

HKMC and MUFG sign MoU on infrastructure loan sales framework

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

The Hong Kong Mortgage Corporation Limited (HKMC) and MUFG Bank, Ltd. (MUFG) signed a Memorandum of Understanding (MoU) today (January 26) on an infrastructure loan sales framework.

The MoU sets out the principal terms for potential infrastructure loan sales by MUFG to the HKMC, including the loan selection criteria, mode of sales and engagement process, with an aim to facilitate loan sale cooperation between MUFG and the HKMC. This represents the first MoU that the HKMC has signed with a commercial bank, and would further the mandates of the HKMC's Infrastructure Financing and Securitisation (IFS) business to fill the infrastructure financing market gaps and to consolidate Hong Kong's position as an infrastructure financing hub.

The Executive Director and Chief Executive Officer of the HKMC, Mr Raymond Li, said, "The MoU enhances the collaboration between MUFG and the HKMC which has started since the commencement of the IFS business of the HKMC. The steady and high quality infrastructure financing deal flow presented by MUFG is conducive to HKMC's business objective of infrastructure loan securitisation after accumulating a diversified and sizeable asset portfolio."

MUFG's Head of Global Corporate and Investment Banking, Asia Pacific, Mr Richard Yorke, said, "MUFG is an active player in the infrastructure financing market, and as part of its overall strategy, has long sought to expand its investor base in Asia Pacific beyond the traditional banking sector. The HKMC is a key strategic partner for MUFG, and we hope this MoU will allow us to further enhance our partnership and accelerate the delivery of our respective business objectives."