

Monetary Statistics for June 2024

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 authorized institutions remained virtually unchanged in June 2024. Among the total, Hong Kong dollar deposits increased by 0.2 per cent while foreign currency deposits decreased by 0.1 per cent in June. For the first half of 2024 as a whole, total deposits and Hong Kong dollar deposits grew by 3.2 per cent and 1.1 per cent respectively. Renminbi deposits in Hong Kong decreased by 6.4 per cent in June to RMB1,061.7 billion at the end of June, mainly reflecting fund flows of corporates. The total remittance of renminbi for cross-border trade settlement amounted to RMB1,260.8 billion in June, compared with RMB1,183.2 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 increased by 0.5 per cent in June, while decreased by 1.9 per cent in the first half of 2024. Among the total, loans for use in Hong Kong (including trade finance) increased by 1.2 per cent while loans for use outside Hong Kong decreased by 1.7 per cent in June. The Hong Kong dollar loan-to-deposit ratio decreased to 81.3 per cent at the end of June from 81.4 per cent at the end of May, as Hong Kong dollar deposits increased at a faster pace than Hong Kong dollar loans.

For the second quarter of 2024 as a whole, loans for use in Hong Kong (including trade finance) increased by 0.3 per cent after declining by 1.2 per cent in the previous quarter. Analysed by economic use, trade finance increased, while the loans to building, construction, property development and investment decreased.

Hong Kong dollar M2 and M3 both increased by 0.2 per cent in June and both increased by 1.5 per cent when compared to a year ago. The seasonally-adjusted Hong Kong dollar M1 decreased by 0.4 per cent in June and decreased by 5.9 per cent compared to a year ago, reflecting in part investment-related activities. Total M2 and total M3 both increased by 0.1 per cent in June. Compared to a year earlier, total M2 and total M3 both increased by 7.4 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.