

- Driven by exports of services, Gross Domestic Product (GDP) expanded by 2.1% year-on-year in real terms in the fourth quarter of 2018, slightly higher than the 1.9% increase in the third quarter. For the whole year of 2018, the economy of Macao grew by 4.7% in real terms; the growth rates for the first and second half of the year were 7.6% and 2.0% respectively.
- External demand maintained growth; exports of services increased by 5.2% year-on-year, with exports of gaming services and other tourism services rising by 6.7% and 1.4% respectively; exports of goods went up by 10.2%.
- Domestic demand remained sluggish, with investment plunging by 14.3% year-on-year; meanwhile, private consumption expenditure, government final consumption expenditure and imports of goods saw respective increases of 2.8%, 3.4% and 2.3%.
- Economic growth for the first quarter of 2018 was revised downward to 9.3%, while the growth rates for the second and third quarters were revised upward to 6.0% and 1.9% respectively.
- The implicit deflator of GDP, which measures the overall changes in prices, went up by 3.3% year-on-year.

Principal indicators

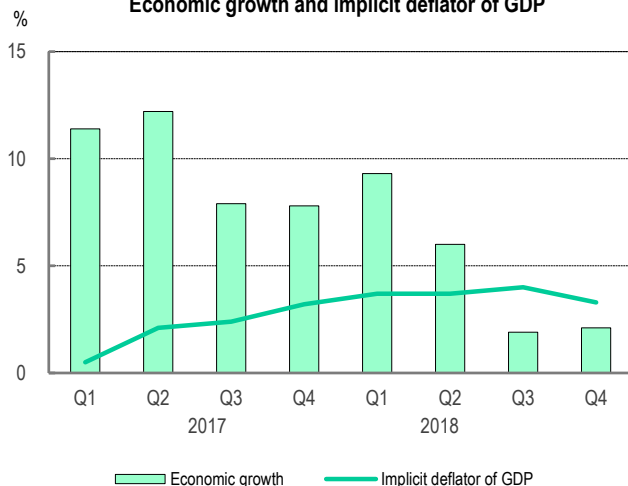
	Nominal growth	Real growth
		%
Gross Domestic Product	5.5	2.1
Exports of gaming services	10.0	6.7
Exports of other tourism services	0.3	1.4
Investment	-12.1	-14.3

Major expenditure components of GDP

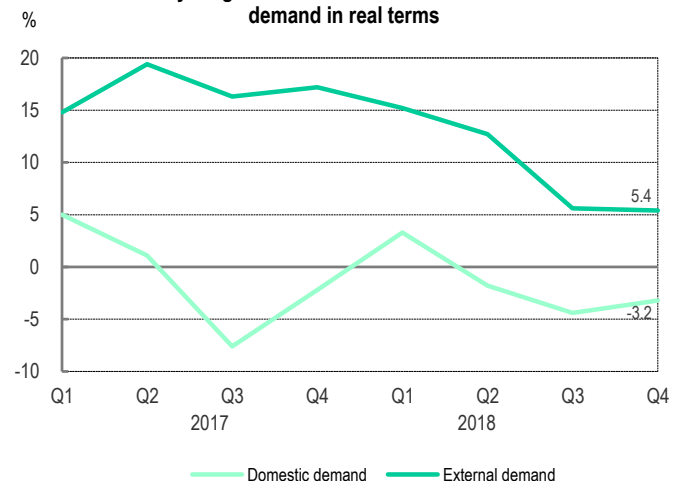
	Nominal growth	Real growth
		%
Private consumption expenditure	4.9	2.8
Government final consumption expenditure	7.4	3.4
Gross fixed capital formation	-12.1	-14.3
Private	-17.6	-20.4
Government	4.1	4.0
Changes in inventories	12.0	12.1
Exports of goods and services	7.8	5.4
Exports of goods	11.1	10.2
Exports of services	7.6	5.2
Imports of goods and services	1.2	1.2
Imports of goods	2.6	2.3
Imports of services	-2.5	-1.7

- Private consumption showed moderate growth. Total employment and employment earnings increased amid favourable employment situation, driving private consumption expenditure up by 2.8% year-on-year, smaller than the 4.2% growth in the previous quarter. Household final consumption expenditure in the domestic market and abroad increased by 3.1% and 8.5% respectively.
- Government final consumption expenditure increased by 3.4% year-on-year, slower than the 5.7% rise in the previous quarter; compensation of employees and net purchases of goods and services went up by 2.0% and 4.8% respectively.
- Investment slackened. Gross fixed capital formation, the gauge of investment, contracted by 14.3% year-on-year. Private investment fell by 20.4% year-on-year, owing to a notable drop in number of large-scale construction projects which led to a 22.5% decrease in construction investment; moreover, equipment investment went down by 2.4%. Government investment went up by 4.0% year-on-year, with construction investment falling by 4.0% while equipment investment rising by 35.7%.
- Merchandise trade resumed growth. Total merchandise trade went up by 3.3% year-on-year, in which imports and exports of goods increased by 2.3% and 10.2% respectively.
- Service trade remained the major driving force for economic growth. Total exports of services rose by 5.2% year-on-year, smaller than the 6.2% growth in the third quarter; exports of gaming services and other tourism services grew by 6.7% and 1.4% respectively. Meanwhile, imports of services decreased by 1.7% year-on-year.

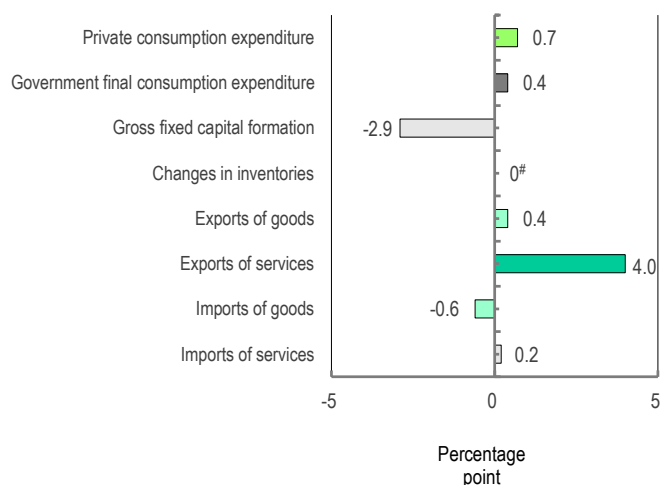
Economic growth and implicit deflator of GDP



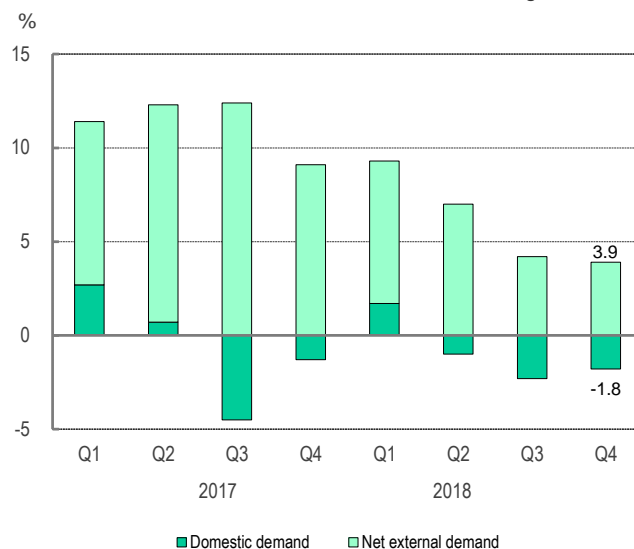
Year-on-year growth of domestic demand and external demand in real terms



Contribution of major expenditure components to economic growth



Contribution of net demand to economic growth



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

Year-on-year quarterly GDP growth

	2016	2017				2018			%
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Nominal growth	10.0	11.9	14.6	10.5	11.2	13.3	9.9	6.0	
Real growth	8.8	11.4	12.2	7.9	7.8	9.3	6.0	1.9	

Year-on-year cumulative GDP growth

	2016	2017				2018			%
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Nominal growth	0 [#]	11.9	13.2	12.3	12.0	13.3	11.6	9.7	
Real growth	-0.9	11.4	11.8	10.4	9.7	9.3	7.6	5.7	

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

For additional information:

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

