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7 January 2005

Mr Joseph YAM, GBS, JP  
Chief Executive  
Hong Kong Monetary Authority  
55th Floor, Two International Finance Centre  
8 Finance Street  
Central  
Hong Kong

Dear Mr YAM,

**Panel on Financial Affairs  
Meeting on 17 February 2005**

**Return rate of the Exchange Fund**

On behalf of Hon Bernard CHAN, Chairman of the Panel, I write to invite the Hong Kong Monetary Authority (HKMA) to provide the following information requested by members:

- (a) whether there is a target return rate of the Exchange Fund;
- (b) the actual return rates of the Exchange Fund in recent years; and
- (c) a comparison of item (b) above with those reflecting the performance of relevant bodies in other jurisdictions, such as United States and United Kingdom.

Members also suggested that the above subject be covered by your regular briefing of the Panel on the work of HKMA to be held on 17 February 2005.

I should be grateful if you would let me have the relevant information (in both Chinese and English) at least five clear days before the meeting on 17 February 2005, i.e. **by 7 February 2005**. Please forward the soft copy of the paper to Ms May LEUNG at [mleung@legco.gov.hk](mailto:mleung@legco.gov.hk).

Please note that unless you raise objection, the discussion paper for the above meeting will be made available to the media and public and placed in the Library of the Legislative Council. The paper may also be made available on the Web Site of the Council on the Internet.

Yours sincerely,

(Miss Salumi CHAN)  
Clerk to Panel

c.c. Hon Bernard CHAN, JP  
Chairman of LegCo Panel on Financial Affairs

Hon Emily LAU Wai-hing, JP

Hon TAM Heung-man

Miss Fiona CHAN  
Senior Manager, Hong Kong Monetary Authority  
(Fax: 2509 9159)