

Summary of social and economic development of Macao

JULY / 2007

No. 7

GAMING AND TOURISM

Gross gaming receipts in July 2007 rose by 40.8% to MOP 6.60 billion. For the first seven months of 2007, the cumulative gross gaming receipts surged by 45.4% to MOP 44.97 billion.

The total number of visitor arrivals grew by 22.5% to 2,208,327 in July 2007. Visitors from Mainland China and Hong Kong SAR registered increases of 24.2% and 21.1% respectively, while visitors from Taiwan region decreased by 7.3%. For the first seven months of 2007, total number of visitor arrivals reached 14,848,331, up by 21.5%.

CONSTRUCTION AND REAL ESTATE

For the first half of 2007, the cumulative number of building units started was 3,958 and the respective gross floor area totalled 1,629,401 m₂, up by 159.7% and 293.8% respectively. The cumulative number of building units completed was 611, with their gross floor area at 307,302 m₂, down by 28.5% and 41.6% respectively. Regarding the property market, 2,273 building units were transacted in July 2007, a decrease of 82 units over the preceding month, but up by 17.3% year-on-year. For the first seven months of 2007, the total number of units transacted jumped by 75.2% to 21,614.

EXTERNAL TRADE

Value of total exports dropped by 5.7% to MOP 1.88 billion in July 2007, while value of total imports grew by 16.4% to MOP 3.69 billion, resulting in a trade deficit of MOP 1.81 billion. For the first seven months of 2007, the cumulative value of exports amounted to MOP 11.42 billion, down by 7.5%, owing to the 20.1% decrease in the exports of **Textile & garment**, which accounted for 64.7% of the value of total

OVERALL SOCIAL AND ECONOMIC SITUATION

In July 2007, the gaming and tourism sector showed outstanding performance owing to the summer holidays, the number of visitor arrivals increased significantly and gross gaming receipts continued to surge. In terms of external trade, imports of goods maintained a year-on-year growth whereas exports of goods continued to fall, widening the trade deficit from June 2007. In regard to Public accounts, fiscal surplus rose considerably upon a surge in government revenue. Benefited from the rapid development of the gaming and tourism sector, the employed population grew. Meanwhile, the unemployment rate edged up from the previous period as a result of a growing number of job-seekers in the labour market, yet the rate has dropped markedly compared with the same period of last year. Furthermore, the number of transactions in the property market in July decreased over the preceding month, while an increase was recorded year-on-year. The Composite Consumer Price Index (Composite CPI) in July rose over the previous month and year-on-year.

GROSS DOMESTIC PRODUCT

In the second quarter of 2007, Macao's economy grew by 31.9% in real terms, mainly driven by the outstanding performance in gaming and tourism, as well as the large-scale construction projects in progress. GDP at current prices was MOP 37.83 billion. For the first half of 2007, Macao's economy grew by 28.9% in real terms, with GDP at current prices amounting to MOP 71.26 billion. The real economic growth of Macao for the first quarter of 2007 was revised upward to 25.8%.

exports. The cumulative value of imports reached MOP 23.75 billion, up by 15.6% as a result of the increases registered in **Capital goods** (+41.7%), **Fuel & lubricants** (+17.7%) and **Consumer goods** (+16.6%), whereas a decrease was registered in **Raw materials & semi-manufactures** (-0.3%). For the first seven months of 2007, the cumulative trade deficit was MOP 12.33 billion.

CONSUMER PRICE INDEX

The Composite CPI for July 2007 was 115.15, a year-on-year increase of 5.96%, or up by 0.68% over the previous month. The indices of Recreation & culture, Housing & fuels, and Transport increased notably by 2.01%, 1.67% and 0.93% respectively, on account of higher charges for outbound package tours during summer holidays, dearer rentals for housing, higher electricity charges due to an upward Tariff Clause Adjustment, as well as rising gasoline prices. In spite of lower prices of fresh vegetables, the price index of Food & non-alcoholic beverages went up by 0.46% as a result of dearer prices of fresh pork and higher charges for meals bought away from home. On the other hand, the index of Clothing & footwear was the only section that recorded a decrease of 2.13% owing to reduction sale of men's and women's clothing. For the 12 months ended July 2007, the average Composite CPI rose by 4.71% over the previous period.

PUBLIC ACCOUNTS

In July 2007, total government revenue increased by 64.8% to MOP 3.75 billion, among which gaming tax revenue accounted for 58.6% of the total, up by 42.5% to MOP 2.20 billion. Total government expenditure increased by 0.4% to MOP 1.16 billion. At the end of July 2007, the fiscal surplus amounted to MOP 15.38 billion.

EMPLOYMENT

The employed population expanded by 13.9% to 301,200 for May to July 2007. The unemployment rate was 3.1%, up by 0.1 percentage point over the previous

period (April to June 2007), but down by 0.9 percentage point year-on-year. At the end of July 2007, the number of non-resident workers totalled 76,400, an increase of 1,009 persons over the previous month.

MONEY

At the end of June 2007, narrow money supply (M1) and broad money supply (M2) amounted to MOP 17.74 billion and MOP 175.23 billion respectively. Domestic loans and advances to the private sector increased by 21.9% to MOP 56.79 billion. Foreign exchange reserves rose by 42.1% to MOP 89.59 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	Jul/2007	6 597.01	40.8	44 966.98 ^c	45.4 ^c
Visitor arrivals	no.	Jul/2007	2 208 327	22.5	14 848 331	21.5
Mainland China	no.	Jul/2007	1 180 494	24.2	8 086 130	19.3
Hong Kong SAR	no.	Jul/2007	715 477	21.1	4 668 238	23.4
Taiwan region	no.	Jul/2007	123 753	-7.3	829 459	1.4
III - CONSTRUCTION AND REAL ESTATE						
Gross floor area of buildings started	m ²	Jun/2007	769 050	615.3	1 629 401	293.8
Units of buildings started	no.	Jun/2007	881	507.6	3 958	159.7
Gross floor area of buildings completed	m ²	Jun/2007	18 787	413.2	307 302	-41.6
Units of buildings completed	no.	Jun/2007	6	-50.0	611	-28.5
Building units transacted	no.	Jul/2007	2 273	17.3	21 614	75.2
IV - EXTERNAL TRADE						
Exports	10 ⁶ MOP	Jul/2007	1 884.01	-5.7	11 418.89	-7.5
Imports	10 ⁶ MOP	Jul/2007	3 690.47	16.4	23 746.99	15.6
Trade balance	10 ⁶ MOP	Jul/2007	- 1 806.45	..	- 12 328.10	..
V - COMPOSITE CONSUMER PRICE INDEX						
(7/2004 to 6/2005 = 100)		Jul/2007	115.15	6.0	..	4.7 ^a
VI - PUBLIC ACCOUNTS						
Total revenue	10 ⁶ MOP	Jul/2007	3 745.99	64.8	21 927.26	48.8
Revenue from gaming tax	10 ⁶ MOP	Jul/2007	2 196.83	42.5	16 874.39	49.1
Total expenditure	10 ⁶ MOP	Jul/2007	1 157.82	0.4	6 551.34	-5.5
Balance	10 ⁶ MOP	Jul/2007	2 588.17	..	15 375.92	..
			Latest period		Previous period	
			Value	Year-on-year % change	Value	Year-on-year % change
VII - EMPLOYMENT						
Employed population	10 ³	May/2007-Jul/2007	301.2	13.9	296.4	13.6
Unemployment rate	%	May/2007-Jul/2007	3.1	-0.9 ^b	3.0	-0.8 ^b
Non-resident workers in Macao	no.	Jul/2007	76 400	46.4	75 391	50.0
VIII - MONEY						
Narrow money supply (M1)	10 ⁶ MOP	Jun/2007	17 743.4	38.2	18 418.1	37.8
Broad money supply (M2)	10 ⁶ MOP	Jun/2007	175 226.5	14.5	175 749.5	16.7
Domestic loans and advances to the private sector	10 ⁶ MOP	Jun/2007	56 789.6	21.9	52 620.5	10.6
Foreign exchange reserves	10 ⁶ MOP	Jun/2007	89 589.5	42.1	86 592.6	42.7

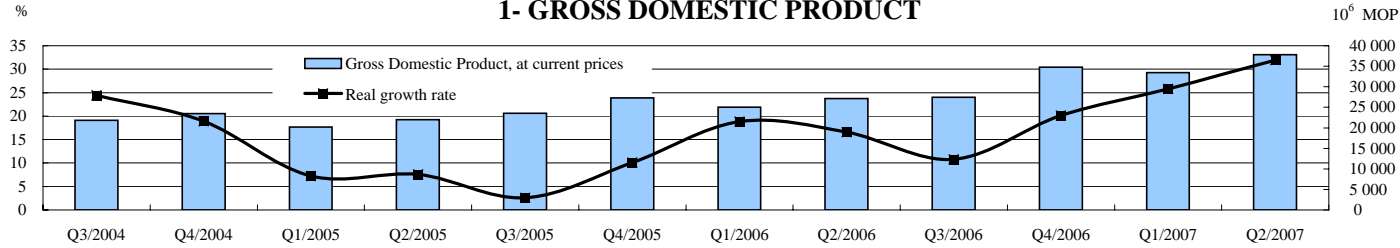
a Annual rate of change ended July 2007.

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

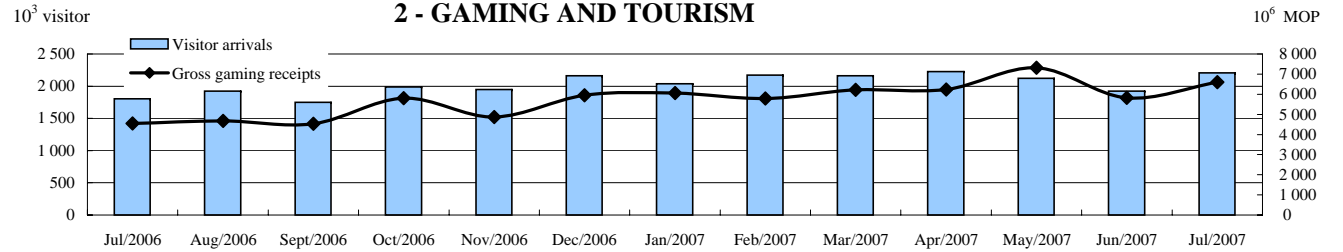
c Data have been revised according to the latest information provided by the Gaming Inspection and Coordination Bureau.

.. Not applicable

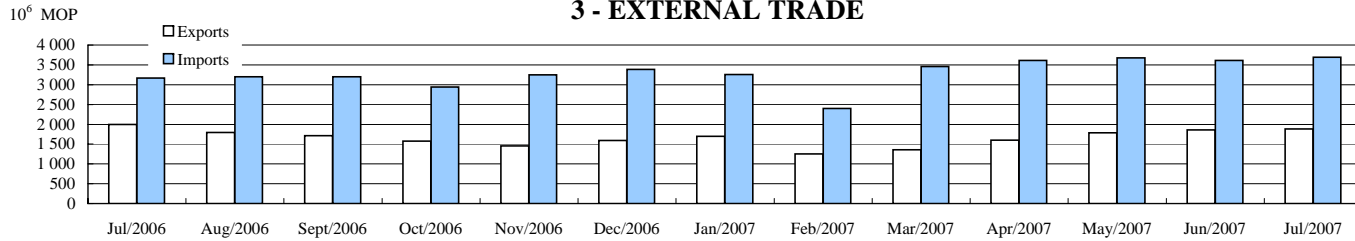
1- GROSS DOMESTIC PRODUCT



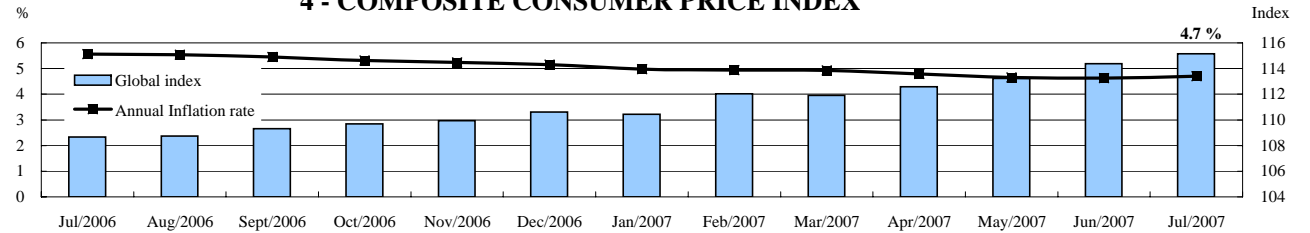
2 - GAMING AND TOURISM



3 - EXTERNAL TRADE



4 - COMPOSITE CONSUMER PRICE INDEX



5 - UNEMPLOYMENT RATE

