

Monetary Statistics for June 2020

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

According to statistics published today (July 31) by the Hong Kong Monetary Authority, total deposits with authorised institutions grew by 1.6 per cent in June 2020. Among the total, Hong Kong dollar deposits and overall foreign currency deposits increased by 2.0 per cent and 1.2 per cent respectively. Renminbi deposits in Hong Kong decreased by 7.9 per cent to RMB639.9 billion at the end of June. The total remittance of renminbi for cross-border trade settlement amounted to RMB542.8 billion in June, compared with RMB521.5 billion in May.

Total loans and advances decreased by 0.2 per cent in June. Among the total, loans for use in Hong Kong (including trade finance) dropped by 0.5 per cent, while loans for use outside Hong Kong increased by 0.3 per cent. The Hong Kong dollar loan-to-deposit ratio decreased to 86.4 per cent at the end of June from 88.4 per cent at the end of May, as Hong Kong dollar deposits increased while Hong Kong dollar loans decreased.

In the second quarter of 2020, loans for use in Hong Kong (including trade finance) decreased by 0.8 per cent following growth of 3.4 per cent in the previous quarter. Analysed by economic use, the decrease in loans during the second quarter was mainly led by loans to building, construction, property development and investment, loans to financial concerns and loans to manufacturing.

Hong Kong dollar M2 and M3 both picked up by 1.9 per cent in June, and increased by 1.5 per cent and 1.4 per cent respectively compared to a year ago. The seasonally-adjusted Hong Kong dollar M1 rose by 7.6 per cent in June, and expanded by 12.3 per cent compared to a year ago, reflecting in part investment-related activities. Total M2 and M3 both grew by 1.5 per cent in June, and rose by 3.9 per cent and 3.8 per cent respectively from a year earlier.

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.