

KEY ANNOUNCEMENTS

(June to August 2003)

2 June 2003	The HKMA welcomes the launch of the Asian Bond Fund by the EMEAP (the Executives' Meeting of East Asia-Pacific Central Banks) Group, of which the HKMA is a member. The Fund will have an initial size of about US\$1 billion, and will be invested in a basket of US dollar denominated bonds issued by major Asian economies. All 11 members of the EMEAP Group will invest in the Fund at its launch.
16 June 2003	The HKMA, the Hong Kong Association of Banks and the Deposit Taking Companies Association announce the plan for the establishment of a commercial credit reference agency in Hong Kong, which will collect credit data of small and medium-sized enterprises and make this information available to authorized institutions.
26 June 2003	The monthly survey of residential mortgage lending indicates that during May, the value of new loans drawn down fell by 20.5% to HK\$5.1 billion. The value of new approvals continued to decrease but at a slower rate of 8.0% to HK\$5.4 billion.
27 June 2003	The HKMA publishes an exchange of letters between the Financial Secretary and the Monetary Authority, dated 25 June 2003, setting out the division of functions and responsibilities between the Financial Secretary and the Monetary Authority. A further, accompanying letter from the Financial Secretary to the Monetary Authority, also dated 25 June 2003, specifies the monetary policy objective and the structure of the monetary system of Hong Kong.
27 June 2003	The International Monetary Fund publishes its Financial System Stability Assessment, concluding that the financial system in the HKSAR is resilient, sound and overseen by a comprehensive supervisory framework.
11 July 2003	The HKMA announces that the Financial Secretary, following the advice of the Remuneration and Finance Sub-Committee of the Exchange Fund Advisory Committee, has approved the appointment of Mr William A. Ryback as Deputy Chief Executive of the HKMA with effect from 27 August 2003. Mr Ryback will succeed Mr David Carse, who will leave the HKMA in September.
25 July 2003	The HKMA announces that it has appointed the Bank of East Asia, DBS Bank (Hong Kong) Limited and Wing Lung Bank as Retail Exchange Fund Notes Distributors under a Pilot Scheme to facilitate retail access to Exchange Fund Notes. The Scheme, scheduled to launch on 1 August 2003, introduces a new arrangement, whereby a portion of each quarterly issue of 2-year and 3-year Notes will be made available for non-competitive tender by retail investors.
25 July 2003	The HKMA welcomes the news announced by the Chief Executive, Mr Tung Chee-hwa, that the Central Government will actively consider allowing banks in Hong Kong to trial run personal renminbi business, including deposits, remittances, exchange and credit card business. Such an initiative would be of benefit both to Hong Kong's development as an international financial centre and to the growing economic integration between Hong Kong and the Mainland.
30 July 2003	The monthly survey of residential mortgage lending indicates that the value of new loans drawn down during June increased slightly by 2.7% to HK\$5.3 billion. The value of new approvals, however, increased more strongly, by 25.8% to HK\$6.8 billion.

4 August 2003	The HKMA welcomes the announcement by the Chief Executive of the Hong Kong Special Administrative Region, Mr Tung Chee Hwa, of the appointment of Mr Henry Tang as Financial Secretary.
14 August 2003	The results of the latest survey on residential mortgage loans (RMLs) in negative equity for the quarter ending in June show that the number of RMLs in negative equity increased to about 106,000 with a value of HK\$165 billion at end-June 2003, reflecting the downward shift in property prices which was aggravated by the SARS outbreak.
19 August 2003	The results of survey on credit card lending for the second quarter of 2003 are announced. The amount charged off in the second quarter decreased for the third consecutive quarter to HK\$1.57 billion or 2.90% of average receivables during the quarter. The delinquency ratio increased slightly to 1.27% from 1.25%.
25 August 2003	The HKMA and the China Banking Regulatory Commission sign a Memorandum of Understanding, which provides for the sharing of supervisory information and co-operation in the area of banking supervision.
28 August 2003	The monthly survey of residential mortgage lending indicates that the value of new loans drawn down during July rose significantly by 27.3% to HK\$6.7 billion. New approvals also increased markedly by 30.0% to a ten-month high of HK\$8.8 billion.

Four press releases relating to the Exchange Fund's data are issued by the HKMA each month. Three of these releases are issued to disseminate monetary data in accordance with the International Monetary Fund's Special Data Dissemination Standard (SDDS). The fourth press release, on the Exchange Fund's Abridged Balance Sheet and Currency Board Account, is made in accordance with the HKMA's policy of maintaining a high level of transparency. The order of issue of the press releases each month is as follows:

- SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
- SDDS Analytical Accounts of the Central Bank (Exchange Fund Balance Sheet Data)
- Exchange Fund Abridged Balance Sheet and Currency Board Account
- SDDS Template on International Reserves and Foreign Currency Liquidity

The above press releases on the Exchange Fund data may be found on the HKMA's website at www.info.gov.hk/hkma/eng/press/category/exchange_index.htm

Other latest press releases may also be found at www.info.gov.hk/hkma/eng/press/index.htm