

Monetary statistics for March 2020

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

According to statistics published today (April 29) by the Hong Kong Monetary Authority, total deposits with authorised institutions increased by 0.2 per cent in March 2020. Among the total, Hong Kong dollar deposits declined by 0.7 per cent, while overall foreign-currency deposits increased by 1.0 per cent. Renminbi deposits in Hong Kong increased by 4.0 per cent to RMB664.2 billion at the end of March. The total remittance of renminbi for cross-border trade settlement amounted to RMB645.7 billion in March, compared with RMB481.0 billion in February.

Total loans and advances increased by 1.6 per cent in March. Among the total, loans for use in Hong Kong (including trade finance) went up by 1.7 per cent and loans for use outside Hong Kong increased by 1.4 per cent from a month ago. The Hong Kong-dollar loan-to-deposit ratio edged up to 90.1 per cent at the end of March from 89.9 per cent at the end of February, as Hong Kong-dollar loans decreased at a slower pace than Hong Kong-dollar deposits.

In the first quarter of 2020, loans for use in Hong Kong (including trade finance) increased by 3.4 per cent following growth of 0.6 per cent in the previous quarter. Analysed by economic use, the increase in loans during the first quarter was mainly led by loans to financial concerns, and loans to building, construction, property development and investment.

Hong Kong dollar M2 and M3 both declined by 0.7 per cent in March, and stayed virtually unchanged compared to a year ago. The seasonally-adjusted Hong Kong dollar M1 declined by 2.0 per cent in March, and dropped by 0.4 per cent compared to a year ago, reflecting in part investment-related activities. Total M2 and M3 both edged up by 0.1 per cent in March, and expanded by 2.2 per cent and 2.0 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.