

- Up-to-date Information on Economy and Trade

The economy of Macao in the first quarter of 2019 contracted by 3.2% year-on-year in real terms

Information from the Statistics and Census Service indicated that the economy of Macao in the first quarter of 2019 contracted by 3.2% year-on-year in real terms, ending the uptrend that had lasted for ten consecutive quarters. Total demand weakened due to feeble growth, leading to increased downward pressure on the economy. External demand slowed visibly; total exports of services dropped by 0.3% year-on-year, with exports of gaming services and other tourism services falling by 0.6% and 0.3% respectively; moreover, exports of goods saw a decrease of 1.8%. Domestic demand remained sluggish, down by 9.4% year-on-year owing to a significant decline in investment in fixed assets; private consumption expenditure and government final consumption expenditure rose by 2.1% and 4.1% respectively, offsetting part of the decrease resulted from the economic downturn. Imports of goods grew by 2.0% while imports of services went down by 20.9%. The implicit deflator of GDP, which measures the overall changes in prices, increased by 3.2% year-on-year in the first quarter of 2019.

Private consumption expenditure saw smaller growth. In spite of favourable employment situation and higher employment earnings, consumer sentiment turned cautious on account of the uncertain economic outlook. Meanwhile, private consumption expenditure rose by 2.1% year-on-year, down slightly from the 2.8% growth in the previous quarter, in view of the high comparison base resulted from an upsurge in sales of automobiles in the first quarter of 2018 after the catastrophic typhoon. Household final consumption expenditure in the domestic market and abroad showed respective increases of 1.3% and 7.9%.

Total merchandise export for May 2019 was down by 15.5% year-on-year

Information from the Statistics and Census Service (DSEC) indicated that

total merchandise export for May 2019 amounted to MOP908 million, down by 15.5% year-on-year. Value of re-exports (MOP786 million) decreased by 15.7%, with that of Machines, apparatus & parts falling by 48.6%. Value of domestic exports (MOP122 million) dropped by 14.5%, with that of Copper & articles thereof decreasing by 31.9%. Total merchandise import rose by 3.5% year-on-year to MOP7.26 billion, of which imports of Beauty, cosmetic & skin-care products, Watches and Food & beverages expanded by 29.3%, 17.7% and 9.2% respectively; meanwhile, imports of Mobile phones, Construction materials and Motor cars & motorcycles declined by 51.9%, 16.2% and 12.9% respectively. Merchandise trade deficit in May totalled MOP6.35 billion.

From January to May 2019, total value of merchandise export increased by 7.0% year-on-year to MOP5.50 billion, of which value of re-exports (MOP4.94 billion) grew by 10.7% but that of domestic exports (MOP559 million) declined by 17.3%. Total value of merchandise import fell by 0.4% year-on-year to MOP35.83 billion. Merchandise trade deficit widened to MOP30.33 billion for the first five months of 2019.

Visitor arrivals in May 2019 was up by 25.6% year-on-year

Information from the Statistics and Census Service (DSEC) indicated that visitor arrivals totalled 3,396,835 in May 2019, an increase of 25.6% year-on-year. Overnight visitors (1,598,097) grew by 10.3% while same-day visitors (1,798,738) surged by 43.3%. As the proportion of same-day visitors expanded by 6.5 percentage points year-on-year to 53.0%, the average length of stay of visitors shortened by 0.1 day to 1.2 days. Overnight visitors stayed an average of 2.3 days, up by 0.1 day; meanwhile, the average length of stay of same-day visitors held stable at 0.2 day.

Visitors from Mainland China increased by 30.4% year-on-year to 2,425,741, with those travelling under the Individual Visit Scheme (1,109,137) rising by 29.9%. Mainland visitors came primarily from Guangdong Province (1,059,429) and Hunan Province (119,401). Visitors from the Republic of Korea (65,763), Hong Kong (581,780) and Taiwan (87,837) rose by 1.2%, 20.1% and 4.4% respectively year-on-year. Meanwhile, visitors from the nine Pearl River Delta cities in the Greater

Bay Area surged by 45.8% year-on-year to 924,272; those coming from Zhuhai and Guangzhou totalled 256,279 and 195,538 respectively, representing notable increases of 64.9% and 39.8%.

The inflation rate in May 2019 was 2.69%

Information from the Statistics and Census Service (DSEC) indicated that the Composite CPI (115.46) for May 2019 increased by 2.69% year-on-year, down further by 0.08 percentage points from the growth in April (+2.77%). The increment in May was attributable to dearer charges for eating out, higher rentals for dwellings, as well as rising prices of motor cars, gasoline and fruits.

Among the various sections of goods and services, price indices of Education and Transport grew notably by 5.90% and 4.88% respectively year-on-year, whereas the indices of Communication and Alcoholic Beverages & Tobacco dropped by 0.79% and 0.21%. The CPI-A (115.50) and CPI-B (115.10) saw respective increases of 2.62% and 3.21% year-on-year.

(Source: Statistics and Census Service Department)

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