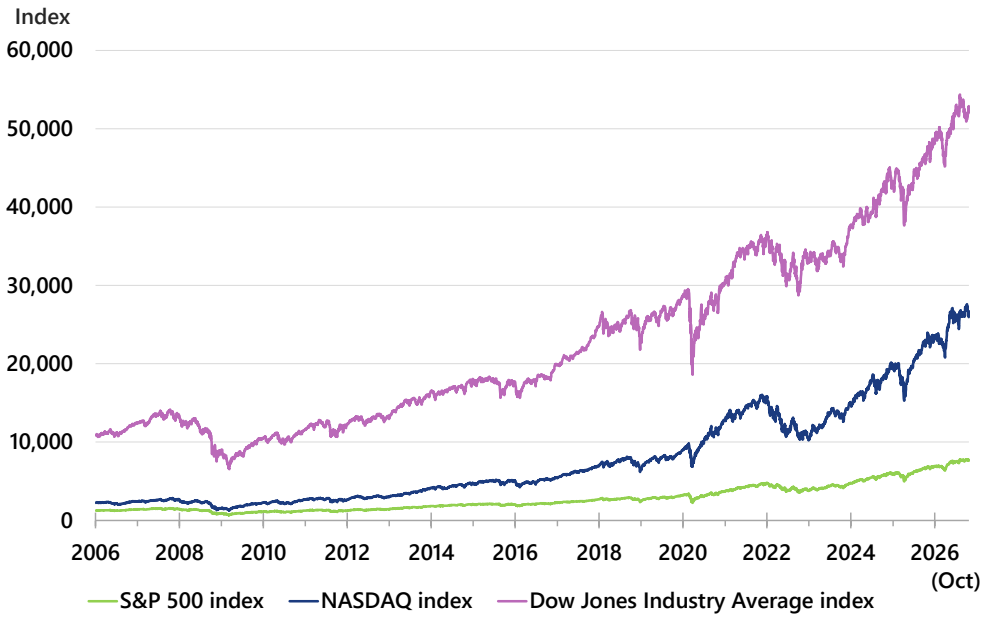
Sources: CEIC and Congressional Budget Office

US: Sovereign bond yields



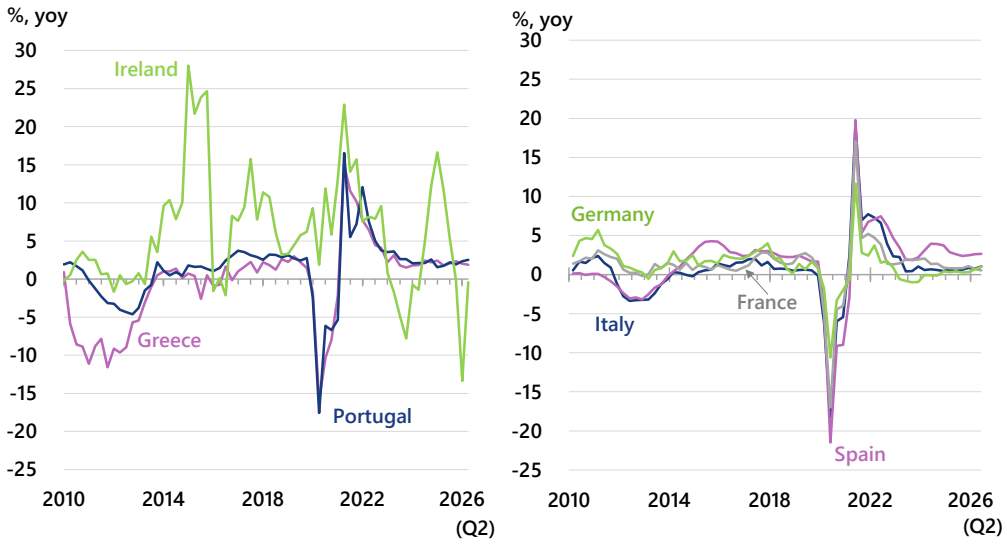
Source: Bloomberg

US: Equity markets



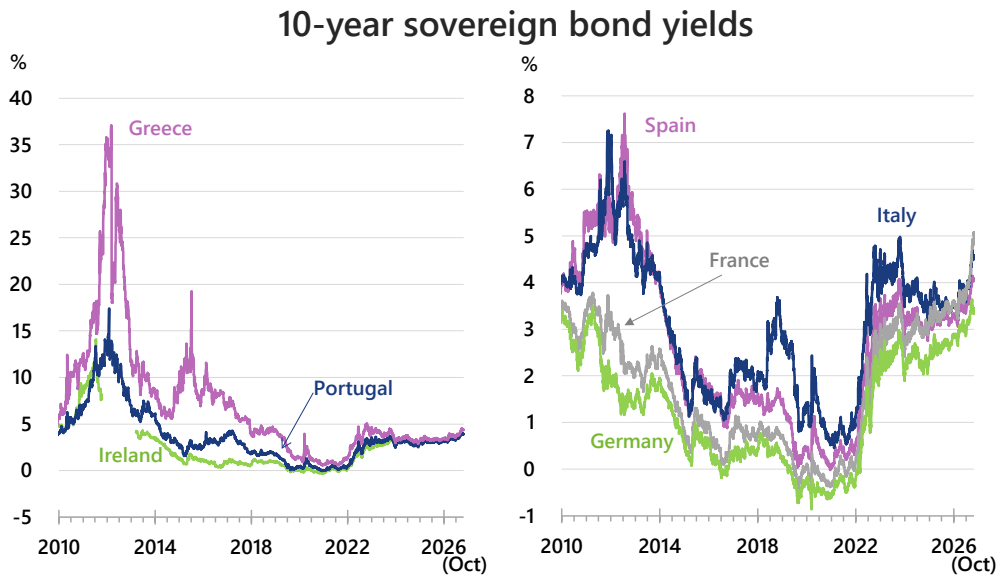
Source: Bloomberg

Euro area: Real GDP growth



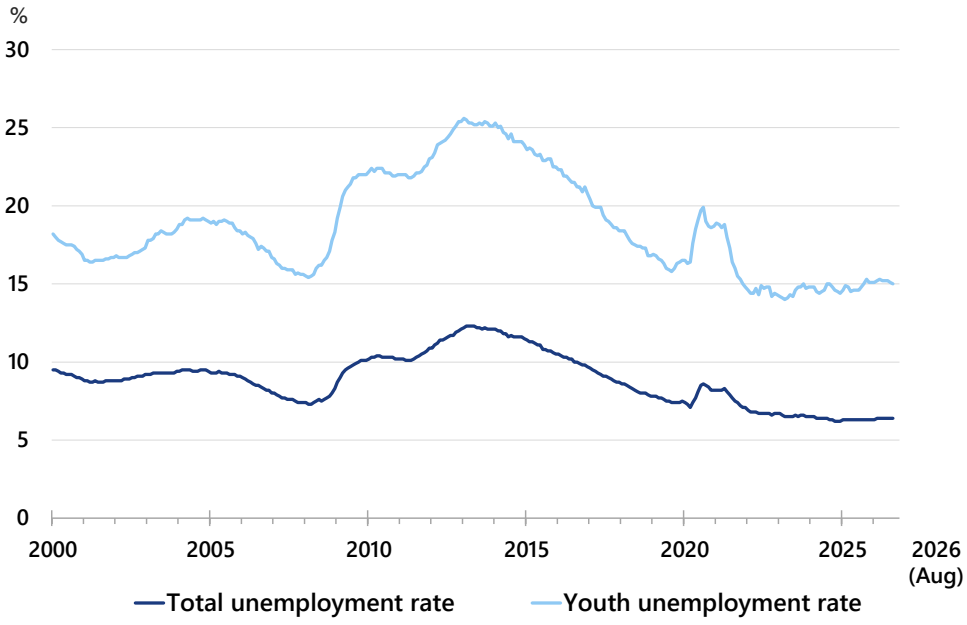
Source: CEIC

Euro area: Sovereign bond yields



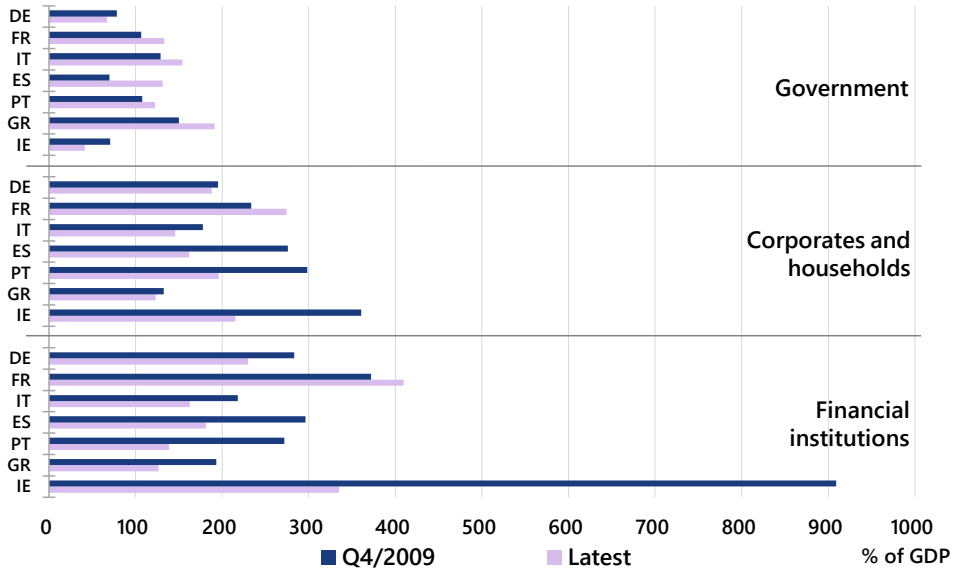
Note: 10-year Irish sovereign bond yield data is not available between 12 October 2011 and 14 March 2013.
Source: Bloomberg

Euro area: Unemployment rate



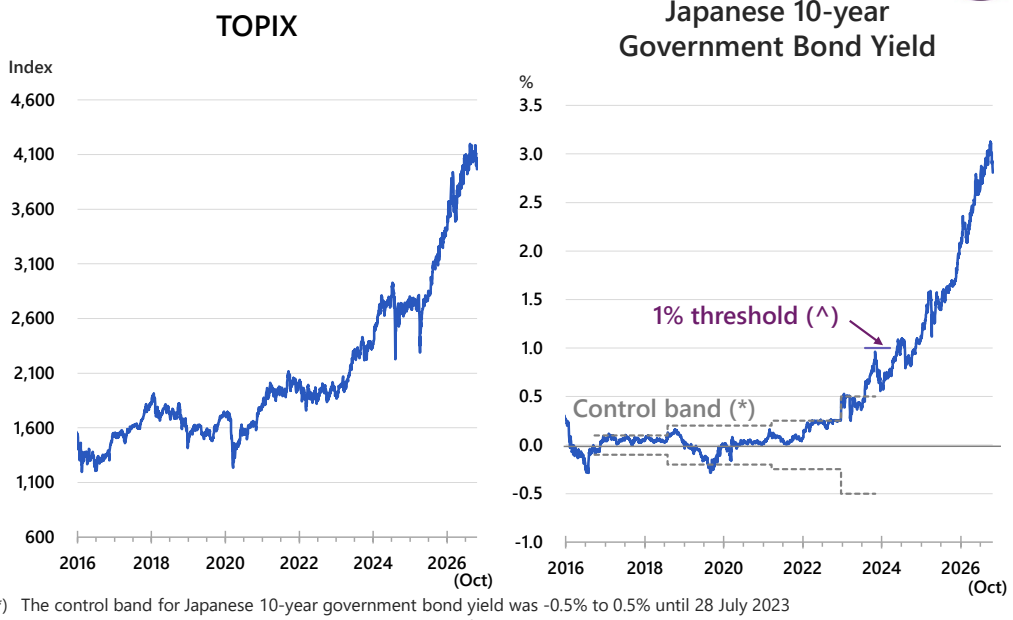
Source: CEIC

Euro area: Overall indebtedness



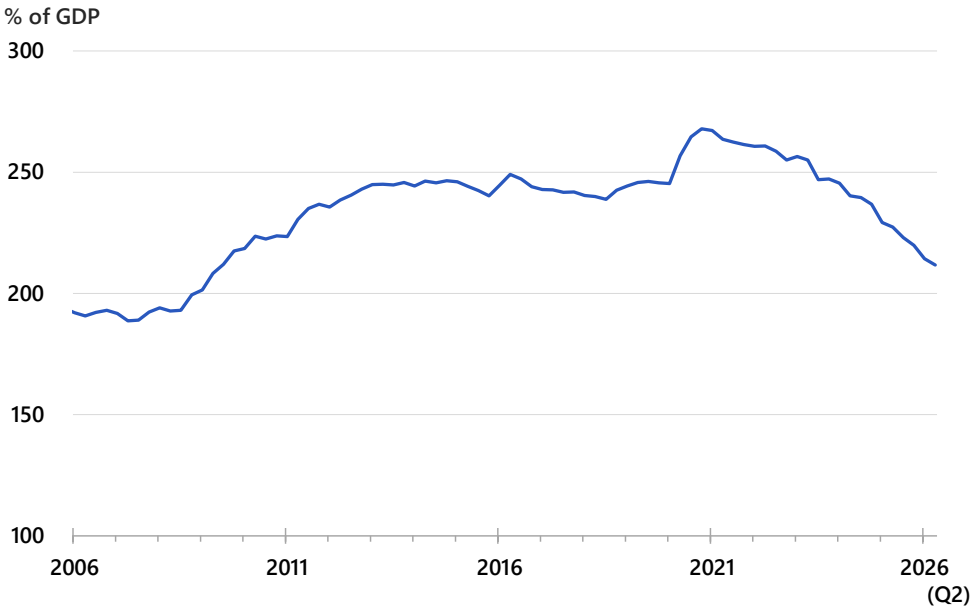
Note: DE – Germany; FR – France; IT – Italy; ES – Spain; PT – Portugal; GR – Greece; IE – Ireland
The latest figures are up to Q1/2026 for government, whilst the rest are up to Q2/2026.
Source: European Central Bank

Japan: Financial markets



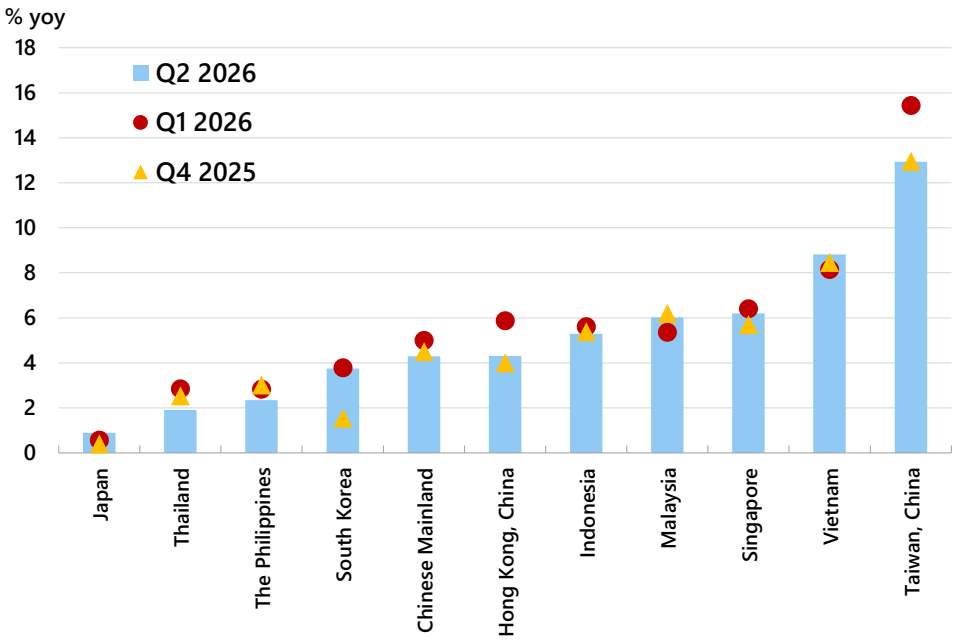
(*) The control band for Japanese 10-year government bond yield was -0.5% to 0.5% until 28 July 2023
(^) As a cap between end-July and end-October 2023; as a reference upper bound between November 2023 and 18 March 2024; abandoned on 19 March 2024
Source: Bloomberg

Japan: Public debt



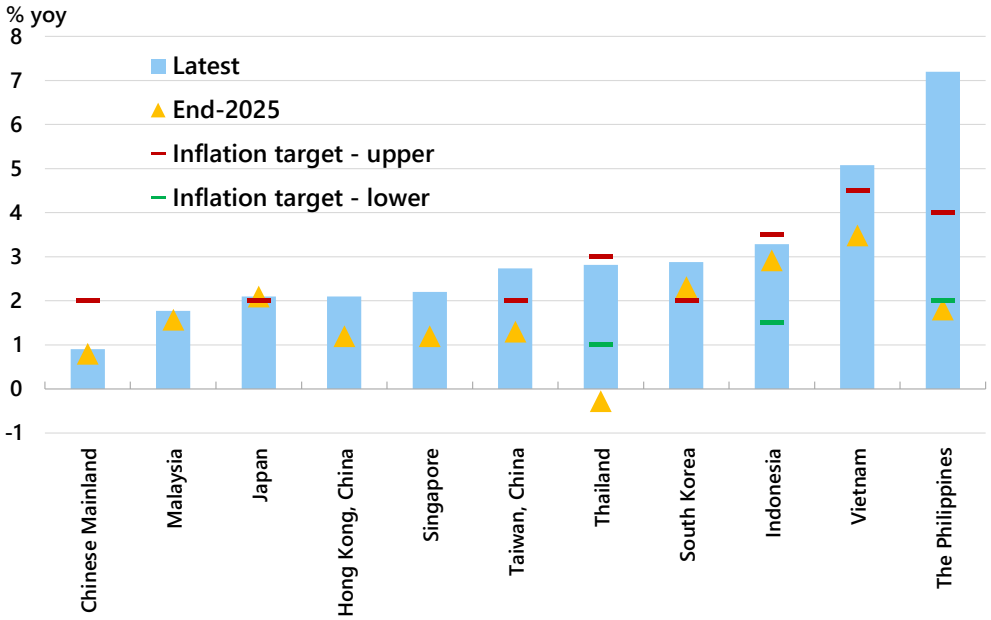
Sources: Bank of Japan and CEIC

Asia: Real GDP growth



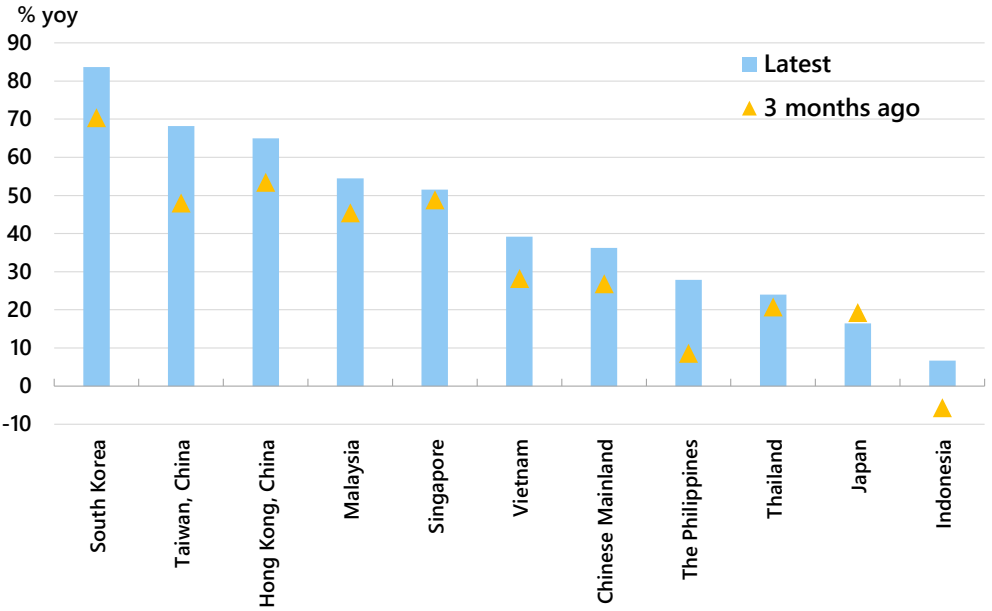
Source: CEIC

Asia : Headline inflation



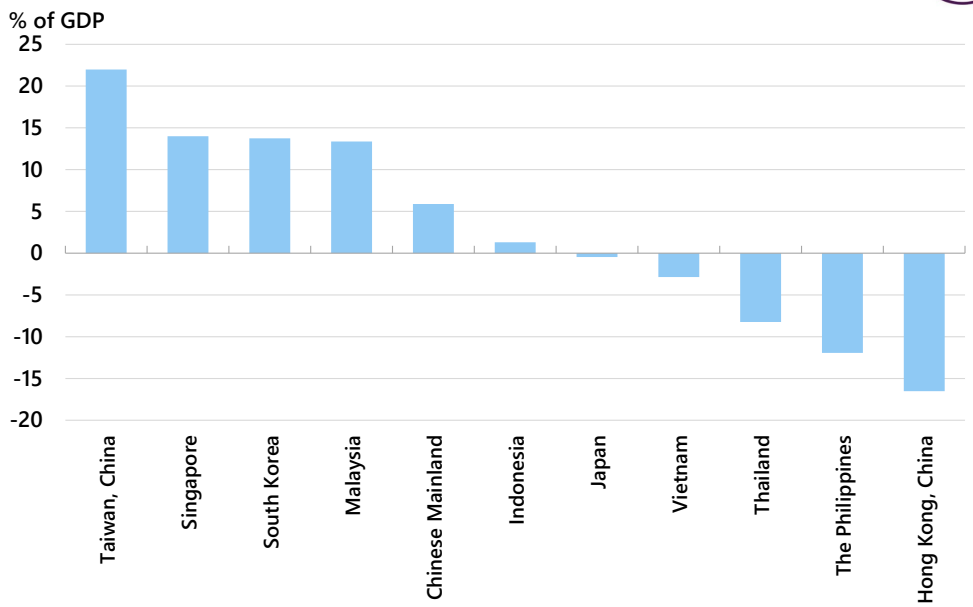
Note: Latest refers to September 2026 for all economies.
Source: CEIC

Asia : Export growth



Note: Latest refers to August 2026 for Indonesia and The Philippines, and September 2026 for other economies.
Source: CEIC

Asia : Goods Trade balance



Note: Latest data refers to August 2026 for Indonesia and The Philippines, and September 2026 for other economies. 12-month rolling sum is used in the calculation.
Source: CEIC

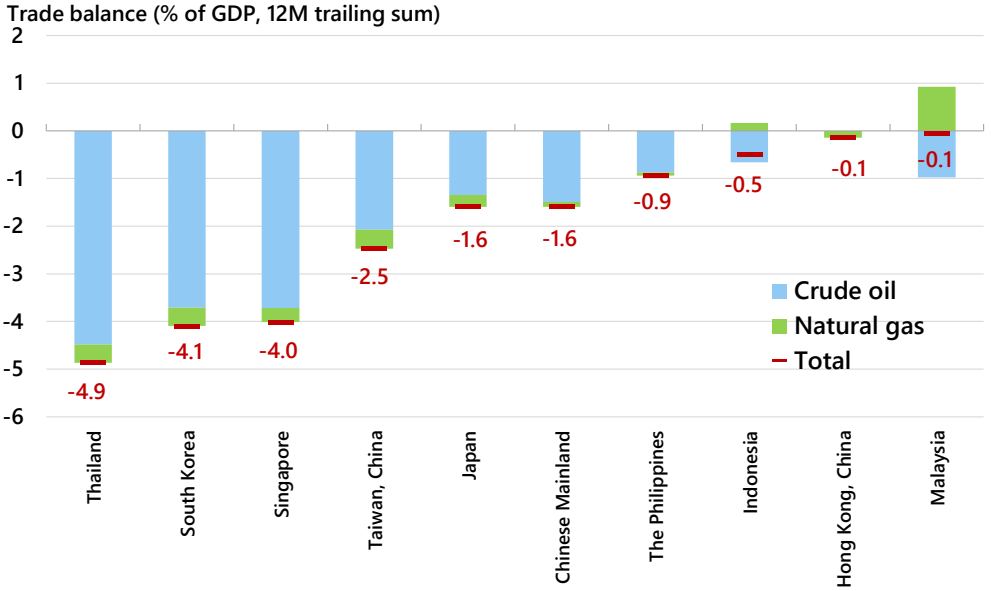
Asia : Policy rate changes

	Number of rate cuts / hikes in 2025	2026 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Current rate (%)
Chinese Mainland	1 cut	-	-	-	-	-	-	-	-	-	-	1.40
Indonesia	5 cuts	hold	hold	hold	hold	hike	2 hikes	hold	hold	hold	hold	5.75
Japan	2 hikes	hold	-	hold	hold	-	hike	hold	-	hike	-	1.25
Malaysia	1 cut	hold	-	hold	-	hold	-	hold	-	hold	-	2.75
The Philippines	5 cuts	-	cut	hold	hike	-	hike	-	hike	-	hike	5.50
South Korea	2 cuts	hold	hold	-	hold	hold	-	hike	hike	-	hold	3.00
Thailand	4 cuts	-	cut	-	hold	-	hold	-	hold	-	-	1.00
Taiwan, China	-	-	-	hold	-	-	hold	-	-	hold	-	2.00
Vietnam	-	-	-	-	-	-	-	-	-	-	-	4.50

Note: "-" indicates months with no monetary policy meeting or policy interest rate decision.
Both Chinese Mainland and Vietnam do not hold regular monetary policy meetings.

Sources: CEIC and central bank websites

Asia: Vulnerability to the Middle East energy shock



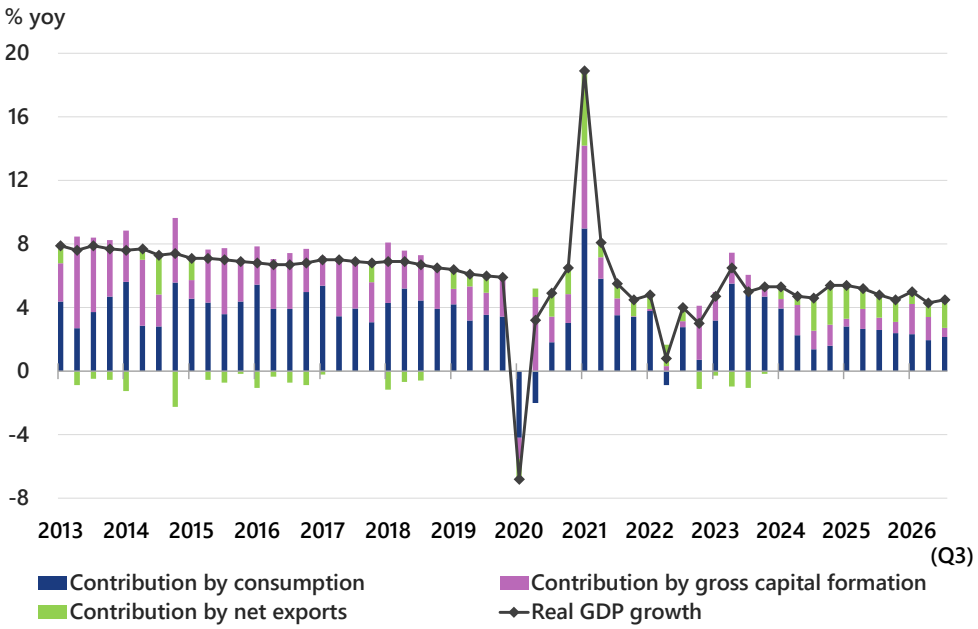
Note: The latest observations are Q2 2026. Figures for Vietnam are not available.
Sources: Bloomberg, CEIC and HKMA staff calculations`

Asia: Ongoing policy measures to mitigate energy shock

Policy Actions	Examples	Economies
Price controls	Working with oil companies and state-owned enterprises to implement price increases in smaller, scheduled increments rather than all at once to mitigate shock	CN, ID, JP, KR, PH, TW, TH, VN
Oil reserves adjustment	Bans on refined fuel exports, building and expanding fuel storage, implementing export licensing or approval requirements, imposing higher export duties	CN, ID, JP, KR, PH, SG, TH, VN
Fuel subsidies and tax cuts	Governments directly subsidizing users such as public transport, or specific fuel types, or reducing excise and value-added taxes on petroleum products to benefit consumers	ID, JP, KR, MY, PH, TH, VN
Targeted assistance	Support for the transportation sector, social assistance initiatives, and rationing liquefied natural gas	ID, JP, KR, MY, PH, SG, VN
Accelerating renewable energy development	Further expansion of renewable energy investment pipeline	ID, KR, PH, SG, TH, VN
Demand reduction	Reducing fuel consumption through conservation measures, transportation alternatives, remote work, traffic management and shorter school days	ID, JP, KR, PH, SG, TH, VN
Supply-side actions	Allowing the temporary and controlled supply of Euro II fuel, diversifying sources for energy imports	
Others	Monitoring prices closely, setting up emergency crisis committees	HK, ID, JP, KR, PH, SG, TH, VN

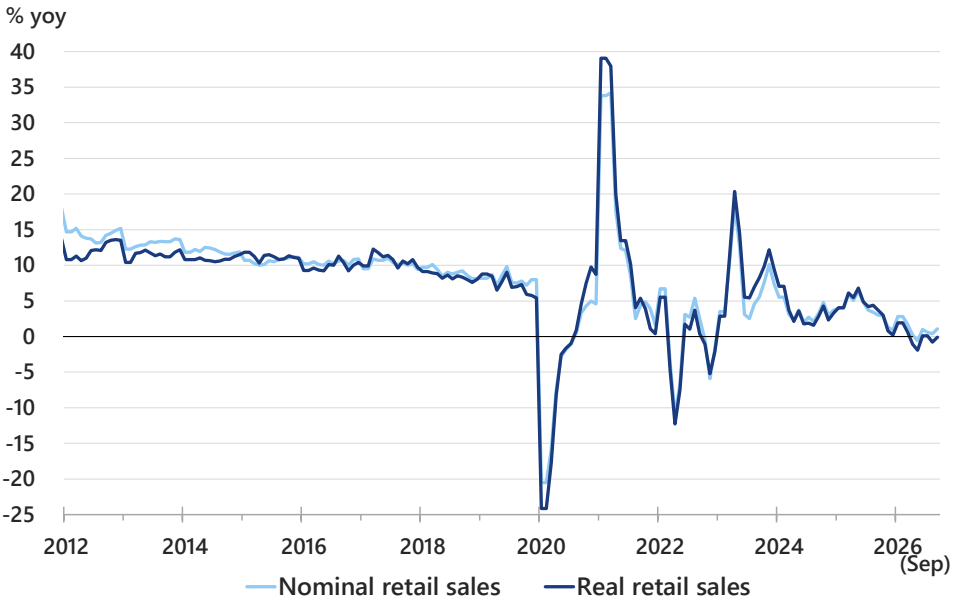
Note: As of 4 September 2026. CN=Chinese Mainland; HK=Hong Kong, China; ID=Indonesia; JP=Japan; KR=South Korea; MY=Malaysia; PH=The Philippines; SG=Singapore; TH=Thailand; TW=Taiwan, China; VN=Vietnam.
Source: Asian Development Outlook September 2026

Chinese Mainland: Real GDP growth



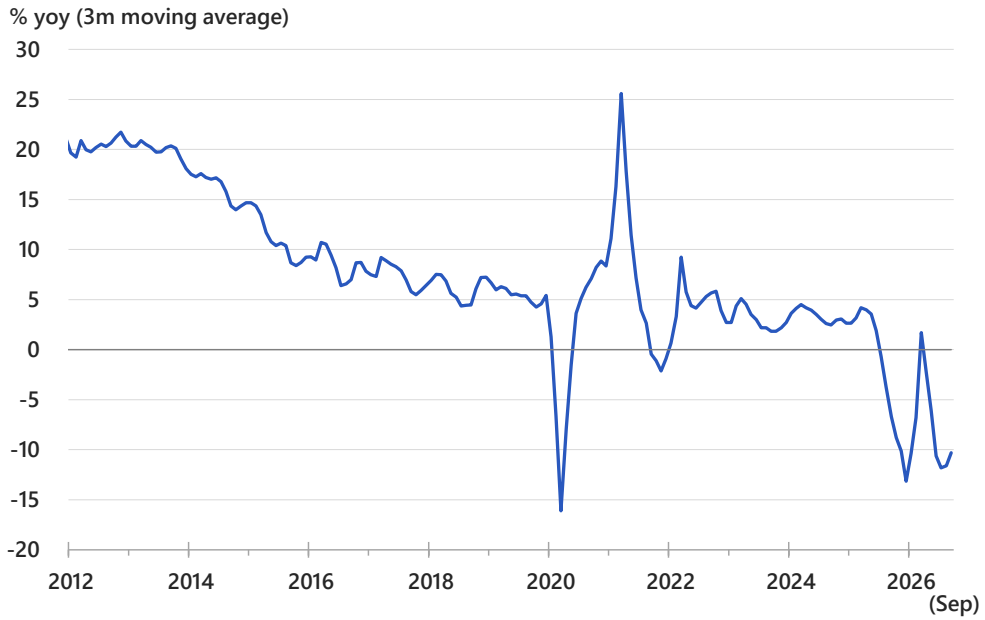
Source: CEIC

Chinese Mainland: Retail sales



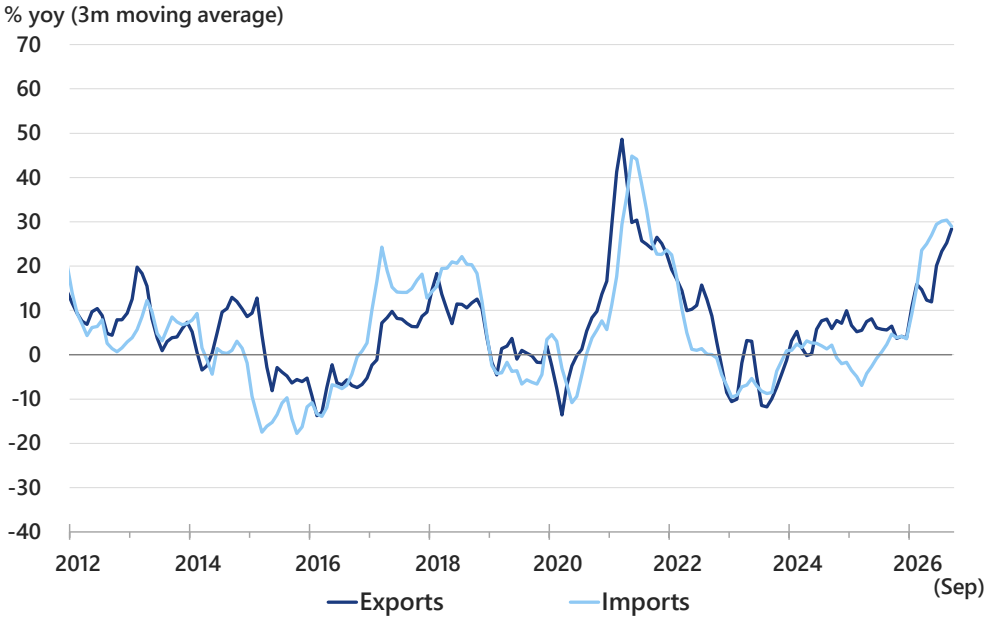
Note: January and February figures are the average year-on-year growth for the first two months of the year.
Sources: WIND and HKMA staff estimates

Chinese Mainland: Fixed asset investment



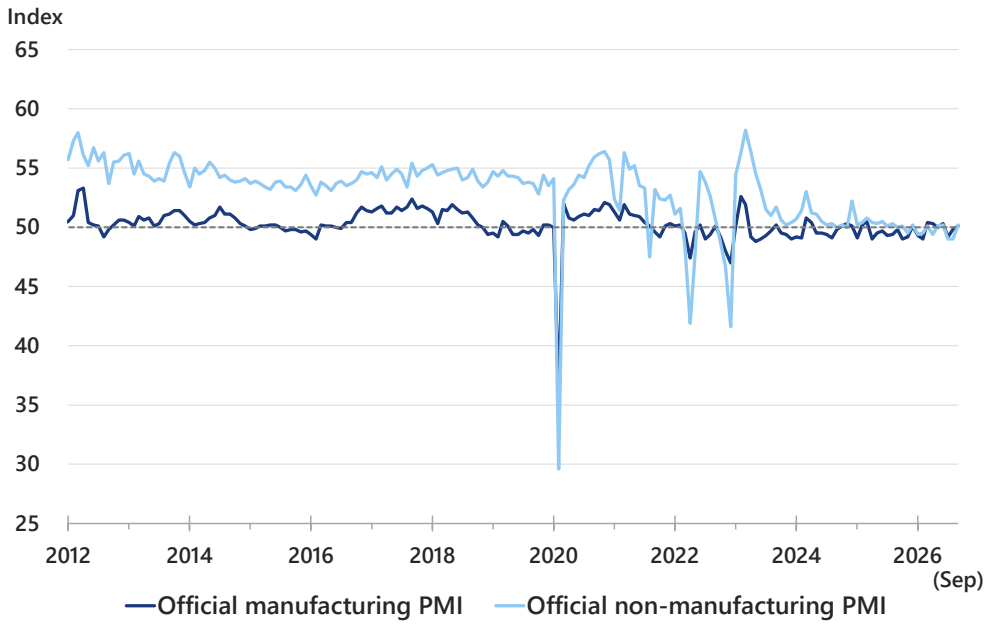
Sources: CEIC and HKMA staff estimates

Chinese Mainland: Import and export growth



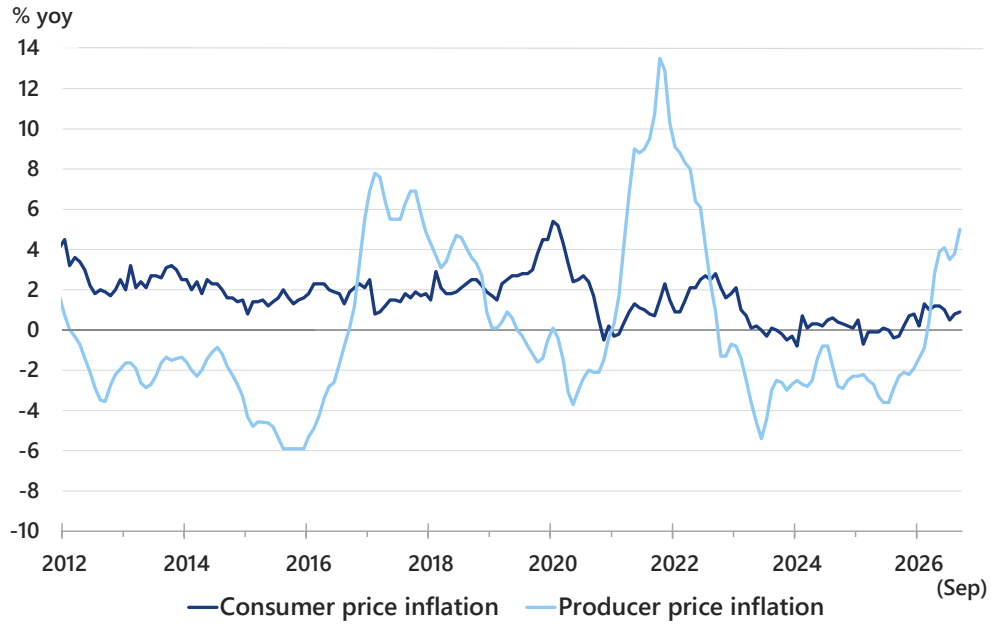
Sources: CEIC and HKMA staff estimates

Chinese Mainland: Purchasing Managers' Index



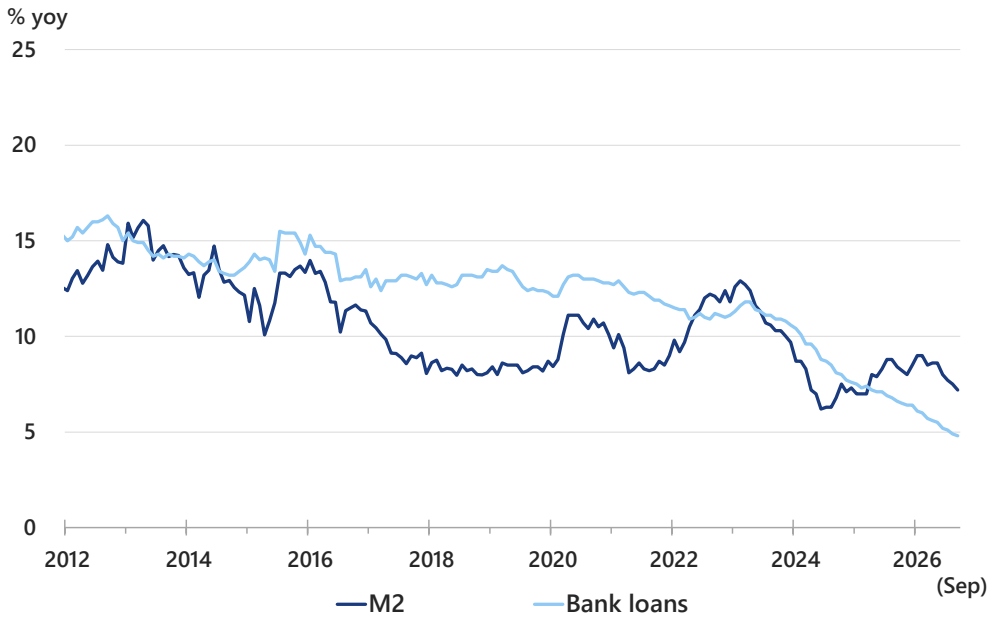
Source: CEIC

Chinese Mainland: Inflation



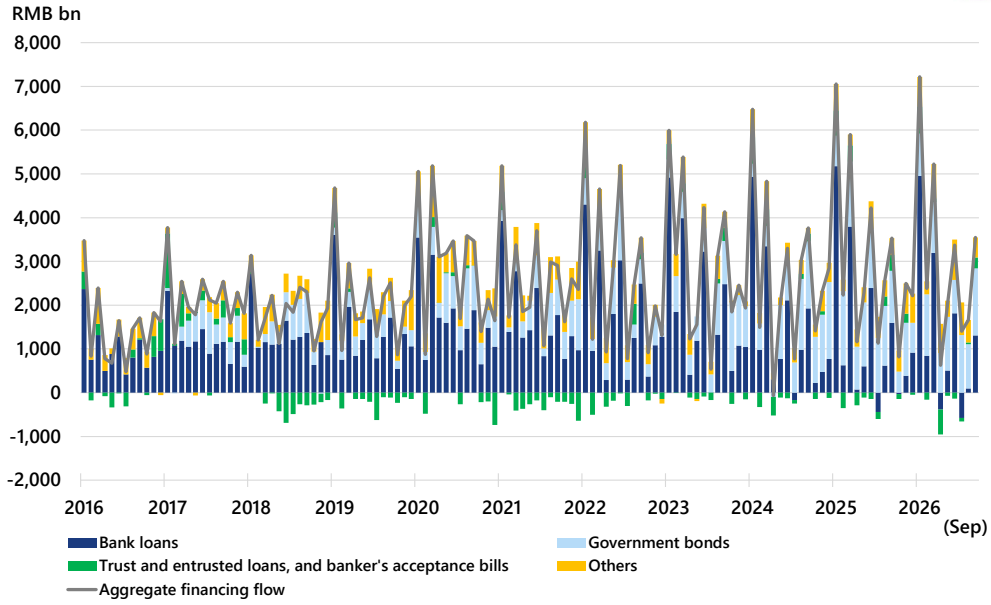
Source: CEIC

Chinese Mainland: Money and loan growth



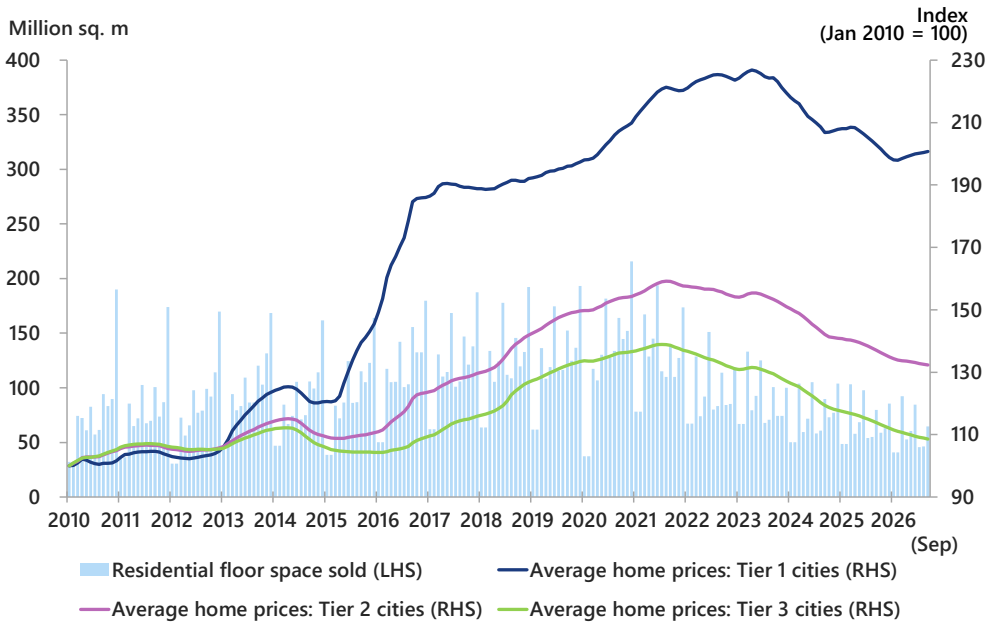
Source: CEIC

Chinese Mainland: Aggregate financing flow



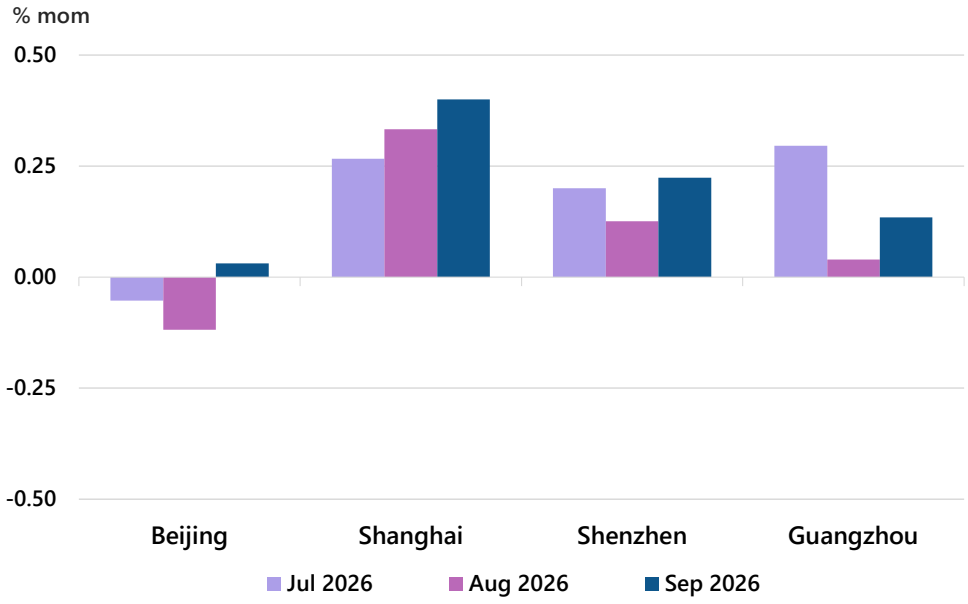
Note: "Others" primarily include loans written off, asset-backed securities of depository financial institutions, and corporate bonds & equity financing.
Sources: CEIC and HKMA staff estimates

Chinese Mainland: Property prices and transaction volumes



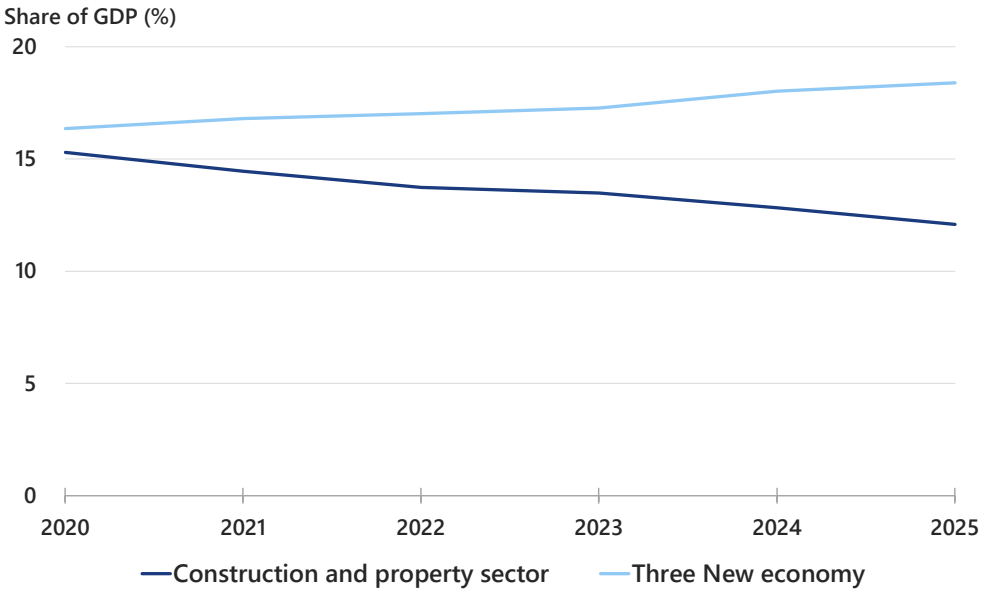
Sources: CEIC and HKMA staff estimates

Chinese Mainland: Housing price changes in major cities



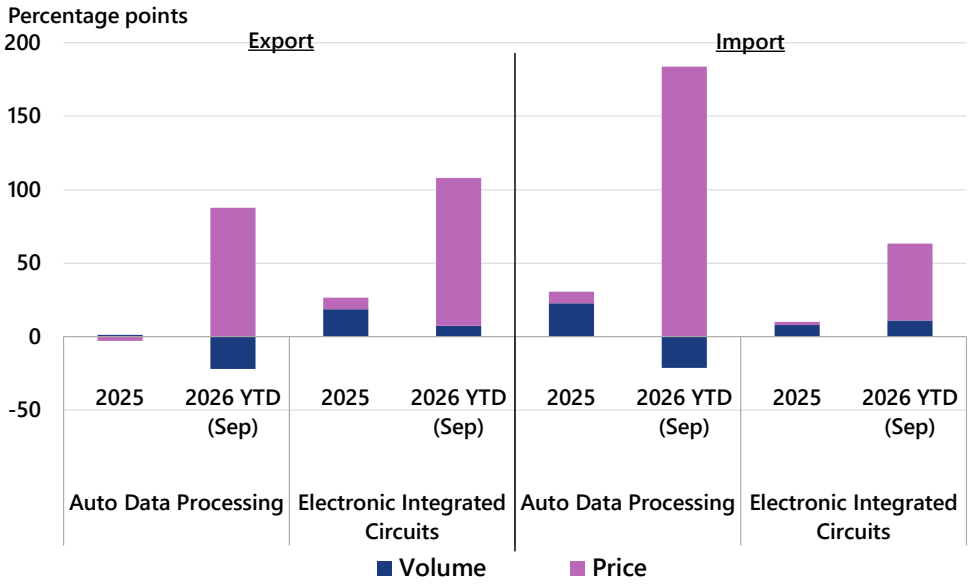
Sources: CEIC, WIND and HKMA staff estimates

Chinese Mainland: New and old economy



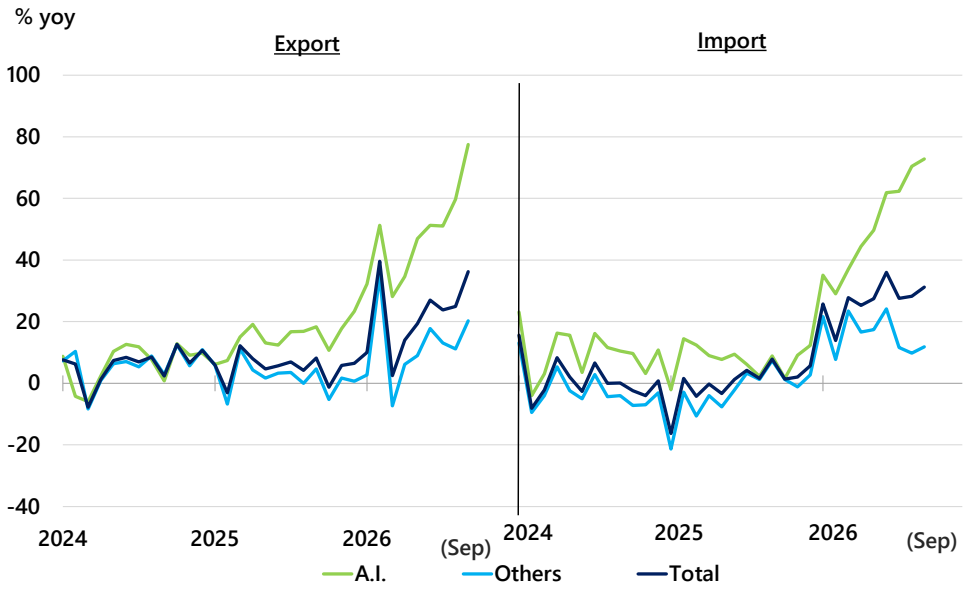
Note: The Three New economy refers to new industries, new business forms, and new business models.
Sources: CEIC and HKMA staff estimates

Chinese Mainland: Export and import value decomposition for selected artificial intelligence (A.I) products



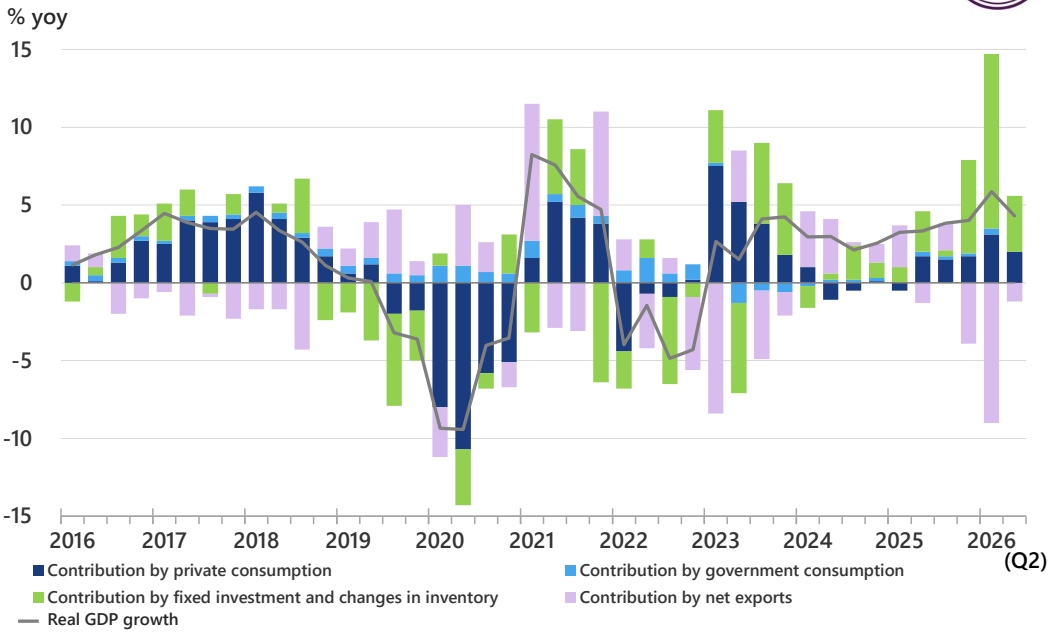
Sources: China Customs and HKMA staff estimates

Chinese Mainland: Growth in artificial intelligence (A.I)-related trade



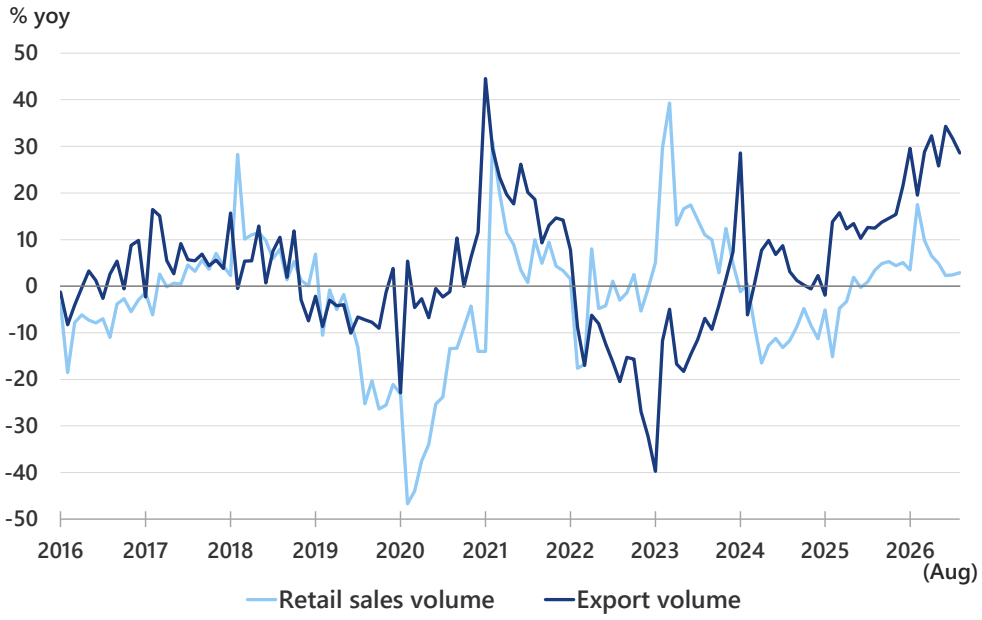
Note: The classification of A.I.-related products is based on Michael E. Waugh (2026).
Sources: China Customs and HKMA staff estimates

Hong Kong: Real GDP growth



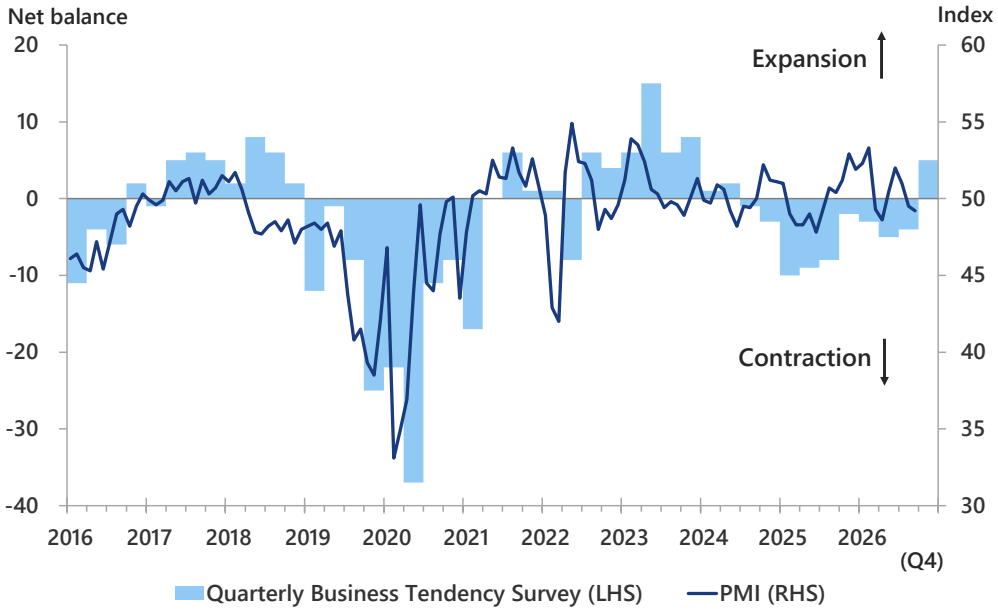
Source: Census and Statistics Department (C&SD)

Hong Kong: Economic activity



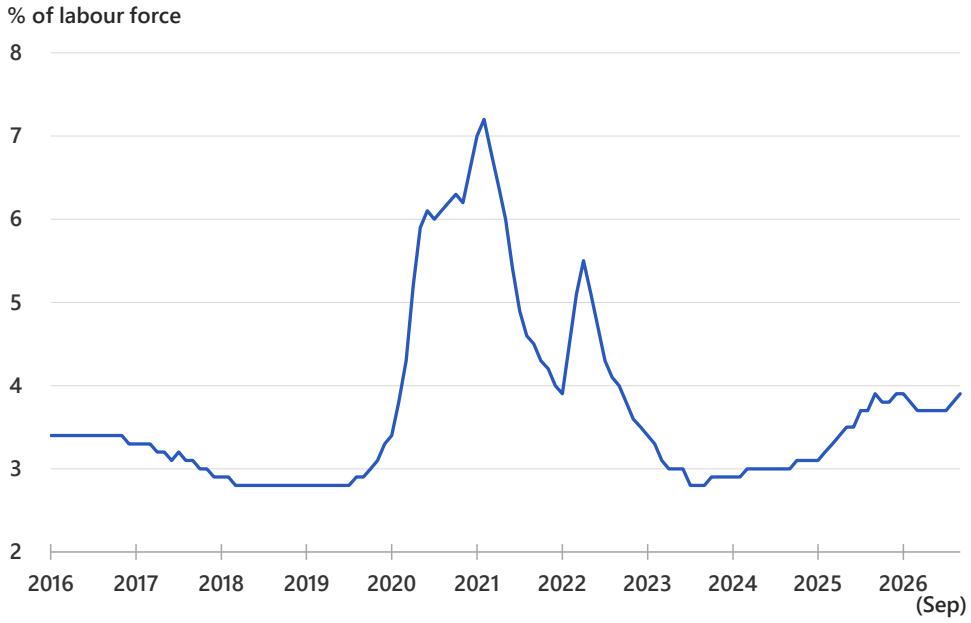
Source: C&SD

Hong Kong: Business outlook



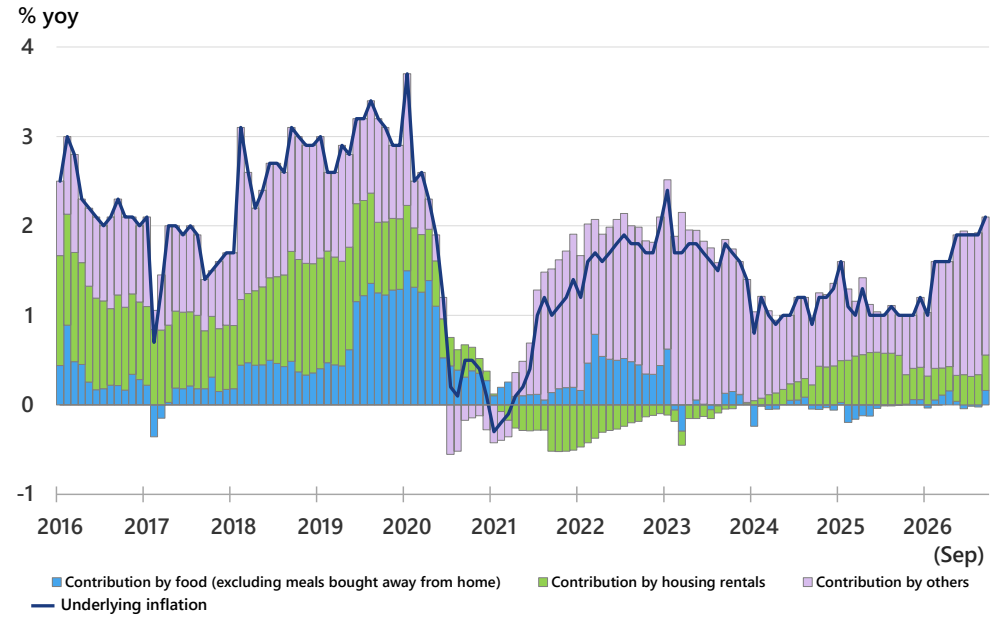
Sources: C&SD and S&P Global

Hong Kong: Unemployment rate



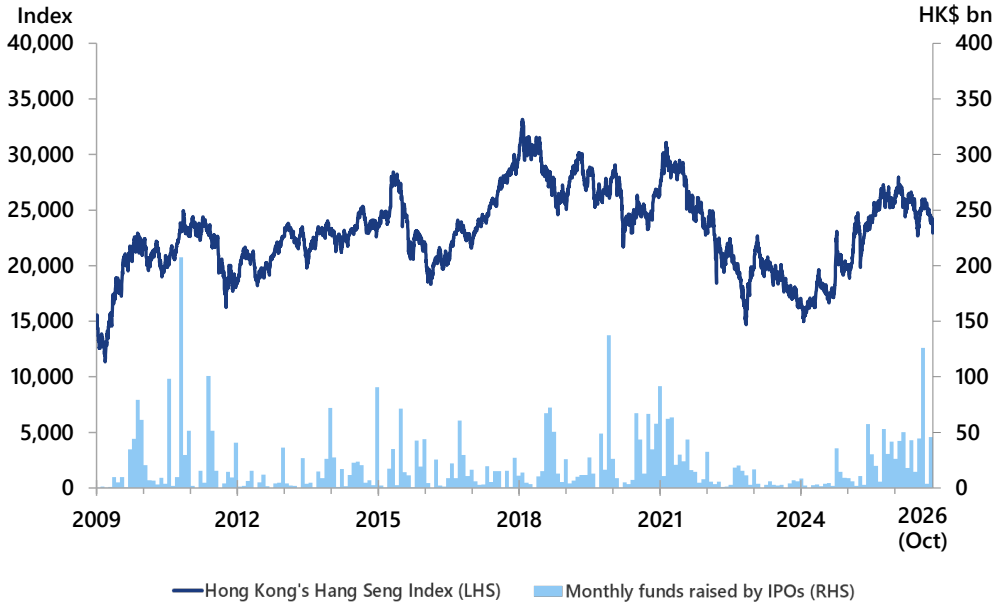
Source: C&SD

Hong Kong: Inflation



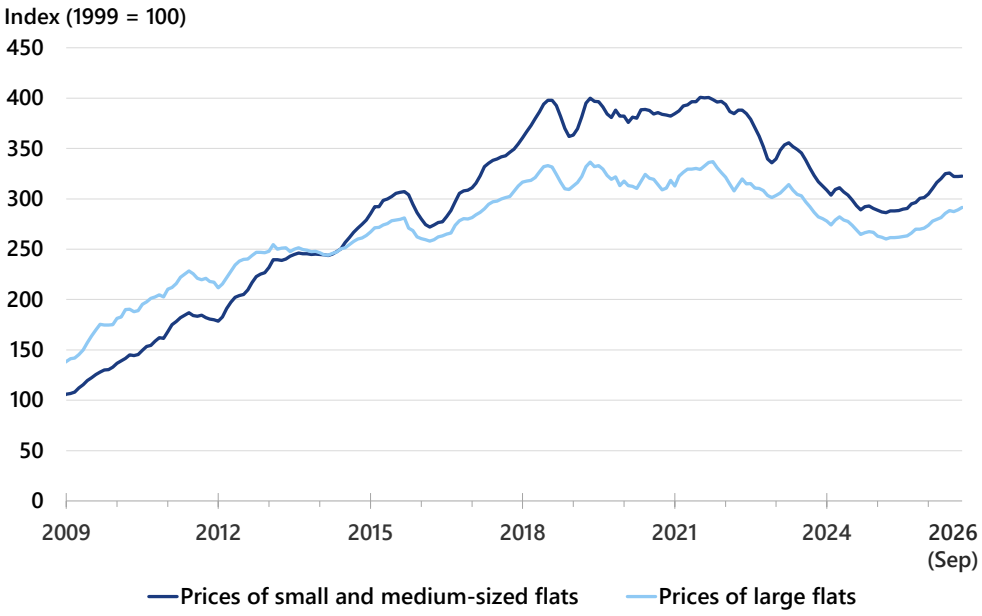
Sources: C&SD and HKMA staff estimates

Hong Kong: Equity market



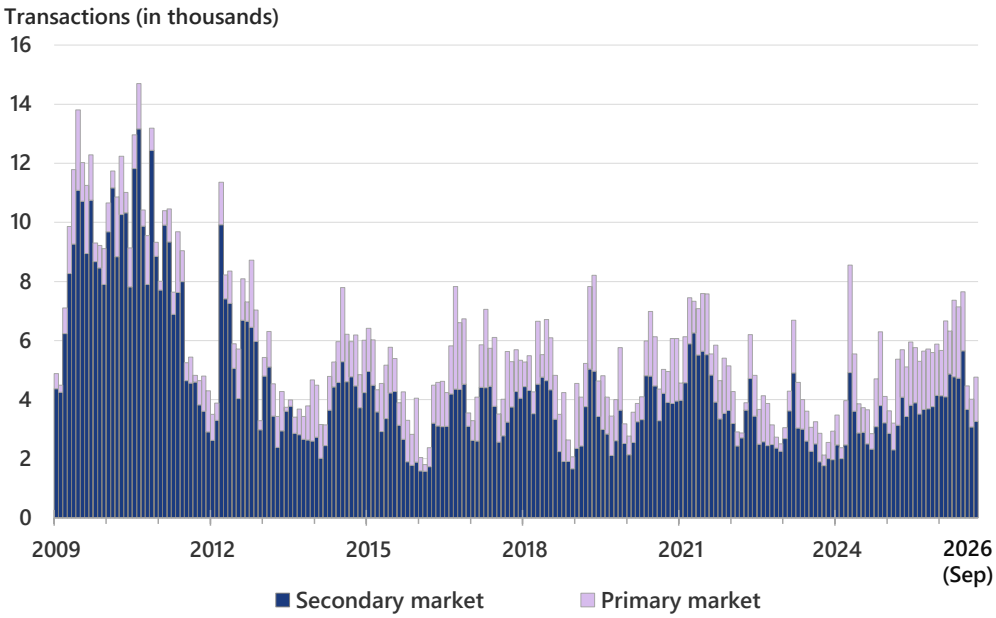
Source: Bloomberg and Hong Kong Exchanges and Clearing Limited (HKEX)

Hong Kong: Residential property prices



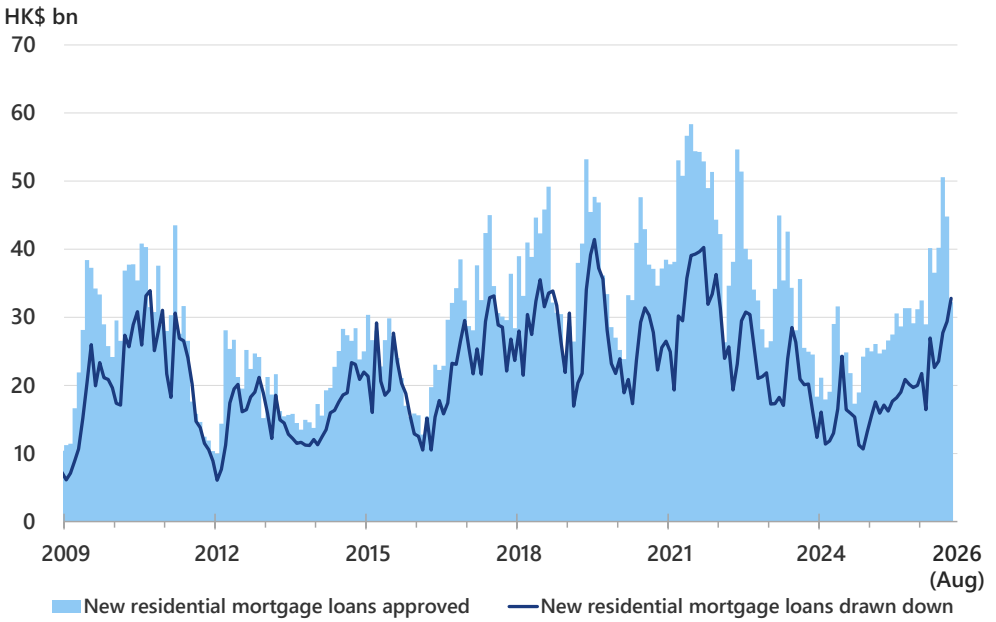
Source: Rating and Valuation Department (R&VD)

Hong Kong: Transaction volumes in the primary and secondary residential property markets



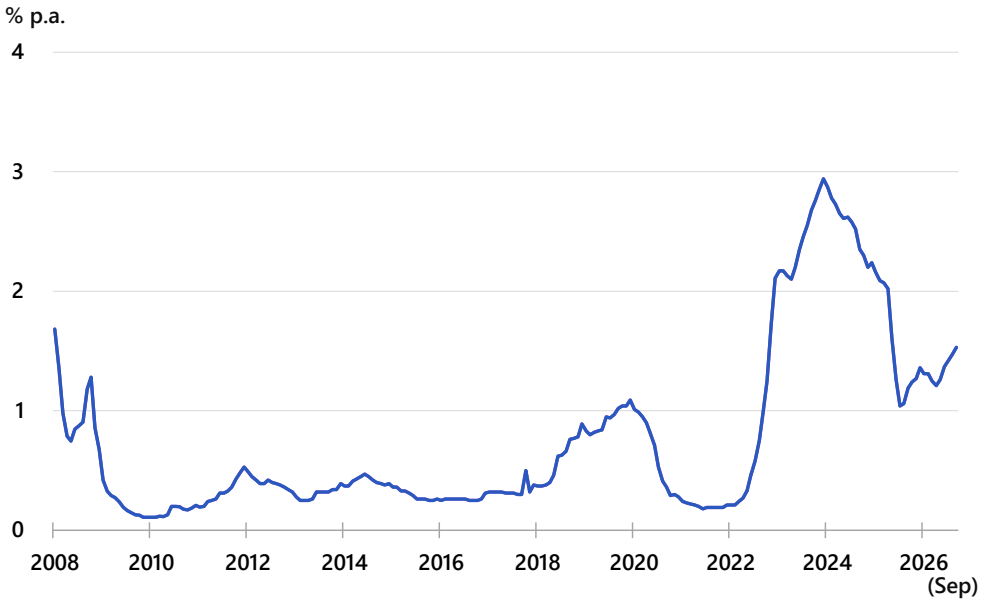
Source: Land Registry

Hong Kong: New residential mortgage loans



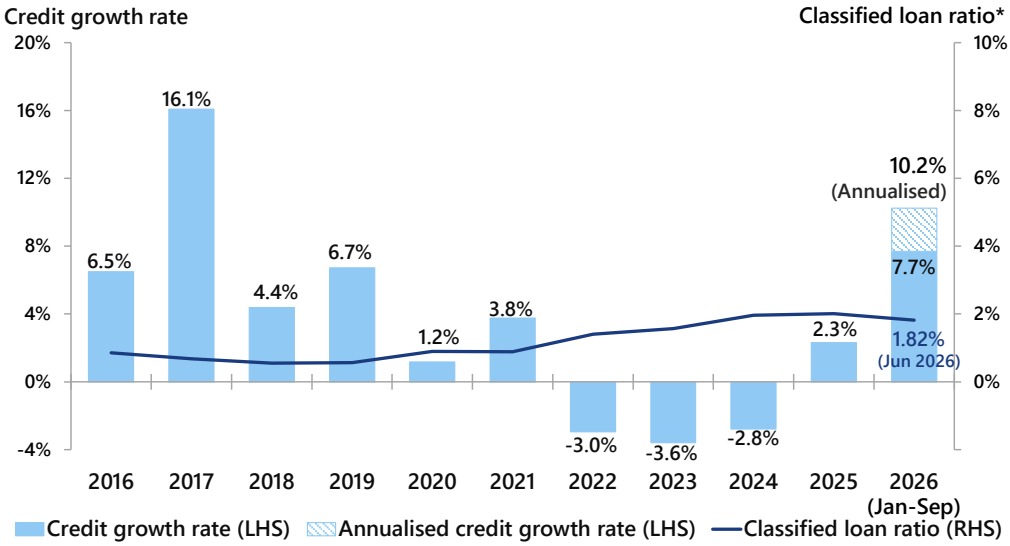
Source: HKMA

Hong Kong: Composite interest rate



Source: HKMA

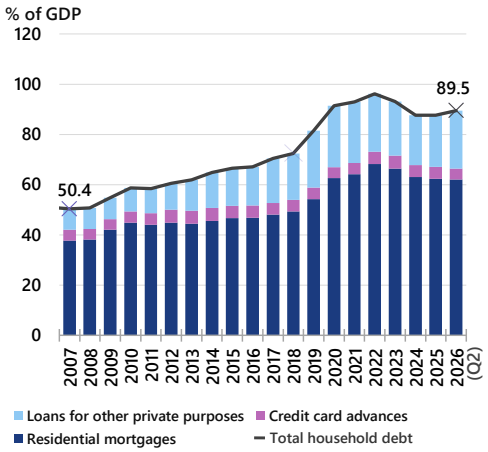
Hong Kong: Loan growth and asset quality



* Classified loan ratio of all authorized institutions
Source: HKMA

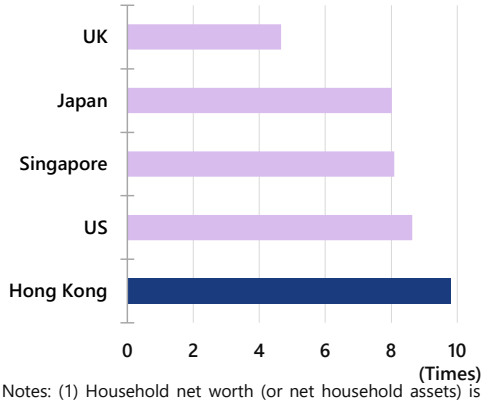
Hong Kong: Household debt

Gross household debt



Note: The majority of the household debts are residential mortgage loans, which are governed by the macroprudential policy framework, as well as collateralised loans to wealth management customers against financial assets.
Source: HKMA

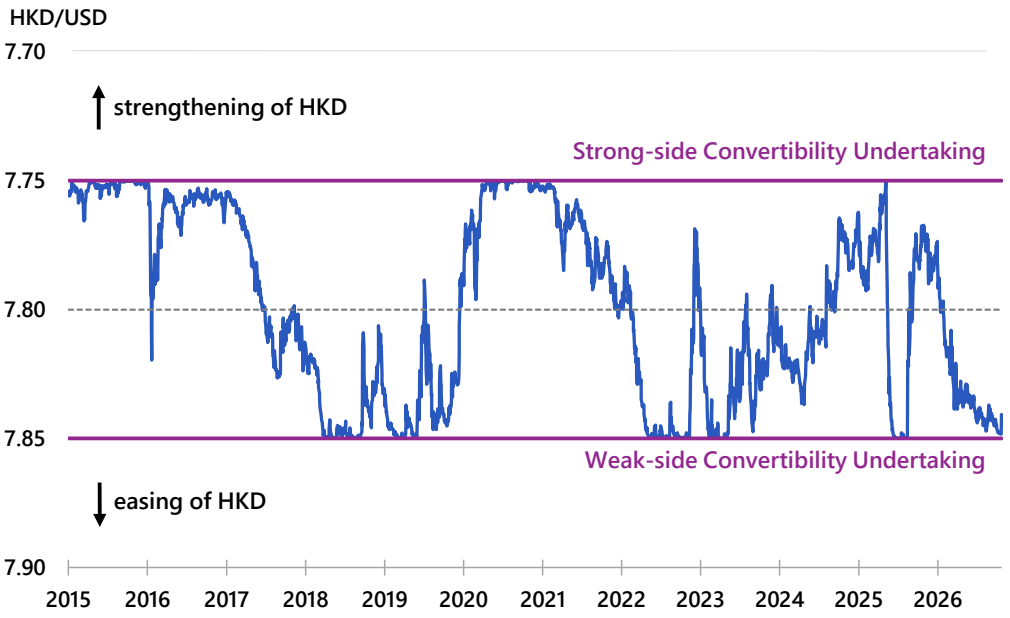
Household net worth-to-liabilities ratio



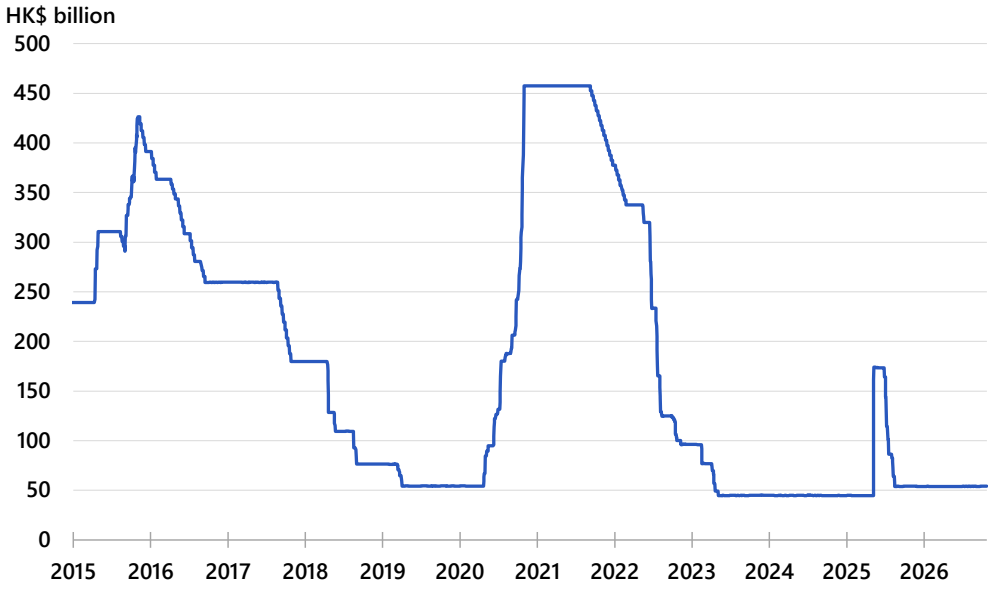
Notes: (1) Household net worth (or net household assets) is the difference between gross household assets and gross household liabilities. (2) Taking Hong Kong as an example, the above number means that Hong Kong household net worth is around 10 times its gross household liabilities. (3) Figures for the US, UK, and Singapore refer to end-2025, while figures for Hong Kong and Japan refer to end-2024.
Sources: HKMA staff estimates and statistical agencies or central banks of selected economies

Currency Stability

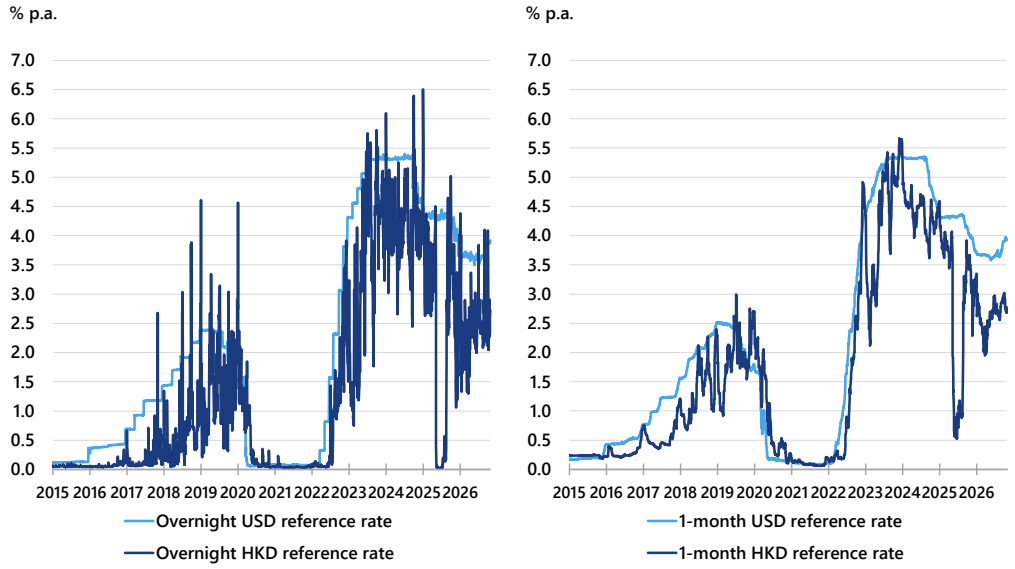
Hong Kong dollar spot exchange rate



Aggregate Balance

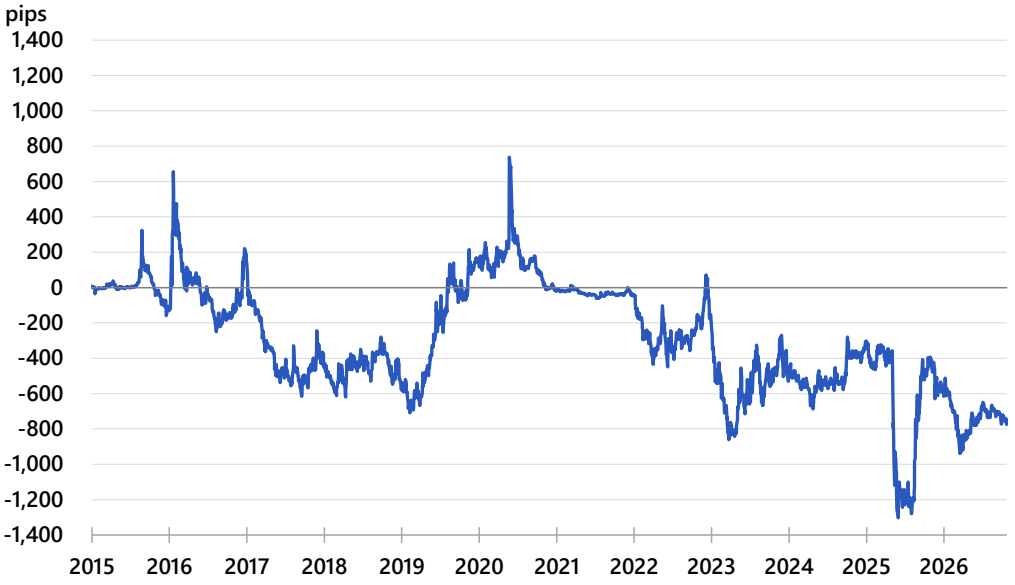


Interest rates



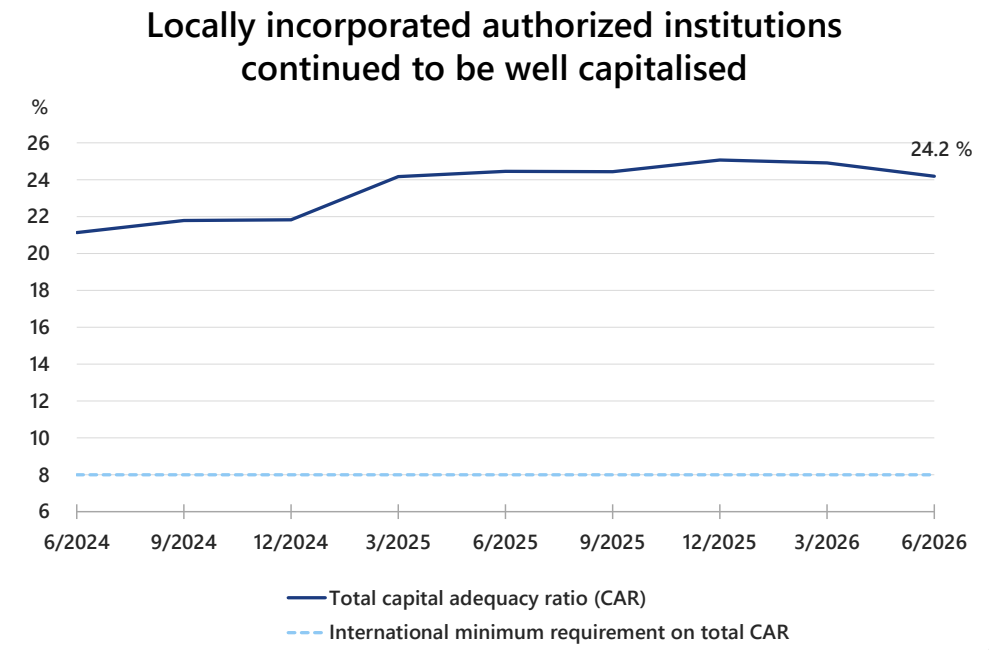
Note: HKD reference rate refers to HKD HIBOR fixing. Before 1 July 2023, USD reference rate referred to USD LIBOR fixing. Since 1 July 2023, USD reference rate has referred to SOFR and 1-month CME Term SOFR.

12-month Hong Kong dollar forward points



Banking Stability

Banking sector performance

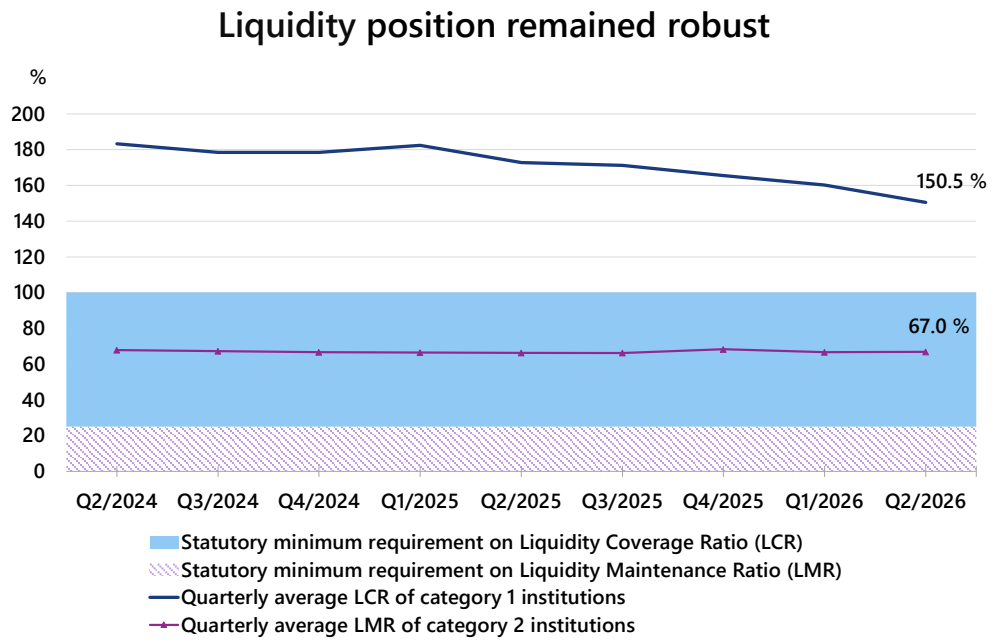


Source: HKMA

- The Hong Kong banking sector maintained a strong capital position, ample liquidity and prudent operations, providing effective protection for depositors.

- The consolidated CAR of locally incorporated authorized institutions stood at 24.2% at end-June 2026, well above the international minimum requirement of 8%.

Banking sector performance

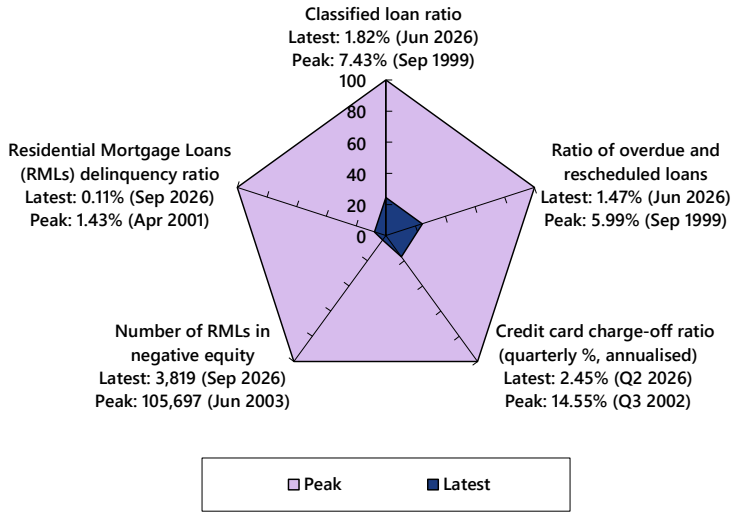


Source: HKMA

- In the second quarter of 2026, the quarterly average LCR of category 1 institutions was 150.5%, well above the statutory minimum requirement of 100%. For category 2 institutions, their quarterly average LMR was 67.0% during the same period, also well above the statutory minimum requirement of 25%.

Banking sector performance

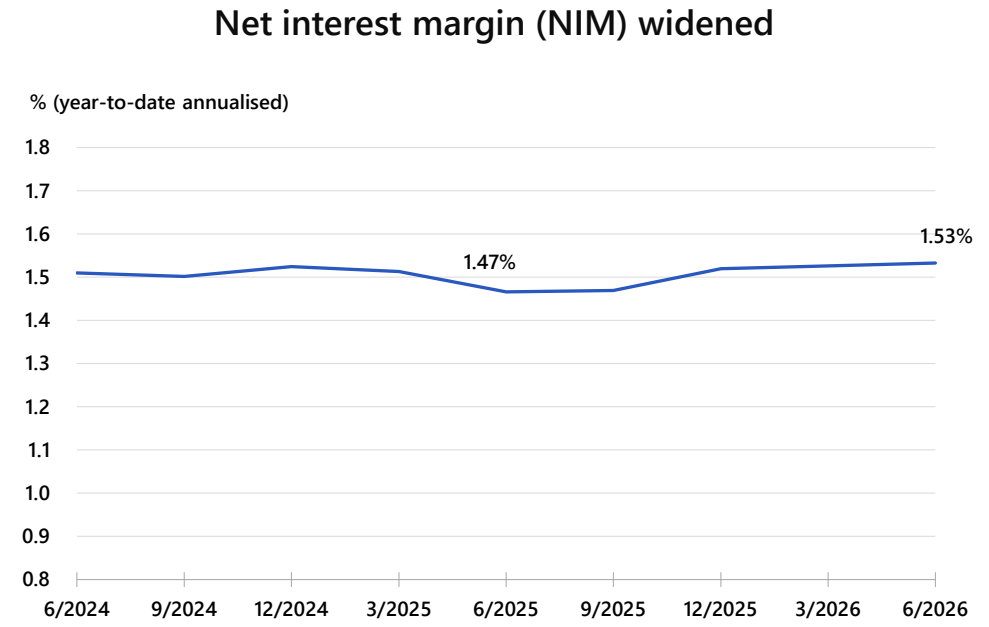
Credit risk stayed manageable



Source: HKMA

- The classified loan ratio of the banking sector decreased to 1.82% at end-June 2026 from 2.01% at end-December 2025.

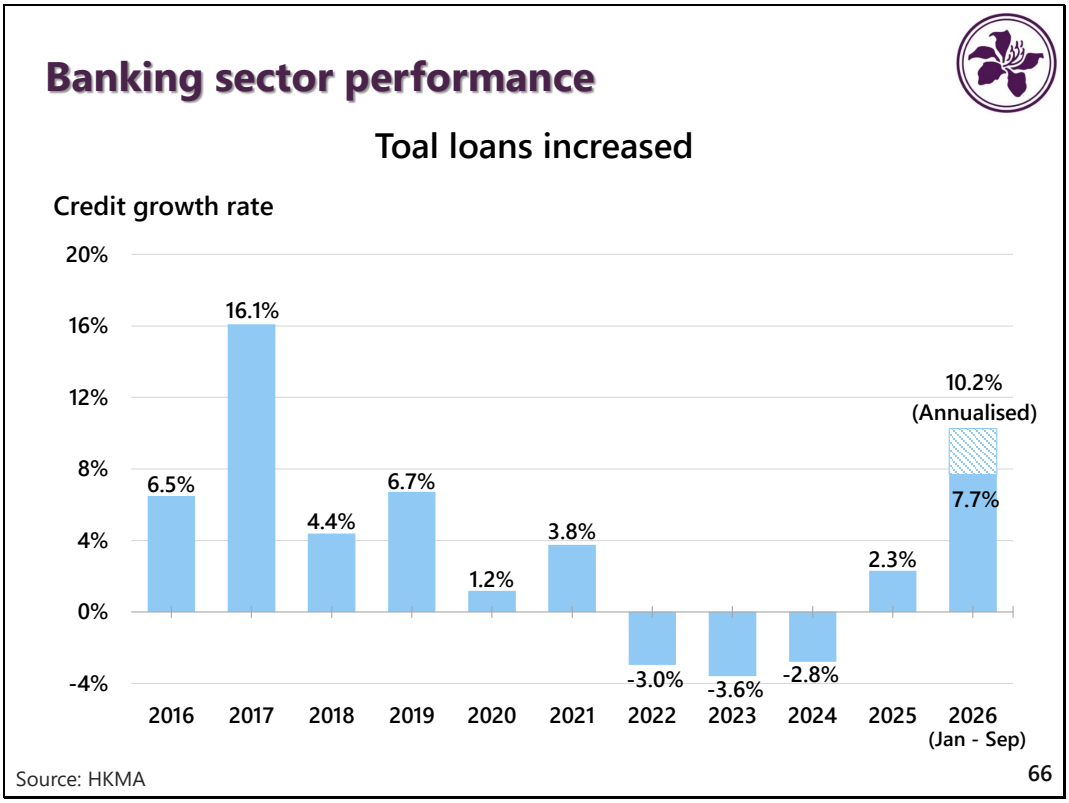
Banking sector performance



Source: HKMA

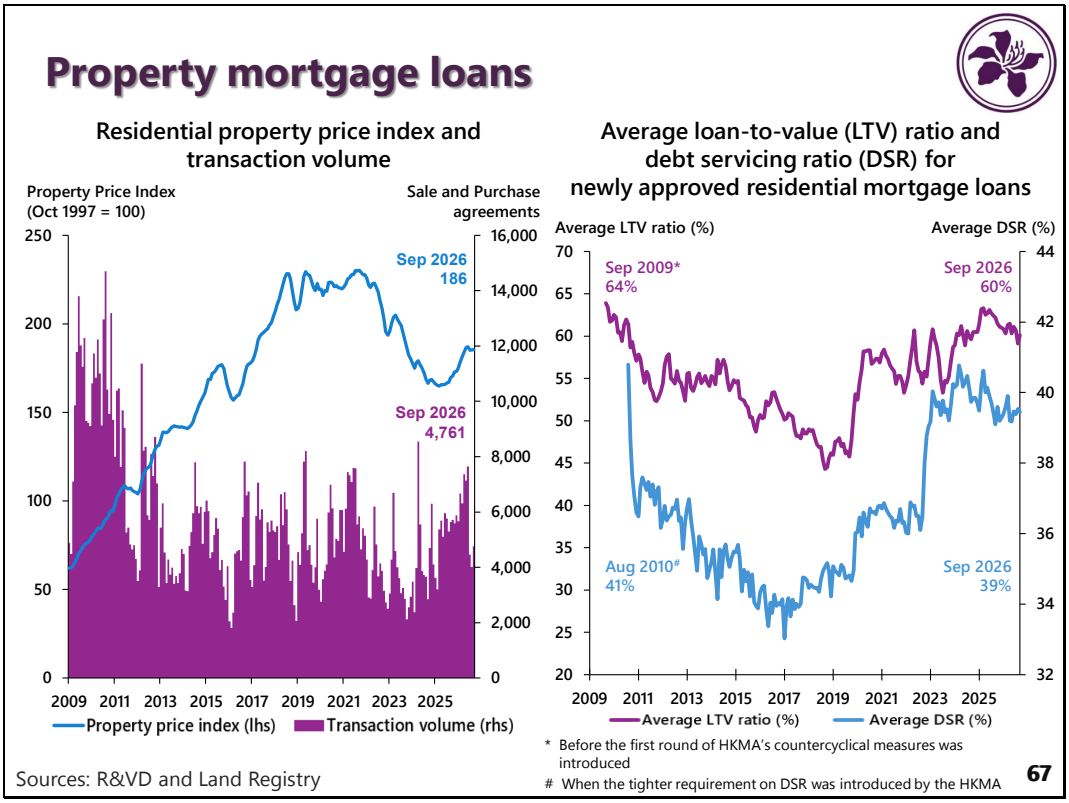
- The NIM of retail banks widened to 1.53% in the first half of 2026 compared with 1.47% in the same period last year.

Banking sector performance



Source: HKMA

- Total loans increased by 7.7% in the first nine months of 2026, and increased by 10.2% on an annualised basis.



Latest statistics on residential mortgage loans (RMLs)

	Monthly average in 2024	Monthly average in 2025	Apr 2026	May 2026	Jun 2026	Jul 2026	Aug 2026	Sep 2026
Number of sale and purchase agreements	4,425	5,236	7,368	7,138	7,650	4,462	4,019	4,761
Number of new RML applications	6,986	7,974	9,541	10,767	12,117	9,212	8,446	7,560
Number of new RMLs approved	5,052	5,930	7,102	8,087	9,526	8,474	6,090	6,240

Latest statistics on residential property prices

Property price index		Period	Property price index
Rating and Valuation Department (10/1997=100)	Latest position	9/2026	185.5
	Recent peak	9/2021	230.2
Centaline (6/7/1997=100)	Latest position	25/10/2026	159.4
	Recent peak	8/8/2021	191.3

Supporting real economy

Northern Metropolis

- The Northern Metropolis Financial Advisory Taskforce convened meetings in June and August to discuss how the banking sector can facilitate the development of the Northern Metropolis through diverse financing models
- The Taskforce established a dedicated Workstream on Public-Private Partnership (PPP) Financing to explore financing arrangements for PPP projects in the Northern Metropolis
- 11 tertiary institutions and 3 park companies will be designated as "Domestic Public Sector Entities" under the banking capital framework to facilitate their efforts to obtain bank financing for the development of related projects

Intellectual Property Financing Sandbox

- First batch of three participating banks have completed credit approvals for seven pilot cases
- Industries: electronics, construction, toy manufacturing and medical device
- Loan amounts: from HK$1 million to HK$39 million

Legislative Proposals

Banking (Capital) (Amendment) Rules 2026

- Aiming to introduce the Rules into LegCo within the first quarter of 2027 for negative vetting
- Target implementation: Q2 2027

Banking Legislation (Miscellaneous Amendments) Bill 2026

- Second reading to resume in November 2026

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Banking (Capital) (Amendment) Rules 2026

- The amendments are mainly to:
  - Align certain capital treatment with the corresponding practices of other jurisdictions (i.e. provide concessionary treatment for a bank's investment in financial subsidiaries in solo capital ratio calculation) or enhance/ clarify certain capital treatment (e.g. the bank could exclude a stablecoin issuer subsidiary of a bank from the consolidated capital ratio calculation (same as the general treatment for securities or insurance subsidiary of a bank) further to the implementation of the regulatory regime for stablecoin issuers in Hong Kong);
  - Implement certain technical amendments to comply with the Basel framework or its interpretative guideline (e.g. treatment of certain credit exposures to individuals where the borrower's repayment obligation and his major source of income are in different currencies); and
  - Designate specific government-related entities, such as Northern Metropolis park companies and funded universities, as Domestic Public Sector Entities to facilitate their access to bank financing for the development of projects related to the Northern Metropolis and other technology-related initiatives.
- We are conducting industry consultation. Our aim is to submit the banking capital rules amendments (together with any consequential amendments to other rules) to the LegCo in the first quarter of 2027, with a view to their taking effect in the second quarter of 2027.

Banking Legislation (Miscellaneous Amendments) Bill 2026*

- The Bills Committee completed clause-by-clause examination of the Bill and second reading will resume in November 2026. Subject to passage of the Bill, the legislative amendments will commence operation in phases starting from 1 January 2027.

* The Bill covers, among others, amendments to the Banking Ordinance in relation to: (i) bank holding companies; (ii) engagement of skilled persons for supervisory purposes; (iii) modernisation of enforcement provisions; (iv) simplification of the three-tier banking system; and (v) technical amendments to reduce compliance burden and enhance regulatory clarity and effectiveness.

Anti-money laundering and counter-financing of terrorism (AML/CFT)

- To consider enhancing the legal framework to bolster the detection and removal of fraudulent content by sectors such as technology and telecommunications
- To develop a payment data analytics platform to help combat fraud
- Updated guidance on risk-based AML/CFT controls for politically exposed persons

Resolution regime

- Finalised and issued Code of Practice chapters on valuation in resolution
- Enhanced resolution readiness of domestic systemically important banks (D-SIBs) and other large banks through liquidity and operational testing

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- Following industry consultation, the Monetary Authority issued on 24 July 2026 VIR-1 "The HKMA's Approach to Valuation in Resolution" and VIR-2 "Valuation in Resolution Capabilities", two new chapters of the Code of Practice, pursuant to section 196 of the Financial Institutions (Resolution) Ordinance (FIRO). VIR-1 outlines the valuations required under the FIRO and sets out how the valuations are generally anticipated to be carried out, including the methodologies, process and output. VIR-2 provides guidance on the capabilities and arrangements an AI should put in place to support timely and robust valuation in resolution, as well as the Monetary Authority's approach to implementation.

- Overall, the industry welcomed and supported the policy proposals. Implementation challenges will likely centre around timely data aggregation and the adaptation of risk models for resolution scenarios. Relevant banks prioritised for resolution planning will commence self-assessments and development of work plans to address any gaps identified against the standards.

- As part of bilateral resolution planning programmes, the HKMA enhanced crisis preparedness of large banks through testing activities. In a recent timed test, banks demonstrated capabilities to perform timely projections of liquidity in resolution and other enhanced capabilities, including improved calibration of underlying assumptions, better incorporation of resolution-related costs, effective use of visual aids, and wider eligible collateral pool for using central bank liquidity facilities. Banks also conducted testing to assess their capabilities to manage communication for maintaining operational continuity amidst risks of termination by essential service providers and critical bank staff resignation under a resolution scenario.

Green and Sustainable Banking

- Prototype of Phase 2B Hong Kong Taxonomy for Sustainable Finance was published for public consultation in September 2026. Analysing the feedback received to inform the finalisation of Phase 2B Taxonomy
- Issued the finalised transition planning guidelines for the banking sector in September 2026, following two rounds of industry consultations
- Undertaking preparatory work to align disclosure requirements for the banking sector with international standards

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- The HKMA launched a public consultation on the prototype of Phase 2B Hong Kong Taxonomy for Sustainable Finance in September 2026. Phase 2B adds 10 new mitigation activities that are critical to supporting the region's low-carbon transition, together with re-categorisation of some Phase 2A activities, increasing the number of economic activities in the Taxonomy from 25 to 39. With regards to climate change adaptation, Phase 2B introduces a process-based approach for assessment and adds 24 adaptation measures, bringing the total to 28 measures. The public consultation concluded in October 2026. The HKMA is analysing the feedback received to inform the finalisation of Phase 2B Taxonomy.

- To assist banks in addressing the economy's net-zero transition and managing the associated risks and opportunities more properly, the HKMA issued the finalised transition planning guidelines for the banking sector in September 2026, following two rounds of industry consultations.

- Following the launch of the Roadmap on Sustainability Disclosure in Hong Kong by the Government in December 2024, the HKMA has been working towards aligning the local sustainability disclosure requirements for the banking sector with international frameworks and standards, including the International Financial Reporting Standards – Sustainability Disclosure Standards (i.e. ISSB Standards) and the Basel Committee on Banking Supervision's disclosure framework for climate-related financial risks. The HKMA has been working to analyse the sustainability disclosure landscape, understand key challenges and identify sound practices of the industry, to inform the policy formulation process.

Financial inclusion

- Banks are continuing to implement measures to enhance elderly-friendly and barrier-free banking services
- Maintaining communication with the banking industry on account opening and maintenance
- Working with the industry to expand banking network coverage in new development areas in Hong Kong

- The HKMA has worked closely with the Hong Kong Association of Banks to issue two sets of industry guidelines in January 2026, including the *Guideline on Elderly-friendly Banking Services*, and the second edition of the *Practical Guideline on Barrier-free Banking Services*. We have been closely monitoring banks' implementation of the recommended measures. Since the guidelines were introduced, banks have been taking steps to implement measures to enhance elderly-friendly and barrier-free banking services. Banks have also organised financial education activities to help elderly customers enhance their financial literacy and digital skills.

- The HKMA has continued to maintain a close dialogue with the banking industry on matters relating to bank account opening and maintenance. The HKMA's dedicated email and hotline channels remain available to address enquiries from the public and business community, with appropriate follow-up where necessary.

- As the population in new development areas is expected to grow, the HKMA has been encouraging banks to consider residents' banking needs in these areas when planning their distribution network. It is encouraging to note that some banks have recently set up physical banking facilities in public housing estates of new development areas, further enhancing banking network coverage to provide convenient services.

Banking consumer protection

- Implementing the cross-sector reference checking arrangement between the banking and insurance sectors in phases
- Supporting the Financial Services and the Treasury Bureau (FSTB) in enhancing regulation of licensed money lenders

- The HKMA and the Insurance Authority issued a joint circular on 13 May 2026 to announce the implementation of the cross-sector reference checking arrangement between the banking and insurance sectors ("cross-sector arrangement") in phases. Phase 3A of the cross-sector arrangement has taken effect from 1 July 2026, covering the appointment of all individual insurance intermediaries engaged in long term insurance business by authorized institutions and insurance entities.

- The HKMA supports the FSTB's recommendations to enhance regulation of licensed money lenders. The FSTB issued its consultation conclusions on 13 March 2026, which included requirements for all money lenders engaged in unsecured personal loans to contribute data to Credit Data Smart (CDS), and for money lenders of a certain size or engaged in certain businesses to participate in the CDS. The HKMA and the FSTB will work closely together to take forward the implementation.

Banking investor protection

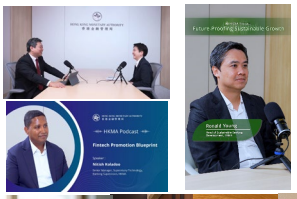
- Issued a circular on the requirements on remuneration structures of banks for the sale of participating policies with regular payment terms
- Launched another round of joint inspection on premium financing with the Insurance Authority (IA) in light of the significant increase in premium financing business in the first half of 2026; also reviewing banks' practices regarding the sale of insurance products to elderly and other vulnerable customers
- Issued a circular in respect of sale and distribution of private market investment products
- Issued updated guidance on investor protection measures for digital asset-related activities, including relevant stablecoin-related activities
- Issued guidance on expected controls for account opening and maintaining relationships with clients with investment accounts

- With reference to the IA's practice note issued in July 2025 on remuneration structures of authorized insurers for licensed insurance intermediaries for participating policies, the HKMA proposed comparable requirements on banks, taking into account the unique business model of the bancassurance channel. After further consultation with the banking industry, the HKMA issued a circular on 5 June 2026 to set out the finalised requirements on remuneration structures of banks in the sale of participating policies with regular payment terms.

- The HKMA and the IA respectively issued a circular in August 2026 on observations relating to insurance business conducted with the use of premium financing. Among others, the HKMA and the IA announced that another round of joint inspection on premium financing activities would be conducted in the second half of 2026. The HKMA is also reviewing banks' practices in relation to their sale of insurance products to elderly and other vulnerable customers to assess whether transactions involving such customers have been conducted in an appropriate manner.

Public education and social media

- Following the launch of the original character "Lachachu", the HKMA rolled out a series of innovative community engagement initiatives, and adopted artificial intelligence (A.I.) technology to produce a lively music video "Confronting Lachachu". The anti-fraud awareness campaign won the Gold Award at the PR Awards 2026 for both "Best Use of Tech/A.I." and "Best PR Campaign – Government/Public Services"
- Set up a "Money Management & Fraud Prevention" booth at the Hong Kong Book Fair, and launched the "Scam-Busting Dance" and a web game to promote anti-fraud messages in a more interactive manner
- Leveraged A.I. to produce engaging original anti-scam micro-dramas (topics including deepfake and investment scams) with reduced production cost and time, achieving over 5 million views
- Launched a brand-new podcast to broaden outreach channels for policy dissemination and institutional work promotion (e.g. Half-Yearly Monetary & Financial Stability Report, Fintech Promotion Blueprint, and Hong Kong Green Week). This new format is designed to boost communication impact and amplify public engagement
- Bringing together industry leaders and expert guests from the Hong Kong Green Week events to share insights and uploaded the interview video to social media platforms



Financial Infrastructure

Financial infrastructure: overview

Real Time Gross Settlement (RTGS) Systems

- Average daily turnover of the four RTGS Systems in Q3 2026 was HK$1.60 trillion (record high), RMB2.44 trillion, US$103.6 billion and €1.3 billion, respectively

Central Moneymarkets Unit (CMU)

- Provide settlement and custodian services for debt securities. By end-September 2026, total outstanding debt securities safekept by CMU reached about HK$6 trillion equivalent, of which HK$5 trillion equivalent were lodged with CMU
- Support Bond Connect (Q1-Q3 2026)
  - For Northbound Trading: settlement volume reached RMB8 trillion
  - For Southbound Trading: settlement volume reached RMB810.7 billion

Hong Kong Trade Repository

- Collecting over-the-counter derivatives transaction information and providing them to regulatory authorities; by end-September 2026, the number of outstanding transactions reached 7.52 million

Faster Payment System (FPS)

- As of end-September 2026, the number of FPS registrations was 22.04 million (+22% yoy)
- In Q3 2026, average daily turnover for HKD real-time FPS transactions was 2.40 million in volume (+18% yoy) and HK$18.6 billion in value (+6% yoy)
- In August 2026, the HKMC Annuity Limited launched cross-boundary annuity payment services via the Payment Connect

- FPS registrations include: (1) Mobile number: 12.67 million; (2) Email address: 3.21 million; (3) FPS identifier: 4.62 million; and (4) HKID number: 1.53 million.

Development of Central Moneymarkets Unit (CMU)

- To help Hong Kong grasp the opportunities from the continued opening up of the Chinese Mainland financial markets, the CMU has launched and planned for initiatives on various fronts :
  - Establish the Digital Asset Platform by end-2026
  - Launch global securities services in phases, with asset servicing for equities launched in October 2026, following the activation of the direct linkage with SIX of Switzerland in July 2026
  - Strengthen connectivity with markets in Europe and America, the Middle East, Central Asia and ASEAN
  - Enhance CMU Platform with strengthened system capabilities and functionalities, especially in collateral management

- CMU OmniClear Limited (CMU OmniClear) will establish the Digital Asset Platform by end-2026. It will support the issuance and settlement of digital bonds. The platform will also be gradually extended to support other digital assets and link with other tokenisation platforms in the region.

- CMU OmniClear will launch global securities services in phases. CMU officially launched asset servicing for equities under the CMU-SIX linkage in October 2026, following the activation of the direct linkage between the CMU and SIX in July 2026. CMU Members can invest in, settle and hold Swiss and Spanish securities through CMU's nominee account with SIX.

- CMU OmniClear will continue to strengthen its market connectivity to facilitate investors' global asset allocation through the CMU. This will support outbound investment by the Mainland investors, while facilitating direct access to the Mainland and Hong Kong bond markets by overseas investors through CMU.

- CMU OmniClear plans to launch the CMU New Platform in 2027 with strengthened system capabilities and more comprehensive collateral management functionalities, facilitating users' liquidity management.

Latest fintech initiatives (1)

Fintech 2030

- Focusing on four strategic pillars, namely Data and Payment; Artificial Intelligence; Resilience; and Tokenisation, with a comprehensive portfolio of over 40 initiatives

Tokenisation

- Project Ensemble: Advancing Ensemble^{TX} to support the interbank settlement of tokenised deposit transactions in Central Bank Digital Currency (CBDC) on a 24/7 basis, and will collaborate with a broader group of participating banks and industry pioneers to explore more tokenisation use cases, aiming to accelerate the transition of tokenisation initiatives from pilot to commercialisation

- To explore the feasibility of tokenising Exchange Fund papers, the HKMA proceeded with phased testing, by tokenising some issues of Exchange Fund Bills (EFBs) and facilitating Recognised Dealers in successfully completing secondary market trades of the tokenised EFBs. The HKMA will expand the pilot to test a series of processes and operations related to the tokenisation of Exchange Fund papers, with a view to evaluating the merits and challenges of tokenised operation of EFBs

Fintech 2030

- Building on the momentum of "Fintech 2025", "Fintech 2030" focuses on four strategic pillars, collectively known as "DART", with a comprehensive portfolio of over 40 initiatives:
  - Creating Next-generation **D**ata and Payment Infrastructure
  - A New Holistic **A**rtificial Intelligence Strategy
  - Enhancing Business, Technology and Quantum **R**esilience
  - **T**okenisation of Finance

Project Ensemble

- Project Ensemble aims to explore the broader application of tokenisation in finance, bringing together leading experts and industry pioneers to collaboratively design and implement a robust tokenisation ecosystem for Hong Kong. It also explores innovative financial market infrastructure that will facilitate seamless interbank settlement of tokenised money.

- Since August 2024, the HKMA has been operating the Ensemble Sandbox, allowing industry participants to test end-to-end tokenisation use cases using experimental tokenised deposits. These experimental use cases covered four key areas: Fixed income and investment funds; Liquidity management; Green and sustainable finance; and Trade and supply chain finance.

- Building on the successful experimentation stage, the HKMA launched the Ensemble^{TX} in November 2025, i.e. the pilot phase of Project Ensemble, enabling participating banks and industry players to carry out real-value transactions in tokenised Hong Kong dollar deposits and digital assets within a controlled pilot environment.

- The HKMA is advancing Ensemble^{TX}. The initial focus of Ensemble^{TX} is on empowering market participants to utilise tokenised deposits in tokenised money market fund transactions, and to manage liquidity and treasury needs in real time. Its aim is to accelerate the transition of tokenisation initiatives from pilot to commercialisation.

Latest fintech initiatives (2)

Commercial Data Interchange (CDI)

- Since its official launch, CDI has facilitated more than 125,000 loan applications and reviews, with an estimated credit approval amount exceeding HK$106 billion as of end-September 2026
- The HKMA launched the Cargo^{X} Pilot Programme in May 2026. Through a series of innovative projects with 21 participating banks, the HKMA takes deep dives into cargo and trade data use cases leveraging CDI
- The Cargo^{X} Solution Day was held in October 2026, showcasing the innovations in enhancing regional trade data connectivity under the Pilot Programme. Key highlights include:
  - Linking CDI with the digital trade platform developed by the Shanghai Data Bureau through "Cargo^{X} Connect"
  - Signing a Memorandum of Understanding with the PAA Digital Trade Alliance

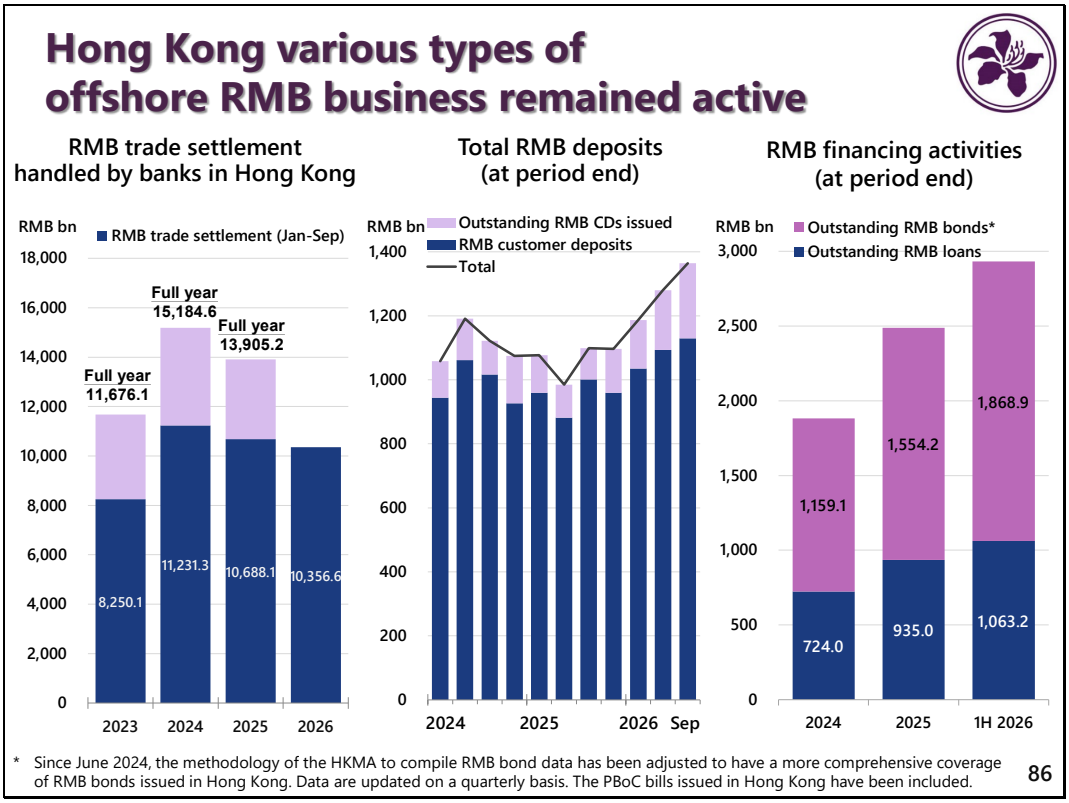
Stored value facilities (SVFs)

- SVF usage in Q2 2026:
  - Average daily transaction number: 24.22 million
  - Average daily transaction value: HK$2,909 million

Regulatory development of the over-the-counter (OTC) derivative market

- The HKMA and the Securities and Futures Commission jointly issued a consultation paper in January 2026 and the conclusion paper in June 2026, proposing to standardise calculation periods to improve the operational efficiency of the Clearing Rules
- Under the Clearing Rules, a prescribed person is required to clear a specified OTC derivatives transaction through a designated central counterparty, if the average volume of its OTC derivative transactions during a calculation period (each lasting three consecutive months) reaches the prescribed clearing threshold. The proposed amendment would provide greater certainty for derivatives dealers in identifying calculation periods to ensure compliance
- Respondents generally supported the proposal. The proposed Clearing Amendment Rules will be tabled before LegCo and gazetted in November 2026, and implemented in March 2027

Hong Kong as an International Financial Centre



- As at end-September 2026, RMB customer deposits and outstanding RMB certificates of deposit (CDs) amounted to RMB1,129.9 billion and RMB234.0 billion respectively, totalling RMB1,364.0 billion.

Supporting the development of the FIC market and enhancing financial connectivity between Hong Kong and the Chinese Mainland

- On 7 July 2026, the HKMA, the People's Bank of China and the Securities and Futures Commission announced a series of new measures to deepen the financial co-operation between Hong Kong and the Chinese Mainland, and support the development of Hong Kong's fixed income and currency (FIC) market, including:
  - Supporting the collaboration of financial infrastructure institutions in Hong Kong and the Chinese Mainland to develop a Hong Kong FIC electronic trading platform;
  - Further enhancing and expanding the Southbound Bond Connect;
  - Supporting the inclusion of onshore bonds issued by the Ministry of Finance and Mainland policy banks that are held under Northbound Bond Connect as eligible margin collateral at the HKFE Clearing Corporation and the SEHK Options Clearing House;
  - Enhancing the Northbound Bond Connect operational arrangement to extend the settlement time to improve efficiency;
  - Further enhancing the Swap Connect to include the interbank 7-Day Fixing Depository-Institutions Repo Rate (FDR007) as a reference rate; and
  - Supporting the launch of 5-Year China Government Bond Futures by Hong Kong Exchanges and Clearing Limited in Hong Kong on 3 August 2026

Hong Kong as offshore RMB business hub (1)

- The RMB Business Facility (RBF) continued to receive very positive response from banks. As usage of the facility continued to increase, the RBF was further expanded to RMB500 billion in July 2026, with loan tenors being extended to include 9-month, 2-year, and 3-year terms
- These enhancements to the RBF serve to support market development needs, provide RMB liquidity in a timely and sufficient manner, support banks to further develop their RMB business, facilitate the wider use of RMB in the real economy, and radiate RMB from Hong Kong to around the globe
- To date, the RBF has successfully channelled offshore RMB funds to 14 jurisdictions such as the ASEAN, the Middle East, South America, and Europe, further enhancing Hong Kong's unique advantages and role as the global offshore RMB business hub

Hong Kong as offshore RMB business hub (2)

- The HKMA is preparing to introduce a tendering mechanism of 7-day offshore RMB liquidity in addition to existing liquidity facilities to serve as a short-term RMB funding backstop for banks
- The HKMA will explore the issuance of offshore RMB short-term debt instruments to provide the market with more high-quality liquidity management products and to support the building of the offshore RMB yield curve

Developing the asset and wealth management industry

- Hong Kong's private equity industry has remained robust, with approximately US$250 billion* of total capital under management as at end-June 2026. Take-up of the limited partnership fund regime continued to increase — 2,040 funds had been established as at end-August 2026

- To enhance Hong Kong's status as an international asset and wealth management hub, the HKMA is working with Government agencies and financial regulators on various initiatives, including reviewing the existing tax concession measures applicable to funds, single family offices and carried interest. The Legislative Council is vetting the relevant Amendment Bill. If approved, the relevant measures will apply retroactively from the year of assessment 2025-26

* Source: Asian Venture Capital Journal

Supply chain finance and corporate treasury business

- In collaboration with Government agencies and other stakeholders, the HKMA is working to enhance the competitiveness of Hong Kong's financial industry amid global supply chain reconfiguration. Specific measures include:
  - Embracing digital trade: The HKMA is participating in the Government's legislative amendment exercise to facilitate digitalisation of "Business-to-Business" trade documents. Legislative proposal will be submitted to the Legislative Council before the end of 2026. Meanwhile, through Project Cargo[x], the HKMA aims to enhance the digital ecosystem for trade finance by leveraging cargo and trade data
  - Encouraging corporates to set up treasury centres in Hong Kong: The HKMA and Government agencies launched an Action Plan in June 2026 covering various initiatives. Formal industry consultation on the proposed enhanced tax concessions ended in September 2026, and the relevant legislative proposal will be introduced into the Legislative Council in the first half of 2027

Developing the bond market (1)

- The HKMA, the Securities and Futures Commission, Hong Kong Exchanges and Clearing Limited, and Bond Connect Company Limited jointly organised the Hong Kong FIC & Bond Connect Summit on 7 July 2026, bringing together over 650 senior policymakers, regulators, and global issuers to discuss the future direction of Hong Kong's fixed income and currency (FIC) markets
- Pursuant to Legislative Council's passage of the relevant resolution in May 2026, the combined borrowing ceiling of the Infrastructure Bond Programme and the Government Sustainable Bond Programme has been raised to HK$900 billion
- The HKMA is supporting the Government in implementing the 2026-27 bond issuance plan, with a target issuance size of around HK$160 billion:
  - May 2026: Issued around HK$27.6 billion worth of institutional green and infrastructure bonds, including the second batch of 30-year HKD bond and the third batch of 20-year and 30-year RMB bonds
  - September 2026: Issued the latest batch of HK$55 billion Silver Bond under the retail part of the Infrastructure Bond Programme, providing senior citizens with an investment option with steady returns
  - Continuing to regularly issue HKD and RMB Government institutional bonds via the tender arrangement, promoting the formation of yield curves

Developing the bond market (2)

- The HKMA assisted the Government in issuing a digital bond for the fourth time in September 2026, with an issuance size of around HK$20 billion equivalent, marking the world's largest digital bond to date. Following the integration of tokenised central bank money as an option last year, we incorporated HKD tokenised deposits into the primary issuance settlement process, further advancing innovation in the bond market. The HKMA will continue to assist the Government to issue digital bonds regularly to provide the market with a steady supply of high quality issuances
- The HKMA will continue to promote the broader adoption of tokenisation technology in capital markets, through:
  - Encouraging digital bond issuances via the Digital Bond Grant Scheme;
  - Exploring policy measures, market practices and innovations via the Tokenised Bond Expert Group; and
  - Working with the Government to explore potential enhancements that can further facilitate the use of distributed ledger technology in the Hong Kong fixed income market. As one of the enhancements, the Government provided guidelines in June 2026 to clarify that registers of debenture holders can be kept in the form of a distributed ledger

Developing a commodity trading ecosystem

- The HKMA actively participates in the Joint Working Group on Commodity Trading ("Working Group") in developing Hong Kong's commodities markets. At the first meeting of the Working Group on 30 September 2026, the HKMA presented findings and recommendations based on its internal research. The Working Group will continue to follow up, with a view to formulating a clear development roadmap to build an internationally competitive commodities trading ecosystem for Hong Kong
- On the development of an international gold trading market, the HKMA is exploring the possibility of increasing the Exchange Fund's gold holdings and participating in Hong Kong's spot and futures markets. The HKMA is also considering gradually transferring its physical gold holdings to designated vaults appointed by the Hong Kong Precious Metals Central Clearing Company Limited

Promoting green and sustainable finance (1)

- Total green and sustainable debt instruments issued in Hong Kong exceeded US$76 billion in 2025*, of which the volume of green and sustainable bonds arranged in Hong Kong amounted to US$37.7 billion, capturing 40% of the Asian market
- The HKMA continues to administer and promote the Green and Sustainable Finance Grant Scheme to attract more green and sustainable financing activities to Hong Kong. The scheme has been well received by the market. As of September 2026, it has provided financial support for around 720 green and sustainable debt instruments issued in Hong Kong, with a total underlying issuance volume of over US$200 billion

* Source: HKMA staff estimates based on statistics from ICMA and LoanConnector

Promoting green and sustainable finance (2)

- Through active implementation of the 2026-28 strategic priorities of the Green and Sustainable Finance Cross-Agency Steering Group (CASG), the HKMA promotes the development of the sustainable finance market. This includes organising the Hong Kong Green Week to raise Hong Kong's profile as a sustainable finance and knowledge hub
  - The third edition of the Hong Kong Green Week (7–11 September 2026) attracted over 100 local and international organisations from both public and private sectors to host around 60 events. It recorded over 15,000 attendances from business leaders, policymakers, and investors worldwide, who spoke highly of the depth and diversity of the events and their focus on practical actions
  - During this edition, the HKMA and the Dubai Financial Services Authority co-hosted the third Joint Climate Finance Conference and announced the establishment of a Strategic Working Group together with Hong Kong Exchanges and Clearing Limited and Nasdaq Dubai, which aims to deepen collaboration between the two regions in areas such as financial market connectivity and innovation

- The CASG aims to co-ordinate the management of climate and environmental risks to the financial sector, accelerate the growth of green and sustainable finance in Hong Kong and support the Government's climate strategies. Members include the Accounting and Financial Reporting Council, the Financial Services and the Treasury Bureau, the Environment and Ecology Bureau, the Hong Kong Exchanges and Clearing Limited, the Insurance Authority, and the Mandatory Provident Fund Schemes Authority.

- The CASG 2026-28 strategic priorities can be accessed at https://www.sustainablefinance.org.hk/storage/uploads/4ce0466f-6c89-4bd7-888f-2dabd6c14f3d/CASG_2026-28-Priorities_%20en.pdf

Outreach and hosting of international meetings (1)

- The HKMA further strengthens bilateral co-operation with the central banks in key Southeast Asian markets such as Malaysia, Indonesia and Thailand, with a view to harnessing industry-wide efforts in support of the Mainland's "going global" strategy
- On 2 October 2026, the HKMA held a high-level bilateral meeting with the Bank Negara Malaysia in Hong Kong. The two institutions agreed to strengthen bilateral collaborations in the following areas: fintech and digital asset innovation, cross-border regulatory collaboration, local currency usage and infrastructure linkages, and capital market connectivity
- On 15 October 2026, the International Monetary Fund and the HKMA jointly held a high-level roundtable in Bangkok, bringing together senior officials from central banks and ministries of finance from the Middle East, Central Asia and the Caucasus. Discussions focused on the region's investment and financing needs, highlighting how Hong Kong's financial ecosystem can support them

Outreach and hosting of international meetings (2)

- The HKMA has been stepping up its outreach efforts to promote Hong Kong's financial services platform, and to keep overseas and Mainland stakeholders informed of the emerging opportunities in Hong Kong's financial market, with a view to attracting more capital, talents, and investment activities to Hong Kong. Specifically –
  - Among the developed markets, we have so far covered the US, Canada, UK, Switzerland and some other European countries this year, and engaged financial leaders with updates on Hong Kong's IFC developments. We also leveraged roadshows for the Government bond issuances, as well as speaking engagements at events to attract global investors who are seeking to diversify their portfolios with exposure to China via Hong Kong
  - For emerging markets like the Middle East, central banks and sovereign investors are the primary focus of the outreach effort. In February 2026, the Central Bank of the UAE formally joined our Central Moneymarkets Unit, giving the UAE investors direct, cost-effective access to the Chinese Mainland's debt capital markets and financial assets, leveraging Hong Kong's established financial infrastructure
- In August 2026, the HKMA hosted the fourth Financial Leadership Training Program in Hong Kong jointly with three other international organisations, bringing together over 35 senior representatives from central banks, ministries of finance and related government agencies from the region to exchange views on topical issues including artificial intelligence, transition finance and financial digitalisation.
- Preparations are underway for the fifth Global Financial Leaders' Investment Summit to be held on 2–4 November 2026

Digital finance

- Following the implementation of the Stablecoins Ordinance, the HKMA granted two stablecoin issuer licences in April 2026
- The two licensees launched their stablecoins in August and October 2026 respectively, and are actively launching different use cases covering retail payment, asset management, cross-border payment, corporate treasury management, etc.

Hong Kong Academy of Finance (AoF)

- **Financial leadership development:** High-level events were held, bringing together experts, scholars and financial professionals from international and local institutions to discuss global economic and financial topics. Key events included:
  - Distinguished Speaker Series Seminars featuring
    - Georges Elhedery, Group CEO of HSBC (21 May 2026)
    - Christian Noyer, Honorary Governor of Banque de France (17 June 2026)
- **Financial Leaders Programme:** High-level seminars and dialogue sessions were held for the 2026 cohort, comprising 22 senior executives from across the financial industry
- **Research and knowledge exchange activities:** The Hong Kong Institute for Monetary and Financial Research released nine papers on monetary and financial research topics in the past six months; and held key events including:
  - 13–14 July 2026: Joint Conference with the Bank for International Settlements and the International Monetary Fund on Global Interconnections and Financial Stability
  - 12–13 October 2026: The 16th Annual International Conference on the Chinese Economy, themed "Beyond the Cycle: Growth, Innovation and Resilience of the Chinese Economy"

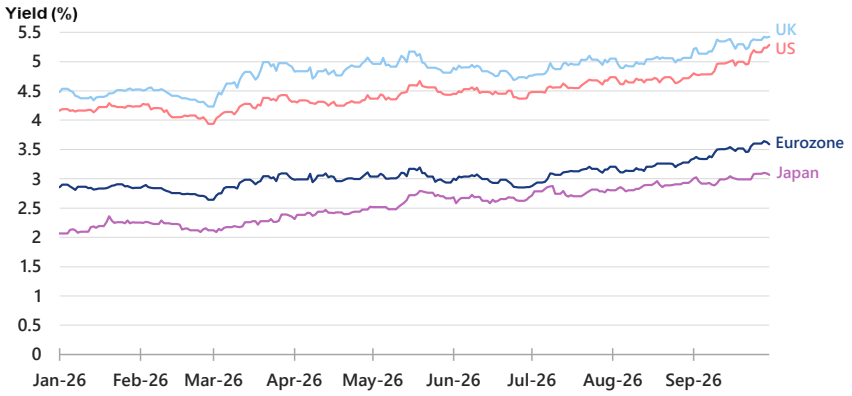
Investment Environment and Performance of the Exchange Fund

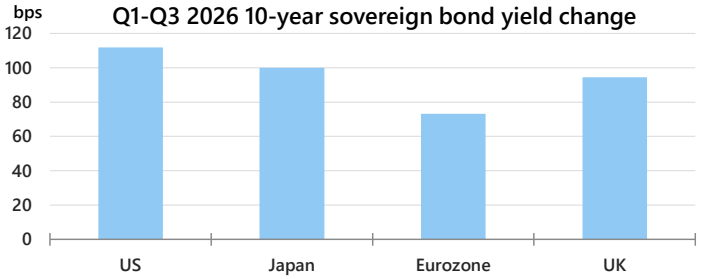
Investment environment in Q3 2026

Global financial markets remained volatile in Q3 2026, as energy prices and inflation in major economies stayed at relatively high levels amidst lingering geopolitical tensions in the Middle East. Uncertainties over interest rate outlook and global economic growth also increased:

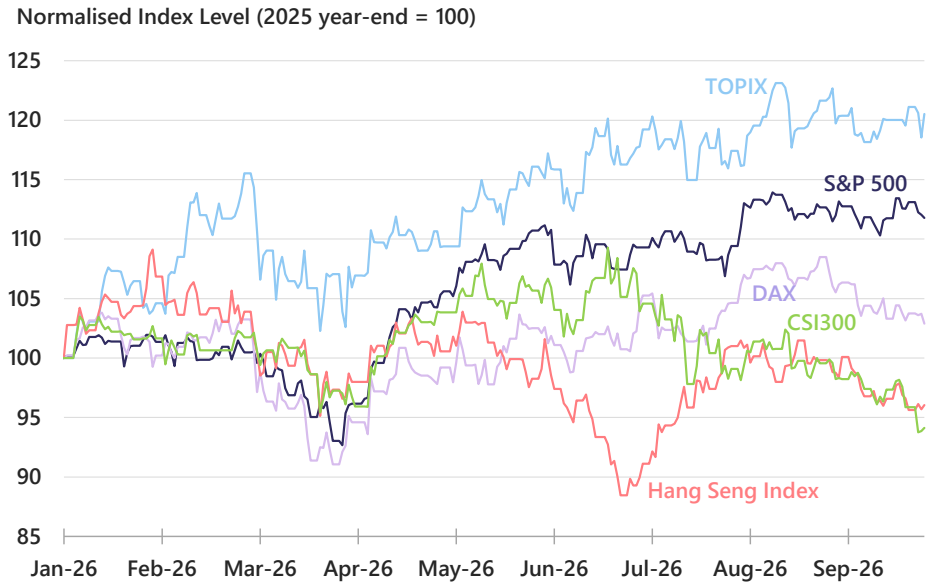
- **Rising interest rates:** The US Fed raised the policy rate by 25 basis points in September, its first rate hike in three years. The market also became increasingly concerned about the fiscal positions of major economies and the determination of certain major central banks in tackling inflation. Major government bond yields rose. The 10-year US Treasury yield climbed to around 5.3% at the quarter end, the highest level since 2007
- **Mixed global equity performance:** The US S&P 500 Index gained modestly, supported by corporate earnings. Hang Seng Index rose by 7.6% during the quarter while the Chinese Mainland equity market was soft amid concerns over an economic slowdown
- **US dollar strengthened:** Driven by higher US bond yields and a shift in market expectations for US interest rates, the US dollar index rose by around 2% in September, resulting in a net quarterly gain of 0.3%. The Renminbi and Japanese Yen appreciated against the US dollar

Major 10-year sovereign bond yields rose

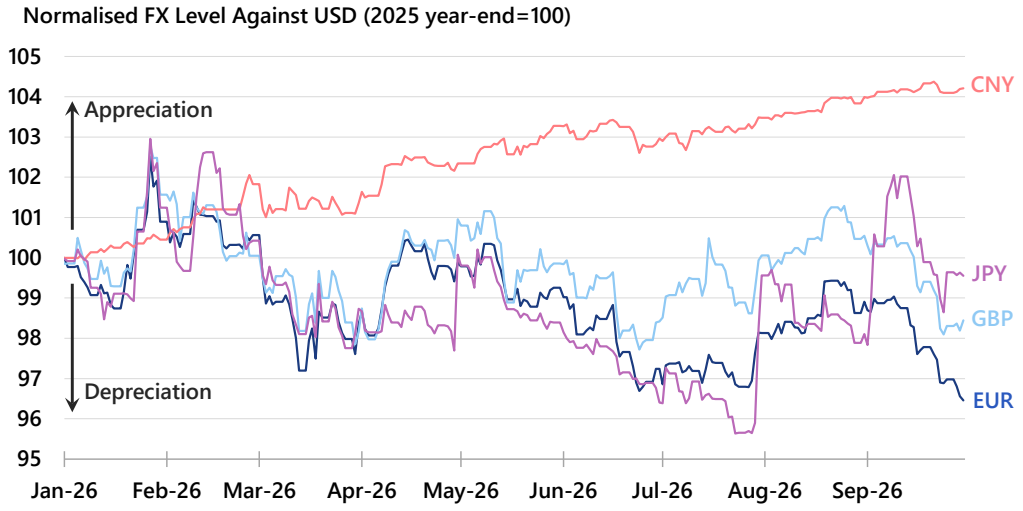




Performance of major stock markets was mixed



USD trended volatile against major currencies



Investment Income

	2026				2025	2024
	(unaudited)					
(HK$ billion)	Jan - Sep	Q3	Q2	Q1	Full year	Full year
Bonds	**49.4**	**0.3**	**24.5**	**24.6**	**142.7**	**135.9**
Hong Kong equities*	**(2.7)**	**9.1**	**(6.8)**	**(5.0)**	**33.9**	**21.8**
Other equities	**55.2**	**1.5**	**64.7**	**(11.0)**	**74.8**	**69.1**
Foreign exchange#	**42.0**	**7.7**	**8.4**	**25.9**	**38.5**	**(35.6)**
Other investments@	**28.0**	**-**	**18.6**	**9.4**	**47.5**	**27.6**
Investment income	**171.9**	**18.6**	**109.4**	**43.9**	**337.4**	**218.8**

* Excluding valuation changes of the Strategic Portfolio.

\# This is primarily the effect of translating foreign currency assets into Hong Kong dollar after deducting the portion for currency hedging.

@ Including valuation changes of private equity and real asset investments held under the Long-Term Growth Portfolio. This figure reflects the valuations at the end of June 2026. Valuation changes of these investments from July to September are not yet available.

Income and Expenditure

	2026				2025	2024
	(unaudited)					
(HK$ billion)	Jan - Sep	Q3	Q2	Q1	Full year	Full year
Investment income	**171.9**	**18.6**	**109.4**	**43.9**	**337.4**	**218.8**
Other income	0.1	-	0.1	-	0.2	0.2
Interest and other expenses	(32.0)	(11.4)	(10.6)	(10.0)	(44.2)	(63.1)
Net income	140.0	7.2	98.9	33.9	293.4	155.9
Fee payment to Fiscal Reserves						
– Operating and Capital Reserves*	(15.9)	(5.0)	(5.1)	(5.8)	(16.5)	(13.2)
– Future Fund	- #	- #	- #	- #	(21.3)	(16.2)
Fee payment to HKSAR Government funds and statutory bodies*	(9.0)	(3.2)	(2.9)	(2.9)	(14.7)	(15.7)

* The rate of fee payment is 4.8% for 2026, 4.4% for 2025 and 3.7% for 2024.

\# The 2026 fee payment to the Future Fund will be published when the composite rate for 2026 is available (The composite rate was 7.0% for 2025 and 3.9% for 2024).

Exchange Fund Abridged Balance Sheet

(HK$ billion)	At 30 Sep 2026 (unaudited)	At 31 Dec 2025	At 31 Dec 2024
ASSETS			
Deposits	517.1	429.5	332.9
Debt securities	2,923.3	2,864.3	2,825.0
Hong Kong equities*	162.8	171.1	133.0
Other equities	443.0	424.0	441.0
Other assets#	262.2	272.3	349.1
Total assets	**4,308.4**	**4,161.2**	**4,081.0**
LIABILITIES AND EQUITY			
Certificates of Indebtedness	667.4	635.0	598.9
Government-issued currency notes and coins in circulation	13.1	13.0	13.0
Balance of the banking system	54.1	57.0	44.8
Exchange Fund Bills and Notes issued	1,359.5	1,335.1	1,383.7
Placements by banks and other financial institutions	283.8	71.7	72.1
Placements by Fiscal Reserves@	641.7	688.9	669.7
Placements by HKSAR Government funds and statutory bodies	217.3	273.8	391.1
Placements by subsidiaries	74.6	67.3	45.7
Other liabilities	137.7	82.1	127.1
Total liabilities	3,449.2	3,223.9	3,346.1
Accumulated surplus	857.9	936.0	734.0
Revaluation reserve	1.3	1.3	0.9
Total equity	859.2	937.3	734.9
Total liabilities and equity	**4,308.4**	**4,161.2**	**4,081.0**

* Including shares of the Hong Kong Exchanges and Clearing Limited in the Strategic Portfolio.

\# Including fund injection to Exchange Fund's investment holding subsidiaries at a carrying amount of HK$177.4 billion at 30 September 2026 (HK$193.0 billion at 31 December 2025 and HK$202.7 billion at 31 December 2024).

@ Including placements by the Future Fund of HK$193.2 billion at 30 September 2026 (HK$235.1 billion at 31 December 2025 and HK$245.8 billion at 31 December 2024).

Historical Investment Income

(HK$ billion)

Year	Full Year	Q4	Q3	Q2	Q1
2007*	**142.2**	33.4	61.8	26.3	20.7
2008*	**(75.0)**	8.3	(48.3)	(20.4)	(14.6)
2009*#	**107.7**	10.6	71.9	58.7	(33.5)
2010*#	**79.4**	5.9	74.5	(12.1)	11.1
2011*#	**27.1**	22.1	(41.4)	21.6	24.8
2012*#	**111.6**	30.3	42.4	(5.6)	44.5
2013*#	**81.2**	30.7	54.7	(23.3)	19.1
2014*#	**44.7**	6.1	(17.8)	43.3	13.1
2015*#	**(15.8)**	21.0	(63.8)	18.7	8.3
2016*#	**68.1**	(23.3)	47.1	18.9	25.4
2017*#	**264.0**	66.0	61.8	71.3	64.9
2018*#	**10.9**	(33.6)	9.5	0.0	35.0
2019*#	**262.2**	60.3	23.5	45.0	133.4
2020*#	**235.8**	145.0	81.2	121.6	(112.0)
2021*#	**191.9**	48.2	4.0	88.4	51.3
2022*#	**(205.4)**	73.4	(113.4)	(116.6)	(48.8)
2023*#	**226.0**	120.1	(10.5)	8.4	108.0
2024*#	**218.8**	(20.3)	129.0	47.8	62.3
2025*#	**337.4**	52.6	70.8	134.8	79.2
2026* (unaudited)	**N/A**	N/A	18.6	109.4	43.9

* Excluding valuation changes of the Strategic Portfolio.

\# Including valuation changes of private equity and real asset investments held under the Long-Term Growth Portfolio.

The Hong Kong Mortgage Corporation Limited

Mortgage Insurance Programme

	Since launch	2025	2025 (Jan – Sep)	2026 (Jan – Sep)
Applications approved	528,123	15,766	12,490	9,707

* MIP applications declined in 2026 as homebuyers' demand for mortgage insurance declined and other mortgage insurers have become more active in the market.

SME Financing Guarantee Scheme and Dedicated 100% Loan Guarantee Schemes (DLGS)

	Since launch	2025	2025 (Jan – Sep)	2026 (Jan – Sep)
80% and 90% Guarantee Products*:				
Applications approved	51,962	5,815	4,558	3,883
Loan amount (HK$ billion)	168.2	13.5	10.2	9.9
DLGS for Battery Electric Taxis:				
Applications approved	1,196	534	413	557
Loan amount (HK$ billion)	0.39	0.17	0.13	0.18

*The application period for the 90% Guarantee Product ended on 31 March 2026.

Reverse Mortgage Programme

	Since launch	2025	2025 (Jan – Sep)	2026 (Jan – Sep)
Applications approved	9,724	937	700	863

Key statistics of the applications received (as of 30 September 2026):

Number of applications	9,806
Average age of borrowers	69 years old
Average monthly payout	HK$15,300
Payment terms	10-year (20.2%); 15-year (13.8%); 20-year (11.2%); life (54.8%)
Average property value	HK$5.4 million
Average property age	32 years

HKMC Annuity Limited

Provisional business results:

	Since launch	2025	2025 (Jan – Sep)	2026 (Jan – Sep)
No. of policies	54,500	16,535	14,745	7,396
Total premium amount (HK$ billion)	33.1	9.0	7.6	5.6
Average premium amount (HK$)	610,000	610,000*	580,000*	760,000

* Adjusted for the split policy impact of the payout enhancement campaign launched in 2024.

Note: The year-on-year sales in the first nine months of 2026 was modest, primarily due to the high base effect from the strong performance earlier driven by a customer offer campaign. Excluding this factor, the sales performance of the first nine months of 2026 was stronger than the same period in 2024 and prior years.