

Monetary Statistics for October 2019

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

According to statistics published today (November 29) by the Hong Kong Monetary Authority, total deposits with authorised institutions grew by 1.0% in October 2019 as compared to September. Among the total, Hong Kong dollar deposits and overall foreign-currency deposits increased by 0.4%, and 1.6% respectively. Renminbi deposits in Hong Kong increased by 2.1% to RMB636.4 billion at the end of October. The total remittance of renminbi for cross-border trade settlement amounted to RMB429.4 billion in October, compared with RMB458.2 billion in September.

Total loans and advances increased by 0.4% in October. Among the total, loans for use in Hong Kong (including trade finance) increased by 0.1% and loans for use outside Hong Kong went up by 1.0% from a month ago. (Note) The Hong Kong dollar loan-to-deposit ratio edged up to 90.7% at the end of October from 90.6% at the end of September, as Hong Kong dollar loans increased at a faster pace than Hong Kong dollar deposits.

Hong Kong dollar M2 and M3 both increased by 0.4% on a month-on-month basis, and rose by 2.8% and 2.7% respectively compared to a year ago. The seasonally-adjusted Hong Kong dollar M1 increased by 0.4% in October from September; on year-on-year terms the decline narrowed to 2.2% from 3.4% a month ago, reflecting in part investment-related activities. Total M2 and M3 both increased by 1.1% in October, and expanded by 4.1% and 4.0% 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.

Note: The December 2018 figures for loans for use in/outside Hong Kong have been restated to reflect authorised institutions' reclassification of working capital loans. The reported month-on-month and quarter-on-quarter growth rates are calculated based on the reclassified loan data. As reclassified loan data before December 2018 are not available, year-on-year growth rates of loans for use in/outside Hong Kong (including their sub-components) as shown in Table 1H of the Annex are calculated based on the data without such reclassification.