

- Gross Value Added of all economic activities of Macao increased by 5.8% year-on-year in real terms in 2018, underpinned by the growth in Gross Value Added of Gaming & Junket Activities (+10.0%) and Hotels & Similar Activities (+11.4%).
- The ratio of Gross Value Added to Gross Output of all economic activities rose by 1.4 percentage points to 69.0%.
- Gross Value Added of the secondary sector declined by 12.3% in real terms, with the relative importance to total Gross Value Added falling to 4.2%.
- Gross Value Added of the tertiary sector increased by 6.8% in real terms and its relative importance rose to 95.8%, with the share of non-gaming services dropping by 0.6 percentage points year-on-year to 45.3%.

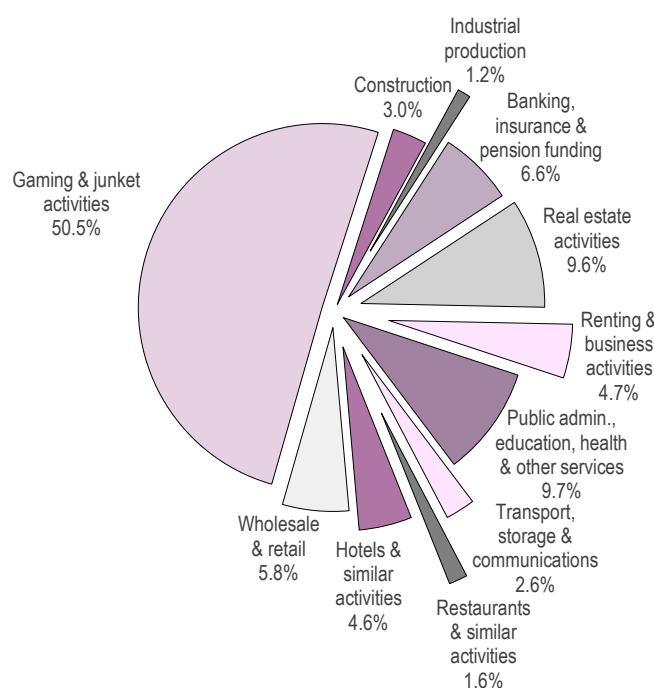
Principal indicators

	2017	2018	% Difference (p. p.)
Industrial structure:			
Secondary sector	5.1	4.2	-0.9
Tertiary sector	94.9	95.8	0.9
Gaming & Junket Activities	49.0	50.5	1.5
Ratio of Gross Value Added to Gross Output	67.6	69.0	1.4
Ratio of Compensation of Employees to Gross Value Added	28.8	27.6	-1.2

Changes in industrial structure

- The relative importance of the secondary sector to total Gross Value Added decreased by 0.9 percentage points to 4.2%, with the shares of the Construction sector and Electricity, Gas & Water Supply dropping by 0.7 and 0.1 percentage points to 3.0% and 0.6% respectively; meanwhile, the share of Manufacturing (0.5%) remained steady compared to 2017.
- The relative importance of the tertiary sector rose by 0.9 percentage points from 94.9% in 2017 to 95.8% in 2018. The shares of Gaming & Junket Activities (50.5%) and Hotels & Similar Activities (4.6%) grew notably by 1.5 and 0.4 percentage points respectively, whereas the share of Real Estate Activities (9.6%) fell by 0.9 percentage points year-on-year.

Structure of economic activities



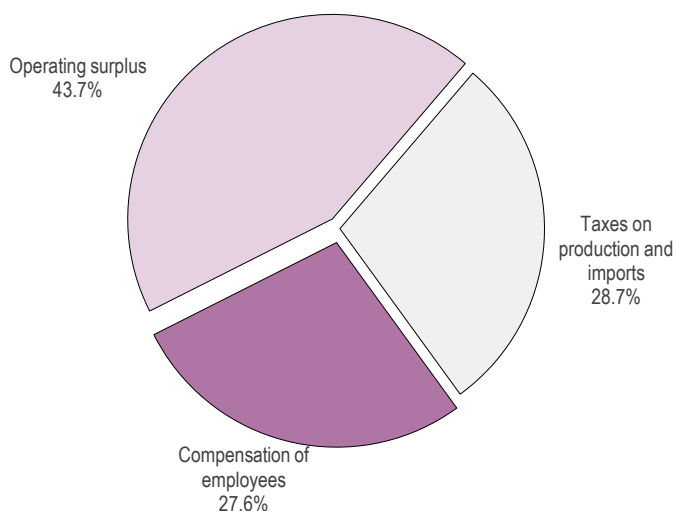
GDP at current producers' prices by the production approach

	Gross Output	Intermediate Consumption	Gross Value Added				Taxes on imports	GDP
			Total	Compensation of Employees	Operating Surplus	Tax on Production		
Total (Million MOP, hereafter)	633,409	196,254	437,155	120,659	191,225	125,272	510	437,665
Year-on-year (%)	7.7	2.9	9.9	5.3	10.6	13.7	-3.8	9.9
Secondary sector	52,475	34,202	18,273	11,156	6,712	405	-	18,273
Year-on-year (%)	-13.3	-15.3	-9.3	-8.3	-11.8	13.7	..	-9.3
Tertiary sector	580,934	162,052	418,883	109,503	184,513	124,867	510	419,392
Year-on-year (%)	10.1	7.8	11.0	6.9	11.7	13.7	-3.8	11.0

Changes in primary distribution of income

- Taxes on Production and Imports, Operating Surplus and Compensation of Employees amounted to MOP125.8 billion, MOP191.2 billion and MOP120.7 billion respectively in 2018, accounting for 28.7%, 43.7% and 27.6% of GDP. Compensation of Employees increased by 5.3% year-on-year, a smaller growth compared to that in GDP, and its relative importance to GDP went down by 1.2 percentage points over 2017. The shares of Operating Surplus and Taxes on Production and Imports climbed by 0.3 and 0.9 percentage points respectively. (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

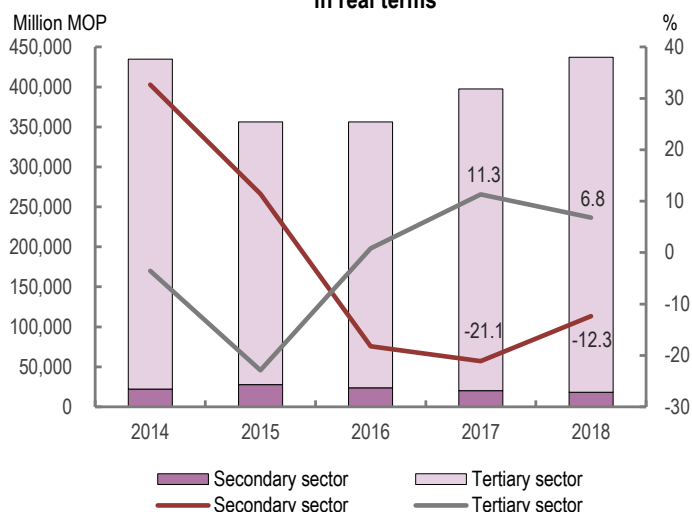
	Gross Value Added at current prices (Million MOP)		Real growth rate (%)		Relative importance (%)		Change in relative importance (p. p.)
	2017	2018	2017	2018	2017	2018	
Total	397,633	437,155	9.1	5.8	100.0	100.0	-
Secondary sector	20,138	18,273	-21.1	-12.3	5.1	4.2	-0.9
Manufacturing	2,259	2,394	7.7	5.8	0.6	0.5	0 [#]
Electricity, gas & water supply	2,990	2,697	17.2	-14.2	0.8	0.6	-0.1
Construction	14,889	13,182	-29.5	-14.7	3.7	3.0	-0.7
Tertiary sector	377,495	418,883	11.3	6.8	94.9	95.8	0.9
Wholesale & retail	22,743	25,480	23.3	5.9	5.7	5.8	0.1
Hotels & similar activities	17,055	20,325	8.6	11.4	4.3	4.6	0.4
Restaurants & similar activities	6,887	7,128	0.2	3.7	1.7	1.6	-0.1
Transport, storage & communications	10,526	11,333	2.1	7.7	2.6	2.6	-0.1
Banking	21,553	23,253	9.2	-2.3	5.4	5.3	-0.1
Insurance & pension funding	4,213	5,644	-12.0	25.9	1.1	1.3	0.2
Real estate activities	41,578	41,941	5.3	-5.3	10.5	9.6	-0.9
Renting & business activities	18,504	20,718	9.9	8.7	4.7	4.7	0.1
Public administration	17,064	17,957	2.5	2.8	4.3	4.1	-0.2
Education	7,484	8,019	0.9	9.5	1.9	1.8	0 [#]
Health & social work	5,760	6,258	2.4	3.5	1.4	1.4	0 [#]
Gaming & junket activities	194,943	220,841	16.0	10.0	49.0	50.5	1.5
Other community, social & personal services; households with employed persons	9,184	9,986	-4.2	1.8	2.3	2.3	0 [#]

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

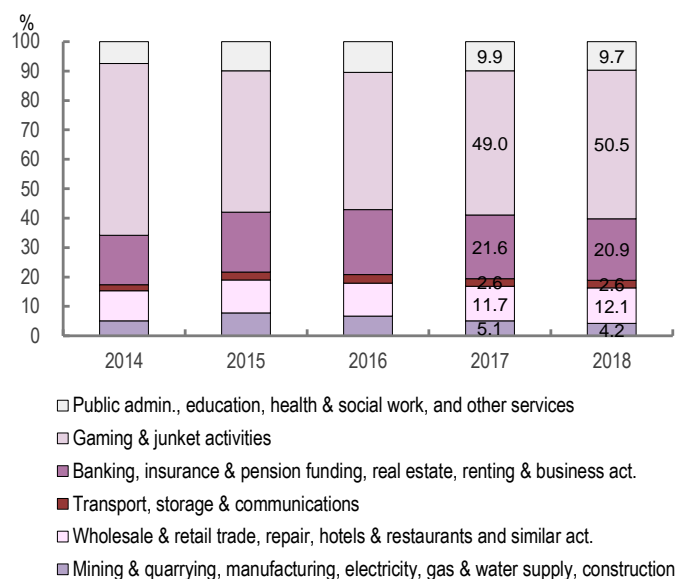
Changes by economic activity

- Gross Value Added of the secondary sector declined by 12.3% year-on-year in real terms. Gross Value Added of the Construction sector dropped by 14.7% due to the successive completion of several large-scale hotels and entertainment facilities. Gross Value Added of Electricity, Gas & Water Supply fell by 14.2% in view of a fall in sales and consumption of natural gas used for electricity generation resulting from a decrease in local electricity production. On the other hand, Gross Value Added of Manufacturing rose by 5.8% in real terms, underpinned by Manufacture of Food Products & Beverages.
- Gross Value Added of the tertiary sector increased by 6.8% year-on-year in real terms. Apart from the decline in Gross Value Added of the Banking sector and Real Estate Activities, all other industries recorded varying degrees of growth. Gross Value Added of Real Estate Activities dropped by 5.3% in real terms owing to a decrease in real estate developers' margin. Meanwhile, Gross Value Added of Hotels & Similar Activities rose by 11.4% attributable to increased number of guests of hotels and guesthouses.

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



Evolution of relative importance



Gross Value Added of tertiary sector

	Million MOP				
	2014	2015	2016	2017	2018
Wholesale & retail trade	22,500	19,958	18,932	22,743	25,480
Hotels & restaurants	22,069	19,836	21,048	23,943	27,453
Transport, storage & communications	8,872	9,733	10,199	10,526	11,333
Banking, insurance & pension funding	19,885	22,198	24,407	25,766	28,896
Real estate activities, renting & business activities	52,859	50,340	54,224	60,081	62,659
Public administration	13,182	14,935	15,807	17,064	17,957
Education	5,678	6,361	6,917	7,484	8,019
Health & social work	4,216	4,774	5,328	5,760	6,258
Gaming & junket activities	254,051	171,107	166,158	194,943	220,841
Other community, social & personal services; households with employed persons	9,083	9,339	9,223	9,184	9,986

Year-on-year change of Gross Value Added of tertiary sector in real terms, in chained (2017) dollars

	2014	2015	2016	2017	2018	%
Wholesale & retail trade	2.4	-3.4	-1.8	23.3	5.9	
Hotels & restaurants	3.6	-10.9	22.5	6.0	9.2	
Transport, storage & communications	19.2	4.8	6.7	2.1	7.7	
Banking, insurance & pension funding	7.6	13.1	18.0	5.5	2.6	
Real estate activities, renting & business activities	0.7	-8.1	5.0	6.7	-1.0	
Public administration	2.4	2.9	3.3	2.5	2.8	
Education	15.7	6.4	5.8	0.9	9.5	
Health & social work	4.8	6.7	7.3	2.4	3.5	
Gaming & junket activities	-7.5	-35.6	-5.3	16.0	10.0	
Other community, social & personal services; households with employed persons	-2.3	-5.9	-7.3	-4.2	1.8	

Changes by economic activity at basic prices

	Gross Value Added at current prices (Million MOP)		Real growth rate (%)		Relative importance (%)		Change in relative importance (p. p.)
	2017	2018	2017	2018	2017	2018	
Secondary sector	20,063	18,197	-21.3	-12.3	6.9	5.8	1.1
Manufacturing	2,259	2,394	7.7	5.8	0.8	0.8	0 [#]
Electricity, gas & water supply	2,916	2,621	16.9	-14.2	1.0	0.8	0.2
Construction	14,889	13,182	-29.5	-14.7	5.2	4.2	1.0
Tertiary sector	268,946	295,771	9.0	5.6	93.1	94.2	-1.1
Wholesale & retail	22,059	24,655	23.7	6.3	7.6	7.9	-0.2
Hotels & similar activities	16,314	19,465	8.5	11.5	5.6	6.2	-0.6
Restaurants & similar activities	6,887	7,128	0.2	3.7	2.4	2.3	0.1
Transport, storage & communications	10,394	11,156	2.1	7.8	3.6	3.6	0 [#]
Banking	21,553	23,253	9.2	-2.3	7.5	7.4	0.1
Insurance & pension funding	4,213	5,644	-10.4	27.8	1.5	1.8	-0.3
Real estate activities	38,798	39,374	4.4	-4.6	13.4	12.5	0.9
Renting & business activities	18,504	20,718	9.9	8.7	6.4	6.6	-0.2
Public administration	17,064	17,957	2.5	2.8	5.9	5.7	0.2
Education	7,484	8,019	0.9	9.5	2.6	2.6	0 [#]
Health & social work	5,760	6,258	2.4	3.5	2.0	2.0	0 [#]
Gaming & junket activities	90,816	102,290	14.3	9.5	31.4	32.6	-1.2
Other community, social & personal services; households with employed persons	9,099	9,855	-4.4	1.4	3.1	3.1	0 [#]
Gross value added at basic prices	289,009	313,968	6.3	4.3	100.0	100.0	-
Taxes on products	109,153	123,697	17.4	9.7
Production-based GDP	398,162	437,665	9.1	5.8

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

Explanatory Notes

1. The Statistics and Census Service (DSEC) had formerly 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. 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. Besides, many major economies such as mainland China, the United States and Japan use producers' prices in their compilation of GDP. 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, the computation methodology has been improved to include estimation of other taxes on production of different industries so as to provide a more accurate measure of the primary distribution of income in Macao.

Glossary

Gross value added at producers' prices: Equals gross value added at basic prices plus taxes on products (excluding import taxes).

Production-based GDP: Sum of gross value added at producers' prices of resident producers of all economic activities (industries) in an accounting period, plus import taxes; it also equals the sum of gross value added at basic prices, plus taxes on products.

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 Macao Government Tourism 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>

