

Speech

Speech by SFST at launching press conference on iBond

Monday, May 28, 2012

Following is the opening speech by the Secretary for Financial Services and the Treasury, Professor K C Chan, at the press conference on the launch of inflation-linked retail bond (iBond) today (May 28):

Today, I am very pleased to announce that the Government will launch the second inflation-linked retail bond, or iBond, under the retail part of the Government Bond Programme for subscription by Hong Kong residents in June this year.

Following the successful inaugural iBond issuance last July, the second iBond issuance mainly aims to further promote the sustainable development of a retail bond market in Hong Kong and enhance the investing public's awareness of and interest in bonds.

This time, the maximum issuance size of iBond will be HK\$10 billion.

It will have a tenor of three years and the bond holders will be paid interest once every six months at a rate linked to the inflation in Hong Kong, subject to a minimum rate of 1.00 per cent.

The subscription period of iBond will start from 9am on June 5 and end at 2pm on June 13.

Hong Kong residents (i.e. holders of valid HKID card) may apply for iBond through the placing banks, securities brokers or the Hong Kong Securities Clearing Company Limited.

iBond will be issued on June 22 and listed on the Stock Exchange of Hong Kong on June 25.

We hope this launch will be another success in fostering the development of a retail bond market in Hong Kong.

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