



HONG KONG MONETARY AUTHORITY
香港金融管理局

Banking Policy Department

Our Ref: B1/15C, B1/21C

13 December 2024

The Chief Executive
All Authorized Institutions

Dear Sir/Madam,

Revised Supervisory Policy Manual (SPM) Module CA-S-10 “Fair Value Practices”

I am writing to inform you that, following consultation with the two industry Associations, the Hong Kong Monetary Authority (HKMA) is issuing today a revised version of the SPM module CA-S-10 “Fair Value Practices”.

The revised SPM module, previously known as “Financial Instrument Fair Value Practices”, mainly incorporates updates to better align with the “Prudent valuation guidance” under CAP50 of the Consolidated Basel Framework¹ and the relevant latest accounting standards in respect of fair value measurement, as well as other policy clarifications.

On-line access to the SPM module is available at the HKMA’s public website² and the Supervisory Communication Website³.

Should you have any questions regarding the revised SPM module, please contact Ms Amy Siu at 2878 1321 or Ms Rowena Cheung at 2878 1919.

Yours faithfully,

Cho-hoi Hui
Acting Executive Director (Banking Policy)

Encl

cc: The Chairperson, The Hong Kong Association of Banks
The Chairperson, The DTC Association
FSTB (Attn: Mr Justin To)

¹ https://www.bis.org/basel_framework/chapter/CAP/50.htm

² <https://www.hkma.gov.hk/eng/regulatory-resources/regulatory-guides/supervisory-policy-manual>

³ <https://www.stet.iclnet.hk>