HONG KONG MONETARY AUTHORITY
香港金融管理局

Circulars

30 Sep 2002

# Supervisory Policy Manual CA-G-3: "Use of Internal Models to Measure Market Risk"

Our Ref : B1/15C
B1/21C

30 September 2002

The Chief Executive
All locally incorporated authorized institutions

Dear Sir/Madam,

## Supervisory Policy Manual
## CA-G-3: "Use of Internal Models to Measure Market Risk"

I am pleased to inform you that, following consultation with the industry, the Monetary Authority is issuing the above guideline today.

This guideline is in the form of a technical note which sets out the standards and criteria that the HKMA will use in assessing authorized institutions' eligibility for adopting the internal models approach to the measurement of market risk for the purpose of capital adequacy. On-line access to the guideline is available under the icon of "Supervisory Policy Manual" in the HKMA's public (http://www.info.gov.hk/hkma) and private (http://www.hkfin.net) web-sites.

Should you have any questions relating to this guideline, please feel free to contact Mr Cho-hoi Hui on 2878-1485 or Mr Daniel Wong on 2878-1626.

Yours faithfully,

Simon Topping
Executive Director (Banking Policy)

c.c. The Chairman, The Hong Kong Association of Banks
The Chairman, The DTC Association

Last revision date : 01 August 2011