

Summary of social and economic development of Macao

OCTOBER / 2007

No. 10

OVERALL SOCIAL AND ECONOMIC SITUATION

In October 2007, with the benefit of the National Day holidays, the number of visitor arrivals registered a significant increase and gross gaming receipts continued to surge. In terms of external trade, exports and imports of goods rose continuously whereas the trade deficit widened from September 2007. In regard to Public accounts, fiscal surplus increased further upon a surge in government revenue. The development of gaming and tourism sector led to a continuous growth of the employed population, with the unemployment rate dropped to 3.0%. On the other hand, the number of transactions in the property market recorded increase in October compared with the previous month and the same month of last year. The Composite Consumer Price Index (Composite CPI) for October registered increase over the previous month and year-on-year.

GROSS DOMESTIC PRODUCT

In the third quarter of 2007, Macao's economic growth increased by 30.9% in real terms, which was attributable to the satisfactory performance of the gaming and tourism sector and several large-scale construction projects in progress; GDP at current prices reached MOP 38.30 billion.

GAMING AND TOURISM

Gross gaming receipts in October 2007 surged by 55.5% to MOP 9.30 billion. For the first ten months of 2007, the cumulative gross gaming receipts rose by 47.1% to MOP 68.20 billion.

The total number of visitor arrivals grew by 22.1% to 2,430,414 in October 2007. Visitors from Mainland China and Hong Kong SAR registered increase of 28.9% and 8.1% respectively, while visitors from Taiwan region decreased by 5.5%. For the first ten months of 2007, total number of visitor arrivals reached 21,926,427, up by 22.6%.

CONSTRUCTION AND REAL ESTATE

At the end of September 2007, the cumulative number of building units started was 4,047 and the respective gross floor area totalled 1,661,902 m², up by 120.8% and 181.9% respectively. The cumulative number of building units completed was 878, down by 69.8%, while their gross floor area increased by 25.4% to 1,333,391 m². Regarding the property market, 2,281 building units were transacted in October 2007, an increase of 535 units (+30.6%) from the preceding month and 354 units (+18.4%) over the corresponding month of last year. For the first ten months of 2007, the total number of units transacted jumped by 49.9% to 27,497.

EXTERNAL TRADE

In October 2007, value of total exports rose by 12.0% to MOP 1.76 billion and value of total imports grew by 27.8% to MOP 3.76 billion, while the trade deficit widened further to MOP 2.00 billion. For the first ten months of 2007, total value of exports fell by 3.9% to MOP 16.74 billion, resulting from the 14.1% decrease in the exports of **Textile & garment** that accounted for 65.3% of total exports. The cumulative value of imports increased by 18.2% to MOP 35.30 billion, of which imports of **Capital goods, Consumer goods and Fuel & lubricants** rose by 42.6%, 23.0% and 18.9% respectively, while imports of **Raw materials & semi-manufactures** decreased by 1.1%. For the first ten months of 2007, the cumulative trade deficit amounted to MOP 18.57 billion.

CONSUMER PRICE INDEX

The Composite CPI for October 2007 was 116.49, a year-on-year increase of 6.18% or up by 0.58% over the previous month. The indices of Clothing & footwear; Transport; and Housing & fuels recorded notable increase of 3.22%, 1.41% and 0.85% respectively, on account of dearer prices of the Autumn/Winter clothing and gasoline, rising charges for the maintenance and repair services of dwelling, as well as upward Tariff Clause Adjustment of electricity charges. Moreover, in spite of the rising charges for meals bought away from home, part of the increment was offset by the lower prices of vegetables, narrowing the increase of the index of Food & non-alcoholic beverages to 0.17%. On the other hand, the index of Communication, the only section that recorded a decrease, dropped slightly by 0.01% as a result of lower prices of mobile phones. For the 12 months ended October 2007, the average Composite CPI rose by 5.16% over the previous period.

PUBLIC ACCOUNTS

In October 2007, total government revenue surged by 52.2% to MOP 3.38 billion, among which revenue from gaming tax that accounted for 80.8% of the total surged by 55.1% to MOP 2.73 billion. Total government expenditure increased by 28.8% to MOP 1.65 billion. At the end of October 2007, the fiscal surplus amounted to MOP 20.87 billion.

EMPLOYMENT

The employed population expanded by 13.2% to 308,800 for August to October 2007. The unemployment rate was 3.0%, down by 0.1 and 0.6 percentage points over the previous period (July to September 2007) and the same period of 2006 respectively. At the end of October 2007, the number of non-resident workers totalled 81,710, an increase of 1,957 over September.

MONEY

At the end of September 2007, narrow money supply (M1) and broad money supply (M2) amounted to MOP 18.55 billion and MOP 182.29 billion respectively. Domestic loans and advances to the private sector increased by 28.2% to MOP 60.00 billion. Foreign exchange reserve rose by 45.7% to MOP 96.63 billion.

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

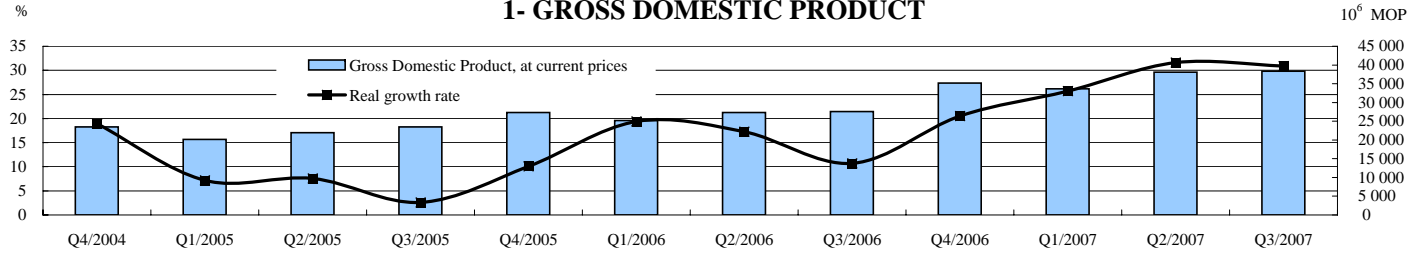
Principal statistical indicators of Macao	Unit	Latest period	Latest period		Cumulative	
			Value	Year-on-year % change	Value	Year-on-year % change
I - GROSS DOMESTIC PRODUCT						
Current prices	10 ⁶ MOP	Q3/2007	38 297.42	39.0	110 013.69	37.3
Real growth rate	%	Q3/2007	30.9	..	29.5	..
II - GAMING AND TOURISM						
Gross gaming receipts	10 ⁶ MOP	Oct/2007	9 299.75	55.5	68 204.84	47.1
Visitor arrivals	no.	Oct/2007	2 430 414	22.1	21 926 427	22.6
Mainland China	no.	Oct/2007	1 368 461	28.9	12 022 644	23.0
Hong Kong SAR	no.	Oct/2007	693 743	8.1	6 794 074	20.5
Taiwan region	no.	Oct/2007	121 135	-5.5	1 197 880	-0.3
III - CONSTRUCTION AND REAL ESTATE						
Gross floor area of buildings started	m ²	Sept/2007	15 439	-89.3	1 661 902	181.9
Units of buildings started	no.	Sept/2007	69	-44.8	4 047	120.8
Gross floor area of buildings completed	m ²	Sept/2007	566	-97.4	1 333 391	25.4
Units of buildings completed	no.	Sept/2007	3	-97.8	878	-69.8
Building units transacted	no.	Oct/2007	2 281	18.4	27 497	49.9
IV - EXTERNAL TRADE						
Exports	10 ⁶ MOP	Oct/2007	1 759.21	12.0	16 735.49	-3.9
Imports	10 ⁶ MOP	Oct/2007	3 759.40	27.8	35 303.44	18.2
Trade balance	10 ⁶ MOP	Oct/2007	- 2 000.19	..	- 18 567.95	..
V - COMPOSITE CONSUMER PRICE INDEX						
(7/2004 to 6/2005 = 100)		Oct/2007	116.49	6.2	..	5.2 ^a
VI - PUBLIC ACCOUNTS						
Total revenue	10 ⁶ MOP	Oct/2007	3 379.85	52.2	32 352.40	47.9
Revenue from gaming tax	10 ⁶ MOP	Oct/2007	2 730.03	55.1	24 630.11	48.2
Total expenditure	10 ⁶ MOP	Oct/2007	1 648.65	28.8	11 484.92	3.0
Balance	10 ⁶ MOP	Oct/2007	1 731.20	..	20 867.48	..
			Latest period		Previous period	
			Value	Year-on-year % change	Value	Year-on-year % change
VII - EMPLOYMENT						
Employed population	10 ³	Aug/2007-Oct/2007	308.8	13.2	307.7	14.4
Unemployment rate	%	Aug/2007-Oct/2007	3.0	-0.6 ^b	3.1	-0.7 ^b
Non-resident workers in Macao	no.	Oct/2007	81 710	35.4	79 753	41.0
VIII - MONEY						
Narrow money supply (M1)	10 ⁶ MOP	Sept/2007	18 550.1	22.4	20 017.3	48.0
Broad money supply (M2)	10 ⁶ MOP	Sept/2007	182 288.0	13.8	181 188.5	15.8
Domestic loans and advances to the private sector	10 ⁶ MOP	Sept/2007	60 003.7	28.2	59 086.1	24.7
Foreign exchange reserves	10 ⁶ MOP	Sept/2007	96 632.3	45.7	93 752.0	45.0

a Annual rate of change ended October 2007.

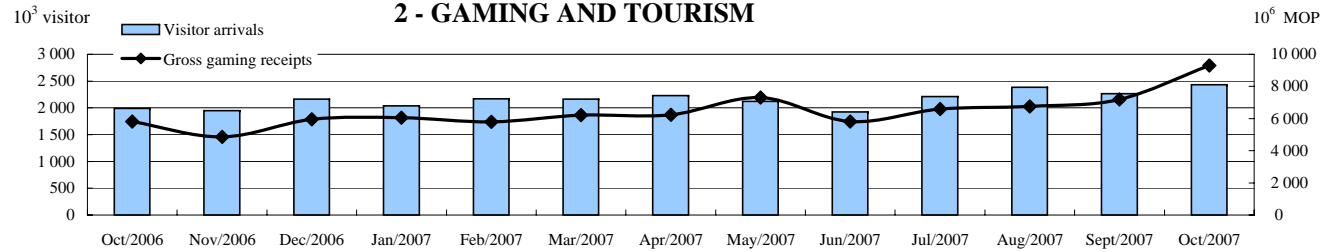
b Percentage difference from the same period of last year - positive value represents an increase and negative value represents a decrease.

.. Not applicable

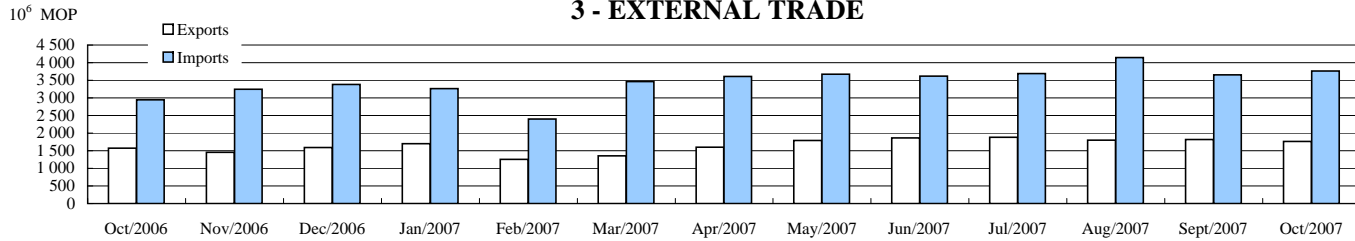
1- GROSS DOMESTIC PRODUCT



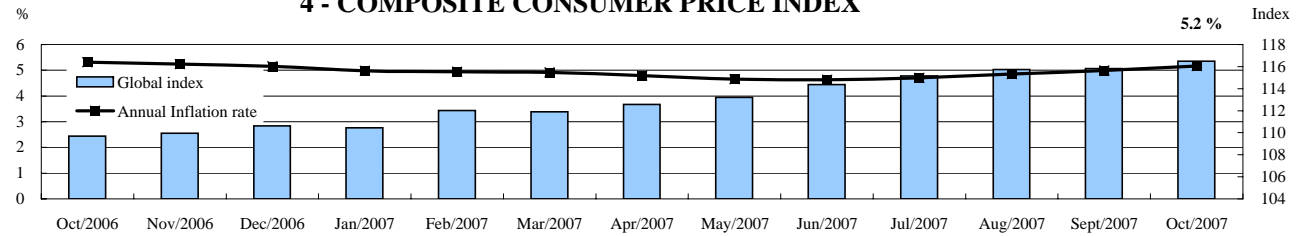
2 - GAMING AND TOURISM



3 - EXTERNAL TRADE



4 - COMPOSITE CONSUMER PRICE INDEX



5 - UNEMPLOYMENT RATE

