



HONG KONG MONETARY AUTHORITY
香港金融管理局

Press Releases

30 Dec 2010

Expiry of the Full Deposit Guarantee and the Contingent Bank Capital Facility

The Full Deposit Guarantee and the Contingent Bank Capital Facility provided by the Exchange Fund of the HKSAR Government will expire at the end of 2010 as originally scheduled.

The introduction of these two special measures were announced by the Financial Secretary on 14 October 2008. The Full Deposit Guarantee provides guarantee for all deposits held with authorized institutions (i.e. all licensed banks, restricted licence banks and deposit-taking companies). CBCF was established for the purpose of making available additional capital in case of need to locally incorporated licensed banks. The two contingency measures were introduced at the onset of the global financial crisis in late 2008 to reinforce confidence in Hong Kong's banking system. There has been no utilization of the CBCF by the banks in Hong Kong since the establishment of the facility.

On expiry of the Full Deposit Guarantee, an enhanced Deposit Protection Scheme will come into effect on 1 January 2011, more details of which are provided in a separate press release.

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