

- The economy of Macao in the third quarter of 2017 expanded by 6.1% year-on-year in real terms, driven by continuous increase in exports of services. The slowdown in economic growth was due to the high base of comparison in the third quarter of 2016 as the economy rebounded. For the first 3 quarters of 2017, the economy grew by 9.3% year-on-year in real terms.
- External demand grew robustly, driving exports of services up by 14.6% year-on-year, in which exports of gaming services and other tourism services grew by 18.4% and 9.4% respectively; exports of goods rose by 18.9%.
- Domestic demand slackened visibly owing to a 25.1% fall in investment; government final consumption expenditure and imports of goods dropped by 0.7% and 6.8% respectively, whereas private consumption expenditure edged up by 0.5%.
- Economic growth for 2015 was revised downward to -21.6%, while that for 2016 was revised upward to -0.9%. The rate of growth for the first quarter of 2017 was revised up to 11.3%, and that for the second quarter was revised down to 10.8%. Economic growth for the first half of 2017 was revised to 11.0%.
- The implicit deflator of GDP, which measures the overall changes in prices, went up by 2.8% year-on-year.

Principal indicators

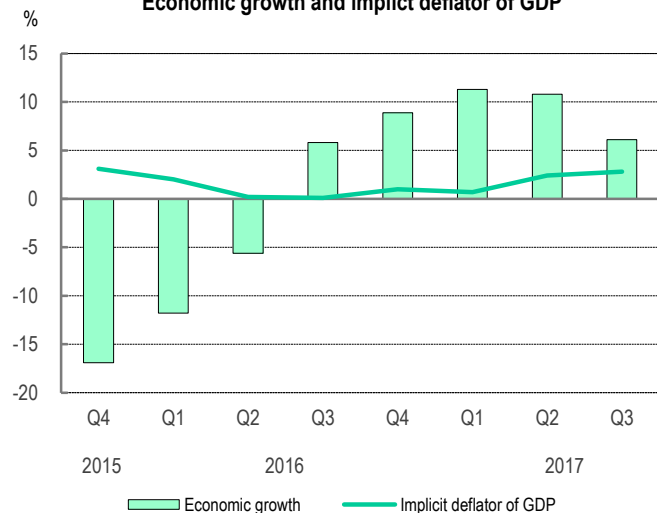
	Nominal growth	Real growth
Gross Domestic Product	9.0	6.1
Exports of gaming services	19.9	18.4
Exports of other tourism services	11.3	9.4
Investment	-19.7	-25.1

Major expenditure components of GDP

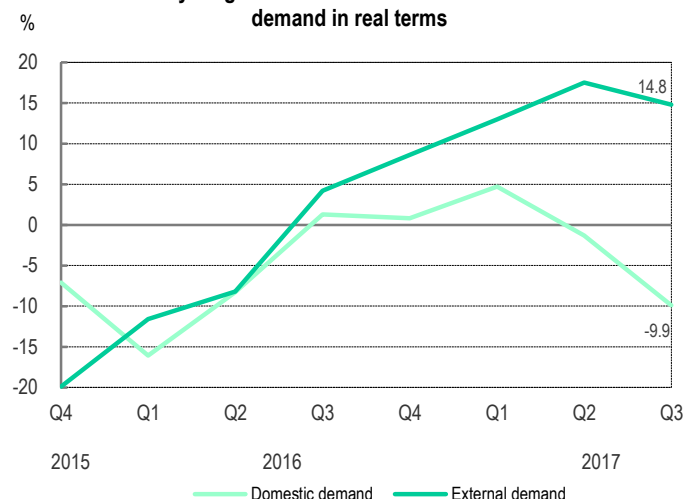
	Nominal growth	Real growth
Private consumption expenditure	1.9	0.5
Government final consumption expenditure	5.2	-0.7
Gross fixed capital formation	-19.7	-25.1
Private	-27.4	-32.2
Government	96.6	79.0
Changes in inventories	4.7	5.7
Exports of goods and services	16.2	14.8
Exports of goods	19.3	18.9
Exports of services	16.0	14.6
Imports of goods and services	-1.2	-2.1
Imports of goods	-6.7	-6.8
Imports of services	15.3	12.2

- Private consumption expenditure rose modestly by 0.5% year-on-year, lower than the 2.7% rise in the second quarter. Household final consumption expenditure in the domestic market and abroad increased by 0.7% and 1.8% respectively.
- Government final consumption expenditure declined at a slower rate of 0.7% year-on-year, an improvement from the 5.5% decrease in the second quarter. Compensation of employees grew by 2.0% while net purchases of goods and services dropped by 3.5%.
- Gross fixed capital formation, the gauge of investment, contracted by 25.1% year-on-year, accelerating from the 4.1% drop in the second quarter. Private investment fell by 32.2% year-on-year, in which private construction and equipment investments decreased by 35.7% and 4.5% respectively owing to the successive completion of large-scale tourism and entertainment facilities. With the huge investment of the government in infrastructure projects, government investment surged by 79.0% year-on-year, in which public construction and equipment investments grew substantially by 77.0% and 91.4% respectively.
- Merchandise trade showed a mixed performance. As private consumption expenditure grew slowly and investment declined remarkably, imports of goods decreased by 6.8% year-on-year. Meanwhile, exports of goods rose substantially by 18.9% due to robust growth in external demand.
- Service trade became the major driving force for economic growth. Simultaneous increase in visitor arrivals and visitors' spending drove total exports of services up by 14.6% year-on-year, with exports of gaming services and other tourism services rising by 18.4% and 9.4% respectively. Meanwhile, imports of services increased by 12.2% year-on-year.

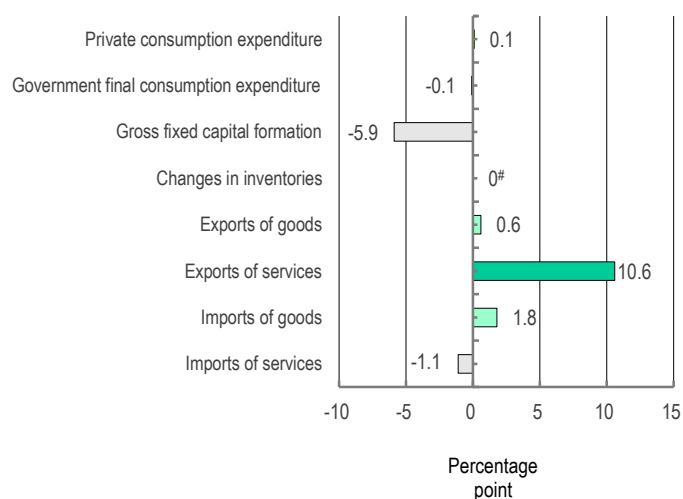
Economic growth and implicit deflator of GDP



Year-on-year growth of domestic demand and external demand in real terms

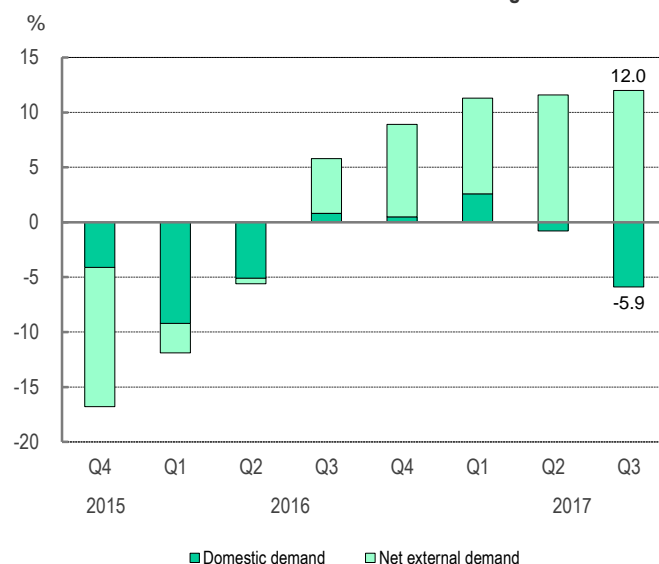


Contribution of major expenditure components to economic growth



0[#] Magnitude less than half of the unit employed

Contribution of demand to economic growth



Year-on-year quarterly GDP growth for previous quarters

	2015		2016				2017	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Nominal growth	-18.7	-14.3	-10.0	-5.4	5.9	10.0	12.0	13.4
Real growth	-21.8	-16.9	-11.8	-5.6	5.8	8.9	11.3	10.8

Year-on-year accumulated GDP growth for previous quarters

	2015		2016				2017	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Nominal growth	-19.3	-18.1	-10.0	-7.8	-3.4	0 [#]	12.0	12.7
Real growth	-23.1	-21.6	-11.8	-8.8	-4.1	-0.9	11.3	11.0

For additional information:

http://www.dsec.gov.mo/e/gdp_quarterly.aspx

