

Tentative issuance schedule for HKSAR Institutional Government Bonds and appointment of Primary Dealers under Infrastructure Bond Programme and Government Sustainable Bond Programme

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

The Hong Kong Monetary Authority (HKMA), as representative of the Hong Kong Special Administrative Region Government (HKSAR Government), published today (October 21) a tentative issuance schedule for institutional Government Bonds (GBs) to be offered under the Infrastructure Bond Programme (IBP) and Government Sustainable Bond Programme (GSBP) for the six-month period from October 2024 to March 2025 (Annex 1) (Note). The GBs are denominated in Hong Kong dollars (HKD) and Renminbi (RMB) and will be offered by way of competitive tendering. The tentative issuance schedule contains information on, among others, the tentative tenors, tender dates, issuance sizes, issue dates and methods of issuance of individual GB issues. Further details are set out in the Information Memorandum to be published on the Hong Kong Government Bonds website, www.hkgb.gov.hk.

The HKMA has appointed 13 financial institutions as Primary Dealers under the institutional part of the IBP and GSBP to assist in taking forward the implementation of the GB tenders (Annex 2). Primary Dealers are also expected to provide two-way bid-and-offer quotations in the secondary market to facilitate GB trading. The Primary Dealers are appointed for a term of two years, covering the period from October 2024 to September 2026.

The information contained in the tentative issuance schedule, such as the tenors, tender dates, issuance sizes, issue dates and methods of issuance are tentative. The HKMA may make adjustments having regard to market conditions. A revised issuance schedule may be issued where appropriate. Details of individual issues, including details on the use of proceeds of the bonds, are to be confirmed and announced in the relevant tender notices prior to the scheduled tender dates.

Note: It was set out in the 2024-25 Budget that the IBP and GSBP will gradually replace the existing Government Bond Programme (GBP). The publication of the HKD Government bond benchmark yield curve, which is currently conducted under the GBP, is expected to gradually transition to the IBP and GSBP. Newly issued HKD bonds under the IBP and GSBP will be designated as the benchmark issues for their respective tenors under the HKD Government bond yield curve, replacing the benchmark issues currently under the GBP.