



# DAILY INFORMATION BULLETIN

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FRIDAY, AUGUST 28, 1992

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ECONOMIC SITUATION IN FIRST HALF OF 1992  
AND UPDATED FORECASTS OF GDP AND PRICES FOR 1992

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THE ECONOMY MAINTAINED ITS GROWTH MOMENTUM IN THE FIRST HALF OF THIS YEAR. THE ROBUST PERFORMANCE OF RE-EXPORTS CONTINUED TO PROVIDE THE KEY IMPETUS TO GROWTH, WHILE DOMESTIC EXPORTS ALSO SHOWED A SLIGHT PICK-UP.

LOCALLY, BOTH CONSUMPTION AND INVESTMENT EXPENDITURES REMAINED BUOYANT. MEANWHILE, CONSUMER PRICE INFLATION CONTINUED TO MODERATE.

THE GROSS DOMESTIC PRODUCT (GDP) GREW BY AN ESTIMATED 4.7% IN REAL TERMS IN THE FIRST QUARTER OF 1992 OVER A YEAR EARLIER, FOLLOWING AN INCREASE OF 4.2% FOR 1991 AS A WHOLE. THE GROWTH RATE IN THE SECOND QUARTER WAS PROBABLY IN THE REGION OF 4.5%-5%.

THESE DEVELOPMENTS ARE DESCRIBED IN THE HALF-YEARLY ECONOMIC REPORT 1992 RELEASED TODAY.

THE GOVERNMENT ECONOMIST SAID FOLLOWING THE REGULAR PRACTICE, THE ECONOMIC FORECASTS FOR 1992 HAD BEEN REVIEWED AND UPDATED. AS A RESULT, ADJUSTMENTS ARE MADE TO CERTAIN COMPONENTS, BUT THE FORECAST GROWTH RATE IN REAL TERMS OF THE GDP IS MAINTAINED AT 5%.

MATCHING THIS FORECAST AGAINST THE GDP GROWTH RATE ATTAINED IN THE FIRST TWO QUARTERS, IT IMPLIES THAT THE ECONOMY IS EXPECTED TO GROW SLIGHTLY FASTER IN THE SECOND HALF OF THE YEAR THAN IN THE FIRST HALF. THE FORECAST INFLATION RATE, IN TERMS OF BOTH THE CONSUMER PRICE INDEX (A) AND THE GDP DEFLATOR, IS ALSO KEPT UNCHANGED AT 9.5%.

IN THE EXTERNAL SECTOR, DOMESTIC EXPORTS REVIVED TO SHOW A MODERATE INCREASE OF ABOUT 3% IN REAL TERMS IN THE SECOND QUARTER OVER A YEAR EARLIER, FOLLOWING VIRTUALLY NO GROWTH IN THE FIRST QUARTER. THE INCREASE IN REAL TERMS IN THE FIRST HALF OF 1992 WAS ABOUT 1%.

THE REVIVAL IN DOMESTIC EXPORTS, NOTWITHSTANDING THE WEAK DOMESTIC DEMAND IN SOME OF THE OVERSEAS MARKETS, WAS ATTRIBUTABLE IN PART TO AN INCREASED EXTERNAL COMPETITIVENESS OF HONG KONG'S PRODUCTS FOLLOWING THE DEPRECIATION OF THE HONG KONG DOLLAR ALONG WITH THE U.S. DOLLAR DURING THE LATTER PART OF 1991.

IN THE FIRST HALF OF 1992, DOMESTIC EXPORTS TO CHINA SURGED FURTHER, WHILE THOSE TO THE UNITED STATES CONTINUED TO REVIVE. BUT DOMESTIC EXPORTS TO GERMANY AND THE UNITED KINGDOM SHOWED FURTHER SIGNIFICANT DECREASES. THOSE TO JAPAN ALSO RECORDED A MODERATE DECLINE.

CHINA OVERTOOK THE UNITED STATES TO BECOME THE LARGEST MARKET FOR HONG KONG'S DOMESTIC EXPORTS IN THE SECOND QUARTER OF 1992. CHINA'S SHARE IN THE TOTAL DOMESTIC EXPORTS INCREASED FURTHER, FROM 24% IN 1991 TO 27% IN THE FIRST HALF OF 1992. ON THE OTHER HAND, THE SHARE TAKEN UP BY THE UNITED STATES FELL FURTHER, FROM 27% IN 1991 TO 26% IN THE FIRST HALF OF 1992.

/RE-EXPORTS .....

RE-EXPORTS REMAINED ROBUST, GROWING BY ABOUT 31% IN REAL TERMS IN THE FIRST HALF OF 1992 OVER THE SAME PERIOD IN 1991. AS RE-EXPORTS CONTINUED TO GROW FASTER THAN DOMESTIC EXPORTS, THE SHARE OF RE-EXPORTS IN THE VALUE OF TOTAL EXPORTS INCREASED FURTHER, FROM 70% FOR 1991 AS A WHOLE TO 74% IN THE FIRST HALF OF 1992.

THERE WAS A SUSTAINED MARKED INCREASE IN RE-EXPORTS INVOLVING CHINA IN BOTH DIRECTIONS, REFLECTING BOTH A GREATER ABSORPTION OF IMPORTS BY CHINA FOR ITS OWN USE AND A FURTHER EXPANSION IN OUTWARD PROCESSING ACTIVITIES ACROSS THE BORDER.

CHINA REMAINED THE LARGEST MARKET FOR AS WELL AS THE LARGEST SOURCE OF HONG KONG'S RE-EXPORTS, ACCOUNTING FOR 31% AND 58% RESPECTIVELY OF THE TOTAL VALUE OF RE-EXPORTS IN THE FIRST HALF OF 1992.

SUPPORTED BY THE CONTINUED SURGE IN RE-EXPORTS AND THE BUOYANT DOMESTIC DEMAND, IMPORTS RECORDED A FURTHER MARKED INCREASE, BY ABOUT 23% IN REAL TERMS IN THE FIRST HALF OF 1992 OVER A YEAR EARLIER.

RETAINED IMPORTS ALSO SHOWED A NOTABLE INCREASE, BY ABOUT 14% IN REAL TERMS. AMONG THE VARIOUS END-USE CATEGORIES, RETAINED IMPORTS OF FUELS RECORDED THE FASTEST GROWTH, FOLLOWED BY THOSE OF CAPITAL GOODS, CONSUMER GOODS, FOODSTUFFS, AND RAW MATERIALS AND SEMI-MANUFACTURES.

A VISIBLE TRADE DEFICIT OF \$26,473 MILLION WAS RECORDED IN THE FIRST HALF OF 1992, EQUIVALENT TO 6% OF THE VALUE OF IMPORTS. THE CORRESPONDING DEFICIT IN THE SAME PERIOD LAST YEAR WAS \$21,183 MILLION, ALSO EQUIVALENT TO 6% OF THE VALUE OF IMPORTS. THE RELATIVELY HIGHER TRADE DEFICIT IN THE FIRST HALF OF THE YEAR WAS PARTLY ATTRIBUTABLE TO SEASONAL FACTORS.

ACCORDING TO THE PRELIMINARY ESTIMATE OF QUARTERLY GDP IN CONSTANT PRICE TERMS, PRIVATE CONSUMPTION EXPENDITURE, AS THE LARGEST COMPONENT OF DOMESTIC DEMAND, GREW BY 9% IN THE FIRST QUARTER OF 1992 OVER A YEAR EARLIER, FOLLOWING A SIMILAR INCREASE IN THE PRECEDING QUARTER. CONSUMPTION OF DURABLE GOODS SHOWED A PARTICULARLY NOTABLE INCREASE.

AS REGARDS GOVERNMENT CONSUMPTION EXPENDITURE, THE GROWTH RATE IN NATIONAL ACCOUNTS TERMS WAS 7% IN THE FIRST QUARTER OF 1992 OVER A YEAR EARLIER, AFTER A 6% INCREASE IN THE PRECEDING QUARTER.

LOCAL INVESTMENT, MEASURED IN TERMS OF GROSS DOMESTIC FIXED CAPITAL FORMATION, GREW BY 5% IN THE FIRST QUARTER OF 1992 OVER A YEAR EARLIER, FOLLOWING AN INCREASE OF 8% IN THE PRECEDING QUARTER.

OF THE MAIN COMPONENTS, EXPENDITURE ON MACHINERY AND EQUIPMENT RECORDED A FURTHER SIGNIFICANT GROWTH OF 10% IN THE FIRST QUARTER, HAVING SURGED BY 20% IN THE PRECEDING QUARTER. ON THE OTHER HAND, EXPENDITURE ON BUILDING AND CONSTRUCTION CONTINUED TO FALL, BY 3% IN THE FIRST QUARTER, LARGELY DUE TO THE WINDING DOWN OF SOME LARGE PROJECTS SINCE THE LATTER PART OF LAST YEAR.

CONSUMER DEMAND REMAINED STRONG IN THE SECOND QUARTER. RETAINED IMPORTS OF CONSUMER GOODS GREW BY ABOUT 9% IN THE SECOND QUARTER OF 1992 OVER A YEAR EARLIER, HAVING SURGED BY 28% IN THE FIRST QUARTER.

CONCURRENTLY, THE VOLUME OF RETAIL SALES ALSO SHOWED A MARKED INCREASE, BY 13% IN THE FIRST FIVE MONTHS OF 1992 OVER THE SAME PERIOD IN 1991. THESE INCREASES WERE SUPPORTED BY THE SPENDING OF BOTH LOCAL CONSUMERS AND TOURISTS.

INVESTMENT DEMAND WAS ALSO STRONG. RETAINED IMPORTS OF CAPITAL GOODS GREW BY ABOUT 25% IN THE SECOND QUARTER OF 1992 OVER A YEAR EARLIER, HAVING INCREASED BY 12% IN THE FIRST QUARTER. WITHIN THIS CATEGORY, THERE WAS A SHARP RISE IN RETAINED IMPORTS OF INDUSTRIAL MACHINERY FOR MANUFACTURING USE.

CONSUMER PRICE INFLATION CONTINUED TO MODERATE DURING THE FIRST HALF OF THIS YEAR. THE YEAR-ON-YEAR RATE OF INCREASE IN THE CONSUMER PRICE INDEX (A) SLOWED DOWN FROM 12.3% AND 10.9% RESPECTIVELY IN THE THIRD AND FOURTH QUARTERS OF 1991, TO 10.1% IN THE FIRST QUARTER AND 9.0% IN THE SECOND QUARTER OF 1992 (THE INCREASE WAS 8.8% IN JULY).

THIS REPRESENTED A SIGNIFICANT DECELERATION FROM THE PEAK FIGURE OF 13.9% IN APRIL LAST YEAR.

THE AVERAGE INCREASE FOR THE FIRST HALF OF 1992 AS A WHOLE WAS 9.6%. THE CORRESPONDING INCREASES IN THE CPI(B) AND HANG SENG CPI WERE 9.6% AND 9.8%, WHILE THE COMPOSITE CPI WAS 9.7% HIGHER.

FOLLOWING A TEMPORARY EASING IN THE EARLY PART OF 1992, LABOUR MARKET CONDITIONS SEEMED TO HAVE TIGHTENED UP AGAIN IN THE MORE RECENT MONTHS. THE SEASONALLY ADJUSTED UNEMPLOYMENT RATE IN THE SECOND QUARTER, AT 2.3%, WAS 0.1 OF A PERCENTAGE POINT LOWER THAN IN BOTH THE PRECEDING QUARTER AND THE SAME QUARTER LAST YEAR (THE PROVISIONAL ESTIMATE FOR THE THREE MONTHS ENDING JULY WAS 2.1%).

THE UNDEREMPLOYMENT RATE, AT 2.2% IN THE SECOND QUARTER, WAS THE SAME AS IN THE PRECEDING QUARTER, THOUGH 0.5 OF A PERCENTAGE POINT HIGHER THAN A YEAR EARLIER.

VACANCIES IN ALL SECTORS COMBINED IN THE FIRST QUARTER WERE MORE THAN IN THE PRECEDING QUARTER, AND IN A NUMBER OF SECTORS VACANCIES SHOWED MARKED INCREASES.

THE PERFORMANCE OF THE PROPERTY MARKET VARIED AMONGST SUB-SECTORS. IN THE RESIDENTIAL PROPERTY MARKET, PRICES CONTINUED TO RISE MOSTLY DURING THE FIRST QUARTER WHILE RENTALS ALSO ROSE, ALBEIT MORE SLOWLY.

THE ANTI-SPECULATION MEASURES INTRODUCED BY THE GOVERNMENT SINCE LATE 1991 AND THE TIGHTER MORTGAGE LENDING POLICY PURSUED BY THE BANKS HAD PRODUCED SOME NOTICEABLE EFFECTS. AS THE MARKET ADJUSTED ITSELF, THE VOLUME OF TRANSACTIONS IN THE FIRST HALF OF THIS YEAR WAS SMALLER THAN IN THE SECOND HALF OF LAST YEAR, AND PRICES HAD TENDED TO STABILISE IN RECENT MONTHS.

IN THE MARKET FOR SHOPPING SPACE, PRICES AND RENTALS HELD STEADY, EXCEPT FOR THE PRIME LOCATIONS WHERE DEMAND STRENGTHENED AS A RESULT OF A PICK-UP IN LOCAL CONSUMER SPENDING AND TOURIST BUSINESS.

AGAINST AN ABUNDANT SUPPLY, THE DEMAND FOR OFFICE SPACE IMPROVED WITH A SLIGHT RECOVERY IN RENTALS IN SOME LOCATIONS, WHILE THE SALES MARKET FOR OFFICE SPACE PERFORMED FAIRLY WELL.

THE DEMAND FOR FLATTED FACTORY SPACE VARIED AMONGST LOCATIONS BUT THE MARKET REMAINED GENERALLY SLACK.

IN THE FINANCIAL SECTOR, THE FOLLOWING DEVELOPMENTS WERE OBSERVED DURING THE FIRST HALF OF 1992. FIRST, THE MARKET EXCHANGE RATE OF THE HONG KONG DOLLAR AGAINST THE U.S. DOLLAR REMAINED GENERALLY STABLE UNDER THE LINKED EXCHANGE RATE SYSTEM. DUE TO AN INCREASED DEMAND FOR HONG KONG DOLLARS CAUSED IN PART BY AN INFLOW OF FOREIGN FUNDS INTO THE LOCAL STOCK MARKET, THE EXCHANGE RATE OF THE HONG KONG DOLLAR STRENGTHENED SLIGHTLY, CLOSING THE SECOND QUARTER AT HK\$7.732 TO US\$1. THIS, HOWEVER, REPRESENTED ONLY A SMALL DEVIATION FROM THE LINKED EXCHANGE RATE OF 7.80.

SECONDLY, REFLECTING THE MOVEMENTS OF THE U.S. DOLLAR AGAINST OTHER MAJOR CURRENCIES DURING THE FIRST HALF OF THE YEAR, THE TRADE-WEIGHTED EXCHANGE RATE INDEX OF THE HONG KONG DOLLAR EDGED UP FROM 109.2 AT THE END OF 1991 TO AROUND 113.0 IN MID-APRIL, BEFORE FALLING BACK TO 110.2 AT THE END OF JUNE 1992.

FOLLOWING THE EASING IN INTERBANK INTEREST RATES, DEPOSIT RATES ADMINISTERED BY THE HONG KONG ASSOCIATION OF BANKS WERE LOWERED TWICE ACROSS-THE-BOARD DURING THE MONTH OF MAY.

THIRDLY, PARTLY DUE TO AN INFLOW OF FUNDS, HONG KONG DOLLAR DEPOSITS RECORDED A MARKED INCREASE DURING THE SECOND QUARTER, HAVING DECLINED MARGINALLY DURING THE FIRST QUARTER. THE BROADER DEFINITIONS OF THE HONG KONG DOLLAR MONEY SUPPLY, HK\$M2 AND HK\$M3, GREW BY 22% AND 20% RESPECTIVELY IN JUNE 1992 OVER A YEAR EARLIER, SOMEWHAT FASTER THAN THE GROWTH RATE OF NOMINAL GDP.

MEANWHILE, HONG KONG DOLLAR LOANS AND ADVANCES ROSE MORE SLOWLY THAN HONG KONG DOLLAR DEPOSITS DURING THE SECOND QUARTER.

FOURTHLY, THE STOCK MARKET SHOWED A STRONG RALLY. THE HANG SENG INDEX HIT A RECORD HIGH OF 6,113 ON JUNE 26, BEFORE CLOSING THE SECOND QUARTER AT 6,104, 1,807 POINTS OR 42% HIGHER THAN AT THE END OF 1991. THIS GAIN CONSIDERABLY OUTPERFORMED THOSE IN THE MAJOR STOCK MARKETS OVERSEAS.

FIFTHLY, ON MONETARY MANAGEMENT, A LIQUIDITY ADJUSTMENT FACILITY WAS INTRODUCED IN JUNE TO ASSIST LICENSED BANKS IN MAKING LATE ADJUSTMENTS TO THEIR LIQUIDITY POSITIONS.

THE GOVERNMENT ECONOMIST SAID THAT THE GDP AND PRICE FORECASTS FOR 1992 WERE REVIEWED BY INDIVIDUAL COMPONENTS IN THE LIGHT OF THESE DEVELOPMENTS AND THE SHORT-TERM OUTLOOK FOR THE ECONOMY. THE UPDATED FORECASTS ARE SHOWN IN THE TABLE ANNEXED.

IN THE EXTERNAL SECTOR, THE FORECAST GROWTH RATE IN REAL TERMS OF DOMESTIC EXPORTS IS REVISED SLIGHTLY UPWARDS FROM 1% TO 1.5%, HAVING REGARD TO THE LATEST TREND AND TAKING INTO ACCOUNT THE SUSTAINED IMPROVEMENT IN THE ORDERS-ON-HAND POSITION AND THE STEADY GROWTH IN RETAINED IMPORTS OF RAW MATERIALS AND SEMI-MANUFACTURES.

THE RECENT EXCHANGE RATE MOVEMENTS SHOULD ALSO ENHANCE THE EXTERNAL COMPETITIVENESS OF HONG KONG'S PRODUCTS. DOMESTIC EXPORTS TO CHINA, IN PARTICULAR, SHOULD CONTINUE TO SHOW SIGNIFICANT GROWTH, SUPPORTED BY THE INCREASE IN CHINA'S IMPORTS FOR ITS OWN USE AND THE CONTINUED EXPANSION IN OUTWARD PROCESSING ACTIVITIES.

IN THE LIGHT OF THE FAVOURABLE OUTTURN SO FAR THIS YEAR, THE FORECAST GROWTH RATE IN REAL TERMS OF RE-EXPORTS IS RAISED SLIGHTLY FURTHER, FROM 24% TO 25%. AS IT NOW STANDS, THE RENEWAL OF CHINA'S MFN STATUS IN THE UNITED STATES IN 1992 APPEARS FAIRLY SECURE.

OUTWARD PROCESSING ACTIVITIES CAN BE EXPECTED TO GROW FURTHER, THEREBY INCREASING RE-EXPORTS INVOLVING CHINA IN BOTH DIRECTIONS. THE RAPID GROWTH IN CHINA'S IMPORTS FOR MEETING ITS OWN DEMAND ALSO UNDERPINS RE-EXPORTS TO CHINA. HOWEVER, THE MARKET ACCESS NEGOTIATIONS BETWEEN THE UNITED STATES AND CHINA UNDER SECTION 301 OF THE US TRADE ACT ARE GIVING RISE TO SOME UNCERTAINTY IN THE RE-EXPORT TRADE AND THIS IS A MATTER OF MUCH CURRENT CONCERN.

HAVING REGARD TO THE HIGHER GROWTH RATE OF RE-EXPORTS AND A FASTER INCREASE IN RETAINED IMPORTS FOR THE LOCAL ECONOMY, THE FORECAST GROWTH RATE IN REAL TERMS OF IMPORTS OF GOODS IS RAISED FROM 17.6% TO 19%.

WITH THE FASTER GROWTH IN TOTAL TRADE AND THE SIGNIFICANT REVIVAL IN TOURISM SO FAR THIS YEAR, THE FORECAST GROWTH RATES IN REAL TERMS OF EXPORTS OF SERVICES AND OF IMPORTS OF SERVICES ARE BOTH LIFTED, FROM 10% AND 9.5% TO 11% AND 10% RESPECTIVELY.

IN THE DOMESTIC SECTOR, THE FORECAST GROWTH RATE IN REAL TERMS OF PRIVATE CONSUMPTION EXPENDITURE IS REVISED UPWARDS FROM 7% TO 7.5%, MAINLY TO TAKE ACCOUNT OF THE SIGNIFICANT GROWTH ATTAINED IN THE FIRST HALF OF THIS YEAR.

FOR THE REST OF THE YEAR, A FURTHER STEADY INCREASE SUPPORTED BY HIGHER HOUSEHOLD INCOMES CAN BE EXPECTED. SPENDING ON DURABLE GOODS AND RESIDENTS' EXPENDITURE ABROAD ARE LIKELY TO INCREASE FASTER THAN EXPENDITURE ON OTHER CONSUMER ITEMS.

THE FORECAST GROWTH RATE IN REAL TERMS OF GOVERNMENT CONSUMPTION EXPENDITURE REMAINS UNCHANGED AT 6%.

AS REGARDS INVESTMENT, THE FORECAST GROWTH RATE IN REAL TERMS OF GROSS DOMESTIC FIXED CAPITAL FORMATION IS REVISED MARGINALLY UPWARDS FROM 7.1% TO 7.2%.

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AS THE CURRENT TREND OF INVESTMENT IN MACHINERY AND EQUIPMENT IS STRONGER THAN INITIALLY EXPECTED, THE FORECAST GROWTH RATE IN REAL TERMS OF PRIVATE SECTOR EXPENDITURE ON MACHINERY AND EQUIPMENT IS REVISED UPWARDS FROM 10% TO 14%. BY CONTRAST, THE FORECAST GROWTH RATE IN REAL TERMS OF EXPENDITURE ON BUILDING AND CONSTRUCTION IS REVISED DOWNWARDS, FROM 6.1% TO 2.6%, HAVING REGARD TO THE CURRENT SLACK IN BUILDING AND CONSTRUCTION ACTIVITY.

WHILE PUBLIC SECTOR EXPENDITURE ON BUILDING AND CONSTRUCTION HAS ALREADY BEEN SHOWING CONSIDERABLE UNDERSPENDING SO FAR THIS YEAR, THE REDUCTION IN BUILDING CONSENTS SINCE 1991 AND THE WINDING DOWN OF A NUMBER OF MAJOR PROJECTS SUGGEST THAT PRIVATE SECTOR EXPENDITURE ON BUILDING AND CONSTRUCTION COULD ALSO SLACKEN IN THE SHORT TERM.

OVERALL, THE FORECAST GROWTH RATE IN REAL TERMS OF THE GDP IS MAINTAINED AT 5%.

GIVEN THE CAPACITY CONSTRAINTS IN THE LOCAL ECONOMY, THE RAPID INCREASES IN SOME OF THE FINAL DEMAND COMPONENTS ARE BEING SUPPORTED TO A CONSIDERABLE EXTENT BY GREATER IMPORTS, AS DISTINCT FROM LOCAL SUPPLY.

ON CONSUMER PRICE INFLATION, THE FORECAST RATE OF INCREASE IN THE CPI(A) FOR 1992 AS A WHOLE IS MAINTAINED AT 9.5%. THIS HAS TAKEN INTO ACCOUNT THE ACTUAL INFLATION RATE AND THE MODERATING TREND IN THE FIRST SEVEN MONTHS OF THE YEAR.

SUSTAINED INVESTMENT IN MACHINERY AND EQUIPMENT AND THE ARRIVAL OF FOREIGN WORKERS UNDER THE 1992 LABOUR IMPORTATION SCHEME SHOULD ENABLE THE PRODUCTIVE CAPACITY OF THE ECONOMY TO BE EXPANDED TO MEET THE PRESSURE OF DEMAND.

MOREOVER, THE GENERALLY STABLE WORLD COMMODITY PRICES SHOULD HELP TO RESTRAIN THE INCREASE IN IMPORT PRICES, THEREBY KEEPING IMPORTED INFLATION AT A LOW LEVEL NOTWITHSTANDING THE RECENT MOVEMENT OF THE US DOLLAR.

THE FORECAST RATE OF INCREASE IN THE GDP DEFLATOR, AS A MEASURE OF OVERALL INFLATION IN THE ECONOMY, IS ALSO KEPT UNCHANGED AT 9.5%.

THE HALF-YEARLY ECONOMIC REPORT 1992 WILL BE ON SALE ON AUGUST 28, 1992 AT THE GOVERNMENT PUBLICATIONS SALES CENTRE IN CONNAUGHT PLACE, CENTRAL, AT \$30 A COPY.

/FORECAST .....

|  | FORECAST<br>FOR 1992<br>AS RELEASED<br>ON 29.5.1992<br>-----<br>(%) | CURRENT<br>UPDATE<br>RELEASED ON<br>28.8.1992<br>-----<br>(%) |
|--|---|---|
| GROWTH RATE IN REAL TERMS :            |   |   |
| -----                                  |   |   |
| PRIVATE CONSUMPTION EXPENDITURE        | 7   | 7.5   |
| GOVERNMENT CONSUMPTION EXPENDITURE     | 6   | 6   |
| GROSS DOMESTIC FIXED CAPITAL FORMATION | 7.1   | 7.2   |
| TRANSFER COSTS OF LAND AND BUILDINGS   | 8   | 8   |
| BUILDING AND CONSTRUCTION              | 6.1   | 2.6   |
| PRIVATE SECTOR                         | 2   | 0   |
| PUBLIC SECTOR                          | 15  | 8   |
| REAL ESTATE DEVELOPERS' MARGIN         | 2   | 0   |
| MACHINERY AND EQUIPMENT                | 10.3  | 13.9  |
| PRIVATE SECTOR                         | 10  | 14  |
| PUBLIC SECTOR                          | 20  | 8.5   |
| TOTAL EXPORTS OF GOODS                 | 16.6  | 17.4  |
| DOMESTIC EXPORTS                       | 1   | 1.5   |
| RE-EXPORTS                             | 24  | 25  |
| IMPORTS OF GOODS                       | 17.6  | 19  |
| EXPORTS OF SERVICES                    | 10  | 11  |
| IMPORTS OF SERVICES                    | 9.5   | 10  |
| GROSS DOMESTIC PRODUCT (GDP)           | 5   | 5   |
| PER CAPITA GDP                         | 4.2   | 3.9*  |
| -----                                  |   |   |
| GROWTH RATE IN MONEY TERMS OF :        |   |   |
| -----                                  |   |   |
| GDP                                    | 14.9  | 14.9  |
| PER CAPITA GDP                         | 14.1  | 13.8*   |
| -----                                  |   |   |
| RATE OF INCREASE IN :                  |   |   |
| -----                                  |   |   |
| GDP DEFLATOR                           | 9.5   | 9.5   |
| CONSUMER PRICE INDEX (A)               | 9.5   | 9.5   |

NOTE : (\*) REVISED FORECAST BASED ON THE MID-YEAR POPULATION ESTIMATE FOR 1992.

HK ASSESSING IMPACT OF U.S. RETALIATORY TRADE LIST  
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THE UNITED STATES GOVERNMENT YESTERDAY (THURSDAY) PUBLISHED IN THE FEDERAL REGISTER THE PROPOSED LIST OF CHINESE PRODUCTS THAT MAY BE SUBJECT TO RETALIATORY TARIFFS UNDER THE SECTION 301 PROVISION.

THE TRADE DEPARTMENT HAS MADE AVAILABLE THE FULL LIST TO LOCAL CHAMBERS OF COMMERCE AND TRADE ASSOCIATIONS TODAY (FRIDAY) AND HAS WRITTEN TO THEM ENCOURAGING INDUSTRY LEADERS AND TRADERS TO GIVE VIEWS ON THEIR UNDERSTANDING OF THE COVERAGE OF THE LIST AND ITS LIKELY IMPACT TO HONG KONG'S TRADING INTERESTS.

IN THE LETTER THE TRADE DEPARTMENT ASSURED TRADERS THAT IT WAS WORKING AS QUICKLY AS POSSIBLE TO ANALYSE THE LIST.

"WE ARE WORKING ON THE LIST TO DEFINE ITS COVERAGE AND DETERMINE ITS LIKELY IMPACT ON HONG KONG'S TRADING INTERESTS," A SPOKESMAN FOR THE DEPARTMENT SAID.

"THERE ARE SLIGHT DIFFERENCES IN THE U.S. AND HONG KONG HARMONISED SYSTEMS OF TRADE CLASSIFICATION WHICH MAKES CORRELATING THE LIST WITH OUR OWN DATA A RATHER COMPLICATED PROCESS," HE ADDED.

THE TRADE DEPARTMENT PROMISED TRADERS THAT IT WOULD GET IN TOUCH WITH THEM EARLY NEXT WEEK TO ARRANGE FURTHER MEETINGS.

A TRADE DEPARTMENT COMMERCIAL INFORMATION CIRCULAR HAS BEEN PUBLISHED TODAY ON THE SUBJECT.

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CHIEF SECRETARY COMMENTS ON TAP SHEK KOK INCIDENT  
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COMMENTING ON AN INCIDENT AT A CHINA LIGHT AND POWER PLANT AT TAP SHEK KOK THIS (FRIDAY) MORNING, THE CHIEF SECRETARY, SIR DAVID FORD, SAID: "I AM VERY SORRY TO HEAR THAT SOMEONE HAS DIED AND THAT THERE HAVE BEEN SOME INJURIES CAUSED."

"BUT I UNDERSTAND THAT THE EMERGENCY SERVICES WERE QUICKLY ON THE SCENE AND EVACUATED PEOPLE.

"WE ARE STILL INVESTIGATING THE CAUSE OF THE ACCIDENT. IT HAPPENED IN AN ANCILLIARY BUILDING, NOT ON THE POWER STATION ITSELF. AND OUR UNDERSTANDING IS THAT POWER SUPPLY WILL NOT BE AFFECTED. I THINK ALL THE ACTION THAT NEEDS TO BE TAKEN HAS BEEN TAKEN AND HAS BEEN TAKEN PROMPTLY."

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PROPOSED ENGINEERING WORKS FOR CENTRAL RECLAMATION

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THE GAZETTE TODAY (FRIDAY) PUBLISHED A NOTICE OUTLINING PROPOSED ROAD WORKS AND ASSOCIATED WORKS THAT FORM PART OF THE PHASE I CENTRAL RECLAMATION PROJECT.

THE WORKS ARE FOR THE OPERATION OF THE REPROVISIONED WATERFRONT FACILITIES, THE AIRPORT RAILWAY HONG KONG STATION AND THE FUTURE DEVELOPMENTS ON THE NEW RECLAMATION AREA.

THE PROJECT INVOLVES THE CONSTRUCTION OF DISTRICT ROADS, HIGHWAY STRUCTURES AND THE ASSOCIATED ROAD WORKS.

ALSO INCLUDED ARE THE CONSTRUCTION OF STORMWATER DRAINS AND FOUL SEWERS AND THE UPGRADING OF EXISTING STORMWATER DRAINS IN THE CATCHMENT AREA BEHIND THE NEW RECLAMATION.

OTHER WORKS COMPRISE THE REPROVISIONING OF COOLING WATER MAINS AND ASSOCIATED FACILITIES AFFECTED BY THE NEW RECLAMATION, LANDSCAPING AND UTILITIES.

THE PLAN AND SCHEME MAY BE INSPECTED BY MEMBERS OF THE PUBLIC AT THE CENTRAL AND WESTERN DISTRICT OFFICE, PUBLIC ENQUIRY SERVICE CENTRE, GROUND FLOOR, HARBOUR BUILDING, 38 PIER ROAD, CENTRAL, HONG AND AT THE DISTRICT LANDS OFFICE, HONG KONG WEST, 19TH FLOOR, SOUTHOEN CENTRE, 130 HENNESSY ROAD, WAN CHAI, HONG KONG.

ANY PERSON WHO WISHES TO OBJECT TO THE WORKS SHOULD SENT HIS OBJECTION IN WRITING TO THE SECRETARY FOR TRANSPORT, CENTRAL GOVERNMENT OFFICES, EAST WING, SECOND FLOOR, LOWER ALBERT ROAD, HONG KONG NO LATER THAN OCTOBER 27, DESCRIBING HIS INTEREST AND THE MANNER IN WHICH HE ALLEGES HE WILL BE AFFECTED BY THE WORKS.

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CONTAINER THROUGHPUT CONTINUES TO GROW

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HONG KONG'S TOTAL CONTAINER THROUGHPUT REACHED 3.567 MILLION TEUS (20-FOOT EQUIVALENT UNITS) IN THE FIRST SIX MONTHS THIS YEAR, REPRESENTING AN INCREASE BY 26.4 PER CENT OVER THE SAME PERIOD LAST YEAR.

RELEASING THE STATISTICS TODAY (FRIDAY), THE ASSISTANT DIRECTOR OF MARINE (PORT, PLANNING AND LOCAL SERVICES), MR REGGIE KENT, SAID: "IF THIS TREND CONTINUES, IT SHOULD PUT HONG KONG'S THROUGHPUT OVER THE SEVEN MILLION MARK THIS YEAR.

"THE GROWTH RATE FOR CONTAINER THROUGHPUT IN THE PORT OF HONG KONG REMAINS HEALTHY. THE KWAI CHUNG CONTAINER PORT HAS SHOWN A STEADY INCREASE BY ABOUT 10 PER CENT IN THE FIRST SIX MONTHS THIS YEAR," MR KENT SAID.

/ "THIS SHOULD .....

"THIS SHOULD ENABLE THE OPERATORS TO MAINTAIN THEIR CAPACITY TARGETS, TO PROVIDE FOR FUTURE PLANNING, AND TO MAINTAIN INTEREST IN THE DEVELOPMENT OF CONTAINER TERMINAL 9," HE NOTED.

ON THE RIVER TRADE CONTAINER THROUGHPUT, MR KENT POINTED OUT THAT A MORE QUALITATIVE ANALYSIS HAD BEEN ACHIEVED BY THE MARINE DEPARTMENT BY REQUIRING OPERATORS OF THE RIVER TRADE TO SUBMIT A MORE DETAILED MANIFEST.

"THIS HAS RESULTED IN SIGNIFICANT INCREASES OVER THE SAME PERIOD LAST YEAR, BUT THIS SHOULD NOT BE READ AS AN OVERALL GROWTH IN THROUGHPUT," SAID MR KENT.

THE FOLLOWING TABLE SHOWS THE CONTAINER THROUGHPUT FIGURES (TEUS) FOR THE FIRST SIX MONTHS OF 1992:

|          | 1991<br>----- | 1992<br>----- | INCREASE<br>----- |
|----------|---------------|---------------|-------------------|
| JANUARY  | 459 855       | 585 175       | 27.3%             |
| FEBRUARY | 386 385       | 449 139       | 16.2%             |
| MARCH    | 443 682       | 581 082       | 31.0%             |
| APRIL    | 473 759       | 605 815       | 27.9%             |
| MAY      | 526 947       | 667 490       | 26.7%             |
| JUNE     | 532 376       | 679 235       | 27.6%             |
| TOTAL    | 2 823 004     | 3 567 936     | 26.4%             |

The following figures are released by the Marine Department

一九九二年一月至六月與一九九一年同期貨櫃吞吐量比較  
Comparative Container Statistics for January - June 1992

|   | First<br>6-month<br>1991 | First<br>6-month<br>1992 | Change<br>Percent |
|---|--------------------------|--------------------------|-------------------|
| <b>KWAI CHUNG TERMINALS 葵涌貨櫃碼頭</b>  |                          |                          |                   |
| Loaded Full (T.E.U.)  | 1 016 906                | 1 134 485                | 11.6%             |
| Discharged Full (T.E.U.)  | 736 551                  | 830 565                  | 12.8%             |
| Loaded Empty (T.E.U.)   | 66 945                   | 59 564                   | -11.0%            |
| Discharged Empty (T.E.U.)   | 262 405                  | 260 165                  | -0.9%             |
| Throughput  |                          |                          |                   |
| a) T.E.U.   | 2 082 807                | 2 284 779                | 9.7%              |
| b) Actual   | 1 362 862                | 1 469 296                | 7.8%              |
| c) Ratio  | 1.53                     | 1.56                     |                   |
| % of T.E.U. throughput being empty  | 15.81%                   | 13.99%                   |                   |
| % of T.E.U. throughput being transshipment  | 21.48%                   | 18.44%                   |                   |
| Container Tonnage (Tonnes)  |                          |                          |                   |
| a) Loaded   | 6 963 596                | 7 584 152                | 8.9%              |
| b) Discharged   | 7 170 197                | 2 074 653                | 12.6%             |
| c) Total  | 14 133 793               | 15 658 805               | 10.8%             |
| Average Weight per full T.E.U. (Tonnes)   |                          |                          |                   |
| a) T.E.U. Loaded  | 6.85                     | 6.69                     |                   |
| b) T.E.U. Discharged  | 9.73                     | 9.72                     |                   |
| c) T.E.U. Total   | 8.06                     | 7.97                     |                   |
| <b>* STREAM AND ELSEWHERE 中流作業及其他</b>   |                          |                          |                   |
| Loaded Full (T.E.U.)  | 271 455                  | 465 344                  | 71.4%             |
| Discharged Full (T.E.U.)  | 348 855                  | 546 521                  | 56.7%             |
| Loaded Empty (T.E.U.)   | 43 985                   | 90 370                   | 105.5%            |
| Discharged Empty (T.E.U.)   | 45 423                   | 60 362                   | 32.9%             |
| Throughput (T.E.U.)   | 709 718                  | 1 162 597                | 63.8%             |
| <b>RIVER TRADE (Other than those handled at Kwai Chung Terminals) 內河貿易</b>            |                          |                          |                   |
| Loaded Full (T.E.U.)  | 11 928                   | 42 796                   | 258.8%            |
| Discharged Full (T.E.U.)  | 11 990                   | 36 960                   | 208.3%            |
| Loaded Empty (T.E.U.)   | 6 765                    | 13 408                   | 172.1%            |
| Discharged Empty (T.E.U.)   | 6 633                    | 30 445                   | 359.0%            |
| Throughput (T.E.U.)   | 37 316                   | 128 609                  | 244.6%            |
| <b># THROUGHPUT (Kwai Chung Terminals + Stream &amp; Elsewhere + River Trade) 各吐量</b> |                          |                          |                   |
| Loaded Full (T.E.U.)  | 1 295 368                | 1 635 790                | 26.3%             |
| Discharged Full (T.E.U.)  | 1 095 549                | 1 412 893                | 29.0%             |
| Loaded Empty (T.E.U.)   | 117 626                  | 168 281                  | 43.1%             |
| Discharged Empty (T.E.U.)   | 314 461                  | 350 972                  | 11.6%             |
| Throughput (T.E.U.)   | 2 823 004                | 3 567 936                | 26.4%             |

\* Figures include a total of 6 837 T.E.U. in 1991 and 8 049 T.E.U. in 1992 respectively handled by terminal vessels contracted to work in the stream.

# To avoid double counting figures are adjusted downwards by 6 837 T.E.U. in 1991 and 8 049 T.E.U. in 1992 respectively handled by terminal vessels contracted to work in the stream.

FRIDAY, AUGUST 28, 1992

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YUEN LONG, TUEN MUN RESIDENTS URGED TO GO TO THE POLLS

\* \* \* \* \*

THE 202,632 ELECTORS IN THE YUEN LONG AND TUEN MUN DISTRICTS ARE URGED TO VOTE IN THE LEGISLATIVE COUNCIL BY-ELECTION FOR THE NEW TERRITORIES WEST CONSTITUENCY ON SUNDAY (AUGUST 30).

A TOTAL OF 40 POLLING STATIONS WILL BE OPEN FOR 15 HOUR FROM 7.30 AM TO 10.30 PM.

A SPOKESMAN FOR THE REGISTRATION AND ELECTORAL OFFICE SAID ALL THE ELECTORS HAD TO DO WAS TO GO TO THE SPECIFIED POLLING STATION, BRINGING WITH THEM THEIR IDENTITY CARD AND POLL CARD.

"THOSE WHO HAVE LOST OR FAILED TO RECEIVE THEIR POLL CARD ARE STILL ELIGIBLE TO VOTE AT THEIR RESPECTIVE DESIGNATED POLLING STATION," HE SAID.

THEY MAY ENQUIRE ABOUT THEIR DESIGNATED POLLING STATION OF THE REGISTRATION AND ELECTORAL OFFICE BY TELEPHONING 827 1122 BETWEEN 9 AM AND 9 PM TOMORROW (SATURDAY) AND DURING THE POLLING HOURS ON SUNDAY.

THE SPOKESMAN SAID ELECTORS WHO HAD BEEN REGISTERED TO VOTE IN THE YUEN LONG AND TUEN MUN DISTRICTS BUT HAD RECENTLY MOVED TO OTHER DISTRICTS WERE ALSO ENTITLED TO VOTE IN THE BY-ELECTION.

THOSE WHO HAVE NOT RECEIVED THEIR POLL CARD MAY ENQUIRE ABOUT THEIR DESIGNATED POLLING STATION BY CALLING THE OFFICE.

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PREQUALIFICATION FOR LANDSLIP PREVENTIVE WORKS INVITED

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THE CIVIL ENGINEERING DEPARTMENT IS INVITING APPROVED CONTRACTORS TO PARTICIPATE IN A PREQUALIFICATION EXERCISE FOR LANDSLIP PREVENTIVE WORKS UNDER THE CURRENT YEAR'S LANDSLIP PREVENTIVE MEASURES PROGRAMME.

UNDER THE TWO-YEAR CONTRACT, LANDSLIP PREVENTIVE WORKS WILL BE CARRIED OUT FOR ABOUT 30 SLOPES IN DIFFERENT AREAS OF THE TERRITORY.

WORKS WILL INCLUDE SOIL NAILING, CUT BACK, SKIN WALL AND ROCK SLOPE STABILISATION WORKS SUCH AS ROCK DOWEL, ROCK BOLT, CONCRETE BUTTRESS, SPRAYED CONCRETE, SCALING, PROVISION OF SURFACE DRAINAGE CHANNELS AND HYDROSEEDING TO COMPLETED SLOPE PROFILE.

THE PROJECT IS SCHEDULED TO START THIS DECEMBER.

ONLY CONTRACTORS ON THE APPROVED CONTRACTORS FOR PUBLIC WORKS LIST I IN GROUP B OR C FOR SITE FORMATION AND/OR ROADS AND DRAINAGE WORKS MAY APPLY FOR PREQUALIFICATION.

/INTERESTED PARTIES .....

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INTERESTED PARTIES MAY APPLY FOR PREQUALIFICATION DOCUMENTS FROM CHIEF GEOTECHNICAL ENGINEER/DESIGN, 10TH FLOOR, CIVIL ENGINEERING BUILDING, 101 PRINCESS MARGARET ROAD, HO MAN TIN, KOWLOON.

THE DEADLINE FOR SUBMISSION OF APPLICATIONS IS NOON ON SEPTEMBER 18.

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TENDERS FOR CHEUNG CHING TUNNEL INVITED

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THE HIGHWAYS DEPARTMENT IS INVITING TENDERS FROM SEVEN PREQUALIFIED TENDERERS FOR THE CONSTRUCTION OF THE ROUTE 3 - CHEUNG CHING TUNNEL AND ASSOCIATED ROADWORKS ON TSING YI ISLAND.

THE CHEUNG CHING TUNNEL IS THE AIRPORT CORE PROGRAMME SECTION OF ROUTE 3 WHICH WILL FORM PART OF THE DIRECT LINK TO THE FUTURE CHEK LAP KOK AIRPORT.

THE CONTRACT COMPRISES THE CONSTRUCTION OF A 1.5-KILOMETRE DUAL THREE-LANE BORED TUNNEL; TWO TUNNEL PORTAL CONTROL BUILDINGS AND 0.9 KILOMETRE OF ASSOCIATED ROADWORKS ON TSING YI.

CONSTRUCTION IS EXPECTED TO BE COMPLETED IN 47 MONTHS.

TENDER OFFER WILL CLOSE ON NOVEMBER 27.

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MOSQUITO PREVENTION CAMPAIGN STARTS IN SEPTEMBER

\* \* \* \* \*

THE DEPARTMENT OF HEALTH WILL LAUNCH A TERRITORY-WIDE EDUCATION CAMPAIGN ON MOSQUITO PREVENTION NEXT MONTH.

UNDER THE AUSPICES OF THE URBAN COUNCIL AND REGIONAL COUNCIL, THE TWO-MONTH "PREVENT MOSQUITO BREEDING AT HOME" CAMPAIGN AIMS TO REINFORCE PUBLIC ATTENTION ON PREVENTIVE ACTION AGAINST MOSQUITO BREEDING.

TO DRIVE HOME THE MOSQUITO PREVENTION MESSAGE, A TELEPHONE HOTLINE (723 0013) WILL OPERATE ROUND-THE-CLOCK TO PROVIDE TAPED MESSAGE IN CANTONESE ON THE SUBJECT.

PUBLICITY LITERATURE SUCH AS ADVISORY LETTERS, POSTERS AND LEAFLETS WILL BE DISTRIBUTED TO OWNERS' CORPORATIONS, MUTUAL AID COMMITTEES, MANAGEMENT OFFICES OF LARGE HOUSING ESTATES, BUILDING CONTRACTORS AND SCHOOLS.

/PRINTED EDUCATIONAL .....

PRINTED EDUCATIONAL MATERIALS WILL ALSO BE OBTAINABLE AT DISTRICT OFFICES (ENVIRONMENTAL HYGIENE) OF BOTH THE URBAN SERVICES AND REGIONAL SERVICES DEPARTMENTS, AS WELL AS DISTRICT OFFICES OF THE CITY AND NEW TERRITORIES ADMINISTRATION AND HOUSING DEPARTMENT.

IN ADDITION, A TELEVISION AND RADIO ANNOUNCEMENT IN THE PUBLIC INTEREST WILL BE BROADCAST TO DISSEMINATE THE MESSAGE.

THE CAMPAIGN ALSO INCLUDES A DISPLAY ON MOSQUITO PREVENTION WHICH WILL BE STAGED AT THE RESOURCE UNIT OF THE DEPARTMENT'S HEALTH EDUCATION UNIT ON THE EIGHTH FLOOR, URBAN COUNCIL FA YUEN STREET COMPLEX, 123A FA YUEN STREET, MONG KOK.

THE DISPLAY WILL BE OPEN TO THE PUBLIC FREE OF CHARGE FROM 9.30 AM TO NOON AND FROM 2.30 PM TO 4.30 PM ON WEEKDAYS AND FROM 9.30 AM TO 11.30 AM ON SATURDAYS.

TO PREVENT MOSQUITO BREEDING, MEMBERS OF THE PUBLIC ARE URGED TO:

- \* DISPOSE OF ALL TINS AND OTHER RECEPTACLES THAT COULD HOLD WATER;
- \* COVER TIGHTLY ALL WATER CONTAINERS, WATER STORAGE TANKS AND WELLS;
- \* CHANGE WATER FOR FLOWERS AND PLANTS AT LEAST ONCE A WEEK AND LEAVE NO WATER IN PLATES OR TRAYS UNDERNEATH THE FLOWER POTS;
- \* KEEP ALL DRAINS FREE FROM CHOKAGE; AND
- \* TOP UP ALL DEFECTIVE GROUND SURFACES TO PREVENT ACCUMULATION OF STAGNANT WATER.

ALLOWING MOSQUITO BREEDING ON PREMISES IS AN OFFENCE UNDER THE PUBLIC HEALTH AND MUNICIPAL SERVICES ORDINANCE WHICH CARRIES A MAXIMUM FINE OF \$10,000.

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#### MORE VIETNAMESE MIGRANTS RETURN HOME

\* \* \* \* \*

A GROUP OF 242 VIETNAMESE MIGRANTS TODAY (FRIDAY) RETURNED TO VIETNAM UNDER THE UNHCR'S VOLUNTARY REPATRIATION PROGRAMME.

COMPRISING 101 MEN, 57 WOMEN, 45 BOYS AND 39 GIRLS, THEY WERE THE 120TH BATCH TO GO BACK UNDER THE PROGRAMME.

THIS GROUP BROUGHT TO 7,563 THE TOTAL NUMBER OF VIETNAMESE MIGRANTS WHO HAVE RETURNED VOLUNTARILY THIS YEAR, AND TO 21,442 THE TOTAL NUMBER OF RETURNEES SINCE THE PROGRAMME STARTED IN MARCH 1989.

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DEPOSIT-TAKING COMPANY REGISTRATION REVOKED  
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THE COMMISSIONER OF BANKING ANNOUNCED TODAY (FRIDAY) THAT THE REGISTRATION OF MIDDLE EAST FINANCE INTERNATIONAL LTD AS A DEPOSIT-TAKING COMPANY HAD BEEN REVOKED AT THE CLOSE OF BUSINESS ON AUGUST 28 AT ITS OWN REQUEST UNDER SECTION 31(2) OF THE BANKING ORDINANCE.

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HONG KONG GOVERNMENT EXCHANGE FUND  
MONEY MARKET OPERATIONS  
\* \* \* \* \*

|                                | \$ MILLION |
|--------------------------------|------------|
|                                | -----      |
| OPENING BALANCE IN THE ACCOUNT | 2,000      |
| REVERSAL OF LAF                | -500       |
| BALANCE AFTER REVERSAL OF LAF  | 1,500      |
| NET INJECTION/WITHDRAWAL TODAY | NIL        |
| EFFECT OF LAF TODAY            | +300       |
| CLOSING BALANCE IN THE ACCOUNT | 1,800      |

LAF RATE 2.00 BID/4.00 OFFER TWI 108.6 \*-0.2\* 28.8.92

HONG KONG GOVERNMENT EXCHANGE FUND

| EF BILLS  |          | HONG KONG GOVERNMENT BONDS |       |        |        |       |
|-----------|----------|----------------------------|-------|--------|--------|-------|
| TERMS     | YIELD    | TERM                       | ISSUE | COUPON | PRICE  | YIELD |
| 1 WEEK    | 2.25 PCT | 15 MONTHS                  | 2311  | 6.25   | 103.46 | 3.35  |
| 1 MONTH   | 2.40 PCT | 18 MONTHS                  | 2402  | 5.50   | 102.68 | 3.64  |
| 3 MONTHS  | 2.45 PCT | 21 MONTHS                  | 2405  | 5.50   | 102.69 | 3.90  |
| 6 MONTHS  | 2.65 PCT | 24 MONTHS                  | 2408  | 4.375  | 100.69 | 4.05  |
| 12 MONTHS | 3.17 PCT |                            |       |        |        |       |

TOTAL TURNOVER OF BILLS AND BONDS - 7,543 MN

CLOSED 28 AUGUST 1992

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