

Summary of social and economic development of Macao

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No. 4

OVERALL SOCIAL AND ECONOMIC SITUATION

In April 2006, the gaming and tourism sector remained satisfactory. Owing to the Easter holidays, the number of visitor arrivals registered a significant increase and gross gaming receipts achieved outstanding performances. In terms of external trade, exports and imports of goods surged. In regard to Public accounts, fiscal surplus increased further upon the surge in revenue. Moreover, under the rapid development of the gaming and tourism sector, the employed population continued to grow and unemployment rate remained at the level of 3.9%. On the other hand, regarding the property market in April 2006, the number of transactions dropped by 15.5% over the previous month and recorded a significant decrease compared with the same month of last year. Consumer Price Index in April recorded an increase over the previous month and year-on-year.

GROSS DOMESTIC PRODUCT

In the first quarter of 2006, Macao's economy increased 18.8% in real terms, upon outstanding performances in gaming, tourism and exports of goods and with impetus from the surge in investment. GDP at current prices reached MOP 25.14 billion.

GAMING AND TOURISM

In April 2006, gross gaming receipts increased 23.0% to MOP 4.47 billion. For the first four months of 2006, total gross gaming receipts rose 16.9% to MOP 17.06 billion.

The number of visitor arrivals in April 2006 grew 25.2% to 1,870,314. Visitors from Mainland China and Hong Kong SAR registered increases of

19.2% and 41.7% respectively, but visitors from Taiwan region decreased 4.0%. For the first four months of 2006, total visitor arrivals reached 7,118,332, up 19.6%.

CONSTRUCTION AND REAL ESTATE

In the first quarter of 2006, number of units in buildings started and gross floor area were 1,372 and 286,464 m², up 110.4% and 2.5 times respectively. Moreover, the number of units and gross floor area in buildings completed were 354 and 180,633 m², up 6.2 times and 118.8% respectively. Regarding the property market, 1,590 units were transacted in April 2006, 292 units less than the previous month and down 50.1% year-on-year. For the first four months of 2006, the cumulative number of units transacted was 6,393, down 44.6%, reflecting that the property market continued to slow-down.

EXTERNAL TRADE

In April 2006, total export value amounted to MOP 1.65 billion, up 45.0%; and the value of imports reached MOP 3.13 billion, up 30.6%. As imports rose sharply, Macao's trade deficit widened to MOP 1.48 billion. For the first four months of 2006, the cumulative export value amounted to MOP 6.42 billion, up 38.5%, as the value of **Textile & garment** exports, which accounted for 75.1% of the total exports, increased 44.4%. The cumulative import value reached MOP 10.83 billion, up 29.1%, mainly due to the increases in **Fuel & lubricants** (up 44.3%), **Consumer goods** (up 30.4%), **Capital goods** (up 25.8%) and **Raw materials & semi-manufactures** (up 25.4%). Trade deficit at the end of April was MOP 4.41 billion.

CONSUMER PRICE INDEX

The Composite CPI for April 2006 was 107.55, with year-on-year increase of 6.30%, or up by 0.87% over the previous month. The increase was mainly attributable to the rising prices in new arrivals of Summer clothing, upward adjustment of the electricity fuel clause and gasoline prices on account of surging international oil prices, higher charges for outbound package tours in the Easter

holidays, and the increase in the rentals for housing. As a result, the indices of Clothing & footwear, Transport, Recreation & culture and Housing & fuels rose by 1.90%, 1.79%, 1.46% and 1.39% respectively. For the 12 months ended April 2006, the average Composite CPI rose by 5.22% over the previous period.

PUBLIC ACCOUNTS

In April 2006, total public revenue, excluding Autonomous Agencies, increased 29.5% to MOP 2.32 billion, among which gaming tax revenue accounted for 76.1% of the total and rose 16.6% to MOP 1.76 billion. On the other hand, total public expenditure, excluding Autonomous Agencies, reached MOP 0.77 billion, up 19.9%. At the end of April, the fiscal surplus amounted to MOP 4.58 billion.

EMPLOYMENT

The employed population was 257 thousand for the period from February to April 2006, up 11.6%. The unemployment rate was 3.9%, same as the previous period (January to March 2006), but down 0.2 percentage point year-on-year. At the end of April, the number of non-resident workers was 48,775, a slight increase of 899 over the previous month.

MONEY

At the end of March 2006, narrow money supply M1 and broad money supply M2 reached MOP 12.87 billion and MOP 144.81 billion respectively. Besides, domestic loans and advances to the private sector increased 20.1% to MOP 44.01 billion. Foreign exchange reserves rose 26.7% to MOP 56.43 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	Apr/2006	4 474.80	23.0	17 063.91	16.9
Visitor arrivals	no.	Apr/2006	1 870 314	25.2	7 118 332	19.6
Mainland China	no.	Apr/2006	990 066	19.2	3 967 829	19.7
Hong Kong SAR	no.	Apr/2006	623 193	41.7	2 219 115	23.4
Taiwan region	no.	Apr/2006	126 528	-4.0	455 567	-6.4
III - CONSTRUCTION AND REAL ESTATE						
Gross floor area of buildings started	m ²	Mar/2006	208 937	1 233.5	286 464	254.1
Units of buildings started	no.	Mar/2006	1 174	886.6	1 372	110.4
Gross floor area of buildings completed	m ²	Mar/2006	10 072	-85.2	180 633	118.8
Units of buildings completed	no.	Mar/2006	33	-28.3	354	622.4
Building units transacted	no.	Apr/2006	1 590	-50.1	6 393	-44.6
IV - EXTERNAL TRADE						
Exports	10 ⁶ MOP	Apr/2006	1 649.79	45.0	6 421.20	38.5
Imports	10 ⁶ MOP	Apr/2006	3 133.06	30.6	10 834.86	29.1
Trade balance	10 ⁶ MOP	Apr/2006	- 1 483.26	..	- 4 413.67	..
V - CONSUMER PRICE INDEX						
(7/2004 to 6/2005 = 100)		Apr/2006	107.55	6.3	..	5.2 ^a
VI - PUBLIC ACCOUNTS						
Revenue excluding Autonomous Agencies	10 ⁶ MOP	Apr/2006	2 317.14	29.5	8 024.64	20.3
Revenue from gaming tax	10 ⁶ MOP	Apr/2006	1 764.01	16.6	6 378.31	15.8
Expenditure excluding Autonomous Agencies	10 ⁶ MOP	Apr/2006	766.29	19.9	3 446.41	3.6
Balance	10 ⁶ MOP	Apr/2006	1 550.86	..	4 578.23	..
			Latest period		Previous period	
			Value	Year-on-year % change	Value	Year-on-year % change
VII - EMPLOYMENT						
Employed population	10 ³	Feb/2006-Apr/2006	257.3	11.6	255.4	11.2
Unemployment rate	%	Feb/2006-Apr/2006	3.9	-0.2 ^b	3.9	-0.2 ^b
Non-resident workers in Macao	no.	Apr/2006	48 775	65.8	47 876	67.1
VIII - MONEY						
Narrow money supply (M1)	10 ⁶ MOP	Mar/2006	12 870.7	-5.2	12 737.2	-9.3
Broad money supply (M2)	10 ⁶ MOP	Mar/2006	144 806.4	18.2	142 998.3	15.5
Domestic loans and advances to the private sector	10 ⁶ MOP	Mar/2006	44 013.1	20.1	43 702.5	20.4
Foreign exchange reserves	10 ⁶ MOP	Mar/2006	56 434.7	26.7	54 429.8	22.5

a Annual rate of change ended April 2006.

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

.. Not applicable

