

# Financial results for two months ended May 31, 2024

The Government announced today (June 28) its financial results for the two months ended May 31, 2024.

Expenditure for the period April to May 2024 amounted to HK\$120.6 billion and revenue HK\$50.9 billion, resulting in a cumulative year-to-date deficit of HK\$77.5 billion after taking into account the repayment of HK\$7.8 billion principal on Government Bonds.

A Government spokesperson said that the cumulative year-to-date deficit for the period was mainly due to the fact that some major types of revenue including salaries and profits taxes are mostly received towards the end of a financial year.

The fiscal reserves stood at HK\$657.1 billion as at May 31, 2024.

Detailed figures are shown in Tables 1 and 2.

TABLE 1. CONSOLIDATED ACCOUNT (Note 1)

|   | Month ended<br>May 31, 2024<br>HK\$ million | Two months ended<br>May 31, 2024<br>HK\$ million |
|---|---|--|
| Revenue   | 16,588.9                                    | 50,862.4   |
| Expenditure                                     | (58,658.4)                                  | (120,593.3)                                      |
|   |   |  |
| Deficit before repayment of<br>Government Bonds | (42,069.5)                                  | (69,730.9)                                       |
|   |   |  |
| Repayment of<br>Government Bonds                | (7,800.5)                                   | (7,800.5)  |
|   |   |  |
| Deficit after repayment of<br>Government Bonds  | (49,870.0)                                  | (77,531.4)                                       |
|   |   |  |
| Financing                                       |   |  |
| Domestic  |   |  |
| Banking Sector<br>(Note 2)                      | 49,067.6                                    | 75,017.2   |
| Non-Banking Sector                              | 802.4                                       | 2,514.2  |

|          |          |          |
|----------|----------|----------|
| External | –        | –        |
|          |          |          |
| Total    | 49,870.0 | 77,531.4 |

Government Debts as at May 31, 2024 (Note 3)

HK\$184,707 million

Debts Guaranteed by Government as at May 31, 2024 (Note 4)

HK\$143,723 million

TABLE 2. FISCAL RESERVES

|  | Month ended<br>May 31, 2024<br>HK\$ million | Two months ended<br>May 31, 2024<br>HK\$ million |
|--|---|--|
| Fiscal Reserves at start of period                       | 706,924.0                                   | 734,585.4  |
| Consolidated Deficit after repayment of Government Bonds | (49,870.0)                                  | (77,531.4)                                       |
|  |   |  |
| Fiscal Reserves at end of period<br>(Note 5)             | 657,054.0                                   | 657,054.0  |

Notes:

1. This Account consolidates the General Revenue Account and the following eight Funds: Capital Works Reserve Fund, Capital Investment Fund, Civil Service Pension Reserve Fund, Disaster Relief Fund, Innovation and Technology Fund, Land Fund, Loan Fund and Lotteries Fund. It excludes the Bond Fund, the balance of which is not part of the fiscal reserves. The Bond Fund balance as at May 31, 2024, was HK\$283,051 million.

2. Includes transactions with the Exchange Fund and resident banks.

3. These were the Green Bonds (equivalent to HK\$184,707 million as at May 31, 2024) issued under the Government Green Bond Programme. They were denominated in US dollars (US\$8,950 million with maturity from January 2026 to January 2053), euros (4,580 million euros with maturity from January 2025 to November 2041), Renminbi (RMB31,500 million with maturity from November 2024 to June 2033) and Hong Kong dollars (HK\$42,000 million with maturity from May 2025 to October 2026). They do not include the outstanding bonds with nominal value of HK\$236,855 million and alternative bonds with nominal value of US\$1,000 million (equivalent to HK\$7,818 million as at May 31, 2024) issued under the Government Bond Programme (with proceeds credited to the Bond Fund). Of these bonds under the Government Bond Programme (including Silver Bonds with nominal value of HK\$124,355 million, which may be redeemed before maturity

upon request from bond holders), bonds with nominal value of HK\$68,882 million will mature within the period from June 2024 to May 2025 and the rest within the period from June 2025 to May 2042.

4. Includes guarantees provided under the SME Loan Guarantee Scheme launched in 2001, the Special Loan Guarantee Scheme launched in 2008, the SME Financing Guarantee Scheme launched in 2012, Loan Guarantee Scheme for Cross-boundary Passenger Transport Trade, Loan Guarantee Scheme for Battery Electric Taxis and Loan Guarantee Scheme for Travel Sector launched in 2023, and a commercial loan of the Hong Kong Science and Technology Parks Corporation.

5. Includes HK\$364,974 million, being the balance of the Land Fund held in the name of "Future Fund", for long-term investments up to December 31, 2030. The Future Fund also includes HK\$4,800 million, being one-third of the actual surplus in 2015-16 as top-up.

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## **Exchange Fund Abridged Balance Sheet and Currency Board Account**

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

The Hong Kong Monetary Authority (HKMA) announced today (June 28) that the total assets of the Exchange Fund amounted to HK\$3,979.1 billion as at May 31, 2024, HK\$83.8 billion lower than that at the end of April 2024. Hong Kong dollar assets decreased by HK\$69.2 billion and foreign currency assets decreased by HK\$14.6 billion.

The decline in Hong Kong dollar assets was mainly due to the decrease in Exchange Fund Bills and Notes issued but not yet settled at month end. The decline in foreign currency assets was mainly due to withdrawals of Fiscal Reserves placements and reduction in the month-end balances of unsettled purchase of securities, which were partly offset by mark-to-market revaluation of investments.

The Currency Board Account shows that the Monetary Base at the end of May 2024 was HK\$1,919.0 billion, increased by HK\$2.9 billion, or 0.2 per cent, from the end of April 2024. The increase was mainly due to amortisation of discount on Exchange Fund Bills and Notes issued, which was partly offset by the decrease in the outstanding amount of Certificates of Indebtedness.

The amount of Backing Assets increased by HK\$12.1 billion, or 0.6 per cent, to HK\$2,135.1 billion at the end of May 2024. The increase was mainly attributable to interest from investments and mark-to-market revaluation of investments, which were partly offset by the redemption of Certificates of

Indebtedness. The Backing Ratio increased from 110.79 per cent at the end of April 2024 to 111.26 per cent at the end of May 2024.

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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 Special Data Dissemination Standard (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 June 2024, the scheduled dates for issuing the press releases are as follows:

|                     |  |
|---------------------|--|
| June 7<br>(Issued)  | SDDS International Reserves<br>(Hong Kong's Latest Foreign Currency Reserve Assets<br>Figures) |
| June 14<br>(Issued) | SDDS Analytical Accounts of the Central Bank<br>(Analytical Accounts of the Exchange Fund)     |
| June 28             | SDDS Template on International Reserves and<br>Foreign Currency Liquidity                      |
| June 28             | Exchange Fund Abridged Balance Sheet and<br>Currency Board Account                             |

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## [LegCo Members' luncheon with Director and officials of Liaison Office of Central People's Government in HKSAR \(with photos\)](#)

The following is issued on behalf of the Legislative Council Secretariat:

The President of the Legislative Council (LegCo), Mr Andrew Leung, hosted a luncheon today (June 28) in the Dining Hall of the LegCo Complex for the Director of the Liaison Office of the Central People's Government in the Hong Kong Special Administrative Region (the Liaison Office), Mr Zheng Yanxiong, and other Liaison Office officials.

On behalf of all LegCo Members, Mr Leung expressed gratitude to Director Zheng for another visit to LegCo since last year for dedicated exchange with Members, fully demonstrating his recognition and support for the work of LegCo. Mr Leung pointed out that the Seventh LegCo had bid farewell to internal attrition and restored rationality. He said it was expected that by

the summer recess in mid-July, LegCo would have passed 75 bills, an increase of 35 per cent compared to the same period in the previous term. Additionally, it was anticipated that 186 financial proposals, with a total commitment of over \$500 billion, would have been approved by mid-July, reflecting an 11 per cent increase compared to the same period in the previous term. The results are a testament to the proactive pragmatism of Members.

Mr Leung said the Chief Executive, Mr John Lee, driven by his strong sense of responsibility, proposed in March this year to enact legislation under Article 23 of the Basic Law. The bill, after scrutiny by LegCo, was subsequently passed, plugging the loophole in national security in the Hong Kong Special Administrative Region (SAR) and enabling Hong Kong to concentrate on its efforts on breaking new ground.

Mr Leung stressed, "Since the early years of Hong Kong, the city has been evolving and advancing on an ever-changing track. From need to change, from change to solution, unfazed by change and dare to change are in Hong Kong's DNA for success." He pointed out that LegCo, as an integral member of "patriots administering Hong Kong", shall spare no effort in assisting the SAR Government in assembling constructive forces to drive Hong Kong's development. The Liaison Office serves as an important channel for connecting different sectors of Hong Kong and facilitating the exchanges between Hong Kong and the Mainland. LegCo looks forward to more regular and a closer collaboration with the Liaison Office, with a view to advancing Hong Kong from stability to prosperity and better contributing to our country.



# Inspection of aquatic products imported from Japan

In response to the Japanese Government's plan to discharge nuclear-contaminated water at the Fukushima Nuclear Power Station, the Director of Food and Environmental Hygiene issued a Food Safety Order which prohibits all aquatic products, sea salt and seaweeds originating from the 10 metropolis/prefectures, namely Tokyo, Fukushima, Ibaraki, Miyagi, Chiba, Gunma, Tochigi, Niigata, Nagano and Saitama, from being imported into and supplied in Hong Kong.

For other Japanese aquatic products, sea salt and seaweeds that are not prohibited from being imported into Hong Kong, the Centre for Food Safety (CFS) of the Food and Environmental Hygiene Department will conduct comprehensive radiological tests to verify that the radiation levels of these products do not exceed the guideline levels before they are allowed to be supplied in the market.

As the discharge of nuclear-contaminated water is unprecedented and will continue for 30 years or more, the Government will closely monitor and step up the testing arrangements. Should anomalies be detected, the Government does not preclude further tightening the scope of the import ban.

From noon on June 27 to noon today (June 28), the CFS conducted tests on the radiological levels of 242 food samples imported from Japan, which were of the "aquatic and related products, seaweeds and sea salt" category. No sample was found to have exceeded the safety limit. Details can be found on the CFS's thematic website titled "Control Measures on Foods Imported from Japan" ([www.cfs.gov.hk/english/programme/programme\\_rafs/programme\\_rafs\\_fc\\_01\\_30\\_Nuclear\\_Event\\_and\\_Food\\_Safety.html](http://www.cfs.gov.hk/english/programme/programme_rafs/programme_rafs_fc_01_30_Nuclear_Event_and_Food_Safety.html)).

In parallel, the Agriculture, Fisheries and Conservation Department (AFCD) has also tested 50 samples of local catch for radiological levels. All the samples passed the tests. Details can be found on the AFCD's website ([www.afcd.gov.hk/english/fisheries/Radiological\\_testing/Radiological\\_Test.html](http://www.afcd.gov.hk/english/fisheries/Radiological_testing/Radiological_Test.html)).

The Hong Kong Observatory (HKO) has also enhanced the environmental monitoring of the local waters. No anomaly has been detected so far. For details, please refer to the HKO's website ([www.hko.gov.hk/en/radiation/monitoring/seawater.html](http://www.hko.gov.hk/en/radiation/monitoring/seawater.html)).

From August 24 to noon today, the CFS and the AFCD have conducted tests on the radiological levels of 63 118 samples of food imported from Japan (including 40 879 samples of aquatic and related products, seaweeds and sea salt) and 15 342 samples of local catch respectively. All the samples passed the tests.

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# Appointments to Advisory Committee on Admission of Quality Migrants and Professionals

The Government today (June 28) announced the appointment of the Chairperson and members of the Advisory Committee on Admission of Quality Migrants and Professionals from July 1, 2024, to June 30, 2025.

The Committee advises the Director of Immigration on applications received under the Quality Migrant Admission Scheme.

The Committee will be chaired by Mr Chow Chung-kong and comprise 23 non-official members. The non-official membership is (in alphabetical order of family names) as follows:

Mr Chow Chung-kong (Chairperson)

Ms Ann Au Chor-kwan

Dr Daniel Chan Ching-yan

Mr Joel Chan Cho-sing

Ms Michelle Cheng

Mr Human Cheung

Mr Gordon Chin Kwok-tung\*

Mr Andy Hei Kao-chiang

Ms Samantha Ho Shuk-yee

Dr Gabriel Hung Bing-kei

Ms Eva Lau Sau-fan

Mr Gary Lau Sun-tao

Ms Sylvia Lee Hiu-wah

Ms Rebecca Lee Pui-yi

Mr Pat Leung Chi-ming

Mr Leung Kwok-shing\*

Mr Jerome Leung Ty

Dr Liu Yuk-shing

Ms Anthea Lo Wing-sze

Ms Kelly Wong Ka-lei

Mr Woo King-hang

Dr Jack Yeung Chung-kit

Ms Karmen Yeung Ka-yin

Mr Desmond Yip Koon-shing

\* Newly appointed

Ex-officio members on the Committee are representatives from the Labour and Welfare Bureau, the Security Bureau and the Labour Department.

"We are grateful to the Committee for its service during its tenure, and have benefited from its wise counsel. We look forward to the valuable advice from the Chairperson, Mr Chow Chung-kong, reappointed members as well as the new members," a Government spokesman said.