

## Press Release

### Financial results for the 11 months ended February 29, 2016

Thursday, March 31, 2016

The Government announced today (March 31) its financial results for the 11 months ended February 29, 2016.

There was a deficit of HK\$12 billion in the month of February, thereby bringing the cumulative year-to-date surplus down to HK\$33.2 billion. Expenditure for the 11-month period amounted to HK\$385.5 billion and revenue HK\$418.7 billion.

A government spokesperson said that the expenditure in March is expected to exceed revenue, resulting in a deficit for the month and further reducing the cumulative surplus.

The fiscal reserves stood at HK\$861.7 billion as at February 29, 2016.

More detailed figures are shown in Tables 1 and 2.

TABLE 1. CONSOLIDATED ACCOUNT (Note 1)

	Month ended February 29, 2016	11 months ended February 29, 2016
	----- HK\$ million	----- HK\$ million
Revenue (Note 2)	22,907.9	418,678.6
Expenditure	(34,859.0)	(385,469.9)
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(Deficit)/Surplus	(11,951.1)	33,208.7
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Financing		
Domestic		
Banking Sector	11,821.3	(33,352.3)
(Note 3)		
Non-Banking Sector	129.8	143.6

External	-	-
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Total	11,951.1	(33,208.7)
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Government Debts as at February 29, 2016 (Note 4)

HK\$1,500 million

Debts Guaranteed by Government as at February 29, 2016 (Note 5)

HK\$37,099.8 million

TABLE 2. FISCAL RESERVES

	Month ended February 29, 2016	11 months ended February 29, 2016
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	HK\$ million	HK\$ million
Fiscal Reserves at start of period	873,673.9	828,514.1
Consolidated (Deficit)/Surplus	(11,951.1)	33,208.7
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Fiscal Reserves at end of period (Note 6)	861,722.8	861,722.8
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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 February 29, 2016 was HK\$127,870 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 February 29, 2016, which were denominated in Hong Kong dollars with maturity in July 2019. They do not include the outstanding bonds with nominal value of HK\$99,900 million and alternative bonds with nominal value of US\$2,000 million (equivalent to HK\$15,549 million as at February 29, 2016) 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 March 2016 to February 2017, and the rest within the period from March 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.

6. Includes HK\$219,730 million being the balance of the Land Fund held in the name of "Future Fund" as from January 1, 2016, for long-term investments initially up to December 31, 2025.

Ends