

Press Release

Financial results for the nine months ended December 31, 2015

Friday, January 29, 2016

The Government announced today (January 29) its financial results for the nine months ended December 31, 2015.

There was a surplus of HK\$6.2 billion in the month of December, thereby bringing the cumulative year-to-date deficit down to HK\$1.4 billion. Expenditure for the nine-month period amounted to HK\$315.6 billion and revenue HK\$314.2 billion.

A government spokesperson said that the surplus in December was mainly due to the collection of profits tax and salaries tax. The revised estimates for the current financial year will be published along with the 2016-17 Budget on February 24, 2016.

The fiscal reserves stood at HK\$827.1 billion as at December 31, 2015.

More detailed figures are shown in Tables 1 and 2.

TABLE 1. CONSOLIDATED ACCOUNT (Note 1)

	Month ended December 31, 2015	Nine months ended December 31, 2015
	----- HK\$ million	----- HK\$ million
Revenue (Note 2)	42,541.3	314,226.2
Expenditure	(36,389.1)	(315,665.2)
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Surplus/(Deficit)	6,152.2	(1,439.0)
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Financing		
Domestic		
Banking Sector	(6,218.6)	585.6
(Note 3)		

Non-Banking Sector	66.4	853.4
External	-	-
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Total	(6,152.2)	1,439.0
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Government Debts as at December 31, 2015 (Note 4)

HK\$1,500 million

Debts Guaranteed by Government as at December 31, 2015 (Note 5)

HK\$39,807.7 million

TABLE 2. FISCAL RESERVES

	Month ended December 31, 2015	Nine months ended December 31, 2015
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	HK\$ million	HK\$ million
Fiscal Reserves at start of period	820,922.9	828,514.1
Consolidated Surplus/ (Deficit)	6,152.2	(1,439.0)
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Fiscal Reserves at end of period	827,075.1	827,075.1
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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 December 31, 2015, was HK\$127,492 million.

2. Pursuant to the Financial Secretary's directive in December 2015, the

HK\$45,155 million investment income on the fiscal reserves for the calendar year 2015 was set aside and retained within the Exchange Fund as further injection to the Housing Reserve, and not received on December 31, 2015. Given interest accrued, the initial sum of HK\$27,487 million earmarked as Housing Reserve in December 2014 measured HK\$28,999 million as at December 31, 2015, before the further injection.

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

4. These were the outstanding institutional notes as at December 31, 2015, which were denominated in Hong Kong dollars with maturity in July 2019. They do not include the outstanding bonds with nominal value of HK\$98,900 million and alternative bonds with nominal value of US\$2,000 million (equivalent to HK\$15,502 million as at December 31, 2015) issued under the Government Bond Programme (with proceeds credited to the Bond Fund). Of these bonds under the Government Bond Programme, bonds with nominal value of HK\$27,000 million will mature within the period from January 2016 to December 2016, and the rest within the period from January 2017 to July 2030.

5. Includes guarantees provided under the SME Loan Guarantee Scheme launched in 2001, the Special Loan Guarantee Scheme launched in 2008, the Special Concessionary Measures under the SME Financing Guarantee Scheme launched in 2012, a commercial loan of the Ocean Park Corporation and a commercial loan of the Hong Kong Science and Technology Parks Corporation.

Ends