

- Gross Domestic Product (GDP) dropped by 63.8% year-on-year in real terms in the third quarter of 2020, a smaller decline compared to the previous quarter (-68.0%). With a rebound in visitor arrivals following the easing of travel restrictions for Mainland residents to visit Macao, exports of services of Macao fell at a slower rate of 87.5% in the third quarter, of which exports of gaming services and other tourism services went down by 93.6% and 87.9% respectively. Meanwhile, exports of goods soared by 252.2% year-on-year.
- Imports of goods increased by 17.6% while imports of services slid by 44.1%.
- Domestic demand saw a smaller decrease of 6.1% year-on-year, on account of a slower rate of decline in private consumption expenditure.
- The implicit deflator of GDP, which measures the overall changes in prices, dropped by 0.6% year-on-year.
- GDP for the first three quarters of 2020 declined by 59.8% year-on-year in real terms.

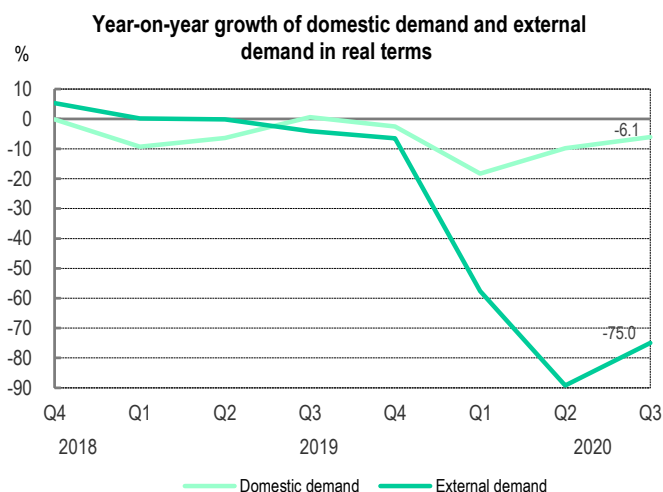
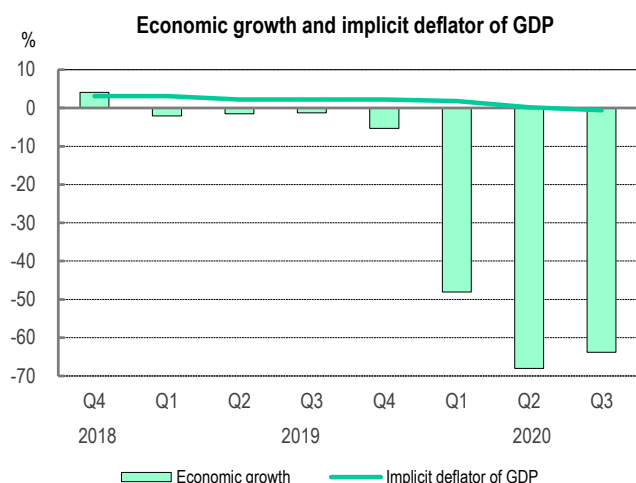
Principal indicators

	Nominal growth	Real growth %
Gross Domestic Product	-64.0	-63.8
Exports of gaming services	-93.6	-93.6
Exports of other tourism services	-88.3	-87.9
Investment	-4.3	-5.0

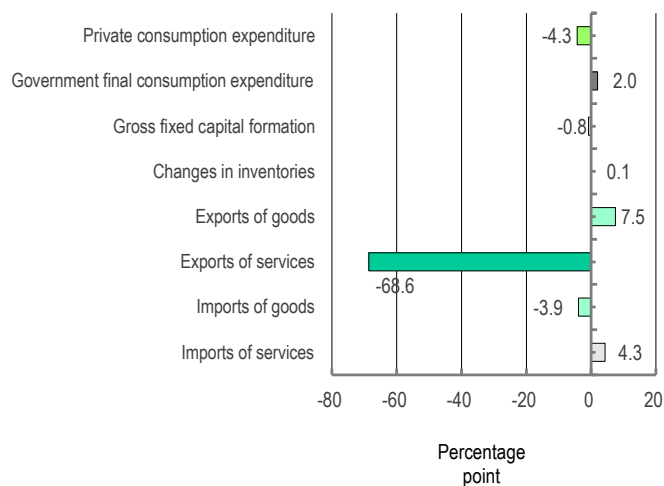
- As there were no new confirmed cases of coronavirus in Macao in the third quarter, economic activity gradually recovered. Household final consumption expenditure in the domestic market showed a smaller decline of 8.4%, underpinned by the consumption subsidy scheme. Meanwhile, household final consumption expenditure abroad declined by 68.1% owing to the ongoing entry restrictions imposed in different places. The overall private consumption decreased by 16.7% year-on-year.
- As the SAR government maintained its expenditure on pandemic prevention and continued providing economic relief measures, government final consumption expenditure recorded a larger increase of 18.6% as against the 16.3% growth in the previous quarter. Net purchases of goods and services rose by 33.9% while compensation of employees went up by 2.7%.
- Investment in fixed assets went down by 5.6% year-on-year; construction investment dropped by 10.3% while equipment investment increased by 14.5%. Public construction investment slid by 18.7% year-on-year, and equipment investment fell by 28.2%. As regards private investment, construction investment shrank by 7.2% year-on-year owing to reduced investment in residential projects and the corresponding drop in real estate developers' operating margin; on the other hand, equipment investment grew by 22.9%.
- Merchandise trade showed improvement, with imports and exports of goods rising by 17.6% and 252.2% year-on-year respectively.
- As the Mainland lifted travel restrictions to Macao, number of visitor arrivals to Macao surged by 1,409% quarter-to-quarter in the third quarter. Yet, exports of gaming services and other tourism services still recorded year-on-year decreases of 93.6% and 87.9% respectively. Concurrently, imports of services slid by 44.1% year-on-year, owing to a decrease in outbound trips made by residents and a slowdown in other economic activity.

Major expenditure components of GDP

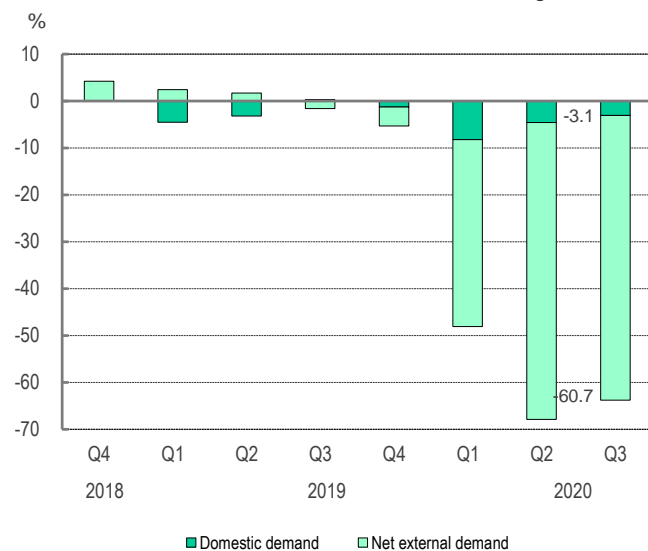
	Nominal growth	Real growth %
Private consumption expenditure	-16.6	-16.7
Government final consumption expenditure	22.1	18.6
Gross fixed capital formation	-4.9	-5.6
Private	0 [#]	-0.7
Government	-19.1	-19.9
Changes in inventories	20.5	21.4
Exports of goods and services	-75.9	-75.0
Exports of goods	251.0	252.2
Exports of services	-88.3	-87.5
Imports of goods and services	-1.0	-1.2
Imports of goods	16.9	17.6
Imports of services	-42.4	-44.1



Contribution of major expenditure components to economic growth



Contribution of net demand to economic growth



Year-on-year quarterly GDP growth

									%
	2018	2019				2020			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Nominal growth	7.4	0.9	0.6	0.8	-3.3	-47.2	-67.9	-64.0	
Real growth	4.1	-2.1	-1.5	-1.3	-5.3	-48.1	-68.0	-63.8	

Year-on-year cumulative GDP growth

	%							
	2018	2019				2020		
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Nominal growth	10.2	0.9	0.8	0.8	-0.3	-47.2	-57.4	-59.6
Real growth	6.5	-2.1	-1.8	-1.7	-2.6	-48.1	-57.9	-59.8

For additional information:

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

