

Exchange Fund Bills Tender Results

The following is issued on behalf of the Hong Kong Monetary Authority:

Exchange Fund Bills Tender Results

Tender date	: April 30, 2019
Paper on offer	: EF Bills
Issue number	: Q1918
Issue date	: May 2, 2019
Maturity date	: July 31, 2019
Amount applied	: HK\$97,336 MN
Amount allotted	: HK\$36,792 MN
Average yield accepted	: 2.05 PCT
Highest yield accepted	: 2.11 PCT
Pro rata ratio	: About 7 PCT
Average tender yield	: 2.16 PCT

Tender date	: April 30, 2019
Paper on offer	: EF Bills
Issue number	: H1947
Issue date	: May 2, 2019
Maturity date	: October 30, 2019
Amount applied	: HK\$32,250 MN
Amount allotted	: HK\$11,000 MN
Average yield accepted	: 2.01 PCT
Highest yield accepted	: 2.07 PCT
Pro rata ratio	: About 100 PCT
Average tender yield	: 2.14 PCT

Hong Kong Monetary Authority tenders to be held in the week beginning May 6:

Tender date	: May 7, 2019
Paper on offer	: EF Bills
Issue number	: Q1919
Issue date	: May 8, 2019
Maturity date	: August 7, 2019
Tenor	: 91 Days
Amount on offer	: HK\$40,887 MN

Tender date	: May 7, 2019
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Paper on offer	: EF Bills
Issue number	: H1948
Issue date	: May 8, 2019
Maturity date	: November 6, 2019
Tenor	: 182 Days
Amount on offer	: HK\$15,000 MN

Provisional financial results for the year ended March 31, 2019

The Government announced today (April 30) its provisional financial results for the year ended March 31, 2019.

Expenditure for the year ended March 31, 2019 amounted to HK\$531.8 billion and revenue HK\$599.8 billion, resulting in a surplus of HK\$68 billion. The overall fiscal position was more favourable than the original and revised estimates for the year.

Expenditure and revenue for the year recorded a variance of 6.6 per cent (HK\$37.8 billion) and 0.8 per cent (HK\$4.7 billion) lower than the original estimate respectively.

The consolidated surplus for the year was HK\$9.3 billion higher than the revised estimate of HK\$58.7 billion. Revenue was HK\$3.4 billion (0.6 per cent) higher than expected, mainly attributable to land premium (HK\$1 billion higher) and earnings and profits tax (HK\$1 billion higher). Expenditure was HK\$5.9 billion (1.1 per cent) lower than forecast for the revised estimate mainly due to lower-than-expected requirements.

The fiscal reserves stood at HK\$1,170.9 billion as at March 31, 2019.

The government spokesperson said that these were provisional figures pending the final closing of the annual accounts. According to past experience, any changes to the provisional figures would unlikely be significant.

Detailed figures are shown in Tables 1 and 2.

TABLE 1. CONSOLIDATED ACCOUNT (PROVISIONAL) (Note 1)

	Month ended March 31, 2019 HK\$ million	Year ended March 31, 2019 HK\$ million

Revenue	34,502.7	599,759.2
Expenditure	(66,356.5)	(531,810.4)
(Deficit)/Surplus	(31,853.8)	67,948.8
Financing		
Domestic		
Banking Sector (Note 2)	31,471.0	(70,928.1)
Non-Banking Sector	382.8	2,979.3
External	–	–
Total	31,853.8	(67,948.8)

Government Debts as at March 31, 2019 (Note 3)

HK\$1,500 million

Debts Guaranteed by Government as at March 31, 2019 (Note 4)

HK\$24,694.1 million

TABLE 2. FISCAL RESERVES (PROVISIONAL)

	Month ended March 31, 2019 HK\$ million	Year ended March 31, 2019 HK\$ million
Fiscal Reserves at start of period	1,202,736.3	1,102,933.7
Consolidated (Deficit)/ Surplus	(31,853.8)	67,948.8
Fiscal Reserves at end of period (Note 5)	1,170,882.5	1,170,882.5

Notes:

1. This Account consolidates the General Revenue Account and the following eight Funds: Capital Works Reserve Fund, Capital Investment Fund, Civil Service Pension Reserve Fund, Disaster Relief Fund, Innovation and Technology Fund, Land Fund, Loan Fund and Lotteries Fund. It excludes the Bond Fund, the balance of which is not part of the fiscal reserves. The Bond Fund balance as at March 31, 2019 was HK\$138,403 million.

2. Includes transactions with the Exchange Fund and resident banks.

3. These were the outstanding institutional notes as at March 31, 2019, which

were denominated in Hong Kong dollars with maturity in July 2019. They do not include the outstanding bonds with nominal value of HK\$94,747 million and alternative bonds with nominal value of US\$3,000 million (equivalent to HK\$23,550 million as at March 31, 2019) issued under the Government Bond Programme (with proceeds credited to the Bond Fund). Of these bonds under the Government Bond Programme (including Silver Bonds with nominal value of HK\$8,747 million, which may be redeemed before maturity upon request from bond holders), bonds with nominal value of HK\$32,256 million and alternative bonds with nominal value of US\$1,000 million (equivalent to HK\$7,850 million as at March 31, 2019) will mature within the period from April 2019 to March 2020 and the rest within the period from April 2020 to March 2034.

4. Includes guarantees provided under the SME Loan Guarantee Scheme launched in 2001, the Special Loan Guarantee Scheme launched in 2008, the Special Concessionary Measures under the SME Financing Guarantee Scheme launched in 2012, and a commercial loan of the Hong Kong Science and Technology Parks Corporation.

5. Includes HK\$219,730 million being the balance of the Land Fund held in the name of "Future Fund" as from January 1, 2016, for long-term investments initially up to December 31, 2025. As from July 1, 2016, the Future Fund also includes HK\$4,800 million, being one-third of the actual surplus in 2015-16 as top-up.

[Hong Kong Customs seizes suspected duty-not-paid water pipe tobacco \(with photo\)](#)

Hong Kong Customs yesterday (April 29) seized about 20 000 kilograms of suspected duty-not-paid water pipe tobacco with an estimated market value of about \$13 million and a duty potential of about \$46 million at the Kwai Chung Customhouse Cargo Examination Compound.

Through risk assessment, Customs officers inspected a container arriving in Hong Kong from Bulgaria declared to be carrying daily necessities. Upon inspection, Customs officers found the batch of suspected duty-not-paid water pipe tobacco in the container.

Investigation is ongoing.

Smuggling is a serious offence. Under the Import and Export Ordinance, any person found guilty of importing or exporting unmanifested cargo is liable to a maximum fine of \$2 million and imprisonment for seven years.

Under the Dutiable Commodities Ordinance, anyone involved in dealing

with, possession of, selling or buying duty-not-paid tobacco commits an offence. The maximum penalty upon conviction is a fine of \$1 million and imprisonment for two years.

Members of the public may report any suspected illicit tobacco activities to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk).



[Subsidy rate of financial assistance scheme for candidates and election expenses limit for District Council elections](#)

On April 9, 2019, the Acting Chief Executive in Council made the District Councils Ordinance (Amendment of Schedule 7) Order 2019 in accordance with section 82 of the District Councils Ordinance (Cap. 547) to increase the subsidy rate of the financial assistance scheme for candidates of District Council (DC) elections; and also the Maximum Amount of Election Expenses (District Council Election) (Amendment) Regulation 2019 under section 45 of the Elections (Corrupt and Illegal Conduct) Ordinance (Cap. 554) to increase the election expenses limit (EEL) for DC elections. Both pieces of subsidiary legislation will be published in the Gazette on May 3.

A government spokesperson said today (April 30) that after the above pieces of subsidiary legislation come into effect, starting from the DC ordinary election to be held in late 2019, the subsidy rate of the financial assistance scheme for candidates of DC elections would be increased from \$14 per vote to \$15 per vote, while the EEL for DC elections would be increased from \$63,100 to \$68,800.

"The current adjustment of the subsidy rate is based on the estimated cumulative inflation rate from 2016 to 2019 (i.e. 9.1 per cent). The EEL adjustment took into account the estimated cumulative inflation rate over the

same period, as well as the declared election expenses of candidates in recent DC elections," the spokesperson said.

"The Legislative Council Panel on Constitutional Affairs was consulted on December 17, 2018, and supported our proposals in general."

The two pieces of subsidiary legislation implementing the said adjustments will be tabled in the Legislative Council on May 8, 2019 for negative vetting.

Transport arrangements between May 1 and 5 for suspension of Peak Tram service

The Transport Department (TD) today (April 30) reminded the public that due to the suspension of the Peak Tram service for around two to three months from April 23, the New World First Bus (NWFB) has introduced route No. X15 for travelling directly between Admiralty (West) Bus Terminus (near Admiralty Station Exit B) and the Peak Public Transport Terminus. The full fare is \$12.4. Departures from Admiralty (West) operate from 7am to 11.30pm daily while departures from the Peak operate from 8am to midnight daily.

From May 1 to 5, subject to passenger demand, NWFB route No. X15 (Admiralty (West) bound) will provide special departures with en-route stops at Harcourt Road outside Admiralty Centre and Connaught Road Central outside Jardine House before arriving at Admiralty (West) Bus Terminus, so as to facilitate passengers to travel to Admiralty and Central.

At the same time, the NWFB will introduce special departures X15R under route No. X15, with seven departures provided daily (time: 11am, noon, 1pm, 4pm, 5pm, 6pm and 7pm) departing from Central Pier No. 5 to the Peak, with en-route stops at Central (Star Ferry Pier), Central (Exchange Square) and Admiralty (West). The full fare is also \$12.4.

Details of the transport arrangement are now available on the TD's website (www.td.gov.hk).