

Monetary Statistics for October 2023

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

According to statistics published today (November 30) by the Hong Kong Monetary Authority, total deposits with authorized institutions remained virtually unchanged in October 2023. Among the total, Hong Kong dollar deposits decreased by 0.4 per cent while foreign currency deposits increased by 0.4 per cent in October. In the year to end-October, total deposits and Hong Kong dollar deposits grew by 2.3 per cent and 1.2 per cent respectively. Renminbi deposits in Hong Kong increased by 3.3 per cent in October to RMB984.0 billion at the end of October. The total remittance of renminbi for cross-border trade settlement amounted to RMB978.6 billion in October, compared with RMB1,002.5 billion in September. 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 0.5 per cent in October, and decreased by 3.1 per cent in the year to end-October. 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 1.2 per cent respectively in October. The Hong Kong dollar loan-to-deposit ratio decreased to 86.1 per cent at the end of October from 86.3 per cent at the end of September, as Hong Kong dollar loans decreased by a larger extent than Hong Kong dollar deposits.

Hong Kong dollar M2 and M3 both decreased by 0.4 per cent in October while both increased by 3.3 per cent when compared to a year ago. The seasonally-adjusted Hong Kong dollar M1 increased by 0.4 per cent in October while decreased by 15.4 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 October. Compared to a year earlier, total M2 and total M3 both increased by 3.3 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.