

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 (September 28) that the total assets of the Exchange Fund amounted to HK\$3,993.7 billion as at August 31, 2018, HK\$150.6 billion lower than that at the end of July 2018. Foreign currency assets decreased by HK\$102.6 billion and Hong Kong dollar assets decreased by HK\$48.0 billion.

The decline in foreign currency assets was mainly due to a decrease in unsettled purchases of securities and the sale of US dollars under the Currency Board arrangements. The decline in Hong Kong dollar assets was mainly due to a decrease in Exchange Fund Bills and Notes issued but not yet settled.

The Currency Board Account shows that the Monetary Base at the end of August 2018 was HK\$1,611.2 billion, decreased by HK\$33.9 billion, or 2.1 per cent, from the end of July 2018. The decline was mainly due to a decrease in the balance of the banking system.

The amount of Backing Assets decreased by HK\$30.3 billion, or 1.7 per cent, to HK\$1,765.7 billion. The decrease was mainly due to the sale of US dollars under the Currency Board arrangements, which was partly offset by income from investments. The backing ratio increased from 109.18 per cent at the end of July 2018 to 109.59 per cent at the end of August 2018.

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 September 2018, the scheduled dates for issuing the press releases are as follows:

7 September (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
14 September (Issued)	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)

28 September	SDDS Template on International Reserves and Foreign Currency Liquidity
28 September	Exchange Fund Abridged Balance Sheet and Currency Board Account