

Interest rate of the first interest payment for iBond Series due 2014

The Hong Kong Monetary Authority (HKMA), as representative of the Hong Kong Special Administrative Region Government (HKSAR Government), announces today (Wednesday) the relevant per annum interest rate for the first interest payment of iBond Series due 2014 (Issue Number 03GB1407R; Stock Code: 4208) (the Bonds) issued under the Retail Bond Issuance Programme of the Government Bond Programme.

According to the Issue Circular dated 5 July 2011 for the Bonds, the first interest payment of the Bonds is scheduled to be made on 30 January 2012, and the relevant interest rate is scheduled to be determined and announced on 11 January 2012 as the higher of the prevailing Floating Rate and Fixed Rate.

On 11 January 2012, the Floating Rate and Fixed Rate are as follows:-

Floating Rate: +6.08%¹
Fixed Rate: +1.00%

Based on the Floating Rate and Fixed Rate set out above, the relevant interest rate for the first interest payment is determined and announced as 6.08% per annum.

Hong Kong Monetary Authority
11 January 2012

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Month	Year-on-year rates of change in the 2009/10-based Composite Consumer Price Index (%)
June 2011	+5.60
July 2011	+7.90
August 2011	+5.70
September 2011	+5.80
October 2011	+5.80
November 2011	+5.70
Arithmetic Average	+6.08