

## Summary of social and economic development of Macao

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No. 9

### OVERALL SOCIAL AND ECONOMIC SITUATION

In September 2007, the number of visitor arrivals continued to rise and gross gaming receipts maintained a vigorous growth. In terms of external trade, imports of goods grew constantly and exports of goods remained on the rise following a rebound in August, resulting in a narrowed trade deficit from the preceding month. In regard to Public accounts, fiscal surplus increased considerably upon a surge in government revenue. The booming gaming and tourism sector led to a continuous expansion of the employed population, with the unemployment rate remained at 3.1%. On the other hand, the number of transactions in the property market fell in September compared with the previous month and the same month of last year. The Composite Consumer Price Index (Composite CPI) for September registered increases over the previous month and year-on-year.

### GAMING AND TOURISM

Gross gaming receipts in September 2007 surged by 53.9% to MOP 7.19 billion. For the first nine months of 2007, the cumulative gross gaming receipts rose by 45.8% to MOP 58.91 billion.

The total number of visitor arrivals grew by 29.6% to 2,265,930 in September 2007. Visitors from Mainland China; Hong Kong SAR; and Taiwan region registered increases of 33.2%, 22.9% and 3.6% respectively. For the first nine months of 2007, total number of visitor arrivals reached 19,496,013, up by 22.6%.

### CONSTRUCTION AND REAL ESTATE

At the end of August 2007, the cumulative number of building units started was 3,978 and the respective gross floor area totalled 1,646,463 m<sup>2</sup>, up by 132.9% and 269.9% respectively. The cumulative number of building units completed was 875, down by 68.4%, while their gross floor area increased by 28.0% to 1,332,825 m<sup>2</sup>. Regarding the property market, 1,746 building units were transacted in September 2007, a decrease of 110 units over the preceding month and down by 5.3% year-on-year. For the first nine months of 2007, the total number of units transacted jumped by 53.6% to 25,216.

### EXTERNAL TRADE

In September 2007, value of total exports rose by 6.1% to MOP 1.81 billion and value of total imports grew by 14.4% to MOP 3.65 billion, with the trade deficit narrowing to MOP 1.84 billion. For the first nine months of 2007, the cumulative value of exports amounted to MOP 15.04 billion, down by 5.1%, owing to a 16.4% decrease in the exports of **Textile & garment** that accounted for 64.8% of the value of total exports. The cumulative value of imports reached MOP 31.60 billion, up by 17.3% as a result of increases registered in **Capital goods** (+40.7%), **Consumer goods** (+20.6%) and **Fuel & lubricants** (+19.9%), while **Raw materials & semi-manufactures** decreased slightly by 0.3%. For the first nine months of 2007, the cumulative trade deficit was MOP 16.56 billion.

### CONSUMER PRICE INDEX

The Composite CPI for September 2007 was 115.82, a year-on-year increase of 5.94%, or up by 0.08% over the previous month. The indices of Communication; Miscellaneous goods & services; Food & non-alcoholic beverages; and Housing & fuels recorded notable increases of 1.96%, 1.46%, 1.32% and 0.97% respectively, on

account of a reduction in the discount offered for IDD calls, higher charges for private tutorial class and meals bought away from home, as well as rising rentals for housing. On the other hand, the index of Education dropped drastically by 5.86%, due to the increased government subsidies to the tuition fees of the students studying in schools that are not within the free education network. Moreover, lower charges for outbound package tours after the summer holidays and reduction sale of women's clothing drove the indices of Recreation & culture and Clothing & footwear down by 1.03% and 0.95% respectively. For the 12 months ended September 2007, the average Composite CPI rose by 5.00% over the previous period.

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

## **PUBLIC ACCOUNTS**

In September 2007, total government revenue surged by 53.3% to MOP 3.96 billion, among which gaming tax revenue that accounted for 64.2% of the total, soared by 41.7% to MOP 2.54 billion. Total government expenditure decreased by 26.5% to MOP 1.03 billion. At the end of September 2007, the fiscal surplus amounted to MOP 19.14 billion.

## **EMPLOYMENT**

The employed population expanded by 14.4% to 307,700 for July to September 2007. The unemployment rate stood at 3.1%, same as that in the preceding period (June to August 2007), but down by 0.7 percentage point year-on-year. At the end of September 2007, the number of non-resident workers totalled 79,753, an increase of 1,563 over August.

## **MONEY**

At the end of August 2007, narrow money supply (M1) and broad money supply (M2) amounted to MOP 20.02 billion and MOP 181.19 billion respectively. Domestic loans and advances to the private sector increased by 24.7% to MOP 59.09 billion. Foreign exchange reserve rose by 45.0% to MOP 93.75 billion.

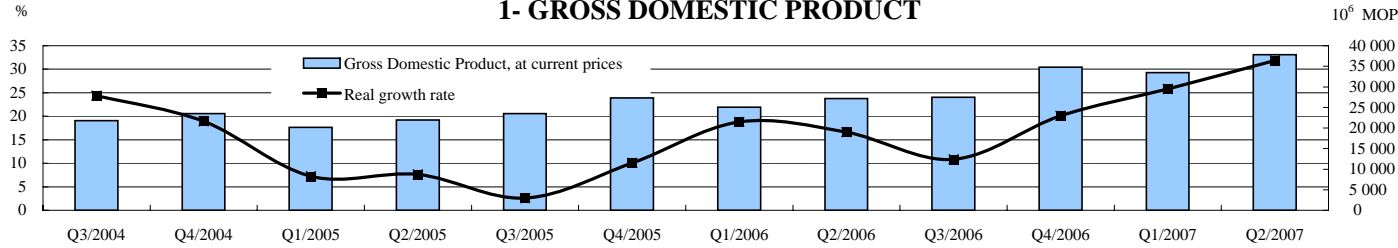
Principal statistical indicators of Macao	Unit	Latest period	Latest period		Cumulative	
			Value	Year-on-year % change	Value	Year-on-year % change
<b>I - GROSS DOMESTIC PRODUCT</b>						
Current prices	10 <sup>6</sup> MOP	Q2/2007	37 825.88	39.4	71 256.49	36.6
Real growth rate	%	Q2/2007	31.9	..	28.9	..
<b>II - GAMING AND TOURISM</b>						
Gross gaming receipts	10 <sup>6</sup> MOP	Sept/2007	7 188.81	53.9	58 905.09	45.8
Visitor arrivals	no.	Sept/2007	2 265 930	29.6	19 496 013	22.6
Mainland China	no.	Sept/2007	1 222 125	33.2	10 654 183	22.3
Hong Kong SAR	no.	Sept/2007	711 293	22.9	6 100 331	22.1
Taiwan region	no.	Sept/2007	126 296	3.6	1 076 745	0.3
<b>III - CONSTRUCTION AND REAL ESTATE</b>						
Gross floor area of buildings started	m <sup>2</sup>	Aug/2007	1 550	-94.4	1 646 463	269.9
Units of buildings started	no.	Aug/2007	15	-90.7	3 978	132.9
Gross floor area of buildings completed	m <sup>2</sup>	Aug/2007	992 631	1 290.5	1 332 825	28.0
Units of buildings completed	no.	Aug/2007	82	-71.3	875	-68.4
Building units transacted	no.	Sept/2007	1 746	-5.3	25 216	53.6
<b>IV - EXTERNAL TRADE</b>						
Exports	10 <sup>6</sup> MOP	Sept/2007	1 814.59	6.1	15 044.55	-5.1
Imports	10 <sup>6</sup> MOP	Sept/2007	3 654.91	14.4	31 603.31	17.3
Trade balance	10 <sup>6</sup> MOP	Sept/2007	- 1 840.33	..	- 16 558.76	..
<b>V - COMPOSITE CONSUMER PRICE INDEX</b> (7/2004 to 6/2005 = 100)						
		Sept/2007	115.82	5.9	..	5.0 <sup>a</sup>
<b>VI - PUBLIC ACCOUNTS</b>						
Total revenue	10 <sup>6</sup> MOP	Sept/2007	3 960.39	53.3	28 972.55	47.4
Revenue from gaming tax	10 <sup>6</sup> MOP	Sept/2007	2 542.21	41.7	21 900.08	47.4
Total expenditure	10 <sup>6</sup> MOP	Sept/2007	1 026.37	-26.5	9 836.27	-0.3
Balance	10 <sup>6</sup> MOP	Sept/2007	2 934.02	..	19 136.28	..
			Latest period		Previous period	
			Value	Year-on-year % change	Value	Year-on-year % change
<b>VII - EMPLOYMENT</b>						
Employed population	10 <sup>3</sup>	Jul/2007-Sept/2007	307.7	14.4	304.3	13.8
Unemployment rate	%	Jul/2007-Sept/2007	3.1	-0.7 <sup>b</sup>	3.1	-0.8 <sup>b</sup>
Non-resident workers in Macao	no.	Sept/2007	79 753	41.0	78 190	46.6
<b>VIII - MONEY</b>						
Narrow money supply (M1)	10 <sup>6</sup> MOP	Aug/2007	20 017.3	48.0	19 239.8	34.2
Broad money supply (M2)	10 <sup>6</sup> MOP	Aug/2007	181 188.5	15.8	180 077.5	16.1
Domestic loans and advances to the private sector	10 <sup>6</sup> MOP	Aug/2007	59 086.1	24.7	57 818.4	23.2
Foreign exchange reserves	10 <sup>6</sup> MOP	Aug/2007	93 752.0	45.0	91 394.5	43.8

a Annual rate of change ended September 2007.

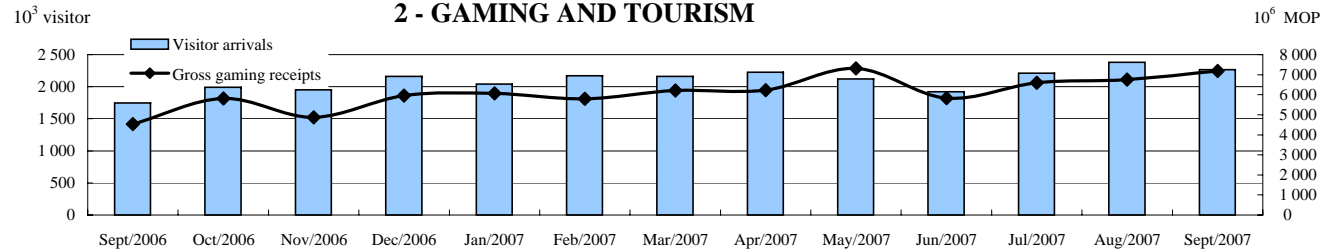
b Percentage difference from the same period of last year - positive value represents an increase and negative value represents a decrease.

.. Not applicable

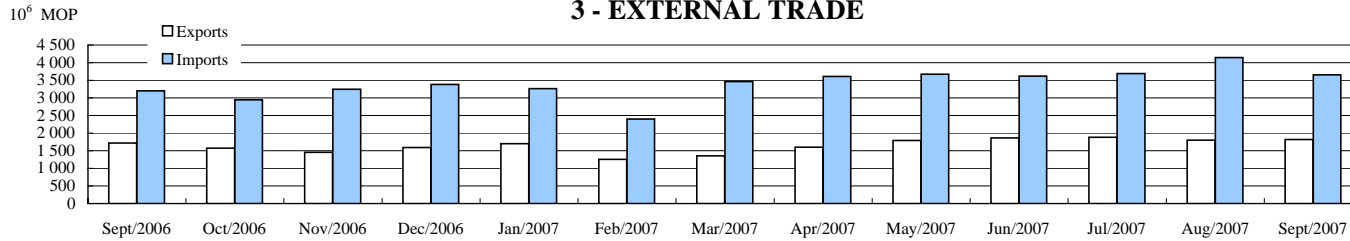
1- GROSS DOMESTIC PRODUCT



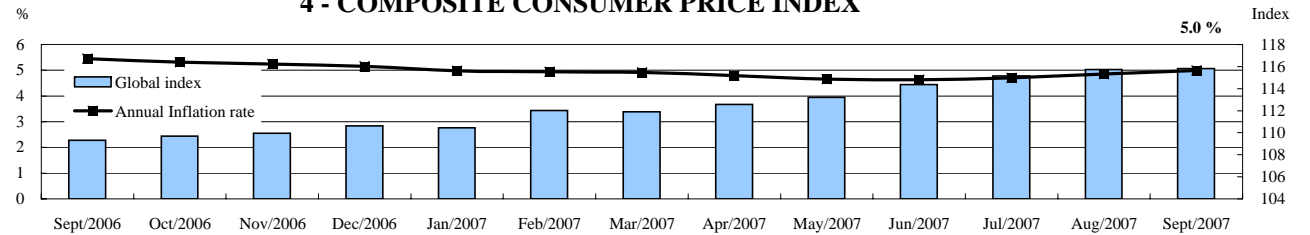
2 - GAMING AND TOURISM



3 - EXTERNAL TRADE



4 - COMPOSITE CONSUMER PRICE INDEX



5 - UNEMPLOYMENT RATE

