

# International Reserves and Foreign Currency Liquidity

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

The Hong Kong Monetary Authority (HKMA) released today (January 31) the analytical data on the Hong Kong Special Administrative Region's foreign currency reserves and foreign currency liquidity as at the end of December 2023 (Annex). These data are published monthly in the Template on International Reserves and Foreign Currency Liquidity in accordance with the International Monetary Fund's Special Data Dissemination Standard (SDDS).

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At present, four press releases relating to the Exchange Fund's data are issued by the HKMA each month. Three of these releases are issued to disseminate monetary data in accordance with the International Monetary Fund's SDDS. The fourth press release, on the Exchange Fund's Abridged Balance Sheet and Currency Board Account, is made in accordance with the HKMA's policy of maintaining a high level of transparency. For the month of January 2024, the scheduled dates for issuing the press releases are as follows:

January 5 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
January 12 (Issued)	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)
January 31	SDDS Template on International Reserves and Foreign Currency Liquidity
January 31	Exchange Fund Abridged Balance Sheet and Currency Board Account

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## Residential mortgage survey results for December 2023

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

The Hong Kong Monetary Authority announced the results of the residential mortgage survey for December 2023.

The number of mortgage applications in December decreased month-on-month by 20.5 per cent to 4 768.

Mortgage loans approved in December decreased by 25.3 per cent compared with November to HK\$18.3 billion. Among these, mortgage loans financing primary market transactions decreased by 16.3 per cent to HK\$5.2 billion and those financing secondary market transactions decreased by 5.1 per cent to HK\$8.9 billion. Mortgage loans for refinancing decreased by 52.6 per cent to HK\$4.3 billion.

Mortgage loans drawn down during December decreased by 23.4 per cent compared with November to HK\$12.4 billion.

The ratio of new mortgage loans priced with reference to HIBOR remained unchanged month-on-month at 94.6 per cent in December. The ratio of new mortgage loans priced with reference to best lending rates increased from 1.5 per cent in November to 1.7 per cent in December.

The outstanding value of mortgage loans decreased month-on-month by 0.1 per cent to HK\$1,855.1 billion at end-December.

The mortgage delinquency ratio remained unchanged at 0.08 per cent and the rescheduled loan ratio remained unchanged at nearly 0 per cent.

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## **LD launches new online enrolment system for occupational safety and health training courses**

The Occupational Safety and Health Training Centre (OSHTC) of the Labour Department (LD) today (January 31) launched a new online enrolment system for personnel in public and private sectors to sign up for the occupational safety and health training courses organised by the OSHTC (including trainer courses, briefing sessions on relevant legislation and occupational health talks).

The training courses aim to enhance the working population's awareness of occupational safety and health, as well as their understanding of the legal requirements and standards stipulated in occupational safety regulations. Unless otherwise specified, the courses will mainly be conducted in Cantonese at the LD's OSHTC, 13/F, KOLOUR Tsuen Wan I, 68 Chung On Street, Tsuen Wan.

Employers who wish to arrange for their employees to attend the courses can log in to the application website ([www.oshtc.labour.gov.hk/wpas/?lang=en](http://www.oshtc.labour.gov.hk/wpas/?lang=en))

or scan the QR code (see Annex) to learn about the course contents and to sign up for the courses. Interested employees can also enrol on the courses through the abovementioned channels on their own. For enquiries, please call 2940 7057.

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## [Advance estimates on Gross Domestic Product for fourth quarter and whole year of 2023](#)

The Census and Statistics Department (C&SD) released today (January 31) the advance estimates on Gross Domestic Product (GDP) for the fourth quarter and the whole year of 2023.

According to the advance estimates, GDP increased by 4.3% in real terms in the fourth quarter of 2023 over a year earlier, compared with the increase of 4.1% in the third quarter. For 2023 as a whole, GDP increased by 3.2% in real terms over 2022.

Analysed by major GDP component, private consumption expenditure (PCE) increased by 3.5% in real terms in the fourth quarter of 2023 over a year earlier, after the increase of 6.2% in the third quarter. For 2023 as a whole, PCE increased by 7.4% in real terms over 2022.

Government consumption expenditure (GCE) measured in national accounts terms recorded a decline of 5.2% in real terms in the fourth quarter of 2023 from a year earlier, compared with the decrease of 4.0% in the third quarter. For 2023 as a whole, GCE decreased by 4.3% in real terms from 2022.

Gross domestic fixed capital formation (GDFCF) increased by 15.7% in real terms in the fourth quarter of 2023 over a year earlier, following the increase of 21.8% in the third quarter. For 2023 as a whole, GDFCF increased by 10.6% in real terms over 2022.

Over the same period, total exports of goods measured in national accounts terms recorded an increase of 2.8% in real terms over a year earlier, as against the decrease of 8.7% in the third quarter. Imports of goods measured in national accounts terms grew by 3.9% in real terms in the fourth quarter of 2023, as against the 6.1% decline in the third quarter. For 2023 as a whole, total exports of goods and imports of goods recorded decreases of 10.3% and 8.5% respectively in real terms from 2022.

Exports of services rose by 22.1% in real terms in the fourth quarter of 2023 over a year earlier, compared with the increase of 23.2% in the third quarter. Imports of services increased by 27.4% in real terms in the fourth

quarter of 2023, after the increase of 28.9% in the third quarter. For 2023 as a whole, exports of services and imports of services recorded increases of 21.2% and 26.0% respectively in real terms over 2022.

On a seasonally adjusted quarter-to-quarter comparison basis, GDP increased by 0.5% in real terms in the fourth quarter of 2023 when compared with the third quarter.

#### Commentary

A Government spokesman said that the Hong Kong economy continued to revive in the fourth quarter of 2023, with inbound tourism and private consumption remaining the key drivers. According to the advance estimates, real GDP grew by 4.3% in the fourth quarter of 2023 over a year earlier, after increasing by 4.1% in the preceding quarter. On a seasonally adjusted quarter-to-quarter basis, real GDP rose by 0.5% in the fourth quarter, further to 0.3% growth in the preceding quarter.

For 2023 as a whole, real GDP resumed growth of 3.2%, following a contraction of 3.7% in 2022. Exports of services staged a strong rebound, thanks to the revival of visitor arrivals after the resumption of normal travel with the Mainland and the rest of the world. Private consumption expenditure turned to a notable increase after the removal of anti-epidemic measures, supported by rising household income and the Government's various initiatives. Overall investment expenditure reverted to growth in tandem with the economic recovery. Yet, total exports of goods fell further amid the challenging external environment.

Looking ahead, the difficult external environment will continue to pose pressures on Hong Kong's exports of goods in 2024. The situation may stabilise later in the year if advanced economies cut interest rates as expected. Meanwhile, visitor arrivals should increase further as handling capacity continues to recover, with additional boost from the Government's efforts to promote mega events. Together with the Government's various measures, rising household income should continue to support private consumption. Fixed asset investment should also grow further alongside continued economic growth, though the tight financial conditions may remain a constraint for the time being.

The revised figures on GDP and more detailed statistics for the fourth quarter and the whole year of 2023, as well as the real GDP growth forecast for 2024 will be released on February 28, 2024 when the 2024-25 Budget is announced.

#### Further information

The year-on-year percentage changes of GDP and selected major expenditure components in real terms from the fourth quarter of 2022 to the fourth quarter of 2023 are shown in Table 1.

When more data become available, the C&SD will compile revised figures

on GDP. The revised figures on GDP and more detailed statistics for the fourth quarter and the whole year of 2023 will be released at the C&SD website ([www.censtatd.gov.hk/en/scode250.html](http://www.censtatd.gov.hk/en/scode250.html)) and the Gross Domestic Product by Expenditure Component report ([www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1030001&scode=250](http://www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1030001&scode=250)) on February 28, 2024.

For enquiries about statistics on GDP by expenditure component, please contact the National Income Branch (1) of the C&SD (Tel: 2582 5077 or email: [gdp-e@censtatd.gov.hk](mailto:gdp-e@censtatd.gov.hk)).

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## **Residential mortgage loans in negative equity: End of December 2023**

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

The Hong Kong Monetary Authority announced today (January 31) the results of its survey on residential mortgage loans (RMLs) in negative equity at end-December 2023.

The estimated number of RMLs in negative equity increased to 25 163 cases at end-December 2023 from 11 123 cases at end-September 2023. These cases were mainly related to bank staff housing loans or RMLs under mortgage insurance programme, which generally have a higher loan-to-value ratio.

The aggregate value of RMLs in negative equity increased to HK\$131.3 billion at end-December 2023 compared with HK\$59.3 billion at end-September 2023.

The unsecured portion of these loans increased to HK\$7.3 billion at end-December 2023 from HK\$2 billion at end-September 2023.

The three-month delinquency ratio of RMLs in negative equity increased slightly to 0.03% per cent at end-December 2023 from 0.02 per cent at end-September 2023.

It is important to note that the figures derived from this survey relate only to RMLs provided by authorized institutions on the basis of first mortgages and which the reporting institution knows to be in negative equity (i.e. the outstanding loan amount with the reporting institution exceeds the current market value of the mortgaged property). Not included in these figures are RMLs associated with co-financing schemes which would be in negative equity if the second mortgages were taken into account. The extent to which such RMLs are in negative equity is not known because authorized institutions do not maintain records on the outstanding balances of the

second mortgages.

The mortgage portfolios of the surveyed authorized institutions represent about 99 per cent of the industry total. The survey results have been extrapolated to estimate the position of the banking sector as a whole.