

# Financial results for the two months ended May 31, 2021

The Government announced today (June 30) its financial results for the two months ended May 31, 2021.

Expenditure for the period April to May 2021 amounted to HK\$97.1 billion and revenue HK\$76.3 billion, resulting in a cumulative year-to-date deficit of HK\$20.8 billion.

A Government spokesperson said that the cumulative year-to-date deficit for the period was mainly due to the fact that some major types of revenue including salaries and profits taxes are mostly received towards the end of a financial year.

The fiscal reserves stood at HK\$907 billion as at May 31, 2021.

Detailed figures are shown in Tables 1 and 2.

TABLE 1. CONSOLIDATED ACCOUNT (Note 1)

	Month ended May 31, 2021 HK\$ million	Two months ended May 31, 2021 HK\$ million
Revenue	38,308.7	76,323.7
Expenditure	(48,473.7)	(97,090.6)
Deficit	(10,165.0)	(20,766.9)
Financing		
Domestic		
Banking Sector (Note 2)	9,241.8	19,318.4
Non-Banking Sector	923.2	1,448.5
External	–	–
Total	10,165.0	20,766.9

Government Debts as at May 31, 2021 (Note 3)

HK\$27,167 million

Debts Guaranteed by Government as at May 31, 2021 (Note 4)

HK\$89,432.5 million

TABLE 2. FISCAL RESERVES

	Month ended May 31, 2021 HK\$ million	Two months ended May 31, 2021 HK\$ million
Fiscal Reserves at start of period	917,174.3	927,776.2
Consolidated Deficit	(10,165.0)	(20,766.9)
Fiscal Reserves at end of period (Note 5)	907,009.3	907,009.3

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 May 31, 2021, was HK\$159,224 million.

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

3. These were the Green Bonds of US\$3,500 million (equivalent to HK\$27,167 million as at May 31, 2021) including US\$1,000 million and US\$2,500 million issued under the Government Green Bond Programme in May 2019 and February 2021 respectively, which were denominated in US dollars with maturity from May 2024 to February 2051. They do not include the outstanding bonds with nominal value of HK\$125,632 million and alternative bonds with nominal value of US\$1,000 million (equivalent to HK\$7,762 million as at May 31, 2021) 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\$20,832 million, which may be redeemed before maturity upon request from bond holders), bonds with nominal value of HK\$26,426 million will mature within the period from June 2021 to May 2022 and the rest within the period from June 2022 to March 2036.

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

5. Includes HK\$219,691 million being the balance of the Land Fund held in the name of "Future Fund", for long-term investments initially up to December 31, 2025. The Future Fund also includes HK\$4,800 million, being one-third of the actual surplus in 2015-16 as top-up.