

MACAO ECONOMIC BULLETIN

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THE WORLD ECONOMY

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Entering the second half of 2004, in comparison with the robust global economic recovery in the beginning of the year, the economic indicators of some countries showed signs of slowdown. Fortunately, the international financial markets remained stable and consumer demand as well as enterprises' willingness to invest persisted. However, there are still negative factors that are potentially detrimental to economic development, such as the soaring international fuel prices, a weak US dollar, trade imbalances among countries and the uncertainty of whether the macroeconomic policies in Mainland China will lead to a "soft landing".

As indicated in the *World Economic Outlook* published by the International Monetary Fund in September 2004, private consumption and industrial output are on steady growth. This reflects that the world economy is persistently recovering, which in turn helps promote global trade volume. The organization, therefore, adjusted the 2004 forecast for the world economic growth upward to 5.0%, up 0.3 percentage point, and revised also the respective forecasts for the Euro Zone and Japan upward, from 1.8% and 3.3% predicted in April to 2.2% and 4.4%. However, it revised forecast for the US downward, from 4.6% to 4.3%. Moreover, the world trade volume (goods and services) was expected to grow 8.8% instead of 6.8%.

In the third quarter of 2004, economic growth in the US was below expectation, with GDP growth at 4.0%^a, down from 4.8% in the second quarter; quarter-to-quarter^b growth was only 3.9%. In contrast, private consumption and investments by enterprises went up 3.6% and 11.8% respectively. As regards external trade, growth rate in the total value of imports jumped from 17.7% in the second quarter to 18.6% in the third quarter due to an upsurge in fuel prices; the total value of exports increased 14.4%. Moreover, in addition to serious deficits both in trade and fiscal budget, the US is now facing pressures from a weak dollar against major currencies. The employment market, however, has stabilized, with unemployment rate at 5.5%, down 0.1 percentage point from the second quarter.

The prospect of the economic recovery in the Euro Zone turned bright. With consumer confidence index, enterprise investment and industrial output on the rebound, GDP recorded growth of 1.8% in the third quarter. Unemployment rate fell to 8.9%. However, the continually strong Euro has created much pressure to its exports. Germany, the largest economy in the Euro Zone, saw a further decline of 0.7% in private consumption as unemployment rate remained high. Owing to an increase of 11.4% in enterprise fixed investment, the economy grew 1.3% and manufacturing also went up 4.6%. Imports and exports of goods rose 10.4% and 7.3% respectively.

^a Unless otherwise specified, all rates of change mentioned in this analysis are comparisons of the third quarter of 2004 with the corresponding quarter of the previous year.

^b Quarter-to-quarter growth refers to the rate of change of the reference quarter over the previous quarter, i.e. the comparison between two consecutive quarters.

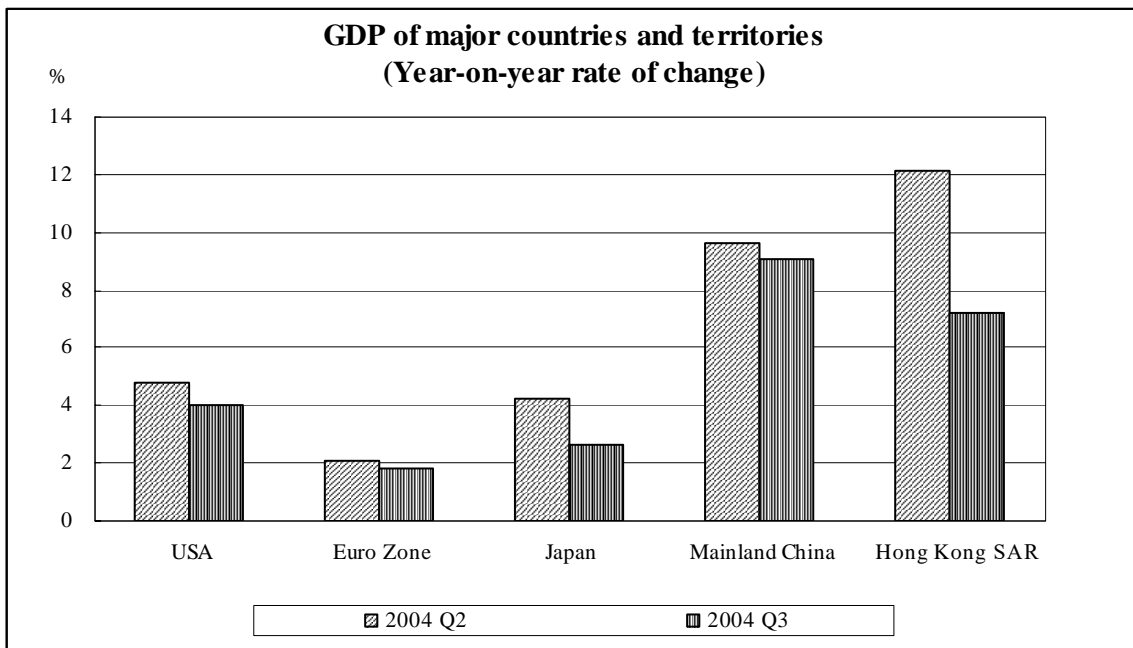
The UK economy continued to be stable, GDP went up by 3.1% in the third quarter. It was mainly due to high consumer demand spurred by a low interest rate and the government's expansion in public expenditure. Meanwhile, enterprise investment and the service industry expanded 5.7% and 7.1% respectively; values of imports and exports of goods grew 7.5% and 3.6% respectively. Unemployment rate dropped to a record low of 4.6%. In France, economic grew 2.0%, down from 2.9% in the second quarter. Private consumption rose mildly by 1.7%; industrial output was better than expected, expanding 2.0%. The Consumer Price Index (CPI) in September rose 2.1%; however, employment market was yet to improve, with an unemployment rate of 9.9%, a new record in recent years.

Stimulated by an improved economic environment and growing exporting markets, most countries and territories in the export-oriented Asian region reported encouraging economic performance. On the back of an upsurge of 7.4% in equipment investment by enterprises, the Japan economy grew 2.6% in the third quarter of 2004, better than expected. Private consumption grew 2.1%; imports and exports of goods jumped 13.0% and 12.5% respectively. However, employment market worsened, with unemployment rate going up to 4.8%. In the Republic of Korea, the economy expanded by 4.6% only due to weak private consumption and slowed growth in exports. Values of imports and exports of goods grew 12.3% and 17.8% in the third quarter, down from 22.2% and 29.5% in the second quarter respectively. In addition, credit crisis faced by financial institutions and consumer defaults remained unsolved. Thus, the economic situation of the country was less than optimistic.

Driven by robust growth of 15.7% and 11.5% in the wholesale and retail and manufacturing sectors respectively, the Singapore economy grew steadily, up 7.5% in the third quarter. Unemployment rate in September fell to 3.4%, a large decrease of 1.1 percentage points from June. The Consumer Price Index (CPI) went up slightly by 1.7%. In Taiwan region, driven by strong demand in electronic products, base metals and precision instruments, both imports and exports of goods performed well, up 31.9% and 21.6% respectively. In addition, enterprise fixed investment expanded rapidly by 26.4%. As a result, the GDP recorded growth of 5.3% in the third quarter. Meanwhile, unemployment rate increased to 4.6% and the Consumer Price Index (CPI) rose 1.9%.

In Hong Kong Special Administrative Region, the economy was on a clear trend of recovery driven by an improved business environment and an active property market, with GDP up by an optimal 7.2% and private consumption up by 5.1%. Regarding external trade, as a weaker US dollar strengthened the competitiveness of Hong Kong Special Administrative Region products, imports and exports of goods expanded 18.4% and 17.2% respectively. Employment situation improved as well, with unemployment rate down 0.1 percentage point to 6.8%. Moreover, the Consumer Price Index (CPI) rose 0.8%, reversing the downfall of 0.9% in the second quarter, which ended the 68-month-long deflation period in Hong Kong Special Administrative Region.

In Mainland China, the economy continued to grow steadily and GDP expanded 9.1% in the third quarter. With the stable growth in domestic consumer demand and a continuous influx of foreign capital, actual foreign investments reached USD 51.16 billion between January and September 2004. Growth in investments in fixed assets slowed down slightly, from 31.0% in the second quarter to 27.7% in the third quarter, an indication of the effectiveness of the government's macroeconomic policies. Values of imports and exports of goods increased 30.1% and 34.7% respectively and trade surplus expanded to USD 11.44 billion. At the end of September 2004, Mainland China's foreign exchange reserve amounted to USD 514.5 billion, an increase of USD 43.9 billion compared with the second quarter.



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ANALYSIS OF THE MACAO ECONOMY

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I. Overview

In the third quarter of 2004, a good performance in the gaming and tourism sector continued to spur fast economic growth in Macao, with GDP surging 21.7% in real terms or 26.0% in nominal terms.

As regards external demand, the surge in visitor arrivals was the impetus behind the rising export of gaming services and visitor spending. In addition, exports of goods continued to grow. As regards internal demand, growth persisted in private consumption and the Consumer Price Index (CPI) continued to rise. Overall investment increased markedly as investments in construction and equipment from both private sector and the government recorded growth.

Changes in Macao's major economic segments in the third quarter of 2004 compared with the same quarter of 2003 are as follows:

1. In terms of imports and exports of goods, total export value recorded nominal growth of 14.4%, up from 8.9% of the second quarter, and real growth of 10.0%, up from 6.4% in the second quarter. As the major merchandise in exports, garment went up 10.9% in export value. In terms of markets, exports to the US increased 13.8% in value and those to the other major market, namely the EU, rose 5.6% in value. Export value to Mainland China also recorded an increase of 20.1%. Meanwhile, in the third quarter of 2004, total import value registered nominal growth of 28.3%, up from 25.4% in the second quarter. In particular, imports of consumer goods, capital goods and fuels and lubricants soared 46.0%, 45.5% and 42.0% respectively. Import and export information together showed a MOP 0.81 billion visible trade deficit in the third quarter of 2004.
2. Export of gaming services soared by 38.6% in real terms. Number of visitor arrivals continued to expand, up 34.1% in the third quarter, among which hotel overnight guests increased 19.2% and per-capita visitor spending (gaming expenses excluded) went up 2.5%. Exports of services recorded real growth of 35.7% in the third quarter; meanwhile, imports of services registered an increase of 16.1% in real terms.
3. In the third quarter, unemployment rate dropped to 4.7%, down 1.3 percentage points, and median monthly employment earnings increased 11.2%. The composite Consumer Price Index (CPI) went up 2.0%. Private consumption expenditure grew 9.3% in real terms whereas government final consumption expenditure dipped 1.6%.
4. In terms of investment in equipment, the private and public sectors registered growth of 45.8% and 43.2% respectively in the third quarter. In terms of investment in construction, the

private and public sectors went up 31.5% and 7.4% respectively. Data of equipment and construction investments together showed that overall investment in the third quarter of 2004 rose 33.9% in real terms. Moreover, the number of newly incorporated companies increased 38.5% and their respective registered capital surged 69.0%.

5. In public accounts, total revenue expanded 51.5% as a result of an upsurge of 54.9% in gaming tax in the third quarter. Total expenditure rose slightly by 6.0% due to an increase in investment.

II. Major Segments of the Economy^a

A. External Trade

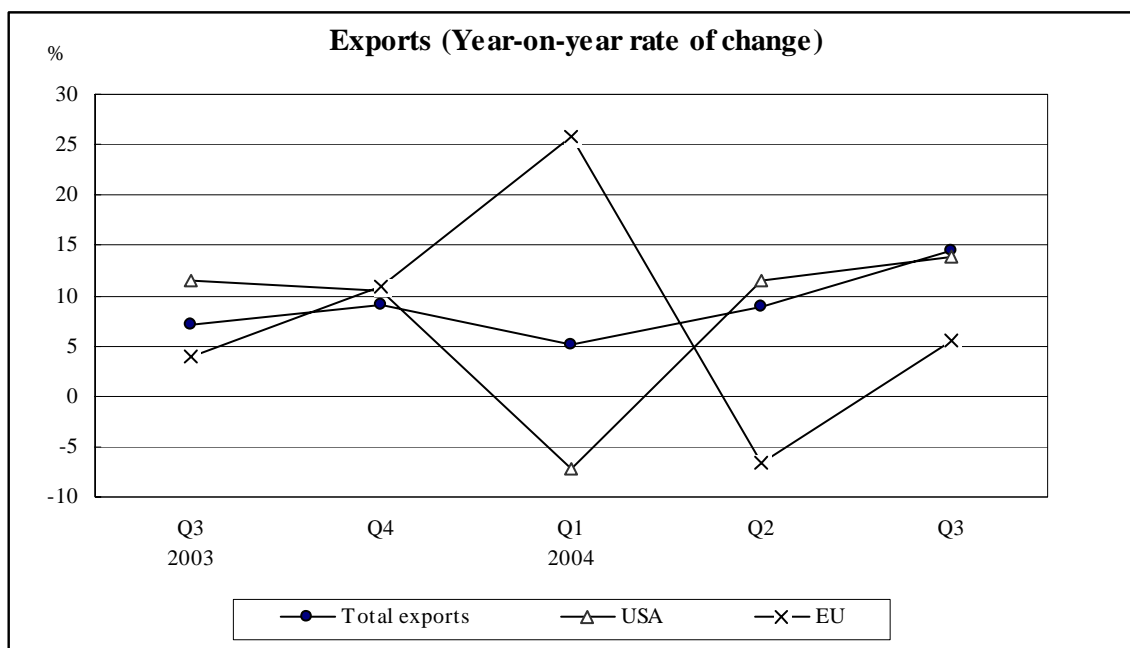
Imports and Exports

External trade value of Macao in the third quarter of 2004 amounted to MOP 14.24 billion, up 21.4%. Both imports and exports registered growth where imports soared by 28.3% to MOP 7.52 billion and exports rose 14.4% to MOP 6.71 billion. The export-import ratio went up to 89.2% from 81.7% in the second quarter of 2004. The trade deficit decreased 38.3%, from MOP 1.31 billion in the second quarter to MOP 0.81 billion.

Macao's two major export markets performed well. Value of exports to the US rose 13.8%, one of the higher increase rates recorded recently. Value of exports to the EU went up 5.6%. As regards other export markets, value of exports to Mainland China expanded 20.1%, up from the growth rate of 4.4% in the second quarter, and export value to Hong Kong Special Administrative Region went up 12.6%. In terms of types of goods exported, the value of textile and garment products, which made up 82.1% of the total export value, went up 10.4%. Meanwhile, the value of other goods exported surged 37.3%.

Following the recent upward trend, exports in the third quarter of 2004 continued to rise, supported by the robust growth in the exports to the US, the EU and Mainland China.

^a Unless otherwise specified, all rates of change are in nominal terms and on the year-on-year basis, i.e. comparisons of the third quarter of 2004 with the same quarter of 2003.



Domestic Exports

In the third quarter of 2004, domestic exports, which accounted for 79.7% of the total export value, grew 12.7% to MOP 5.35 billion. Garment and textile products, which made up 89.6% of total domestic exports, went up 10.3% in value, among which exports to the US rose 14.1% while those to the EU fell 3.1%.

In terms of restricted garment and textile products, total export value rose 6.9%, among which exports to the US rose 10.0% whereas those to the EU slid 2.9%.

In terms of unrestricted garment and textile products, total export value recorded an increase of 29.9%, among which exports to the US went up 38.1% whereas those to the EU dropped 5.9%.

In terms of non-textile products, footwear exports, which constituted 4.9% of total domestic exports, surged 42.7%. Moreover, exports of machinery, apparatus & parts, which made up only 0.7% of total domestic exports, went up 15.2%.

In addition, results from the Industrial Export Survey of the third quarter of 2004 indicated that the average length of time of the orders on hand of the interviewed manufacturers was 3.3 months, down 2.9% from the 3.4 months in the second quarter and down 25.0% from the 4.4 months in the same quarter of previous year. Among the interviewed manufacturers, 27.6% and 8.8% predicted slight and substantial growth respectively in the domestic industrial exports in the next six months whereas 26.5% and 37.2% predicted very slow and stagnant growth respectively. Compared with the first and second quarters, interviewed manufacturers generally expressed caution towards the prospect of exports in the next six months.

Re-exports

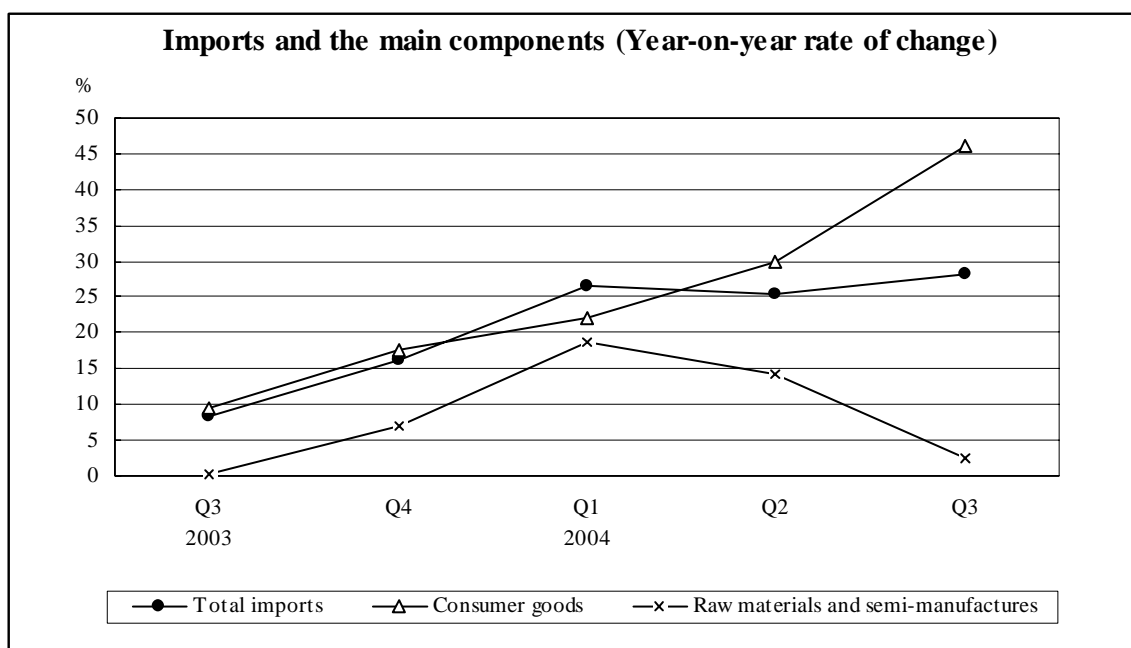
In the third quarter of 2004, re-exports, which made up 20.3% of the total export value, grew 21.7%. Mainland China and Hong Kong Special Administrative Region remained to be the two largest re-export markets, constituting 58.1% and 24.1% of the total re-export value respectively. Among re-exports, the value to Mainland China went up 19.3% and that to Hong Kong Special Administrative Region rose 9.3%.

In terms of the types of goods, the main re-export merchandise that made up 61.1% of the total re-export value, namely raw materials and semi-manufactures, increased 3.1%. Re-exports of capital goods, consumer goods, and fuels and lubricants soared by 35.3%, 91.0% and 117.2% respectively.

Imports

In the third quarter of 2004, import value registered marked growth of 28.3%. Mainland China continued to be the largest source of imports for Macao. Imports from Mainland China, accounting for 47.0% of the total import value, surged 34.8%. As regards other import markets, the EU, Japan, Hong Kong Special Administrative Region, Taiwan region, China and the US all performed well, up 35.5%, 36.3%, 12.2%, 7.4% and 37.9% respectively.

In terms of the types of goods, consumer goods, the major imports that made up 41.9% of the total import value, rose 46.0%. Raw materials and semi-manufactures, which accounted for 31.8% of the total import value, went up 2.6%. Capital goods, and fuels and lubricants, which made up 18.1% and 8.2% of the total import value, increased considerably by 45.5% and 42.0% respectively.

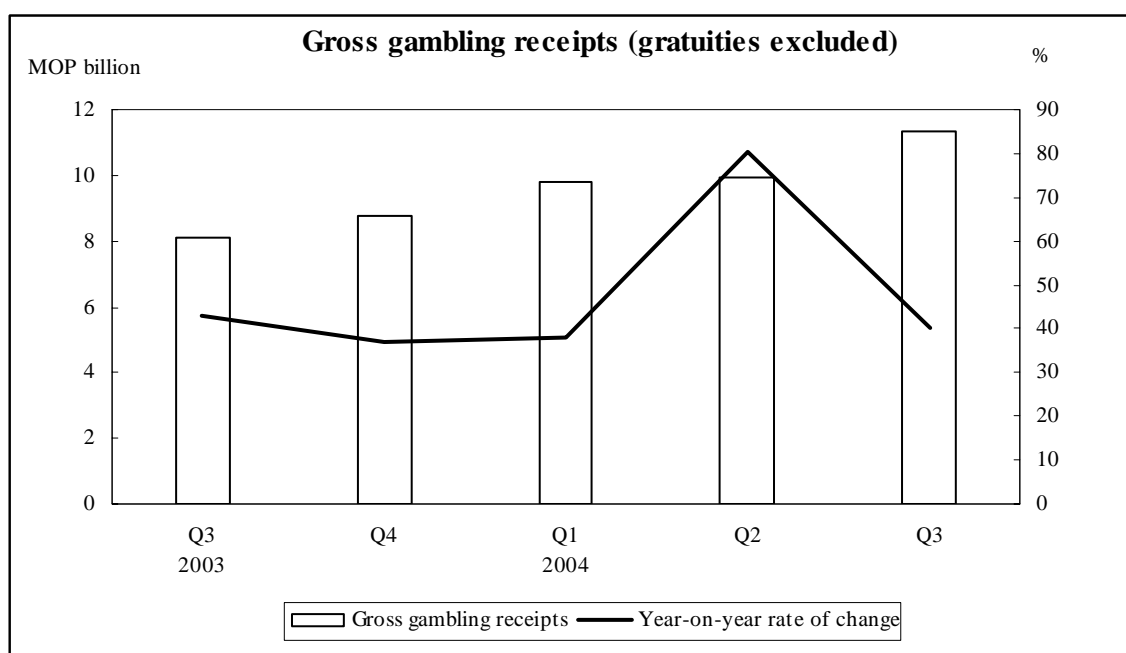


B. Gaming and Tourism

Growth in the gaming and tourism sector continued to be optimal. In the third quarter, export of gaming services and total visitor spending (gaming expenses excluded) expanded 38.6% and 35.7% in real terms respectively.

Gaming

Gross gambling receipts (gratuities excluded) reached MOP 11.31 billion, up 40.0%, a more modest increase than that in the second quarter.

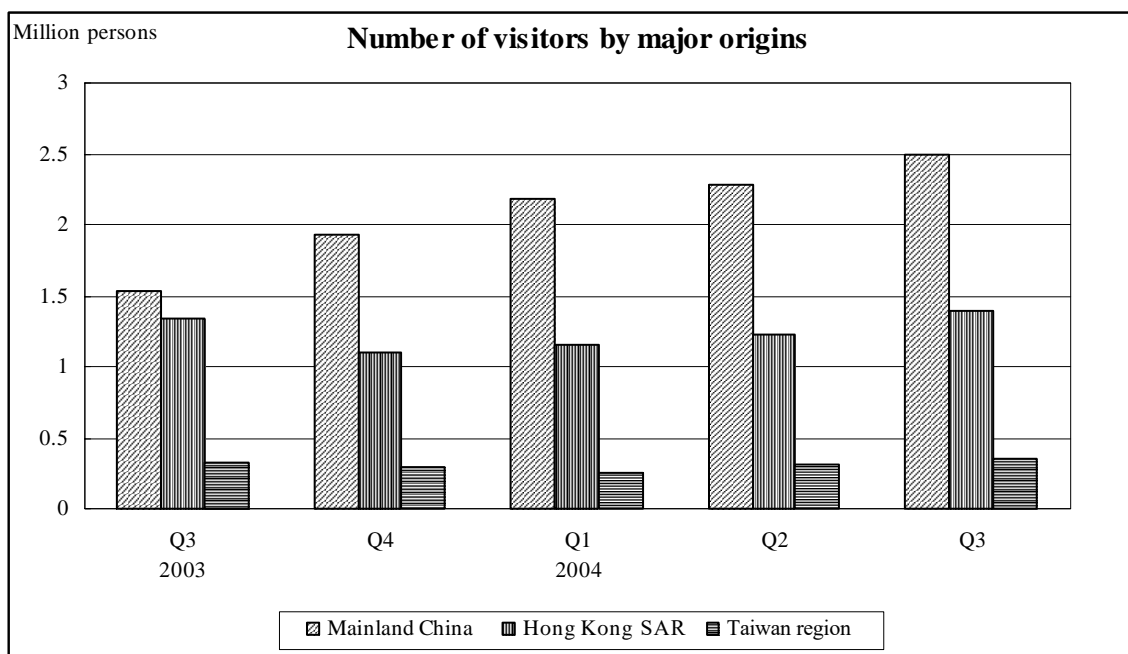
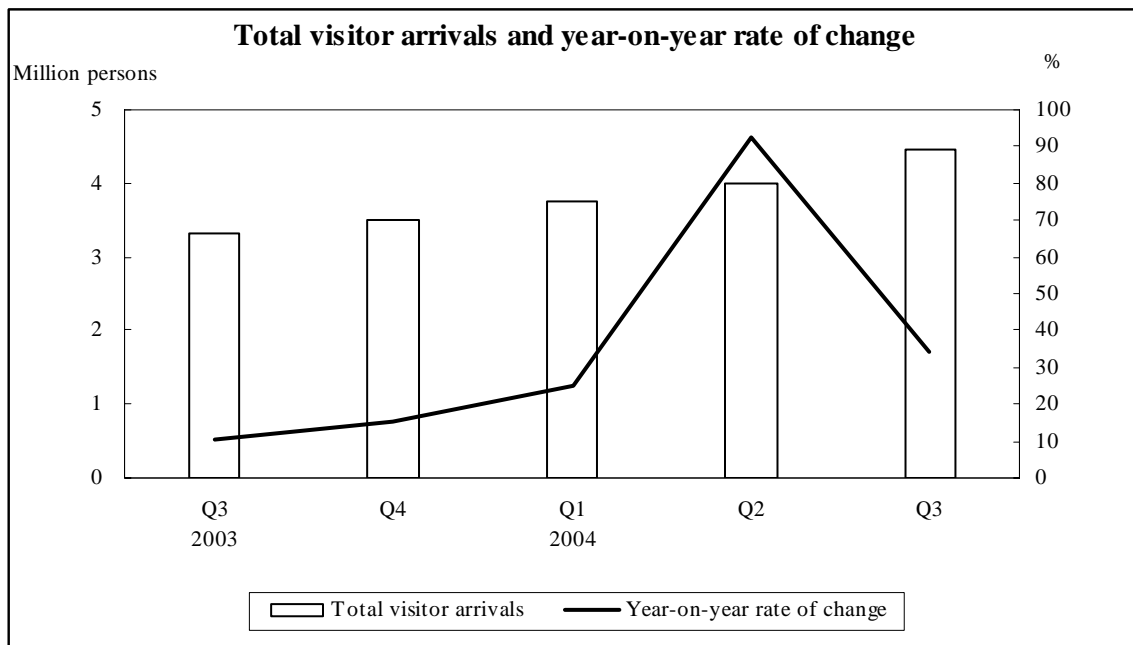


Visitor Arrivals

Total number of visitor arrivals in the third quarter of 2004 was 4.445 million, up 34.1%. Visitors mainly came from Mainland China, Hong Kong Special Administrative Region and Taiwan region, China, making up 56.0%, 31.4% and 7.9% of the total respectively. Visitors from Mainland China reached 2.494 million, up 62.5%, among which, those who travelled under the “Individual Visit Scheme” surged 778.7%. Visitors from Hong Kong Special Administrative Region and Taiwan region, China rose 4.4% and 10.0% respectively.

In terms of the mode of transport, arrivals by land, which topped the list with 56.3% of the total arrivals, had grown the most, up 54.7%. Arrivals by sea and by air, which made up 38.4% and 5.3% of the total, went up 14.7% and 14.0% respectively.

Number of inbound visitors in package tours increased 42.6% to a total of 651 thousand.



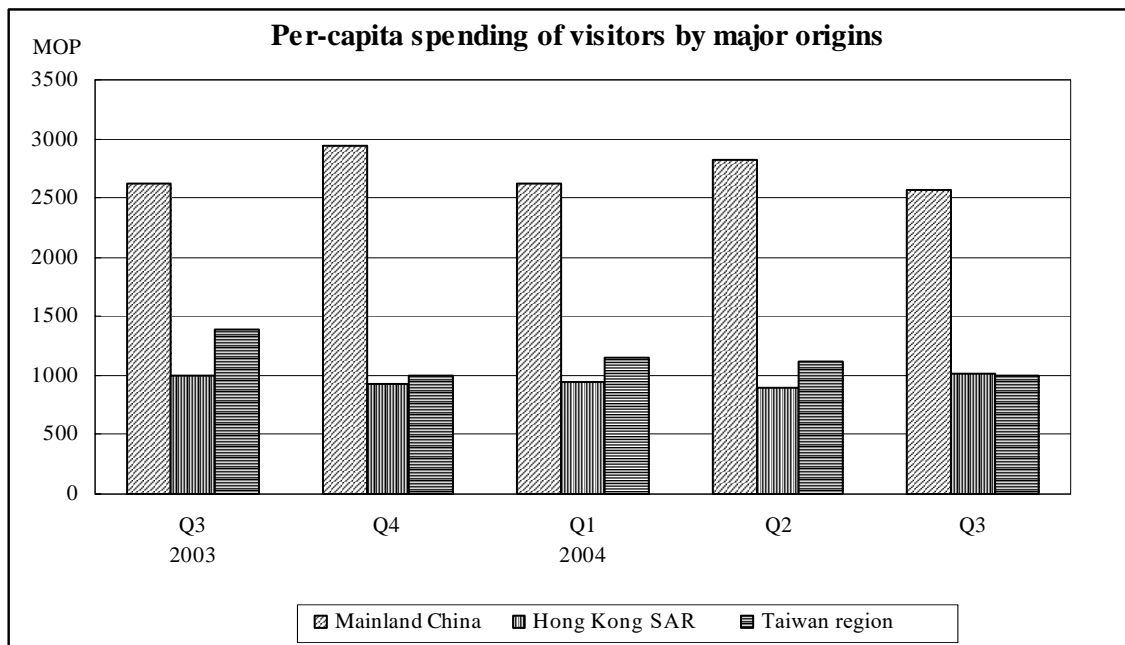
Hotels

Hotel occupancy rate in the third quarter was 78.6%, with 1.05 million hotel guests, up 19.2%. The average length of stay of hotel guests remained at 1.2 nights.

Visitor Spending

In the third quarter of 2004, overall per-capita visitor spending increased slightly by 2.5% to MOP 1,497. By place of residence, visitors from Mainland China, Hong Kong Special Administrative Region and Taiwan region were the top three, who spent MOP 2,567, MOP 1,017 and MOP 1,006 respectively. By purpose, per-capita shopping spending increased 5.2% to MOP 653 and per-capita non-shopping spending

was MOP 844, up 0.5%. Shopping spending was mainly on “Chinese pastry, candy and food” and “Jewellery and watches”, which made up 28.5% and 21.0% of the total shopping spending respectively. Non-shopping spending was mainly on “Food and beverage” and “Accommodation”, which accounted for 39.9% and 36.1% of the total non-shopping spending.



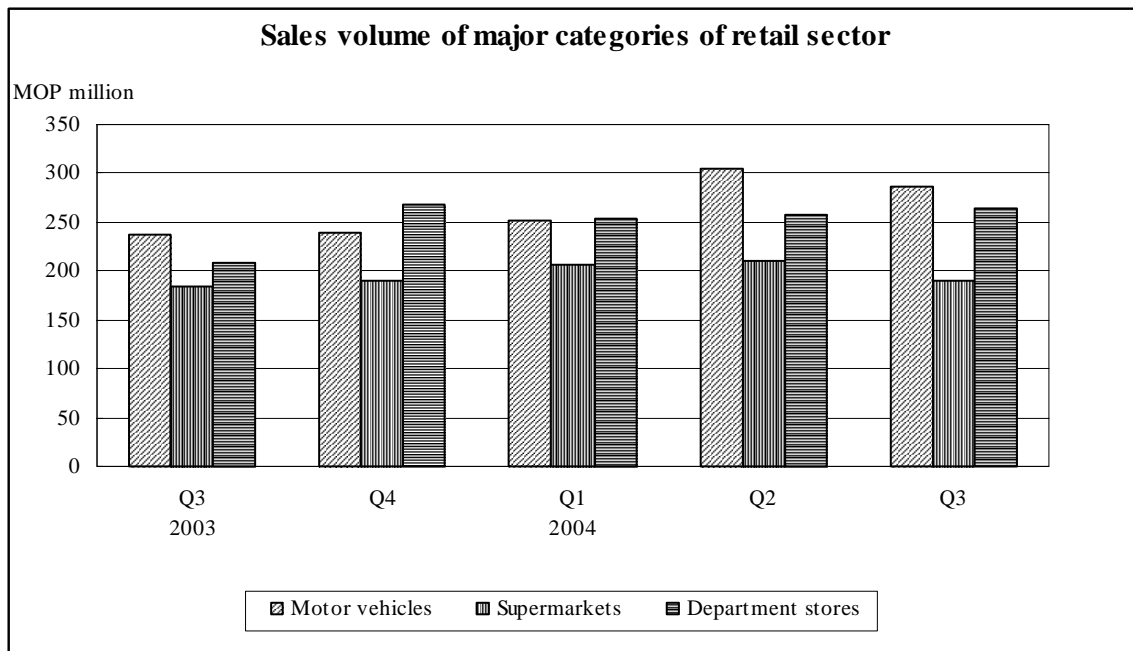
C. Consumption and Prices

Private Consumption

As the Macao economy continued to be buoyant, residents were more willing to spend. Private consumption in the third quarter recorded real growth of 9.3%. In particular, household final consumption expenditure in the domestic market and abroad went up 9.5% and 8.8% in real terms respectively.

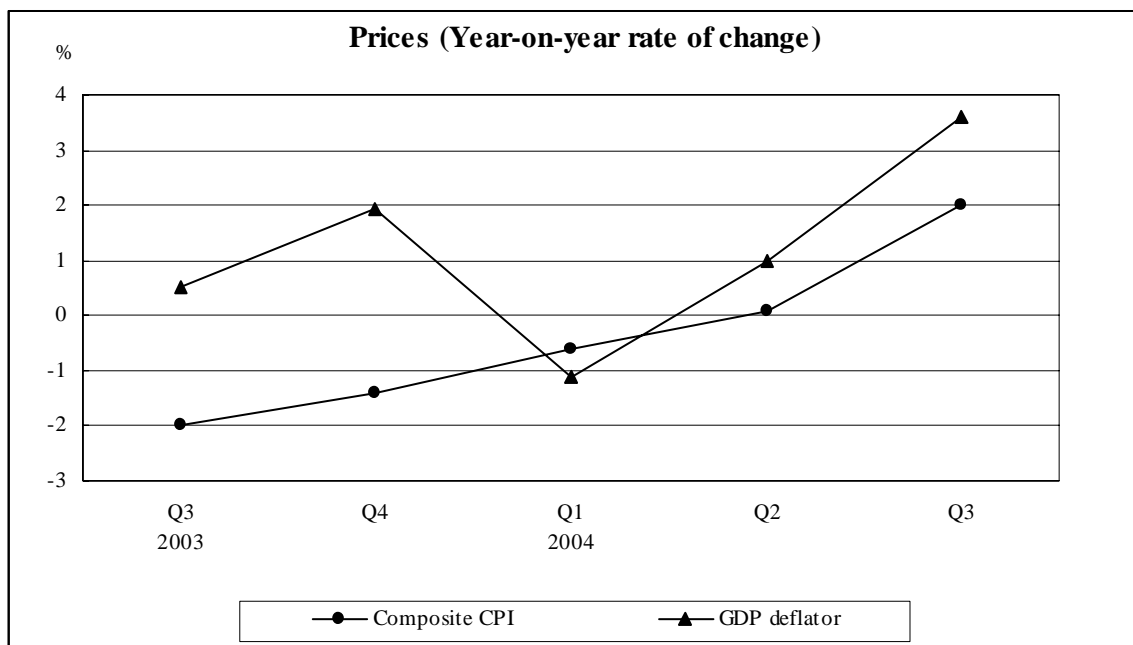
Retail Sales

Total retail sales expanded 14.0% to MOP 1.79 billion, among which sales of motor vehicles and department stores were the top two, accounting for 16.0% and 14.8% of the total sales. Sales of jewellery and watches increased the most, up 59.2%.



Prices

In the third quarter of 2004, the composite Consumer Price Index (CPI) remained on an upward swing, up 2.0%. All goods and services recorded price increase in various degrees, among which prices of “Clothing and footwear” rose the most, up 6.1%, followed by “Foodstuffs and beverages”, which went up 3.3%. GDP deflator, the main gauge of overall price changes in Macao, recorded an increase of 3.5% to 92.4.



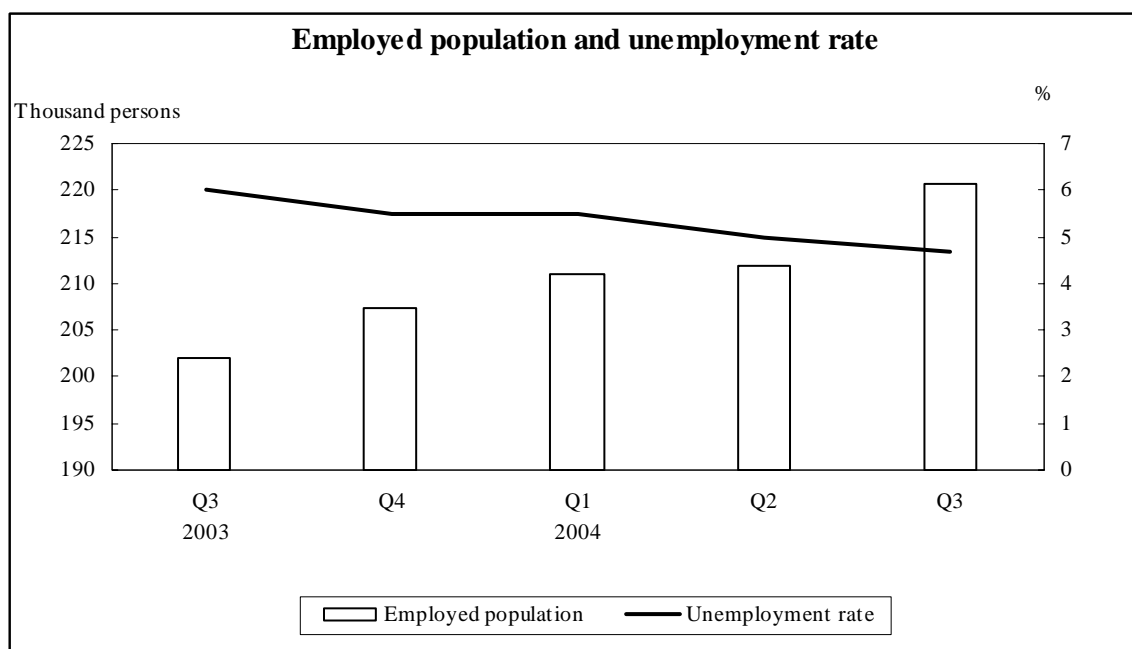
D. Labour Market

The flourishing Macao economy fuelled the demand for manpower. The employment

situation improved markedly in the third quarter of 2004. As a result, labour force and employed population grew 7.7% and 9.2% respectively. Among the employed population, “Other community, social and personal services” (including the gaming sector) recorded the highest growth, up 32.7% to 31 thousand, which made up 14.1% of the total employed population. Apart from the “Manufacturing” and “Public administration” sectors, all other sectors recorded considerable growth in employed population.

Unemployment rate and underemployment rate dropped 1.3 and 1.1 percentage points to 4.7% and 1.7% respectively. Unemployed population dropped considerably by 16.0% to 11 thousand. In terms of the industry previously engaged, many of the unemployed came from “Hotels and restaurants” and “Manufacturing”, accounting for 26.9% and 20.3% of the total respectively. Underemployed population dropped to 3,900.

Overall median monthly employment earnings recorded double-digit growth for the first time in recent years, up 11.2% to MOP 5,296. “Manufacturing”, “Construction” and “Other community, social and personal services” registered marked increases, up 15.5%, 12.0% and 10.9% respectively.

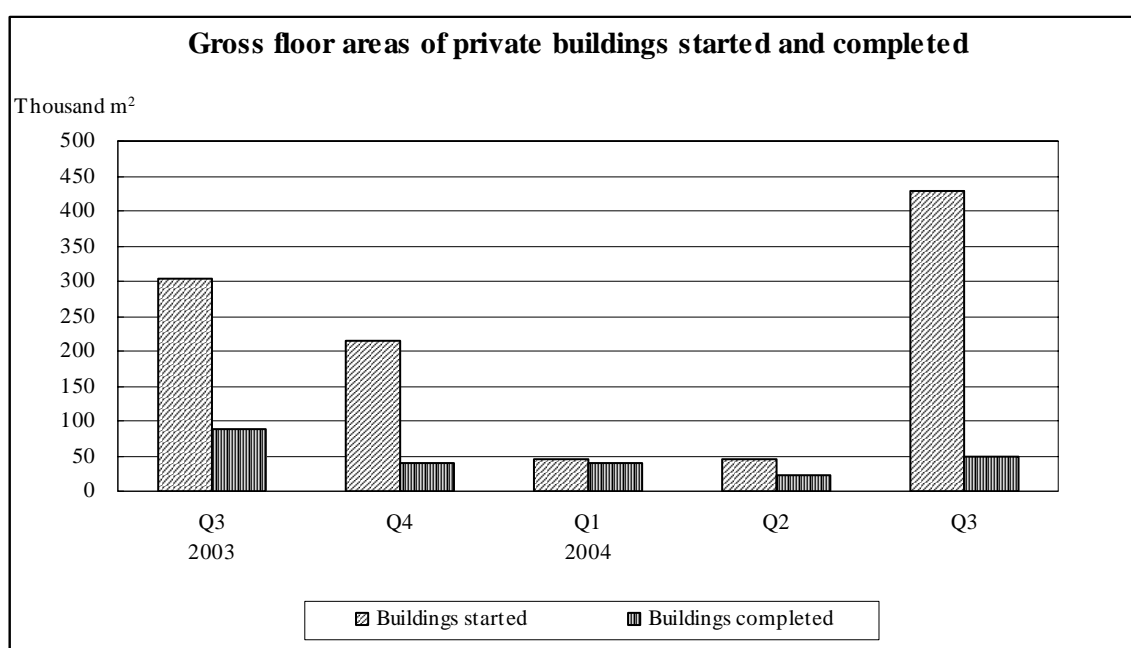


E. Investments

Investments in Construction and Equipment

In the third quarter of 2004, investment grew 33.9% in real terms, among which investments in construction and equipment increased 24.1% and 45.6% respectively.

In the private sector, the number of buildings completed, the corresponding number of units and gross floor area in the third quarter of 2004 dropped 18.2%, 70.2% and 45.6% respectively. However, with a rosy forecast of the property market, the number of buildings started, the corresponding number of units and gross floor area went up 105.3%, 39.0% and 42.0% respectively. This coupled with many on-going construction projects of the gaming and tourism sector led to real growth of 31.5% in private construction investment. Moreover, private investment in equipment recorded an increase of 45.8% in real terms. Overall private investment expanded 39.1% in real terms. In the public sector, as some large-scale construction works had come to completion, public investment in construction grew only 7.4% in real terms. However, public investment in equipment recorded better growth, up 43.2%, resulting in an overall increase of 13.4% in real terms in the investment of the public sector.

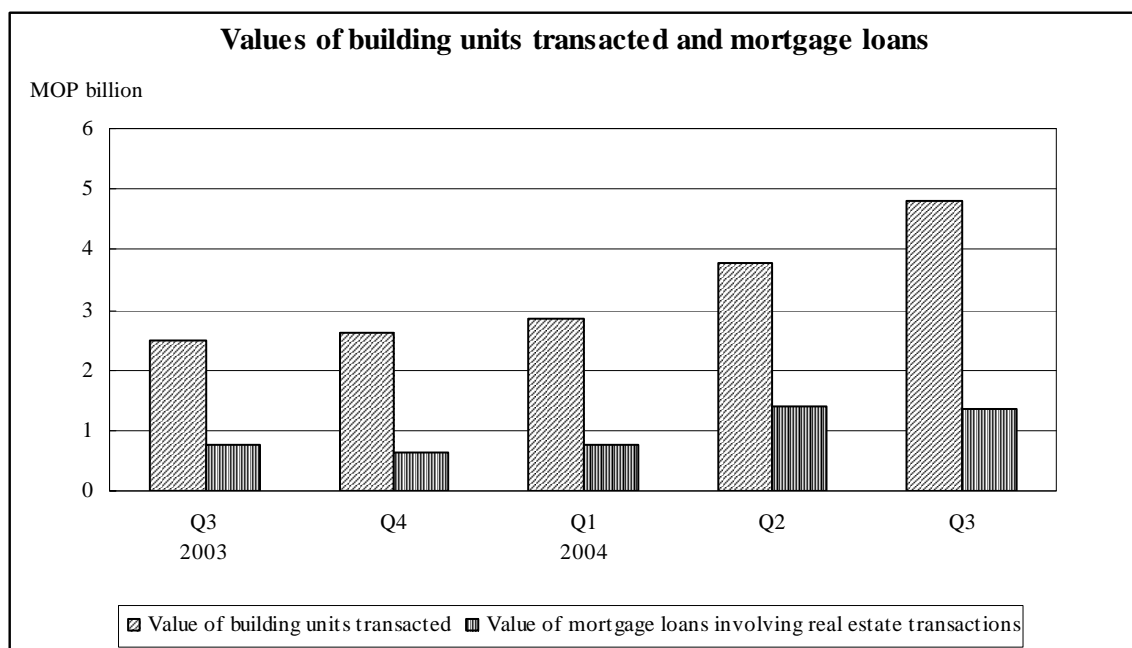


Transactions on Real Estate

Real estate transactions in the third quarter were lively – 8,349 building units with a total value of MOP 4.81 billion were transacted, up 72.7% and 93.2% respectively. Growth was recorded in the number of transactions in all types of building units, among which commercial units and offices increased the most, up 153.4%, followed by industrial buildings and residential units, which went up 75.7% and 49.7% respectively. Despite trailing behind other types of buildings in growth rates, residential units were still the majority of all units transacted, accounting for 50.3% of the total number.

Number of property mortgage loans totalled at 2,073, amounting to MOP 1.37 billion, up 29.0% and 80.6% respectively. Loans ranging from the amounts of MOP 100 thousand to MOP 300 thousand were the most common, comprising 37.2% of the total in number. On the other hand, numbers of loans ranging from MOP 300 thousand to MOP 500 thousand and from MOP 500

thousand to MOP 1 million continued to rise, together making up 35.8% of the total in number.



Business Investments

There were altogether 601 newly incorporated companies, up 38.5%, of which most were in “Wholesale and retail”, “Business services” and “Real estate”, making up 31.3%, 19.6% and 12.6% of the total respectively. Registered capital of the new companies went up 69.0% to MOP 175 million, which was mainly invested in “Transport, storage and communications”, “Wholesale and retail” and “Real estate”, making up 18.8%, 16.5% and 14.3% of the total respectively. The majority of the capital came from Macao, accounting for 65.1% of the total capital.

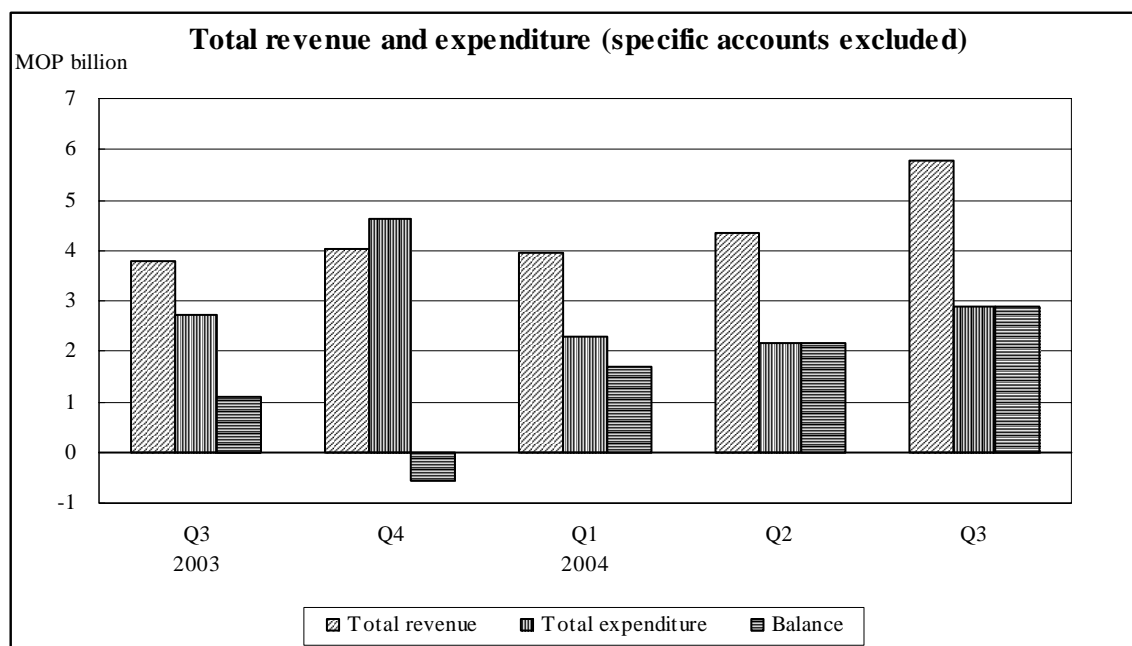
On the other hand, the number of dissolved companies rose 14.7% to 39, most of which came from “Wholesale and retail” (18 in number and 46.2% of total), followed by “Real estate” (7 in number and 17.9% of total) and “Business services” (4 in number and 10.3% of total).

F. Public Accounts

As gaming tax, which accounted for 73.5% of the total revenue, soared by 54.9%, total revenue in the third quarter went up 51.5% to MOP 5.76 billion. Current revenue also went up 51.5% whereas capital revenue, which was negligible in total revenue, dropped 50.6%.

As regards total expenditure, current expenditure and capital expenditure rose 2.0% and 21.3% respectively, which resulted in an increase of 6.0% in total expenditure to MOP 2.88 billion. Public investment recorded an increase of 20.4%, among which public works took the lead (81.8% of the total value), up 14.5%.

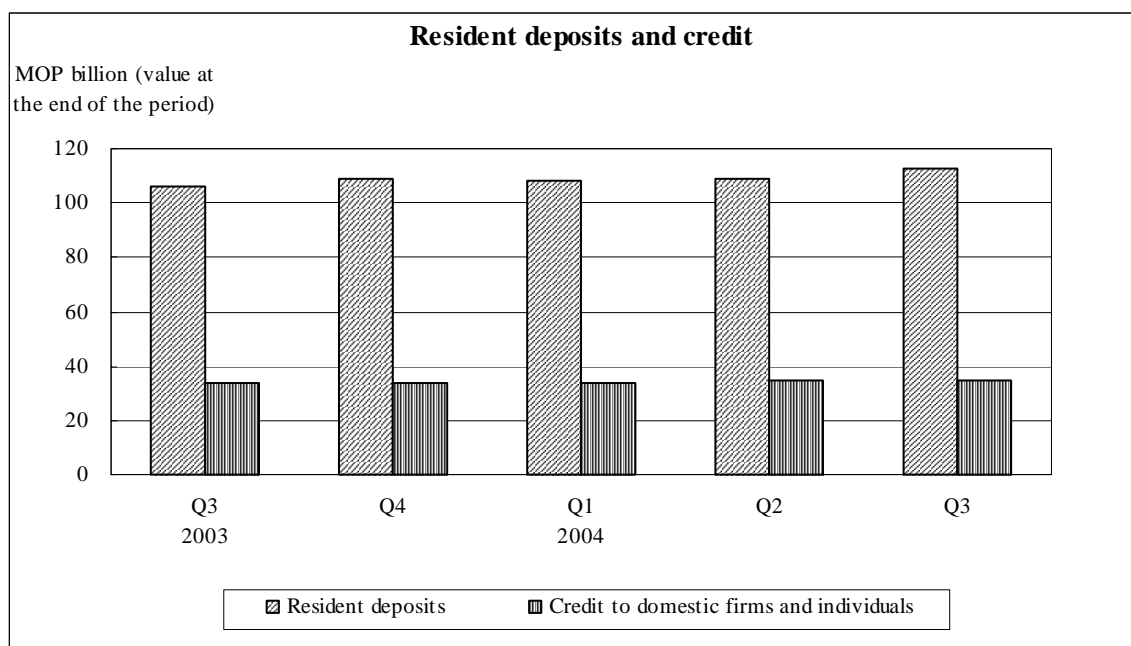
As the growth of total revenue was far greater than that of total expenditure, the total balance in public accounts soared by 165.0% to MOP 2.88 billion. In the first three quarters of 2004, the total balance accrued to MOP 6.71 billion, which has set a new record since Macao's hand-over.



G. Money and Finance

At the end of September 2004, narrow money supply M1 (including currency in circulation and demand deposits) rose 60.2%, among which currency in circulation and demand deposits went up 18.2% and 78.5% respectively. Meanwhile, broad money supply M2 (including M1 and quasi-monetary liabilities) increased 6.7%, among which quasi-monetary liabilities (around 90% of M2) went up 2.8%. In terms of currency structure, the share of the pataca stood at 48.8% in M1 and 26.4% in M2, fell by 11.1 and 0.8 percentage points respectively.

On the counterpart of the monetary survey, as deposits of public sector surged, net credit to the public sector recorded a double-digit decrease of 47.8% whereas credit to firms and individuals increased 2.0%. Under these circumstances, at the end of September, overall domestic credit (credit extended to private sector + credit to public sector – deposits of public sector) dropped 26.9%. Net foreign assets held by the Monetary Authority of Macao (AMCM) and other monetary institutions registered growth of 16.9% and 9.4% respectively, and net foreign assets in the whole financial system went up 12.3%.



Resident deposits rose 6.4% to MOP 112.63 billion, among which deposits in foreign currencies other than the Hong Kong dollar recorded the largest increase, up 10.7%, followed by deposits in Hong Kong dollar, up 6.8%.

Under the Currency Board Arrangement, the pataca is indirectly pegged to the US. In order to stabilize the currency link, interest rate developments in Macao are in line with those in the US. As the US Federal Reserve raised its target for the federal funds rate on August 10 and September 21, 2004 by a total of 0.5% to 1.75%, the Macao Association of Banks raised the reference rate for savings deposits by 0.0625% to 0.125%.

Exchange rate movements of the pataca essentially reflect those of the US dollar. Generally speaking, the pataca depreciated against all major currencies as a result of a weak US dollar. In particular, its average exchange rates against the British pound, the New Zealand dollar and the Swiss Franc fell 13.0%, 11.9% and 9.3% respectively. Consequently, in the third quarter of 2004, the effective exchange rate index of pataca, a gauge of exchange rates of the pataca against currencies of Macao's major trade partners, fell 2.5 percentage points to 96.6.

H. Other Economic Indicators

Communications and Transport

Seaborne and land cargoes fell 25.7% and 2.1% to 90 thousand and 30 thousand tonnes respectively, whereas air cargoes surged 76.6% to 60 thousand tonnes. As regards inland traffic,

the number of new registrations of vehicles went up 26.3%, among which cars and motorcycles grew 27.9% and 26.3% respectively. At the end of September 2004, total number of licensed vehicles was 139,332, up 7.3%, among which there were 67,519 cars, 70,488 motorcycles and 1,325 bicycles.

The mobile phone market showed steady growth. The number of mobile phone users increased 23.4% to 409 thousand; therefore, the penetration rate of mobile phones rose to 88.8%. On the other hand, the number of fixed-line telephones dropped 0.7% to 173,770, with a telephone density of 37.7 lines per 100 residents. Moreover, the number of Internet subscribers continued to expand and reached 75 thousand, up 29.7%.

Water and Energy Consumption

In the third quarter of 2004, consumption of water went up 2.9% to 14 million cubic metres. Consumption of electricity rose 7.4% to 0.6 billion Kwh. Consumption of liquid fuel (gasoline, kerosene, gas oil & diesel, and fuel oils) stood at 180 million litres. Consumption of gas fuel (LPG) was 6.1 thousand tonnes, up 5.8%.

III. Conclusion

On the back of a flourishing gaming and tourism sector, the Macao economy registered considerable growth in the third quarter of 2004, up 21.7% in real terms. As visitor arrivals continued to grow, Macao's export of gaming and tourism services surged. Meanwhile, an improvement in the overall labor market supported growth in private consumption. Investment continued to be on an upturn as a result of several on-going large-scale construction projects and larger import of capital goods. Exports of goods continued to rise as the European and US economy recorded growth. Consequently, the overall Macao economy performed well.

According to the statistics from November 2004, visitor arrivals continued to rise substantially, up 25.4%, and cumulative growth from January to November reached 42.1%. Employment situation and employment earnings are expected to improve further, which will in turn stimulate private consumption to grow steadily. Investment will expand as gaming and tourism facilities are under construction. Considering all the above positive factors, economic growth is expected to be considerable in the fourth quarter and the entire year.

STATISTICAL TABLES

SYMBOLS AND ABBREVIATIONS

..	Not applicable
r	Rectified data
-	Absolute value equals zero
...	Not available
~	No figure provided
o	Less than half of the unit employed
p	Provisional
TEU	Twenty-foot Equivalent Unit (20 feet × 8 feet × 8 feet)
Hong Kong SAR	Hong Kong Special Administrative Region

Notes: Owing to rounding, the totals may not correspond to the sum of the partial figures.
The figures presented are subject to regular revisions as and when required.

I. PRINCIPAL ECONOMIC INDICATORS OF THE WORLD AND MACAO

1. PRINCIPAL ECONOMIC INDICATORS OF THE WORLD (YEAR-ON-YEAR COMPARISON)

	Year-on-year rate of change (%)							
	2001	2002	2003	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3
USA								
Gross Domestic Product	0.8	1.9	3.0	3.5	4.4	5.0	4.8 ^f	4.0
Exports of goods	-6.5	-4.9	4.5	2.1	9.8	13.2	13.6	14.4
Imports of goods	-6.2	2.0	8.5	5.4	8.2	11.7	17.7	18.6
Consumer Price Index	2.8	1.6	2.3	2.2	1.9	1.8	2.9	2.7
Unemployment rate	4.8	5.8	6.0	6.1	5.9	5.6	5.6	5.5
Japan								
Gross Domestic Product	0.2 ^f	-0.3	1.3 ^f	1.9	3.4	5.6	4.2	2.6
Exports of goods	-5.1	6.4	4.7	7.1	4.0	11.6	13.4	12.5
Imports of goods	3.6	-0.6	5.0	6.5	-0.5	4.3	9.0	13.0
Consumer Price Index	-0.7	-0.9	-0.3	-0.2	-0.3	-0.1	-0.3	-0.1
Unemployment rate	5.0	5.4	5.3	5.2	5.1	4.9	4.6	4.8
Euro area								
Gross Domestic Product	1.5	0.9	0.4	0.3	0.8 ^f	1.4 ^f	2.1 ^f	1.8
Exports of goods	5.0	1.0	-2.9	-3.0	-2.1	4.2	11.4	8.6
Imports of goods	-2.0	-4.0	-0.5	-2.7	-0.3	-0.3	8.3	13.5
Consumer Price Index	2.6	2.2	2.1	2.0	2.1	1.7	2.3	2.2
Unemployment rate	8.5	8.3	8.8	8.8	8.8	8.8	9.0	8.9
Mainland China								
Gross Domestic Product	7.3	8.0	9.1	9.6	9.9	9.8	9.6	9.1
Exports of goods	6.8	22.3	34.6	29.7	40.5	34.0	37.2	34.7
Imports of goods	8.2	21.2	39.9	34.3	38.5	42.2	42.9	30.1
Consumer Price Index ^a	0.7	-0.8	1.2	0.7	2.7	2.8	3.6	3.8
Hong Kong SAR								
Gross Domestic Product	0.5	1.9	3.2	4.0	4.9	7.0	12.1	7.2
Exports of goods	-5.8	5.4	11.7	7.1	11.4	13.0	17.8	17.2
Imports of goods	-5.4	3.3	11.5	6.1	13.8	15.7	22.1	18.4
Consumer Price Index	-1.6	-3.0	-2.6	-3.6	-2.3	-1.8	-0.9	0.8
Unemployment rate	5.1	7.3	7.9	8.3	7.3	7.2	6.9	6.8

^a Accumulated year-on-year comparison

Source: U.S. Bureau of Economic Analysis

U.S. Census Bureau

U.S. Bureau of Labor Statistics

Japan Economic and Social Research Institute

Japan Ministry of Finance

Japan Bureau of Statistics

Eurostat

China National Bureau of Statistics

Hong Kong SAR Census and Statistics Department

V. POPULATION, LABOUR AND EMPLOYMENT

3. EMPLOYED POPULATION BY INDUSTRY

		2001	2002	2003	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	Structure (%)
Employed population	thousands	202.8	200.6	202.6	202.0	207.5	211.0	211.9	220.6	100.0
	y-on-y % change	3.9	-1.1	1.0	1.3	4.5	5.2	5.9	9.2	
<u>Industry</u>										
Manufacturing	thousands	44.1	40.9	37.1	39.9	39.2	36.4	36.7	34.9	15.8
	y-on-y % change	15.9	-7.1	-9.4	-6.0	0.2	9.0	2.4	-12.7	
Construction	thousands	16.9	15.0	16.3	16.7	18.0	17.6	17.1	18.1	8.2
	y-on-y % change	4.2	-11.0	8.3	14.1	18.1	15.7	11.5	8.6	
Wholesale and retail	thousands	30.2	30.8	32.8	33.3	31.7	32.5	35.3	37.2	16.9
	y-on-y % change	0.2	2.0	6.6	4.8	1.3	-0.5	5.6	11.8	
Hotels and restaurants	thousands	22.4	23.1	22.1	21.2	22.5	23.8	22.8	24.0	10.9
	y-on-y % change	6.3	3.2	-4.5	-3.1	3.5	3.0	5.4	13.1	
Transport, storage and communications	thousands	14.5	12.8	14.2	12.4	14.3	14.8	14.1	14.8	6.7
	y-on-y % change	-0.8	-11.8	11.0	6.2	19.5	-4.2	-3.4	19.1	
Financial services	thousands	6.1	6.2	6.2	5.5	5.8	6.0	5.8	6.6	3.0
	y-on-y % change	-11.9	1.6	0.6	-8.6	1.9	-10.4	-16.0	20.9	
Real estate, renting and business activities	thousands	10.7	10.9	11.9	11.6	11.4	12.7	12.4	13.2	6.0
	y-on-y % change	2.0	1.1	9.5	7.4	1.5	5.8	-0.7	13.3	
Public administration, defence and compulsory social security	thousands	16.0	16.9	17.8	19.3	18.4	17.1	16.2	18.5	8.4
	y-on-y % change	-2.3	6.1	5.1	8.9	6.7	6.0	-7.4	-3.9	
Other communication, social and personal services	thousands	22.1	23.0	23.5	23.4	25.7	27.6	30.2	31.0	14.1
	y-on-y % change	2.8	3.9	2.0	5.5	10.9	18.9	39.7	32.7	

4. JOB VACANCIES

		2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3
Job vacancies						
Manufacturing		4 723	..	6 078	..	7 329
Electricity, gas and water supply		9	..	8	..	7
Wholesale and retail		..	516	..	1 138	..
Hotels and restaurants		697	..	1 208	..	2 054
Transport, storage and communications		..	287	..	731	..
Financial services		62	..	125	..	80

V. POPULATION, LABOUR AND EMPLOYMENT

5. UNEMPLOYED POPULATION BY INDUSTRY AND REASONS FOR UNEMPLOYMENT

		2001	2002	2003	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3
Unemployed population	thousands	13.9	13.4	12.9	12.9	12.0	12.4	11.1	10.9
	y-on-y % change	-2.4	-3.1	-3.7	-5.2	-8.5	-4.8	-20.0	-16.0
<u>1. Searching for first job</u>	thousands	1.0	1.1	1.1	1.7	1.2	1.0	1.0	1.4
	y-on-y % change	-5.3	14.1	-2.7	18.3	28.1	28.7	55.9	-12.7
i) Highest education attained (%)									
No schooling/Pre-primary education		6.9	4.6	1.8	-	-	-	3.8	2.8
Primary education		20.7	30.7	20.6	13.7	30.8	25.0	24.1	14.4
Junior middle education		11.0	15.7	17.1	16.6	13.8	30.1	31.6	20.8
Senior middle education		26.8	24.4	31.4	26.0	40.6	30.3	4.7	22.8
Tertiary education		34.7	24.5	29.1	43.7	14.8	14.6	35.8	39.3
<u>2. Searching for new job</u>	thousands	12.9	12.3	11.9	11.3	10.8	11.4	10.1	9.4
	y-on-y % change	-2.1	-4.4	-3.8	-7.8	-11.3	-7.0	-23.7	-16.5
i) Previous industry of employment (%)									
Manufacturing		18.9	21.1	20.1	23.8	17.9	21.8	18.5	20.3
Construction		26.4	21.8	18.6	15.4	18.4	13.9	17.1	9.1
Wholesale and retail		15.1	16.3	16.2	14.6	16.3	18.2	19.3	17.2
Hotels and restaurants		15.8	19.2	19.9	21.4	21.2	18.2	19.5	26.9
Other community, social and personal services		8.1	7.6	8.3	6.8	10.8	10.7	10.6	12.6
ii) Reasons for unemployment (%)									
Personal or family reasons		14.9	20.0	22.2	27.4	18.6	17.2	24.3	30.8
Dissatisfied with work conditions		10.5	6.4	6.6	7.0	10.0	11.7	10.4	11.5
Completion of a temporary work		24.0	21.4	18.5	13.4	22.9	17.0	16.5	11.2
Company ceased operation		22.5	21.6	17.6	18.3	15.3	18.2	21.0	21.4
Dismissed or laid off		26.1	28.1	32.6	32.4	30.8	31.3	25.2	23.3

V. POPULATION, LABOUR AND EMPLOYMENT

6. UNDEREMPLOYED POPULATION BY INDUSTRY AND REASONS FOR UNDEREMPLOYMENT

		2001	2002	2003	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3
Underemployed population	thousands	7.7	7.3	5.9	6.1	4.0	5.2	5.1	3.9
1. Industry (%)									
	Manufacturing	28.6	24.0	26.1	29.6	23.6	23.2	24.4	17.5
	Construction	44.0	41.8	39.7	40.9	32.9	34.8	35.3	39.8
	Wholesale and retail	7.5	10.1	8.2	7.0	10.0	14.4	14.2	16.5
	Hotels and restaurants	5.0	5.4	6.1	1.2	6.6	4.9	7.7	7.2
	Other community, social and personal services	1.6	3.3	4.5	7.1	9.0	6.8	2.8	5.0
2. Reasons for underemployment (%)									
	Unable to find other jobs	22.4	31.0	24.7	23.9	31.3	31.1	34.9	47.2
	Slack business or low season	76.3	65.2	68.7	68.3	66.4	61.2	60.1	48.1
	Start/End of a production or an assignment	1.3	3.0	3.7	4.3	2.3	6.8	5.0	4.7

7. NON-RESIDENT WORKERS ^a

		2001	2002	2003	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	Structure (%)
A. Entry of non-resident workers	numbers	7 542	7 720	10 746	2 383	3 893	3 650	3 565	4 430	
	y-on-y % change	2.8	2.4	39.2	17.1	59.9	96.1	36.6	85.9	
B. Non-resident workers in Macao (period-end)	numbers	25 925	23 460	24 970	23 221	24 970	25 219	24 961	26 534	100.0
	y-on-y % change	-4.8	-9.5	6.4	-0.1	6.4	9.7	6.2	14.3	
Industry										
	Manufacturing	15 578	13 212	13 716	13 468	13 716	13 314	12 784	13 581	51.2
	Construction	524	449	1 715	775	1 715	2 117	2 077	2 042	7.7
	Wholesale and retail	1 103	1 047	166	132	166	209	201	273	1.0
	Hotels and restaurants	2 408	2 109	2 556	2 539	2 556	2 525	2 405	2 592	9.8
	Other community, social and personal services	2 108	2 124	1 804	1 668	1 804	1 881	2 034	2 282	8.6
	Sauna and massage parlours, other entertainment and performing activities	1 767	1 820	1 114	1 043	1 114	1 159	1 208	1 232	4.6
	Gambling	242	230	577	513	577	615	710	924	3.5

^a The data relate to the non-resident workers and the professional non-resident workers referred to in Dispatches 12/GM/88 and 49/GM/88.

VII. PUBLIC ACCOUNTS

1. PUBLIC REVENUE AND EXPENDITURE

		2001	2002	2003	2004 Q1 to Q3	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3
A. Total revenue	MOP million	15 641.6 ^a	15 226.9 ^a	18 370.6 ^{ap}	14 036.1 ^b	3 800.5 ^b	4 042.2 ^{bp}	3 951.1 ^b	4 329.0 ^b	5 756.0 ^b
	y-on-y % change	2.0	-2.7	20.6 ^p	39.3	37.2	25.8 ^p	18.0	47.8	51.5
Current revenue	MOP million	9 741.5	10 987.0	14 011.8 ^p	13 997.5	3 799.8	3 996.0 ^p	3 913.8	4 328.0	5 755.6
	y-on-y % change	15.4	12.8	27.5 ^p	39.8	37.2	24.4 ^p	19.0	47.8	51.5
Capital revenue	MOP million	73.3	97.2	108.4 ^p	38.5	0.7	46.2 ^p	37.2	1.0	0.4
	y-on-y % change	-80.4	32.6	11.5 ^p	-38.0	-50.9	6 623.0 ^p	-38.7	32.8	-50.6
B. Total expenditure	MOP million	15 220.8 ^a	13 486.9 ^a	15 713.0 ^{ap}	7 322.9 ^b	2 714.5 ^b	4 621.5 ^{bp}	2 271.7 ^b	2 173.8 ^b	2 877.4 ^b
	y-on-y % change	1.3	-11.4	16.5 ^p	7.0	23.1	17.7 ^p	8.3	7.2	6.0
Current expenditure	MOP million	8 275.0	7 788.6	8 742.2 ^p	6 092.1	2 149.2	2 896.4 ^p	2 168.5	1 732.1	2 191.5
	y-on-y % change	10.6	-5.9	12.2 ^p	4.2	10.1	0.5 ^p	13.2	-2.7	2.0
Capital expenditure	MOP million	1 119.0	1 555.7	2 720.4 ^p	1 230.8	565.3	1 725.1 ^p	103.2	441.7	685.9
	y-on-y % change	10.0	39.0	74.9 ^p	23.7	123.3	65.0 ^p	-43.5	78.4	21.3
C. Balance^c	MOP million	420.9 ^a	1 740.0 ^a	2 657.7 ^{ap}	6 713.2 ^b	1 086.1 ^b	-579.3 ^{bp}	1 679.4 ^b	2 155.2 ^b	2 878.6 ^b
	y-on-y % change	33.9	313.4	52.7 ^p	107.4	92.2	19.1	34.3	139.5	165.0
D. Public sector deposits with local banks^d	MOP million	8 883.3	11 330.5	14 426.7	19 795.0	13 446.9	14 426.7	15 170.6	16 792.8	19 795.0
	y-on-y % change	7.9	27.5	27.3	47.2	24.3	27.3	24.7	31.7	47.2

a The specific accounts are included.

b The specific accounts are not included.

c Balance = Total revenue - total expenditure

d Include public sector deposits with AMCM, but exclude SAR Reserve Fund.

ACCESS TO STATISTICAL INFORMATION

Further statistical information can be obtained from the Documentation and Information Centre of the Statistics and Census Service:

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Statistics are here to serve you