

Despite the general down turn in Hong Kong's property market, the Housing Society's cash flows remain robust. Over the past 12 months, the Society has continued to apply prudent principles to treasury management and loan administration.

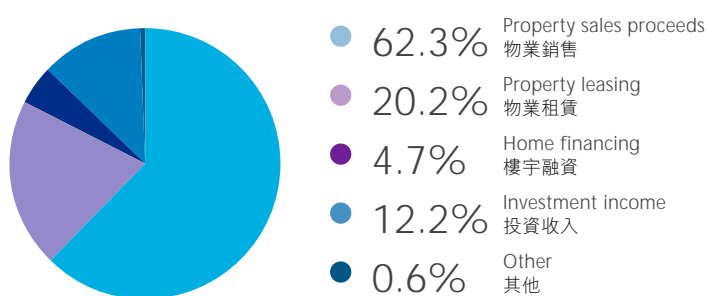
Treasury Policy

As at 31 March 2001, the Society was administering HK\$14.5 billion in loans under the Home Starter Loan Scheme, the Sandwich Class Housing Scheme and through top-up loans which are offered as second loans with a five-year interest-free life. We have completed a review of our loan administration systems and, with an increasing number of loans being activated over the coming three years, we have looked at enhancements that are required in terms of both systems and staff.

To date, more than 18,500 families have been granted loans under the Government's Home Starter Loan Scheme, which is administered by the Housing Society. Loan amounts average out at HK\$510,000. Income and asset limits for Home Starter Loan Scheme and Sandwich Class Housing Schemes were revised during the year and new limits came into effect on 1 April 2001.

Income Distribution for 2000/2001 (HK\$ million)

二零零零／二零零一年度收入分佈 (港幣百萬元)



儘管香港物業市道不振，但房協的現金流量依然充裕。在過去十二個月，房協繼續按審慎原則執行庫務及貸款的管理工作。

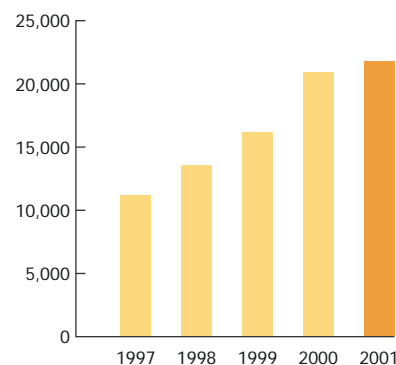
庫務政策

截至二零零一年三月三十一日，房協管理的貸款總額為一百四十五億港元，包括首次置業貸款計劃與夾心階層住屋計劃的貸款，以及為買家提供的五年免息第二按揭貸款。我們已完成貸款管理系統的檢討工作，而鑒於未來三年將有更多到期還款的貸款個案，我們已著手研究如何提升系統及員工的處理能力。

房協管理的首次置業貸款計劃至今已批出貸款予超過一萬八千五百個家庭，平均貸款額為五十一萬港元。年內，首次置業貸款計劃及夾心階層住屋計劃的入息與資產限額曾作出調整，並於二零零一年四月一日起生效。

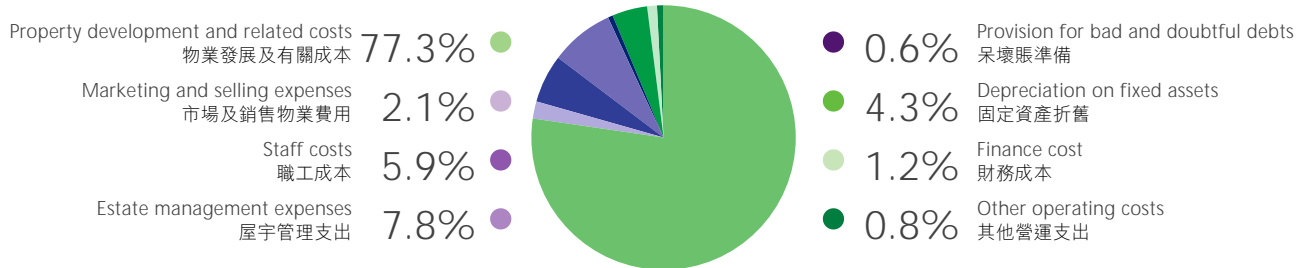
Net Assets Value (HK\$ million)

資產淨值 (港幣百萬元)



Expenditure Distribution for 2000/2001 (HK\$ million)

二零零零／二零零一年度支出分佈 (港幣百萬元)



The Society's reserve fund is healthy. Our surplus cash is managed under two portfolios – the liquid fund and the general fund. Both are designed to meet the objectives of preserving capital, providing liquidity and generating an adequate long-term return.

The liquid fund is managed in-house to ensure that cash is available to meet working capital requirements. Instruments are restricted to short-term Hong Kong dollar denominated vehicles other than equities and investments are held to maturity.

The general fund is the core surplus that is set aside for long-term investments managed by external fund managers in accordance with a benchmark approved by the Executive Committee. The benchmark aims at minimizing volatility while achieving a long-term return in excess of the rate of increase in Hong Kong's nominal gross domestic product. Instruments are confined to quoted equities, government bonds, fixed interest securities and cash deposits in any part of the world. Derivatives are not used except for the purpose of currency hedging back to the US dollar and the HK dollar currencies. A global custodian bank safeguards assets.

During the year, policy guidelines and restrictions on the management of funds were strictly observed. As at 31 March 2001, 21% of the general fund investments were hedged back to the US dollar and the HK dollar.

房協的儲備基金十分穩健。我們把現金盈餘劃分為「流動基金」及「一般基金」兩個組合來管理。兩個組合均經悉心策劃，以求達到投資保本、提供周轉資金及取得適當長期回報的目標。

流動基金組合由房協內部管理，以提供日常營運所需的資金。這項基金只會投資於不包括股票在內的短期港元票據，並會持有至到期日。

一般基金組合是撥作長期投資的核心盈餘，由外聘的基金經理按執行委員會所訂立的參考指標管理。參考指標的投資目標是盡量減低投資組合出現波動，同時達致超越香港本地生產總值增長率的長期回報。這項基金只會投資於世界各地的上市股票、政府債券、定息證券及現金存款。除以美元及港元進行貨幣對沖外，基金經理不會使用衍生投資工具。組合內的資產由一家環球保管銀行保管。

年內，房協嚴格遵守有關基金管理的政策指引及限制。截至二零零一年三月三十一日，百分之二十一的一般基金投資已對沖為美元及港元。