

Summary of social and economic development of Macao

MAY / 2006

No. 5

OVERALL SOCIAL AND ECONOMIC SITUATION

In May 2006, the number of visitor arrivals continued to increase, but growth in gross gaming receipts slowed down. In terms of external trade, exports of goods rose sharply and imports of goods continued to increase, thus trade deficit narrowed down. In regard to Public accounts, fiscal surplus continued to increase. Moreover, under the rapid development of the gaming and tourism sector, the employed population grew significantly, while unemployment rate dropped further. On the other hand, regarding the property market in May 2006, although the number of transactions registered a slight increase over the previous month, but it still dropped over 50% compared with the same month of last year. Consumer Price Index in May continued to rise over the previous month and year-on-year.

GAMING AND TOURISM

In May 2006, gross gaming receipts increased 3.2% to MOP 4.42 billion. For the first five months of 2006, total gross gaming receipts rose 13.8% to MOP 21.49 billion.

The number of visitor arrivals in May 2006 grew 10.9% to 1,707,155. Visitors from Mainland China and Hong Kong SAR registered increases of 12.5% and 10.0% respectively, but visitors from Taiwan region decreased 12.4%. For the first five months of 2006, total number of visitor arrivals reached 8,825,487, up 17.8%.

CONSTRUCTION AND REAL ESTATE

At the end of April, the cumulative number of units in buildings started and gross floor area were 1,379 and 306,206 m², up 87.6% and 2.3 times respectively.

Moreover, the cumulative number of units and gross floor area in buildings completed grew significantly to 832 and 400,599 m² respectively. Regarding the property market, 1,993 units were transacted in May 2006, 403 units more than the previous month but down 51.5% year-on-year. For the first five months of 2006, the cumulative number of units transacted was 8,386, down 46.4%, reflecting that the property market remained sluggish.

EXTERNAL TRADE

In May 2006, total export value amounted to MOP 1.84 billion, up 42.7%; and the value of imports reached MOP 3.23 billion, up 31.8%. As exports rose sharply, Macao's trade deficit narrowed to MOP 1.39 billion. For the first five months of 2006, the cumulative export value amounted to MOP 8.25 billion, up 39.3%, as the value of **Textile & garment** exports, which accounted for 74.9% of the total exports, increased 45.4%. The cumulative import value reached MOP 14.08 billion, up 29.8%, mainly due to the increases in **Fuel & lubricants** (up 40.8%), **Consumer goods** (up 32.6%), **Raw materials & semi-manufactures** (up 28.2%) and **Capital goods** (up 21.8%). Trade deficit at the end of May was MOP 5.83 billion.

CONSUMER PRICE INDEX

The Composite CPI for May 2006 was 108.16, with year-on-year increase of 6.33%, or up by 0.56% over the previous month. The indices of Communication, Clothing & footwear and Housing & fuels rose more apparently, by 3.79%, 1.89% and 0.71% respectively. Their increments were led by the rising long-distance call (IDD) charges after the end of the discount offered, price increase in women's clothing and higher rentals for housing. The price index of Food & non-alcoholic beverages, which affected the overall index more significantly, increased by 0.45% as a result of the dearer prices of vegetables after heavy rains. For the 12 months ended May 2006, the average Composite CPI increased by 5.44% over the previous period.

PUBLIC ACCOUNTS

In May 2006, total public revenue, excluding Autonomous Agencies, increased 35.2% to MOP 2.37 billion, among which gaming tax revenue accounted for 72.1% of the total and rose 24.3% to MOP 1.71 billion. On the other hand, total public expenditure, excluding Autonomous Agencies, reached MOP 0.99 billion, up 24.7%. At the end of May, the fiscal surplus amounted to MOP 5.96 billion.

EMPLOYMENT

The employed population was 261 thousand for the period from March to May 2006, up 12.9%. The unemployment rate dropped to 3.8%, down by 0.1 percentage point over the previous period (February to April 2006) and down 0.3 percentage points year-on-year. At the end of May, the number of non-resident workers was 49,726, an increase of 951 over the previous month.

MONEY

At the end of April 2006, narrow money supply M1 and broad money supply M2 reached MOP 13.54 billion and MOP 148.69 billion respectively. Besides, domestic loans and advances to the private sector increased 20.5% to MOP 45.11 billion. Foreign exchange reserves rose 31.5% to MOP 58.46 billion.

* Growth rates mentioned in this analysis are comparisons with the same period of the previous year, unless stated otherwise.

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	Q1/2006	25 135.89	24.1	25 135.89	24.1
Real growth rate	%	Q1/2006	18.8	..	18.8	..
II - GAMING AND TOURISM						
Gross gaming receipts	10 ⁶ MOP	May/2006	4 422.69	3.2	21 486.60	13.8
Visitor arrivals	no.	May/2006	1 707 155	10.9	8 825 487	17.8
Mainland China	no.	May/2006	980 710	12.5	4 948 539	18.2
Hong Kong SAR	no.	May/2006	486 552	10.0	2 705 667	20.8
Taiwan region	no.	May/2006	112 296	-12.4	567 863	-7.7
III - CONSTRUCTION AND REAL ESTATE						
Gross floor area of buildings started	m ²	Apr/2006	19 742	80.5	306 206	233.4
Units of buildings started	no.	Apr/2006	7	-91.6	1 379	87.6
Gross floor area of buildings completed	m ²	Apr/2006	219 966	52 634.5	400 599	382.7
Units of buildings completed	no.	Apr/2006	478	11 850.0	832	1 469.8
Building units transacted	no.	May/2006	1 993	-51.5	8 386	-46.4
IV - EXTERNAL TRADE						
Exports	10 ⁶ MOP	May/2006	1 839.30	42.7	8 253.03	39.3
Imports	10 ⁶ MOP	May/2006	3 231.36	31.8	14 078.83	29.8
Trade balance	10 ⁶ MOP	May/2006	- 1 392.06	..	- 5 825.80	..
V - CONSUMER PRICE INDEX						
(7/2004 to 6/2005 = 100)		May/2006	108.16	6.3	..	5.4 ^a
VI - PUBLIC ACCOUNTS						
Revenue excluding Autonomous Agencies	10 ⁶ MOP	May/2006	2 368.48	35.2	10 393.12	23.4
Revenue from gaming tax	10 ⁶ MOP	May/2006	1 706.59	24.3	8 084.90	17.5
Expenditure excluding Autonomous Agencies	10 ⁶ MOP	May/2006	991.06	24.7	4 437.47	7.7
Balance	10 ⁶ MOP	May/2006	1 377.41	..	5 955.65	..
			Latest period		Previous period	
			Value	Year-on-year % change	Value	Year-on-year % change
VII - EMPLOYMENT						
Employed population	10 ³	Mar2006-May/2006	261.0	12.9	257.3	11.6
Unemployment rate	%	Mar2006-May/2006	3.8	-0.3 ^b	3.9	-0.2 ^b
Non-resident workers in Macao	no.	May/2006	49 726	64.9	48 775	65.8
VIII - MONEY						
Narrow money supply (M1)	10 ⁶ MOP	Apr/2006	13 538.0	-1.4	12 870.7	-5.2
Broad money supply (M2)	10 ⁶ MOP	Apr/2006	148 687.4	17.4	144 806.4	18.2
Domestic loans and advances to the private sector	10 ⁶ MOP	Apr/2006	45 111.2	20.5	44 013.1	20.1
Foreign exchange reserves	10 ⁶ MOP	Apr/2006	58 459.3	31.5	56 434.7	26.7

a Annual rate of change ended May 2006.

b Percentage difference from the same period of last year - positive value corresponds with increase and negative value corresponds with decrease.

.. Not applicable

