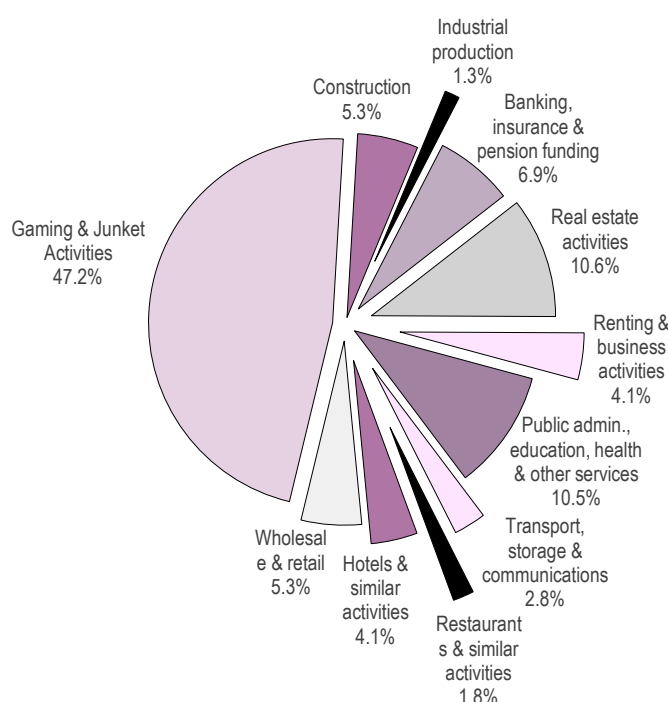


- Gross Value Added of all economic activities of Macao registered nil growth in real terms in 2016 after declining by 21.1% year-on-year in 2015, underpinned by improvement in business conditions of Gaming & Junket Activities, coupled with satisfactory performance of some service industries such as Financial Activities (including Banking, Insurance & Pension Funding) and Hotels & Similar Activities.
- Gross Value Added of the secondary sector decreased by 18.6% in real terms, while that of the tertiary sector rose by 1.6% in real terms.
- The relative importance of the secondary sector to total Gross Value Added fell from 7.8% in 2015 to 6.6% in 2016. Meanwhile, the relative importance of the tertiary sector rose from 92.2% to 93.4%, in which the share of Gaming & Junket Activities decreased by 0.9 percentage points year-on-year to 47.2%, and that of non-gaming services increased by 2.0 percentage points to 46.2%.

Principal indicators

	2016	2015	% Year-on-year (p. p.)
Industrial structure:			
Secondary sector	6.6	7.8	-1.2
Tertiary sector	93.4	92.2	1.2
Gaming & Junket Activities	47.2	48.0	-0.9
Ratio of Gross Value Added to Gross Output	66.3	66.2	0.1
Ratio of Compensation of Employees to Gross Value Added	30.3	29.5	0.8

Structure of economic activities



Changes in industrial structure

- In 2016, the relative importance of the secondary sector declined owing to a decrease in the share of Construction. Meanwhile, the relative importance of the tertiary sector rebounded due to the increased shares of Financial Activities, Real Estate Activities and Renting & Business Activities.
- The ratio of Gross Value Added to Gross Output of all economic activities rose slightly from 66.2% in 2015 to 66.3% in 2016. As Compensation of Employees increased faster than Gross Value Added, the ratio of Compensation of Employees to Gross Value Added rose by 0.8 percentage points from 29.5% in 2015 to 30.3% in 2016.

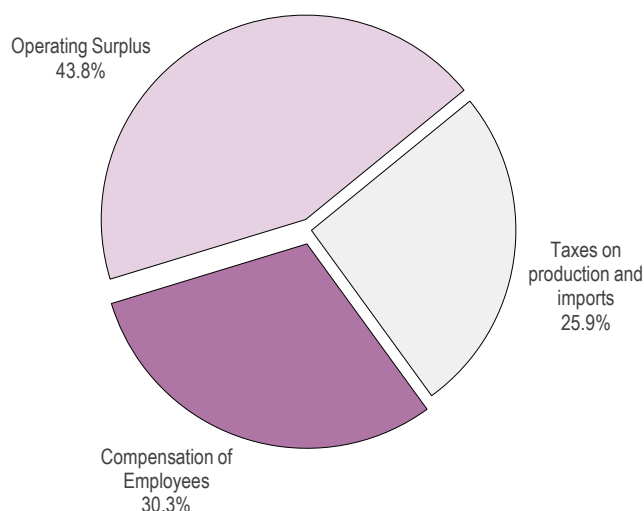
GDP at current producers' prices

	Gross Output	Intermediate Consumption	Gross Value Added				Taxes on imports	Production-based GDP
			Total	Compensation of Employees	Operating Surplus	Tax on Production		
Total (Million MOP, hereafter)	541,397	182,364	359,032	108,876	157,515	92,641	446	359,478
Year-on-year (%)	0.6	0.2	0.8	3.5	0.9	-2.4	-12.8	0.8
Secondary sector	69,675	45,806	23,869	14,112	9,352	405	-	23,869
Year-on-year (%)	-13.0	-12.3	-14.1	-14.3	-15.0	23.5	..	-14.1
Tertiary sector	471,722	136,558	335,164	94,764	148,163	92,236	446	335,609
Year-on-year (%)	3.0	5.2	2.1	6.9	2.1	-2.5	-12.8	2.1

Changes in primary distribution of income

- Taxes on Production and Imports, Operating Surplus and Compensation of Employees amounted to MOP93.1 billion, MOP157.5 billion and MOP108.9 billion respectively in 2016, accounting for 25.9%, 43.8% and 30.3% of GDP. As Compensation of Employees increased faster than GDP in 2016, the relative importance of Compensation of Employees to GDP went up by 0.8 percentage points year-on-year. The share of Operating Surplus remained similar to 2015 while that of Taxes on Production and Imports dropped by 0.9 percentage points. (For the compilation methodology of primary distribution of income, please refer to point 2 of the Explanatory Notes).

Structure of GDP



Note: Due to rounding, total may not correspond to the sum of partial figures.

Changes by economic activity

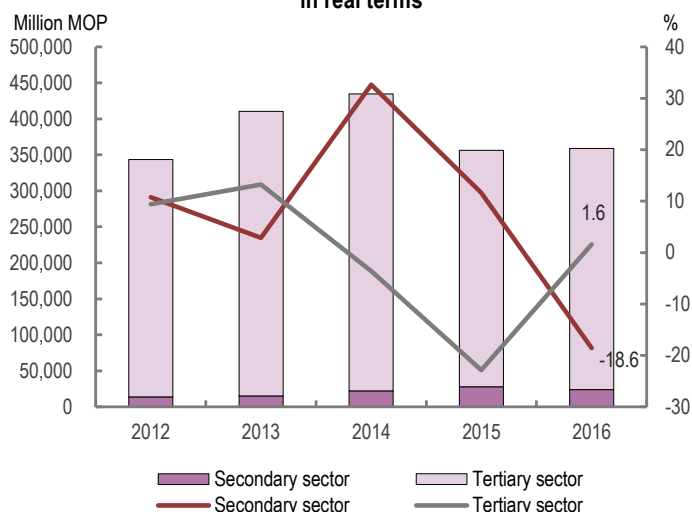
	Gross Value Added (Million MOP)		Real growth (%)		Industrial structure (%)		Change in structure (p. p.)
	2016	2015	2016	2015	2016	2015	
Total	359,032	356,191	0 [#]	-21.1	100.0	100.0	-
Secondary sector	23,869	27,795	-18.6	11.6	6.6	7.8	-1.2
Manufacturing	2,159	2,166	-6.9	14.9	0.6	0.6	0 [#]
Electricity, gas & water supply	2,560	2,364	6.6	9.9	0.7	0.7	0 [#]
Construction	19,150	23,266	-22.2	11.5	5.3	6.5	-1.2
Tertiary sector	335,164	328,395	1.6	-22.9	93.4	92.2	1.2
Wholesale & retail	19,027	19,958	-1.3	-3.4	5.3	5.6	-0.3
Hotels & similar activities	14,635	13,650	34.4	-7.1	4.1	3.8	0.2
Restaurants & similar activities	6,638	6,186	0.2	-19.5	1.8	1.7	0.1
Transport, storage & communications	10,147	9,733	6.5	4.8	2.8	2.7	0.1
Banking	19,794	18,742	16.4	12.0	5.5	5.3	0.3
Insurance & pension funding	4,973	3,456	38.6	20.9	1.4	1.0	0.4
Real estate activities	38,060	36,271	1.3	-4.0	10.6	10.2	0.4
Renting & business activities	14,781	13,714	4.7	-19.3	4.1	3.9	0.3
Public administration	15,822	14,949	1.0	3.0	4.4	4.2	0.2
Education	6,973	6,381	6.1	5.4	1.9	1.8	0.2
Health & social work	5,364	4,785	7.8	7.5	1.5	1.3	0.2
Gaming & junket activities	169,292	171,105	-3.5	-35.6	47.2	48.0	-0.9
Other community, social & personal services; households with employed persons	9,659	9,464	-3.3	-1.2	2.7	2.7	0 [#]

Note: Due to rounding, total may not correspond to the sum of partial figures.

Changes by economic activity

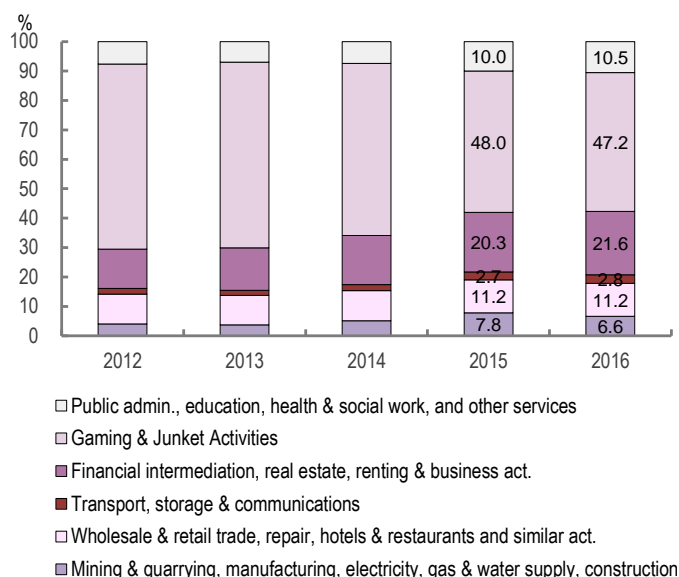
- Gross Value Added of the secondary sector declined by 18.6% in real terms, with that of Construction and Manufacturing dropping by 22.2% and 6.9% respectively, and that of Electricity, Gas & Water Supply rising by 6.6% in real terms. On the other hand, Gross Value Added of the tertiary sector increased by 1.6% in real terms; except for Gaming & Junket Activities, Wholesale & Retail, and Other Community, Social & Personal Services, Households with Employed Persons that recorded decreases of 3.5%, 1.3% and 3.3% respectively in real terms, Gross Value Added of other industries rose to different extents in real terms.

Gross Value Added and year-on-year change in real terms



- As regards industrial structure, the relative importance of the secondary sector to total Gross Value Added (6.6%) decreased by 1.2 percentage points year-on-year, in which the share of Construction dropped by 1.2 percentage points to 5.3%, and the shares of Manufacturing (0.6%) and Electricity, Gas & Water Supply (0.7%) both remained similar to 2015. The relative importance of the tertiary sector rose from 92.2% in 2015 to 93.4% in 2016, up by 1.2 percentage points. The shares of Wholesale & Retail (5.3%) and Gaming & Junket Activities (47.2%) fell by 0.3 and 0.9 percentage points respectively, while the share of Other Community, Social & Personal Services, Households with Employed Persons (2.7%) was similar to that in 2015. The shares of all other industries showed different rates of growth, with notable increases being observed in: Real Estate Activities (10.6%) and Insurance & Pension Funding (1.4%), both up by 0.4 percentage points, Banking (5.5%) and Renting & Business Services (4.1%), both up by 0.3 percentage points.

Evolution of relative importance



Gross Value Added of tertiary sector

	Million MOP				
	2012	2013	2014	2015	2016
Wholesale & retail trade	18,302	21,686	22,500	19,958	19,027
Hotels & restaurants	16,444	19,313	22,069	19,836	21,272
Transport, storage & communications	6,678	7,314	8,872	9,733	10,147
Banking, insurance & pension funding	12,426	16,201	19,885	22,198	24,768
Real estate activities, renting & business activities	33,540	42,871	52,859	49,985	52,841
Public administration	10,390	11,571	13,182	14,949	15,822
Education	4,338	4,952	5,678	6,381	6,973
Health & social work	3,343	3,773	4,216	4,785	5,364
Gaming & junket activities	216,329	258,966	254,051	171,105	169,292
Other community, social & personal services; households with employed persons	8,015	8,441	9,083	9,464	9,659

Year-on-year change of Gross Value Added of tertiary sector in real terms, in chained (2015) dollars

	2012	2013	2014	2015	2016	%
Wholesale & retail trade	19.5	35.0	2.4	-3.4	-1.3	
Hotels & restaurants	12.0	7.6	3.6	-11.0	23.7	
Transport, storage & communications	8.9	4.6	19.2	4.8	6.5	
Banking, insurance & pension funding	17.7	18.1	7.6	13.2	19.8	
Real estate activities, renting & business activities	4.7	7.0	0.7	-8.7	2.2	
Public administration	4.2	3.0	2.4	3.0	1.0	
Education	9.5	16.5	15.7	5.4	6.1	
Health & social work	17.9	19.2	4.8	7.5	7.8	
Gaming & junket activities	9.1	13.6	-7.5	-35.6	-3.5	
Other community, social & personal services; households with employed persons	1.9	0.2	-2.3	-1.2	-3.3	

Changes by economic activity at basic prices

	Gross Value Added (Million MOP)		Real growth (%)		Industrial structure (%)		Change in structure (p. p.)
	2016	2015	2016	2015	2016	2015	
Secondary sector	23,795	27,726	-18.6	11.7	8.9	10.5	-1.7
Manufacturing	2,159	2,166	-6.9	14.9	0.8	0.8	0 [#]
Electricity, gas & water supply	2,487	2,295	6.7	9.9	0.9	0.9	0.1
Construction	19,150	23,266	-22.2	11.5	7.1	8.9	-1.7
Tertiary sector	244,180	235,131	4.0	-15.4	91.1	89.5	1.7
Wholesale & retail	18,504	18,963	1.2	-2.0	6.9	7.2	-0.3
Hotels & similar activities	13,989	13,042	34.9	-7.1	5.2	5.0	0.3
Restaurants & similar activities	6,638	6,186	0.2	-19.5	2.5	2.4	0.1
Transport, storage & communications	10,062	9,652	6.6	4.7	3.8	3.7	0.1
Banking	19,794	18,742	16.4	12.0	7.4	7.1	0.3
Insurance & pension funding	4,973	3,456	38.6	20.9	1.9	1.3	0.5
Real estate activities	35,997	34,512	0.3	-1.9	13.4	13.1	0.3
Renting & business activities	14,781	13,714	4.7	-19.3	5.5	5.2	0.3
Public administration	15,822	14,949	1.0	3.0	5.9	5.7	0.2
Education	6,973	6,381	6.1	5.4	2.6	2.4	0.2
Health & social work	5,364	4,785	7.8	7.5	2.0	1.8	0.2
Gaming & junket activities	81,696	81,341	-2.2	-33.5	30.5	30.9	-0.5
Other community, social & personal services; households with employed persons	9,587	9,407	-3.4	-1.2	3.6	3.6	0 [#]
Gross value added at basic prices	267,975	262,857	1.6	-13.4	100.0	100.0	-
Taxes on products	91,504	93,845	-4.5	-36.8
Production-based GDP	359,478	356,702	0 [#]	-21.1

Note: Due to rounding, total may not correspond to the sum of partial figures.

Explanatory Notes

1. The Statistics and Census Service (DSEC) had previously used basic prices for calculating and analysing gross output, gross value added and industrial structure of economic activities, while data compiled at producers' prices were simultaneously released. The difference between basic prices and producers' prices is that the former does not include taxes on products. As the gaming sector assumes a leading role in the economy of Macao and gaming tax (a type of tax on product) is enormous, valuation of gross output and gross value added of the industry at producers' prices (i.e. incorporating gaming tax into output of the gaming sector) can provide a more accurate measure of the contribution of the industry to the economy. Moreover, international guidelines allow the inclusion of product taxes in the calculation of gross value added of an economic activity, and many major economies such as Mainland China, the United States and Japan use producers' prices in their compilation. Therefore, starting from the reference year 2014, DSEC focuses on providing statistical analysis of data, such as gross value added and industrial structure, at producers' prices; meanwhile, relevant data at basic prices are also provided as a reference source for the public and to facilitate international comparisons.
2. Primary distribution of income refers to the distribution of GDP among the three sectors, namely the government (taxes on production and imports), employers (operating surplus) and employees (compensation of employees). Previously, only taxes on products were included in the primary income of the government as other taxes on production were relatively small and their estimation by industry was rather difficult. Since 2014, DSEC has improved the computation methodology for estimating other taxes on production by industry so as to provide a more accurate measure of the primary distribution of income in Macao.

Glossary

Production-based GDP: Sum of gross value added of resident producers of all economic activities (industries) in an accounting period, plus relevant taxes.

Gross value added: Gross output minus intermediate consumption.

Gross output: Sum of the market value of goods or services sold by enterprises, the non-market value of goods or services produced for own use or provided by the government and non-profit institutions serving households (NPISHs), value of financial intermediation services indirectly measured (FISIM), as well as value of changes in the inventories. Gross output can be calculated at basic prices or producers' prices. Basic price is the amount receivable by a producer for a unit of good or service provided, which excludes any product taxes on the good or service concerned, while producers' price is the amount receivable by a producer for a unit of good or service provided, which excludes any import taxes on the good or service concerned.

Intermediate consumption: Actual value of goods and services consumed as input during the production process, including any taxes on products but excluding fixed assets and valuables.

Taxes on production and imports: Taxes on products plus other taxes on production.

Taxes on products: Taxes that are payable per unit of good or service at the moment when it is produced, sold, imported, exported, leased, transferred, delivered or used for own consumption or own capital formation. In Macao, taxes on products mainly include: excise duties, stamp duties on transaction of properties, income from exclusive concessions of telecommunications, electricity and water supply services, income from games of chance or other forms of gaming (i.e. gaming tax), of which special gaming tax predominates.

Other taxes on production: All types of taxes, except taxes on products, that enterprise incurs as a result of engaging in production. They are levied on land, fixed assets or labour force employed in the production process or on certain activities or transactions. Such taxes do not include taxes on profits or other income received by the enterprise. In Macao, other taxes on production mainly include the followings that are paid by producers: industrial taxes, stamp duties, administrative licenses, fees collected by the Land, Public Works and Transport Bureau for issuing licenses, fees collected by the Macau Government Tourist Office for issuing licenses, taxes of justice, fees charged by the Registration and Notary Services, the share of the Fund of the Legal Affairs in the fees charged by the Registration and Notary Services, etc.

Symbols and abbreviations:

- Absolute value equals zero p.p. Percentage point
- .. Not applicable
- 0[#] Magnitude less than half of the unit employed

For additional information:
<http://www.dsec.gov.mo/e/pibp.aspx>

