

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 (January 31) that the total assets of the Exchange Fund amounted to HK\$4,059.4 billion as at December 31, 2018, HK\$74.6 billion higher than that at the end of November 2018. Foreign currency assets decreased by HK\$29.2 billion while Hong Kong dollar assets increased by HK\$103.8 billion.

The decline in foreign currency assets was mainly due to a decrease in unsettled purchases of securities, which was partly offset by the issuance of Certificates of Indebtedness. The rise in Hong Kong dollar assets was mainly due to an increase in Exchange Fund Bills and Notes issued but not yet settled and additional placements from Fiscal Reserves.

The Currency Board Account shows that the Monetary Base at the end of December 2018 was HK\$1,632.6 billion, increased by HK\$15.6 billion, or 1.0 per cent, from the end of November 2018. The rise was mainly due to the increase in the outstanding amount of Certificates of Indebtedness.

The amount of Backing Assets increased by HK\$22.3 billion, or 1.3 per cent, to HK\$1,793.5 billion. The increase was mainly attributable to the issuance of Certificates of Indebtedness, revaluation gains and interest from investments. The backing ratio increased from 109.54 per cent at the end of November 2018 to 109.86 per cent at the end of December 2018.

The figures in the Exchange Fund Abridged Balance Sheet and the Currency Board Account are unaudited. The audit of the Exchange Fund's annual financial statements by the Director of Audit is in progress.

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 January 2019, the scheduled dates for issuing the press releases are as follows:

January 7 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
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January 14 (Issued)	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)
January 31	SDDS Template on International Reserves and Foreign Currency Liquidity
January 31	Exchange Fund Abridged Balance Sheet and Currency Board Account