

Summary of social and economic development of Macao

AUGUST / 2007

No. 8

OVERALL SOCIAL AND ECONOMIC SITUATION

During the summer holidays, the number of visitor arrivals continued to rise and gross gaming receipts maintained a vigorous growth in August 2007. In terms of external trade, imports of goods rose sharply and exports of goods logged a slight increase, but the trade deficit widened further from July 2007. In regard to Public accounts, fiscal surplus increased considerably upon a surge in government revenue. Benefited from the booming gaming and tourism sector, the employed population continued to expand, while the unemployment rate remained at 3.1% as more fresh graduates and school leavers entering the labour market. Furthermore, the number of transactions in the property market fell in August compared with the previous month and the same month of last year. The Composite Consumer Price Index (Composite CPI) in August registered increases over the previous month and year-on-year.

GAMING AND TOURISM

Gross gaming receipts in August 2007 rose by 40.3% to MOP 6.75 billion. For the first eight months of 2007, the cumulative gross gaming receipts surged by 44.7% to MOP 51.72 billion.

The total number of visitor arrivals grew by 23.9% to 2,381,752 in August 2007. Visitors from Mainland China and Hong Kong SAR registered increases of 32.1% and 13.4% respectively, while visitors from Taiwan region decreased by 9.4%. For the first eight months of 2007, total number of visitor arrivals reached 17,230,083, up by 21.8%.

CONSTRUCTION AND REAL ESTATE

At the end of July 2007, the cumulative number of building units started was 3,963 and the respective gross floor area totalled 1,644,913 m², up by 156.2% and 294.0% respectively. The cumulative number of building units completed was 793, with their gross floor area at 340,194 m², down by 68.0% and 64.9% respectively. Regarding the property market, 1,856 building units were transacted in August 2007, a decrease of 417 units over the preceding month and down by 17.3% year-on-year. For the first eight months of 2007, the total number of units transacted jumped by 61.0% to 23,470.

EXTERNAL TRADE

In August 2007, value of total exports rose slightly by 0.4% to MOP 1.80 billion and value of total imports grew by 29.7% to MOP 4.15 billion. The marked increase in imports widened the trade deficit to MOP 2.35 billion. For the first eight months of 2007, the cumulative value of exports amounted to MOP 13.21 billion, down by 6.5%, owing to an 18.3% decrease in the exports of **Textile & garment** that accounted for 64.9% of the value of total exports. The cumulative value of imports reached MOP 27.92 billion, up by 17.6% as a result of increases registered in **Capital goods** (+41.5%), **Consumer goods** (+21.1%) and **Fuel & lubricants** (+18.8%), while **Raw materials & semi-manufactures** remained unchanged. For the first eight months of 2007, the cumulative trade deficit was MOP 14.71 billion.

CONSUMER PRICE INDEX

The Composite CPI for August 2007 was 115.72, a year-on-year increase of 6.42%, or up by 0.50% over the previous month. The indices of Food & non-alcoholic beverages; Housing & fuels; and Recreation & culture increased by 1.20%, 0.88% and 0.54% respectively, on account of dearer prices of fresh pork and vegetables, rising charges for meals bought away from home, higher rentals for housing, increasing charges for maintenance and repair services of dwelling, rising

prices of LP Gas, as well as higher charges for outbound package tours during summer holidays. On the other hand, the indices of Communication; Clothing & footwear; and Transport recorded decreases of 1.94%, 1.21% and 0.35% respectively owing to lower charges for IDD calls during summer holidays, reduction sale of men's and women's clothing, as well as lower prices of gasoline. For the 12 months ended August 2007, the average Composite CPI rose by 4.85% over the previous period.

PUBLIC ACCOUNTS

In August 2007, total government revenue increased by 31.8% to MOP 3.08 billion, among which gaming tax revenue that accounted for 80.5% of the total, soared by 42.2% to MOP 2.48 billion. Total government expenditure surged by 46.8% to MOP 2.26 billion. At the end of August 2007, the fiscal surplus amounted to MOP 16.20 billion.

EMPLOYMENT

The employed population expanded by 13.8% to 304,300 for June to August 2007. The unemployment rate stood at 3.1%, same as that in the preceding period (May to July 2007), but down by 0.8 percentage point year-on-year. At the end of August 2007, the number of non-resident workers totalled 78,190, an increase of 1,790 over July.

MONEY

At the end of July 2007, narrow money supply (M1) and broad money supply (M2) amounted to MOP 19.24 billion and MOP 180.08 billion respectively. Domestic loans and advances to the private sector increased by 23.2% to MOP 57.82 billion. Foreign exchange reserve rose by 43.8% to MOP 91.39 billion.

* Unless otherwise specified, growth rates mentioned in this analysis refer to year-on-year growth.

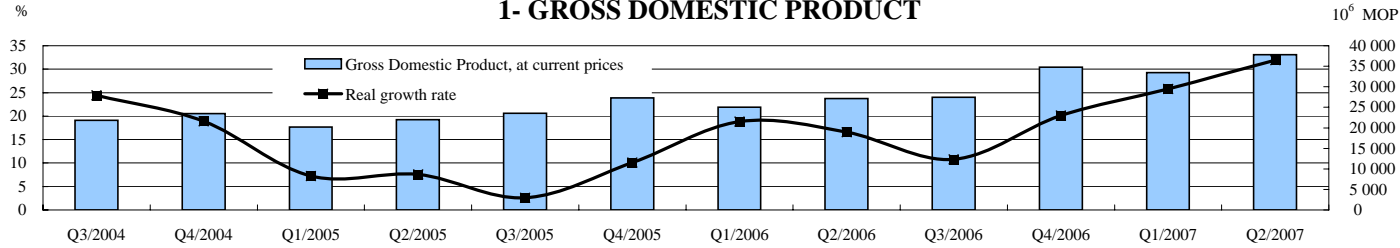
Principal statistical indicators of Macao	Unit	Latest period	Latest period		Cumulative	
			Value	Year-on-year % change	Value	Year-on-year % change
I - GROSS DOMESTIC PRODUCT						
Current prices	10 ⁶ MOP	Q2/2007	37 825.88	39.4	71 256.49	36.6
Real growth rate	%	Q2/2007	31.9	..	28.9	..
II - GAMING AND TOURISM						
Gross gaming receipts	10 ⁶ MOP	Aug/2007	6 749.30	40.3	51 716.29	44.7
Visitor arrivals	no.	Aug/2007	2 381 752	23.9	17 230 083	21.8
Mainland China	no.	Aug/2007	1 345 928	32.1	9 432 058	21.0
Hong Kong SAR	no.	Aug/2007	720 800	13.4	5 389 038	22.0
Taiwan region	no.	Aug/2007	120 990	-9.4	950 449	-0.1
III - CONSTRUCTION AND REAL ESTATE						
Gross floor area of buildings started	m ²	Jul/2007	15 512	318.0	1 644 913	294.0
Units of buildings started	no.	Jul/2007	5	-78.3	3 963	156.2
Gross floor area of buildings completed	m ²	Jul/2007	32 892	-92.6	340 194	-64.9
Units of buildings completed	no.	Jul/2007	182	-88.8	793	-68.0
Building units transacted	no.	Aug/2007	1 856	-17.3	23 470	61.0
IV - EXTERNAL TRADE						
Exports	10 ⁶ MOP	Aug/2007	1 795.79	0.4	13 213.44	-6.5
Imports	10 ⁶ MOP	Aug/2007	4 146.51	29.7	27 918.77	17.6
Trade balance	10 ⁶ MOP	Aug/2007	- 2 350.72	..	- 14 705.33	..
V - COMPOSITE CONSUMER PRICE INDEX (7/2004 to 6/2005 = 100)						
		Aug/2007	115.72	6.4	..	4.9 ^a
VI - PUBLIC ACCOUNTS						
Total revenue	10 ⁶ MOP	Aug/2007	3 084.90	31.8	25 012.16	46.5
Revenue from gaming tax	10 ⁶ MOP	Aug/2007	2 483.48	42.2	19 357.87	48.2
Total expenditure	10 ⁶ MOP	Aug/2007	2 258.56	46.8	8 809.90	4.0
Balance	10 ⁶ MOP	Aug/2007	826.34	..	16 202.26	..
			Latest period		Previous period	
			Value	Year-on-year % change	Value	Year-on-year % change
VII - EMPLOYMENT						
Employed population	10 ³	Jun/2007-Aug/2007	304.3	13.8	301.2	13.9
Unemployment rate	%	Jun/2007-Aug/2007	3.1	-0.8 ^b	3.1	-0.9 ^b
Non-resident workers in Macao	no.	Aug/2007	78 190	46.6	76 400	46.4
VIII - MONEY						
Narrow money supply (M1)	10 ⁶ MOP	Jul/2007	19 239.8	34.2	17 743.4	38.2
Broad money supply (M2)	10 ⁶ MOP	Jul/2007	180 077.5	16.1	175 226.5	14.5
Domestic loans and advances to the private sector	10 ⁶ MOP	Jul/2007	57 818.4	23.2	56 789.6	21.9
Foreign exchange reserves	10 ⁶ MOP	Jul/2007	91 394.5	43.8	89 589.5	42.1

a Annual rate of change ended August 2007.

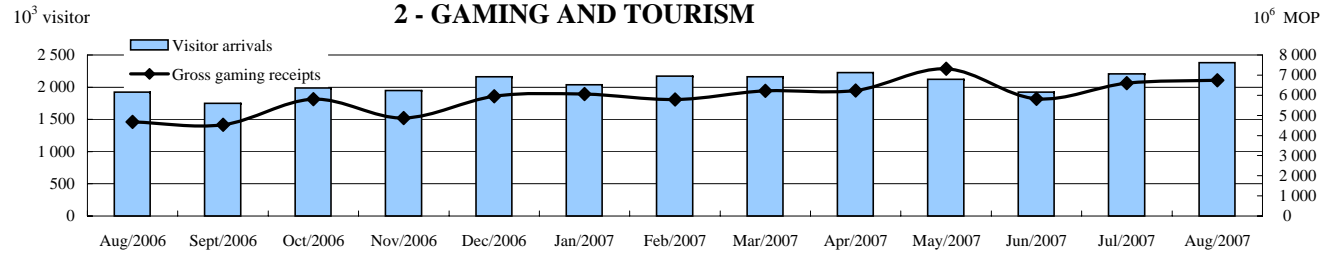
b Percentage difference from the same period of last year - positive value represents an increase and negative value represents a decrease.

.. Not applicable

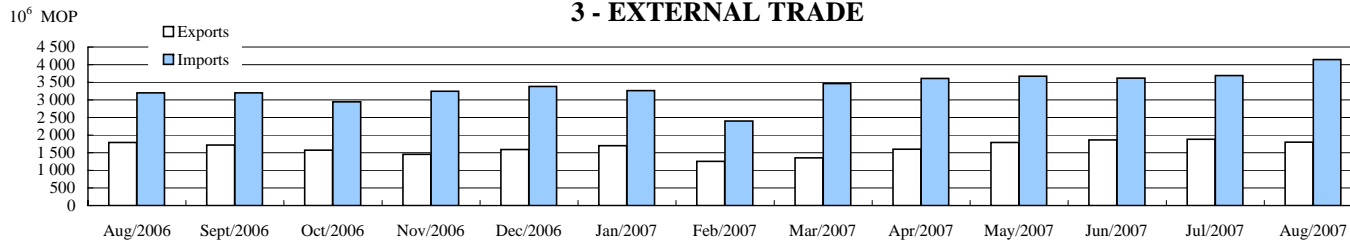
1- GROSS DOMESTIC PRODUCT



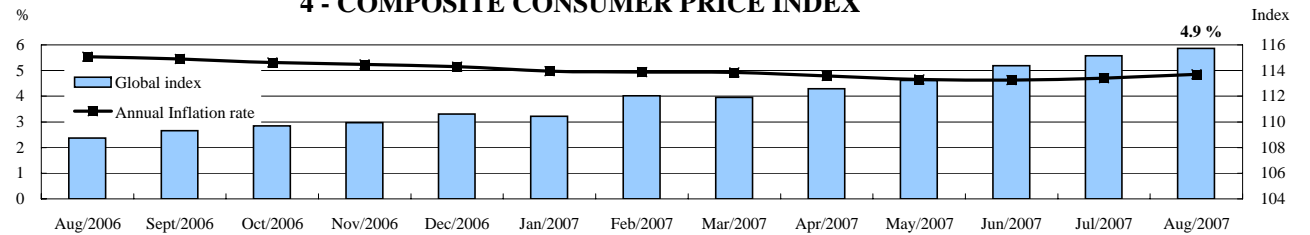
2 - GAMING AND TOURISM



3 - EXTERNAL TRADE



4 - COMPOSITE CONSUMER PRICE INDEX



5 - UNEMPLOYMENT RATE

