

Press Release

Financial results for the 10 months ended January 31, 2017

Tuesday, February 28, 2017

The Government announced today (February 28) its financial results for the 10 months ended January 31, 2017.

There was a surplus of HK\$46.5 billion in the month of January, thereby bringing a cumulative year-to-date surplus of HK\$111.9 billion. Expenditure for the 10-month period amounted to HK\$377.2 billion and revenue HK\$489.1 billion.

The fiscal reserves stood at HK\$954.8 billion as at January 31, 2017.

A government spokesperson said that the surplus in January was mainly due to the collection of salaries tax and profits tax. Taking into account the projected revenue and expenditure towards the year-end, the surplus for the 2016-17 financial year is expected to decrease and the fiscal reserves are estimated to be HK\$935.7 billion as at the end of March 2017.

More detailed figures are shown in Tables 1 and 2.

TABLE 1. CONSOLIDATED ACCOUNT (Note 1)

	Month ended January 31, 2017 HK\$ million	10 months ended January 31, 2017 HK\$ million
Revenue	84,536.7	489,047.9
Expenditure	(38,036.1)	(377,150.1)
Surplus	46,500.6	111,897.8
Financing		
Domestic		
Banking Sector	(45,413.7)	(112,047.5)

(Note 2)		
Non-Banking Sector	(1,086.9)	149.7
External	-	-
Total	(46,500.6)	(111,897.8)

Government Debts as at January 31, 2017 (Note 3)

HK\$1,500 million

Debts Guaranteed by Government as at January 31, 2017 (Note 4)

HK\$28,771.6 million

TABLE 2. FISCAL RESERVES

	Month ended January 31, 2017 HK\$ million	10 months ended January 31, 2017 HK\$ million
Fiscal Reserves at start of period	908,284.8	842,887.6
Consolidated Surplus	46,500.6	111,897.8
Fiscal Reserves at end of period (Note 5)	954,785.4	954,785.4

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 January 31, 2017 was HK\$133,645 million.

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

3. These were the outstanding institutional notes as at January 31, 2017, which were denominated in Hong Kong dollars with maturity in July 2019. They do not include the outstanding bonds with nominal value of HK\$102,488 million and alternative bonds with nominal value of US\$2,000 million (equivalent to HK\$15,516 million as at January 31, 2017) 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\$2,988 million, which may be redeemed before maturity upon request from bond holders), bonds with nominal value of HK\$16,000 million will mature within the period from February 2017 to January 2018 and the rest within the period from February 2018 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