

Monetary Statistics for June 2023

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

According to statistics published today (31 July) by the Hong Kong Monetary Authority, total deposits with authorized institutions increased by 0.5 per cent in June 2023. Among the total, Hong Kong dollar deposits and foreign currency deposits increased by 0.2 per cent and 0.8 per cent respectively in June. For the first half of 2023 as a whole, total deposits and Hong Kong dollar deposits grew by 0.2 per cent and 1.7 per cent respectively. Renminbi deposits in Hong Kong increased by 1.7 per cent in June to RMB907.3 billion at the end of June. The total remittance of renminbi for cross-border trade settlement amounted to RMB1,089.2 billion in June, compared with RMB977.3 billion in May. 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 June, while decreased by 0.5 per cent in the first half of 2023. Among the total, loans for use in Hong Kong (including trade finance) increased by 0.7 per cent while loans for use outside Hong Kong decreased by 2.0 per cent in June. The Hong Kong dollar loan-to-deposit ratio decreased to 88.7 per cent at the end of June from 89.1 per cent at the end of May, as Hong Kong dollar deposits increased while Hong Kong dollar loans decreased.

For the second quarter of 2023 as a whole, loans for use in Hong Kong (including trade finance) declined by 0.4 per cent after rising by 1.4 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, and loans to transport and transport equipment.

Hong Kong dollar M2 and M3 both increased slightly by 0.2 per cent in June while they both declined slightly by 0.1 per cent when compared to a year ago. The seasonally-adjusted Hong Kong dollar M1 decreased by 3.0 per cent in June and decreased by 21.0 per cent compared to a year ago, reflecting in part investment-related activities. Total M2 and total M3 both increased by 0.4 per cent in June. Compared to a year earlier, total M2 and total M3 both rose by 1.5 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.