

Monetary statistics for May 2024

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

According to statistics published today (June 28) by the Hong Kong Monetary Authority, total deposits with authorized institutions increased by 1.1 per cent in May 2024. Among the total, Hong Kong dollar deposits and foreign currency deposits increased by 0.3 per cent and 1.8 per cent respectively in May. In the year to end-May, total deposits and Hong Kong dollar deposits grew by 3.2 per cent and 0.9 per cent respectively. Renminbi deposits in Hong Kong increased by 4.2 per cent in May to RMB1,134.0 billion at the end of May, mainly reflecting fund flows of corporates. The total remittance of renminbi for cross-border trade settlement amounted to RMB1,183.2 billion in May, compared with RMB1,257.0 billion in April. 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 0.4 per cent in May, and decreased by 2.4 per cent in the year to end-May. Among the total, loans for use in Hong Kong (including trade finance) and loans for use outside Hong Kong decreased by 0.3 per cent and 0.7 per cent respectively in May. The Hong Kong dollar loan-to-deposit ratio decreased to 81.4 per cent at the end of May from 82.1 per cent at the end of April, as Hong Kong dollar deposits increased while Hong Kong dollar loans decreased.

Hong Kong dollar M2 and M3 both increased by 0.4 per cent in May and both increased by 1.5 per cent when compared to a year ago. The seasonally-adjusted Hong Kong dollar M1 decreased by 0.1 per cent in May and decreased by 8.4 per cent compared to a year ago, reflecting in part investment-related activities. Total M2 and total M3 both increased by 1.2 per cent in May. Compared to a year earlier, total M2 and total M3 both increased by 7.8 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.