

## **Press Release**

### **IMF reaffirms support for Hong Kong's prudent fiscal policy and robust regulatory and supervisory framework**

Friday, January 13, 2017

The International Monetary Fund (IMF) released a Staff Report today (January 13) which, substantiated by a more detailed analysis, reinforces the conclusions of its assessment of Hong Kong's economic and financial positions published on December 7, 2016.

The IMF complimented the Government's strong policy frameworks, including prudent fiscal policy and vigorous regulation and supervision of the financial system. The IMF recognised that the ample buffers built over the years had bolstered the resilience of Hong Kong to weather a less favourable environment. The IMF also reiterated its long-standing support for the Linked Exchange Rate System.

Welcoming the publication of the Staff Report and the IMF's positive assessment of Hong Kong, the Acting Financial Secretary, Professor K C Chan, said, "With strong economic fundamentals and a robust financial system, Hong Kong is well positioned to tackle the challenges ahead. We will continue with efforts to strengthen Hong Kong's status as an international financial centre, capitalising on our competitive advantages and close economic ties with the Mainland."

The Chief Executive of the Hong Kong Monetary Authority, Mr Norman Chan, said, "I am glad to note the IMF's recognition of our macroprudential measures in maintaining the stability of our banking system, as well as its reaffirmation of the Linked Exchange Rate System. We will continue to remain vigilant in facing up to the challenges ahead, and at the same time strive to enhance our strengths in financial development."

The IMF Mission visited Hong Kong from October 25 to November 3, 2016, to conduct the IMF Article IV consultation discussions. The Concluding Statement of the Mission's assessment was published on December 7, 2016. The Staff Report was considered and endorsed by the IMF Executive Board on January 6, 2017.

The IMF's press release on the Staff Report is attached in the Annex. The Staff Report can be obtained from the websites of the Financial Services and the Treasury Bureau ([www.fstb.gov.hk](http://www.fstb.gov.hk)) and the IMF ([www.imf.org](http://www.imf.org)).

Ends