

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 29) that the total assets of the Exchange Fund amounted to HK\$3,975.7 billion as at August 31, 2023, HK\$35.8 billion lower than that at the end of July 2023. Foreign currency assets decreased by HK\$22.8 billion and Hong Kong dollar assets decreased by HK\$13.0 billion.

The decline in foreign currency assets was mainly due to withdrawals of Fiscal Reserves placements and mark-to-market revaluation on investments, which were partly offset by an increase in interest income on investments. The decline in Hong Kong dollar assets was mainly due to mark-to-market revaluation on Hong Kong equities.

The Currency Board Account shows that the Monetary Base at the end of August 2023 was HK\$1,876.6 billion, increased by HK\$6.9 billion, or 0.4 per cent, from the end of July 2023. The rise was mainly due to amortisation of discount on Exchange Fund Bills and Notes and an increase in the market value of Exchange Fund Bills and Notes outstanding.

The amount of Backing Assets increased by HK\$19.1 billion, or 0.9 per cent, to HK\$2,061.8 billion at the end of August 2023. The increase was mainly attributable to the translation effect of foreign currency investments into Hong Kong dollars and interest from investments. The backing ratio increased from 109.26 per cent at the end of July 2023 to 109.87 per cent at the end of August 2023.

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 2023, the scheduled dates for issuing the press releases are as follows:

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| September 7
(Issued) | SDDS International Reserves
(Hong Kong's Latest Foreign Currency Reserve
Assets Figures) |
| September 14
(Issued) | SDDS Analytical Accounts of the Central Bank
(Analytical Accounts of the Exchange Fund) |
| September 29 | SDDS Template on International Reserves and
Foreign Currency Liquidity |

September 29 Exchange Fund Abridged Balance Sheet and
Currency Board Account