Maturity Profile Return
MA(BS)1G

Summary of Proposed Changes

1. Non-performing assets

(Completion instructions - Section A paragraph 9)

Non-performing assets for the purposes of this return is now defined, in line with that applied under the guideline on "Financial Disclosure by Locally Incorporated Authorized Institutions" issued in November 2001.

2. Reporting of gold

(Return - item 12; Completion instructions - Section B item 12)

Currently, gold is regarded as a liquefiable asset in the Liquidity Return but is not reported in the Maturity Profile Return. To be in line with the Liquidity Return, it is proposed to include the reporting of gold in item 12 "Other assets" of the Maturity Profile Return.

July 2002

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SECRET

Co. No. MM YY

(For Official Use Only)

under the Banking Ordinance

MATURITY PROFILE RETURN

POSITION OF THE HONG KONG OFFICE(S) OF AN AUTHORIZED INSTITUTION

As at .....
(last day of the quarter)

Name of Authorized Institution	Date of Submission

The Banking Ordinance

Return required under section 63(2) of the Banking Ordinance to be submitted to the Monetary Authority not later than 14 days after the end of each quarter ending on 31 March, 30 June, 30 September and 31 December, unless otherwise advised by the Monetary Authority.

Note: This return is to be prepared in accordance with the completion instructions issued by the Monetary Authority.

We certify that this return is, to the best of our knowledge and belief, correct.

Chief Accountant _____ *Chief Executive* _____

Name _____ *Name* _____

Name and telephone number of responsible person who may be contacted by the Monetary Authority in case of any query.

Name _____ *Telephone Number* _____

(HK$ MILLION)

LIABILITIES/ASSETS	Form reference MA(BS)1	MATURITY							Reconciling amounts		
		Next day	2 days to 7 days	8 days to 1 month	1 month to 3 months	3 months to 6 months	6 months to 1 year	Total within 1 year	Over 1 year	Balancing amounts	Total
LIABILITY ITEMS											
1. Due to authorized institutions and other banks	8										
2. Deposits											
(a) Demand and savings deposits and current accounts	6.1+6.2										
(b) Time, call and notice deposits	6.3										
3. Negotiable debt instruments issued and outstanding	2+3+9										
4. Other liabilities	5+7+10										
5. Sub-total											
6. Off-balance sheet											
(a) Firm commitments											
(b) Undrawn overdraft and other commitments											
(c) Other payables											
7. TOTAL LIABILITIES											
7A. – Of which foreign currency equals											
ASSET ITEMS											
8. Cash	12										
9. Government bills, notes and bonds	19.4										
10. Lending to banking sector											
(a) Due from authorized institutions and other banks	17										
(b) Negotiable certificates of deposit and other negotiable debt instruments	18+19.1a +19.1c+19.3+19.5										
(c) Acceptances and bills of exchange held	19.2a										

(HK$ MILLION)

LIABILITIES/ASSETS	Form reference MA(BS)1	MATURITY							Reconciling amounts		
		Next day	2 days to 7 days	8 days to 1 month	1 month to 3 months	3 months to 6 months	6 months to 1 year	Total within 1 year	Over 1 year	Balancing amounts	Total
11. Lending to the non-bank sector											
(a) Overdraft outstanding and loans repayable on demand	15.7a+15.7b										
(b) Other loans and advances to customers	15.7g less (15.7a+15.7b)										
(c) Negotiable debt instruments	19.1b+19.1d+ 19.3+19.5										
(d) Acceptances and bills of exchange held	19.2b										
12. Other assets	14+16+20.2+22										
13. Sub-total											
14. Off-balance sheets											
(a) Standby facilities											
(b) Other receivables											
15. TOTAL ASSETS											
15A. – Of which foreign currency equals											
16. NET POSITION											
16A. – Of which foreign currency equals											
MEMORANDUM ITEMS											
2(a) Demand and savings deposits and current accounts											
6(b) Undrawn overdraft and other commitments											
11(a) Overdraft outstanding and loans repayable on demand											
11(b) Other loans and advances to customers											

Completion Instructions

Maturity Profile Return
Form MA(BS)1G

Introduction

1. This return collects information on the maturity profile of assets and liabilities of authorized institutions. This information will be used to measure the net future cash flows of institutions in the various time bands.

2. These completion instructions contain 2 sections. Section A gives instructions on the general reporting requirements. Section B explains the reporting requirement for each individual item in the return.

Section A: General Instructions

3. All authorized institutions are required to complete this return showing the position of their Hong Kong offices as at the last calendar day of each quarter. The return should be submitted not later than 14 days after the end of each quarter. If the submission deadline falls on a public holiday, it will be deferred to the next working day.

4. While this return does not cover the overseas operations of authorized institutions, institutions incorporated in Hong Kong with overseas operations may be required to provide further information on their management of the liquidity of the overseas operations.

5. Unless otherwise indicated, book value should be used for reporting purposes. Amounts should be shown to the nearest million, in HK$ or HK$ equivalents in the case of foreign currency items. The closing middle market T/T rates prevailing at the end of each quarter should be used for conversion purposes.

6. Assets and liabilities falling due within 1 year, excluding those which are to be reported as "Balancing Amounts", should be classified into different time bands in the first 6 columns under the heading of "Maturity" according to the remaining period to maturity at the reporting date. For the purposes of this return:

   - the remaining period to maturity of any item, except those which mature or available on the next day, should be counted by reference to calendar days from the reporting date;

   - "Next day" means next business day;

- any item maturing on a non-business day should be regarded as maturing on the succeeding business day; and

- any item callable at one day's notice should be reported under the "2 days to 7 days" column if no notice has been received by the reporting institution on the reporting date.

7. The amount reported under the "Total" column in respect of on-balance-sheet liabilities (items 1 to 4) and on-balance-sheet assets (items 8 to 12) of this return should equal to the corresponding amount reported in the Return of Assets and Liabilities [Form MA(BS)1] as indicated in this return form.

8. Certain items included in "Other liabilities" (item 4), "Firm commitments" and "Other payables" under off-balance-sheet liabilities (items 6(a) and (c)), "Other assets" (item 12) and "Standby facilities" and "Other receivables" under off-balance-sheet assets (items 14(a) and (b)) may be exempted from maturity classification if the amounts involved is insignificant. As a general rule, the total amounts of liabilities and of assets exempted should not normally be larger than 5% of any of the amounts reported between the "Next date" column and the "6 months to 1 year" column of item 7 and item 15 respectively. The exempted amounts should be reported, in the case of on-balance-sheet items, in the "Balancing amounts" column and in the case of off-balance-sheet items, in the "6 months to 1 year" column.

9. The "Balancing amounts" column, which serves to facilitate reconciliation of the figures reported in this return with those in Form MA(BS)l, may include, for example:

- assets and liabilities which do not have any maturity date and do not involve any cash disbursement - e.g. fixed or intangible assets, prepayments and unearned income:

- assets which are overdue or non-performing[1] (see ~~specific instructions for items 9 - 11 at Section B below~~ ***also box insert at Section B on common instructions applicable to items 9 -12***);

- items which are insignificant in amount and have been excluded from maturity classification (see point 8 above); and

- the differences, if any, resulted from using different value (i.e. the nominal, market or book value) for certain items in this return and the Return of Assets and Liabilities [Form MA(BS)l].

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[1] ***Defined as assets on which interest is being placed in suspense or interest accrual has ceased.***

Section B: Specific Instructions

Item Ref	Item
	LIABILITY ITEMS
	Unless otherwise indicated, classify liabilities according to their earliest maturity. For deposits, this means the first roll-over date or the shortest period of notice required to effect a withdrawal.
2.	Deposits
(a)	Demand and savings deposits and current accounts
	Report the total of demand, savings and current account deposits due to non-bank customers in the "Next day" column.
(b)	Time, call and notice deposits
	Report the amount of time, call and notice deposits due to non-bank customers according to the earliest date on which these deposits may be withdrawn.
3.	Negotiable debt instruments issued and outstanding
	Report the amounts of negotiable debt instruments issued by the institution and which are still outstanding. All instruments which can be redeemed before maturity at the holder's option should be classified in the appropriate time band according to the earliest date for redemption. Perpetual instruments should be reported under the column "over 1 year".
4.	Other liabilities
	This refers to other liabilities of the institution which are reported under items 5, 7 and 10 of the Return of Assets and Liabilities.
	- Enter items in transit, and in suspense accounts (except interest in suspense which should be netted off against the corresponding accounts for reporting purpose), on a gross basis according to their estimated payment dates.
	- Show accrued interest payable according to known or estimated payment dates.

- Enter provisions which involve a cash disbursement, e.g. dividend payments or tax liabilities, according to their estimated payment dates.

6. Off-balance-sheet

(a) Firm commitments

Report the principal amount of any irrevocable commitments or contracts which involve an outflow of funds by the reporting institution of which a payment date has been determined. This includes, for example, loan commitments where the dates of drawdown have already been specified. The institution's obligations to pay under contingent liabilities such as guarantees and underwriting commitments should also be included if the payment dates and amounts can be ascertained. The institution's liabilities arising from letters of credit issued and acceptances on trade bills may also be included to the extent that inward bill or trust receipt loans are expected to be granted under these letters of credit or acceptances. In any of the above cases, report according to best estimation if only the approximate amounts or payment dates are known.

(b) Undrawn overdraft and other commitments

This includes irrevocable commitments to provide funds under overdraft accounts or on demand or with short notice, but payment dates of which have yet to be fixed. Record the total of such commitments in the "Next day" column.

(c) Other payables

This item covers any other outflow of funds for which both the amounts and payment dates are known and which have not been included elsewhere. This includes interest payments or other payments of expenses which are payable but which have not yet been accrued in the accounts.

For example, an institution has a deposit which will mature in 6 months' time when both principal and interest should be repaid by that time. While the principal amount of this deposit is to be reported under item 2(b) and the accrued interest up to the reporting date is reported under item 4, the remaining interest up to the maturity of the deposit, if not already shown under item 4, should be reported in this item.

ASSET ITEMS

8. Cash

Report holdings of all notes and coins in the "Next day" column. Where the cash is still in transit, report it in other time bands according to the expected date of receipt.

9. Government bills, notes and bonds

Report all holdings of bills, notes and bonds issued by the central and local governments of a country, including the Exchange Fund. Report them under the "Next day" column using their market value if there is an established secondary market. Securities which cannot be sold quickly should be reported at book value according to their remaining maturities.

10. Lending to banking sector

(a) Due from authorized institutions and other banks

Report placements with authorized institutions in Hong Kong and banks abroad, including the overseas head office and branches of the reporting institution.

Claims on banks arising from export trade bills accepted and payable by them should be reported under item 10(c) below.

(b) Negotiable certificates of deposit and other negotiable debt instruments

Report all holding of negotiable debt instruments issued by banks and authorized institutions. Enter these items in the "Next day" column at market value if there is an established secondary market for the instruments or they should be slotted into the appropriate time bands according to residual maturity at book value.

(c) Acceptances and bills of exchange held

Report according to expiry dates of all claims on banks and other authorized institutions arising from acceptances and bills of exchange held by the reporting institution. Bills payable at sight should be reported according to the expected date of receipt of payment.

11. Lending to non-bank sector

(a) Overdrafts outstanding and loans repayable on demand

Report the total amount outstanding of overdrafts and loans repayable on demand in the "Next day" column.

(b) Other loans and advances to customers

Report all loans and advances, other than overdrafts and demand loans, to non-bank customers. Holdings of negotiable debt instruments, acceptances or bills of exchange issued or accepted by non-banks should be reported under item 11(c) or 11(d) below.

(c) Negotiable debt instruments

Report all holding of negotiable debt instruments issued by non-banks. The reporting method is same as 10(b) above.

(d) Acceptances and bills of exchange

Report all claims on non-banks arising from acceptances and bills of exchange held by the reporting institution. The reporting method is same as 10(c) above.

12. Other assets

~~This refers to other assets of the institution which are the amount reported under items 14, 16 and 22 of the Return of Assets and Liabilities.~~

This refers to the amount reported under items 14, 16 and 22 as well as the holding of gold included under item 20.2, of the Return of Assets and Liabilities. Report such holding of gold in the "Next day" column or in other time bands according to the expected date of receipt if it is still in transit.

Common instructions applicable to items 9 -12

For the purposes of these items, report assets which can be sold for cash quickly (or accepted readily as collateral for borrowing), with limited cost penalty, at their market values in the "Next day" column irrespective of whether they are held for trading or long term investment purposes. There should be a deep and established market for such assets in which prices are quoted frequently. Reporting institution may be asked for information to support the stated valuation of the assets concerned.

Assets without an established secondary market should be reported according to their residual maturity. Where the institution has been notified that an asset would be redeemed or repaid on any day other than the original maturity day, report the asset according to that other day. Where the borrower of a loan or the issuer of a debt instrument has the option to make repayment on a date other than the contractual maturity date, report the loan or the debt instrument according to the last repayment date. Where an asset is repayable by instalments, report the repayments according to each instalment payment date and amount.

In case an institution is holding a loan or a debt instrument drawn/issued under a revolving line of credit granted by the institution, such asset should be reported:

- according to the earliest date that the asset will mature - if the institution has no notice of any intention of renewal by the borrower;

- according to the next maturity date - if notice has been received on renewal of the loan or debt securities upon maturity; and

- according to the final maturity date of the credit line - if the asset is to be renewed automatically on each rollover date.

Report any asset such as loans, trade bills or debt securities which have been overdue for not more than 1 month in the "Next day" column and any asset which is non-performing or which is overdue for more than 1 month in the "Balancing amount" column. Any loan which is repayable on demand e.g. demand loans and overdrafts should be treated as overdue when a demand for repayment has been served on the borrower but repayment has not been made in accordance with the instruction and the loan has remained unpaid at the reporting date.

In the case of an asset which is repayable by different payments or instalments, only that portion of the asset which is actually overdue should be reported according to the method indicated above. Any part of the asset which is not yet due should continue to be reported according to the residual maturity unless the repayment of the asset is in doubt.

14. Off-balance-sheet

(a) Standby facilities

Report all irrevocable standby facilities for which a commitment fee has been paid by the reporting institution. Facilities which can be used by the institution at anytime without prior notice should be reported in the "Next day" column. Facilities which are callable at one day's notice should be reported under the "2 days to 7 days" column. Report all other facilities that require prior notification to the lending institution according to the length of the notification period required.

(b) Other receivables

This item covers any other inflow of funds for which both the amount and payment date are known and which have not been included elsewhere, e.g. interest receipts on existing claims which have not yet been accrued and receivables from contracted sale of assets. If an institution has a loan which will mature in 6 months' time, the principal amount of this loan should be reported under item 11(b), the interest accrued up to the reporting date should be reported under item 12, and the remaining interest up to the maturity of the loan should be reported in this item.

Contra items such as those relating to letters of credit or foreign exchange contracts, should be excluded.

16. Net position

This is the difference between items 7 (total liabilities) and 15 (total assets). Where item 7 exceeds item 15, the net figure should be shown in brackets to indicate a negative mismatch position.

MEMORANDUM ITEMS

2. (a) Demand and savings deposits and current accounts

Report the minimum level of outstanding demand, savings and current account deposits over the past twelve months (including the reporting month). For the sake of simplicity, use the lowest "end of the month" figure.

6. (b) Undrawn overdraft and other commitments

This refers to the institution's commitments which are reported under item 6(b). They should be slotted into the different time bands according to the

estimated dates of drawdown of such commitments by the customers. The estimate should be made from past experience.

11. (a) Overdraft outstanding and loans repayable on demand

This refers to the institution's outstanding overdrafts and demand loans which are reported under item 11(a). They should be slotted into the different time bands according to the estimated dates of repayments by the customers. Again, the estimate should be made from past experience.

11. (b) Other loans and advances to customers

This refers to the institution's outstanding loans and advances, other than overdraft and loans repayable on demand which are reported under item 11(a). They should be slotted into the same time bands as under item 11(b) of the Assets Items, except for revolving loans. Revolving loans should be reported in this item according to the institution's estimate of dates of repayments by customers. The estimate should be made from past experience.

Hong Kong Monetary Authority
~~April 1997~~ ***(MM/2003)***