



DAILY INFORMATION BULLETIN

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Princess Royal to visit Hong Kong

Her Royal Highness, the Princess Royal, will arrive in Hong Kong tomorrow (Tuesday) evening for a four-day visit.

The Princess Royal will arrive at the airport on board BA27 at about 6 pm and be received by the Governor, the Rt Hon Christopher Patten.

During her stay in the territory, the Princess will attend a number of public, charity and private functions.

On Wednesday (January 29), the Princess will open an architectural exhibition, "Cities of the Future", in Pacific Place. Earlier in the day, she will visit the Sha Tin Racecourse and the Mariners' Club in Kwai Chung. She will attend a luncheon of the Animal Health Trust Fund and a dinner hosted by Save the Children (Hong Kong).

On Thursday (January 30), the Royal visitor will visit the British Council and officiate at the opening of the new British Consulate Building.

After that, she will spend about two hours visiting the Prince of Wales Building during which she will have a buffet lunch with Royal Navy servicewomen, and Queen's Gurkha Signals and Royal Logistic Corps personnel.

In the afternoon, she will visit the new airport in Chek Lap Kok.

On Friday (January 31), the Princess will go to Pok Fu Lam to see horse-riding training for the disabled. At noon, she will open the British Education Exhibition at the Hong Kong Convention and Exhibition Centre.

End

Cross border co-operation to continue

Hong Kong and Guangdong are committed to maintaining an effective mechanism for liaison on cross-border issues, the Secretary for Constitutional Affairs, Mr Nicholas Ng, said today (Monday).

Mr Ng is currently in Guangzhou heading a high-level Government delegation to attend the 17th Annual Border Liaison Review Meeting. Leading the Guangdong side at the regular liaison meeting was the Deputy Secretary General and Director of Foreign Affairs Office of the Guangdong Provincial Government, Mr Chao Zhenwei. The meeting was concluded early this afternoon.

Describing the meeting as "very useful and productive", Mr Ng said both sides endorsed the functions of the Border Liaison System and recognised the need to maintain an effective system for liaison and co-operation on such issues as smuggling, illegal immigration and cross border traffic.

"The System, established in 1981, has provided a good basis and foundation for further co-operation between Hong Kong and Guangdong and its continued development is vital to the economic prosperity and social stability of both sides," Mr Ng said.

"The meeting this morning has reviewed police, customs and immigration co-operation as well as cross-border traffic management over the past year. We have also discussed ways to further such co-operation," Mr Ng said.

On the Police and customs fronts, Mr Ng was encouraged by the 22 per cent decline in cross-border smuggling activities last year compared with figures in 1995. Theft of cars and container tractors also dropped by 43 per cent and 56 per cent respectively.

The crime rate for Hong Kong, the lowest for the past 15 years, was partly attributable to the effective co-operation established over the years between law enforcement officers on both sides of the border, he said.

On immigration, Mr Ng said that the two sides had reaffirmed their commitment in the fight against illegal immigration activities and had agreed to step up border patrols to curb smuggling of illegal immigrants.

"There will be no relaxation of any kind in this respect and there will continue to be immigration control for entry into the SAR from the Mainland after 1997," he stressed.

"Moreover, we have conveyed to the Chinese side our concern about the persistent high overstaying rate of two-way permit holders, which stood at 9.2 per cent in 1996, and the 70 per cent increase in two-way permit holders turning to prostitution and other illicit activities," he continued.

On cross-border transport, Mr Ng said that both sides saw the urgency of commencing the new Lok Ma Chau/Huanggang Cross Border Shuttle Bus Service, which should help relieve pressure on Lo Wu.

Turning to the Shenzhen River Regulation Project, Mr Ng noted that Stage I was making extremely good progress and would be fully completed on schedule in May 1997. Preparatory works for Stage II would start around late April, before the onset of the rainy season.

"The two sides also warmly welcomed the agreement reached in Shenzhen on January 17 on the Boundary of Administration between Hong Kong and Guangdong, which should facilitate effective management of the border by all agencies involved on each side," he added.

The Hong Kong delegation will return to the territory tomorrow.

End

Industry Department delegation visits Fuzhou and Xiamen

The Director-General of Industry, Mr Francis Ho, left today (Monday) for a five-day visit to Fuzhou and Xiamen in Fujian Province. He is joined by officers of the Industry Department.

The delegation will meet provincial and municipal officials from the Planning Commission, the Economic and Trade Commission, Foreign Economic Relations and Trade Commission, and the Science and Technology Commission. It will be briefed on the latest economic and industrial development in Fujian and the two cities.

The delegation will also visit the Fujian Economic and Technological Development Zone, the Xiamen Special Economic Zone and a number of factories.

"Given Hong Kong's increasing manufacturing activities in China, we need to foster better understanding of the latest economic development of different provinces of China," Mr Ho said.

End

Korea and Hong Kong sign bilateral repurchase agreement

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The Hong Kong Monetary Authority (HKMA) and the Bank of Korea (BOK) jointly announced today (Monday) that a bilateral repurchase (repo) agreement between the two central banking institutions has been signed.

The bilateral repo agreement with the BOK is HKMA's ninth such agreement. The HKMA has earlier signed bilateral repo agreements with central banks from Australia, China, Indonesia, Japan, Malaysia, the Philippines, Singapore and Thailand.

A bilateral repo agreement is a simultaneous agreement to buy securities for an agreed amount of cash and to sell back the same securities at a specific later date for a specified amount. Highly liquid US dollar government securities are the instruments used in all the repo agreements signed between the HKMA and regional central banks.

Entering into these well secured agreements with central banks, whose credit standing is generally higher than those of private sector banks, would improve the liquidity of the central banks under minimal risk.

End

Water storage figure

Storage in Hong Kong's reservoirs at 9 am today (Monday) stood at 78.4 per cent of capacity or 459.696 million cubic metres.

This time last year the reservoirs contained 468.662 million cubic metres of water, representing 80 per cent of capacity.

End

Hong Kong Monetary Authority tender result

Tender date	: 27 January 1997
Paper on offer	: EF notes
Issue number	: 1701
Issue date	: 28 January 1997
Maturity date	: 29 January 2007
Coupon	: 6.89%
Amount applied	: HK\$2,000 MN
Amount allotted	: HK\$500 MN
Average price accepted (yield)	: 100.18 (6.98 PCT)
Lowest price accepted (yield)	: 100.15 (6.99 PCT)
Pro rata ratio	: About 36 PCT
Average tender price (yield)	: 100.02 (7.01 PCT)

End

Hong Kong Monetary Authority interbank liquidity

		Time	Aggregate Balance of Settlement Accounts
Opening Aggregate Balance	914 MN	0930 HR	48,927 MN
Closing Aggregate Balance	374 MN	1000 HR	54,787 MN
Change Attributable To :		1100 HR	49,230 MN
Money Market Activity	- 6,720 MN	1200 HR	52,108 MN
Laf Reversal	+13,345 MN	1500 HR	44,713 MN
Laf Today	- 7,165 MN	1600 HR	38,707 MN

Laf Rate 4.00% BID/6.00% Offer TWI 126.5 *+0.1* 27.1.97

Hong Kong Monetary Authority

EF Bills		EF Notes/MTRC Notes				
Terms	Yield	Terms	Issue	Coupon	Price	Yield
1 week	4.43	2 years	2811	5.72	100.29	5.62
1 month	4.34	3 years	3001	6.17	100.38	6.12
3 months	4.46	5 years	5112	6.57	100.40	6.58
6 months	4.66	7 years	7311	6.80	100.68	6.78
12 months	5.05	10 years	1610	7.37	103.55	6.98
		5 years	M503	7.35	102.37	6.85

Total Turnover of EF Bills and Notes - \$27,610 MN

Closed January 27, 1997

End