

Press Release

Financial results for the eight months ended November 30, 2016

Friday, December 30, 2016

The Government announced today (December 30) its financial results for the eight months ended November 30, 2016.

There was a surplus of HK\$37.3 billion in the month of November, thereby bringing a cumulative year-to-date surplus of HK\$15.6 billion. Expenditure for the eight-month period amounted to HK\$301 billion and revenue HK\$316.6 billion.

A government spokesperson said that the surplus in November mainly reflects the collection cycle of profits tax which begins in the third quarter of every financial year. The revised estimates for the current financial year will be published along with the 2017-18 Budget on February 22, 2017.

The fiscal reserves stood at HK\$858.5 billion as at November 30, 2016.

More detailed figures are shown in Tables 1 and 2.

TABLE 1. CONSOLIDATED ACCOUNT (Note 1)

	Month ended November 30, 2016 HK\$ million	Eight months ended November 30, 2016 HK\$ million
Revenue	73,565.5	316,671.5
Expenditure	(36,227.8)	(301,022.0)
Surplus	37,337.7	15,649.5
Financing		
Domestic		
Banking Sector (Note 2)	(37,396.7)	(16,802.4)

Non-Banking Sector	59.0	1,152.9
External	-	-
Total	(37,337.7)	(15,649.5)

Government Debts as at November 30, 2016 (Note 3)

HK\$1,500 million

Debts Guaranteed by Government as at November 30, 2016 (Note 4)

HK\$29,614.1 million

TABLE 2. FISCAL RESERVES

	Month ended November 30, 2016 HK\$ million	Eight months ended November 30, 2016 HK\$ million
Fiscal Reserves at start of period	821,199.4	842,887.6
Consolidated Surplus	37,337.7	15,649.5
Fiscal Reserves at end of period (Note 5)	858,537.1	858,537.1

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 November 30, 2016 was HK\$139,043 million.

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

3. These were the outstanding institutional notes as at November 30, 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\$111,793 million and alternative bonds with nominal value of US\$2,000 million (equivalent to HK\$15,513 million as at November 30, 2016) 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\$2,993 million, which may be redeemed before maturity upon request from bond holders), bonds with nominal value of HK\$10,500 million were repaid upon maturity on December 8, 2016; bonds with nominal value of HK\$16,000 million will mature within the period from January 2017 to November 2017 and the rest within the period from December 2017 to July 2030.

4. 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, and a commercial loan of the Hong Kong Science and Technology Parks Corporation.

5. 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. As from July 1, 2016, the Future Fund also includes HK\$4,800 million, being one-third of the actual surplus in 2015-16 as top-up.

Ends