

Monetary statistics for December 2023

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

According to statistics published today (January 31) by the Hong Kong Monetary Authority, total deposits with authorized institutions increased by 1.0 per cent in December 2023. Among the total, Hong Kong dollar deposits and foreign currency deposits increased by 0.3 per cent and 1.5 per cent respectively in December. For 2023 as a whole, total deposits and Hong Kong dollar deposits grew by 5.1 per cent and 2.1 per cent respectively. Renminbi deposits in Hong Kong decreased by 4.1 per cent in December to RMB939.2 billion at the end of December, mainly reflecting fund flows of corporates. The total remittance of renminbi for cross-border trade settlement amounted to RMB1,270.2 billion in December, compared with RMB1,169.7 billion in November. It should be noted that changes in deposits are affected by a wide range of factors, such as interest rate movements and fund-raising activities. It is therefore more appropriate to observe the longer-term trends, and not to over-generalise fluctuations in a single month.

Total loans and advances remained virtually unchanged in December, while decreased by 3.6 per cent for 2023 as a whole. Among the total, loans for use in Hong Kong (including trade finance) increased by 0.3 per cent while loans for use outside Hong Kong decreased by 0.8 per cent in December. The Hong Kong dollar loan-to-deposit ratio decreased to 84.2 per cent at the end of December from 85.4 per cent at the end of November, as Hong Kong dollar deposits increased while Hong Kong dollar loans decreased.

For the fourth quarter of 2023 as a whole, loans for use in Hong Kong (including trade finance) decreased by 0.1 per cent after declining by 1.9 per cent in the previous quarter. Analysed by economic use, the loans to transport and transport equipment, and loans to building, construction, property development and investment increased, whereas trade finance decreased.

Hong Kong dollar M2 and M3 both increased by 0.4 per cent in December and both increased by 1.9 per cent when compared to a year ago. The seasonally-adjusted Hong Kong dollar M1 increased by 2.0 per cent in December while decreased by 10.8 per cent compared to a year ago, reflecting in part investment-related activities. Total M2 and total M3 both increased by 0.8 per cent in December. Compared to a year earlier, total M2 and total M3 both increased by 4.0 per cent.

As monthly monetary statistics are subject to volatilities due to a wide range of transient factors, such as seasonal and IPO-related funding demand as well as business and investment-related activities, caution is required when interpreting the statistics.