

## **Completion Instructions**

### **Return of Hong Kong Dollar Interbank Transactions (Form MA(BS)11)**

1. Report the gross amounts of Hong Kong dollar interbank transactions contracted by your Hong Kong office(s) during the reporting month as specified in the return.

#### **Gross Transactions**

2. Transactions should be reported with reference to the transaction date (i.e. the deal date or contract date). For example, a transaction contracted on 31 December 1993 for settlement on 3 January 1994 should be included in the December 1993 return rather than in the January 1994 return.
3. The gross amounts of lending and borrowing should be measured in terms of the principal amounts. Assuming that a sum of HK\$1,000 million was lent to another bank for one week. On maturity, the principal together with the interest (say HK\$1,001 million) was rolled over for another week. This should be treated as involving two transactions. The gross amount lent/borrowed should be reported as HK\$2,001 million (i.e. HK\$ 1,000 million, the old principal, plus HK\$1,001 million, the new principal) if both transactions fell within the same reporting month.
4. Transactions involving buying or selling of negotiable debt instruments should not be included.
5. The reported figures should be rounded to the nearest HK\$ millions.

#### **Swap**

6. Include all swap transactions in the interbank market involving Hong Kong dollar. For the purpose of this return, only the near-end leg of each swap contracted during the reporting period should be recorded. A swap with the near-end leg selling HKD/buying foreign currencies should be included in the 'Gross Amount Lent' column. A swap with the near-end leg buying HKD/selling foreign currencies should be included in the 'Gross Amount Borrowed' column.

#### **Counterparty**

7. 'Authorized institutions in Hong Kong' refer to the Hong Kong offices of authorized institutions under the Banking Ordinance. 'Banks outside Hong Kong' refer to the overseas offices of an authorized institution under the Banking Ordinance and of institutions which are regarded by the appropriate supervisory authorities as banks in their place of incorporation.

8. Do not include transactions with non-bank customers even though the rates they obtain are the same as interbank rates. Exclude also transactions with the Exchange Fund and with central banks.

### **24-hour Call**

9. For transactions repayable at 24-hour call, the principal should be reported only once on the date when a transaction is done. Do not report the transaction in any other day during its life.

### **Maturity**

10. Maturity of transactions should be reported according to market practice. For example, lending/borrowing is contracted on 2 December 1993 for one month and the repayment would be made on 3 January 1994. The maturity of this transaction would be classified as one month based on market practice as 2 January 1994 is a holiday.
11. *For swap transactions, the length of maturity refers to the period between the value date (i.e. the near end leg) and the maturity date (i.e. the far end leg).*