

Exchange Fund Abridged Balance Sheet and Currency Board Account

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

The Hong Kong Monetary Authority (HKMA) announced today (August 31) that the total assets of the Exchange Fund amounted to HK\$4,553.1 billion as at July 31, 2021, HK\$13.5 billion lower than that at the end of June 2021. Hong Kong dollar assets decreased by HK\$17.4 billion while foreign currency assets increased by HK\$3.9 billion.

The decline in Hong Kong dollar assets was mainly due to the mark-to-market revaluation on Hong Kong equities. The rise in foreign currency assets was mainly due to the mark-to-market revaluation on foreign currency investments, which was partly offset by a decrease in the month-end balances of unsettled purchase of securities.

The Currency Board Account shows that the Monetary Base at the end of July 2021 was HK\$2,117.5 billion, decreased by HK\$0.6 billion, or 0.03 per cent, from the end of June 2021. The decline was mainly due to a decrease in the outstanding amount of Certificates of Indebtedness.

The amount of Backing Assets increased by HK\$3.8 billion, or 0.2 per cent, to HK\$2,333.4 billion. The increase was mainly attributable to the income from investments. The backing ratio increased from 109.99 per cent at the end of June 2021 to 110.20 per cent at the end of July 2021.

At present, 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. For the month of August 2021, the scheduled dates for issuing the press releases are as follows:

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| August 6
(Issued) | SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures) |
| August 13
(Issued) | SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund) |
| August 31 | SDDS Template on International Reserves and Foreign Currency Liquidity |
| August 31 | Exchange Fund Abridged Balance Sheet and Currency Board Account |