

Riding through COVID-19 outbreak and supporting Hong Kong economy



How does the HKMA help banks support their customers?

Released **HK\$1 trillion** of lending capacity

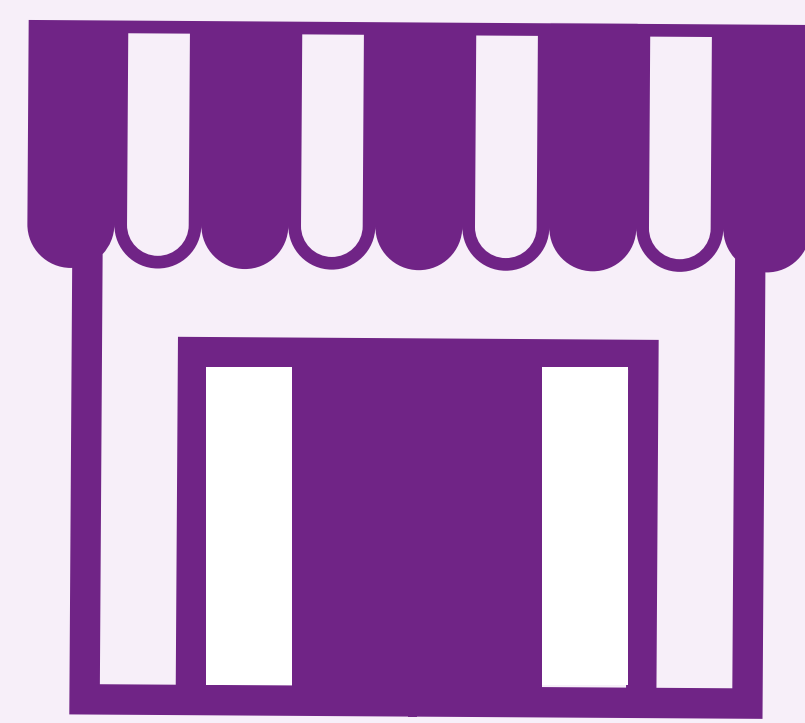
- ↓ Lowered the Countercyclical Capital Buffer by **1.5%**
- ↓ Cut Regulatory Reserves by half
- Deferred Basel III requirements
- ↑ Increased banking system liquidity

To provide U.S. dollars to local banks using repo transactions with the Federal Reserve

Clarified HKMA's Liquidity Facilities Framework

Explained HKMA's supervisory expectations on liquidity regulatory requirements

Set up the Banking Sector SME Lending Coordination Mechanism to facilitate banks to support economy



Corporate customers

11,000 applications for payment extension granted worth

HK\$86 billion

Repayment period extended for the transportation sector

Trade financing lines converted into temporary overdraft facilities

Accounts receivables loans offered to retail sector

Pre-approved Principal Payment Holiday Scheme launched, covering **80%** of corporate borrowers

HKMCI rolled out Special **100%** Loan Guarantee Scheme

Streamlined application process of relief measures and set up SME enquiry hotlines



Individual customers

5,200 applications for relief measures granted worth

HK\$15 billion

Principal repayment holidays approved for residential mortgages

Relief loans offered to employees of hard hit sectors

Extension of loan tenor for personal lending

- ↓ Reduction of charges for credit card lending

Total loans of the banks increased by **HK\$192 billion** over the past 5 months
(from end-Sep 2019 to end-Feb 2020)

Overall credit line granted by banks to SMEs grew by **HK\$6.9 billion** in Q4 2019



Last Update: 22 April 2020



HONG KONG MONETARY AUTHORITY
香港金融管理局