

Panel on Financial Affairs

Follow-up actions arising from the meeting on 29 May 2017

Agenda Item III —Briefing on the work of Hong Kong Monetary Authority ("HKMA")

HKMA is requested to take the following actions:

- (a) to provide information (including the amount and the proportion to the total amount of loans) on Mainland-related loans made in Hong Kong, particularly those using assets in the Mainland as collateral, and HKMA's assessment of the potential risks of such loans to Hong Kong's financial stability;
- (b) to refine the information on the housing affordability of the public (i.e. slide 19 of the powerpoint presentation), taking into account the fact that the mainstream mortgage terms have changed from 20 years in 1997 to 30 years in 2016;
- (c) to provide information on changes in (i) the aggregate balance of Hong Kong dollar ("HKD"); and (ii) the monetary base of HKD since 2016, and HKMA's assessment of the impacts of such changes to the stability of HKD; and
- (d) to provide information on the Exchange Fund's investment, if any, in renminbi-denominated bonds issued by the Central Government.