

Monetary Statistics for January 2024

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

According to statistics published today (29 February) by the Hong Kong Monetary Authority, total deposits with authorized institutions decreased by 0.6 per cent in January 2024. Among the total, Hong Kong dollar deposits and foreign currency deposits decreased by 0.3 per cent and 0.8 per cent respectively in January, mainly reflecting fund flows of corporates. Renminbi deposits in Hong Kong increased by 1.7 per cent in January to RMB954.7 billion at the end of January. The total remittance of renminbi for cross-border trade settlement amounted to RMB1,400.9 billion in January, compared with RMB1,270.2 billion in December. 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 decreased by 0.8 per cent in January. Among the total, loans for use in Hong Kong (including trade finance) decreased by 1.1 per cent while loans for use outside Hong Kong remained virtually unchanged. The Hong Kong dollar loan-to-deposit ratio stayed virtually unchanged at 84.2 per cent at the end of January, as Hong Kong dollar loans and Hong Kong dollar deposits decreased at the same pace.

Hong Kong dollar M2 and M3 both decreased by 0.2 per cent in January and both decreased by 0.7 per cent when compared to a year ago. The seasonally-adjusted Hong Kong dollar M1 decreased by 4.6 per cent in January and decreased by 13.8 per cent compared to a year ago, reflecting in part investment-related activities. Total M2 and total M3 both decreased by 0.5 per cent in January. Compared to a year earlier, total M2 and total M3 both increased by 2.1 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.