

- The economy of Macao in the third quarter of 2019 contracted by 4.5% year-on-year in real terms, mainly attributable to a larger decline in exports of services. For the first three quarters of 2019, the economy of Macao shrank by 3.5% year-on-year in real terms.
- External demand continued to slow, with exports of services falling by 4.7%; meanwhile, exports of goods edged up by 0.5%.
- Imports of goods and services increased by 1.6% and 2.1% respectively.
- Domestic demand decreased at a slower pace. Gross fixed capital formation dropped by 8.5% whereas private consumption expenditure and government final consumption expenditure rose by 2.8% and 4.3% respectively.
- The implicit deflator of GDP, which measures the overall changes in prices, went up by 2.4% year-on-year.

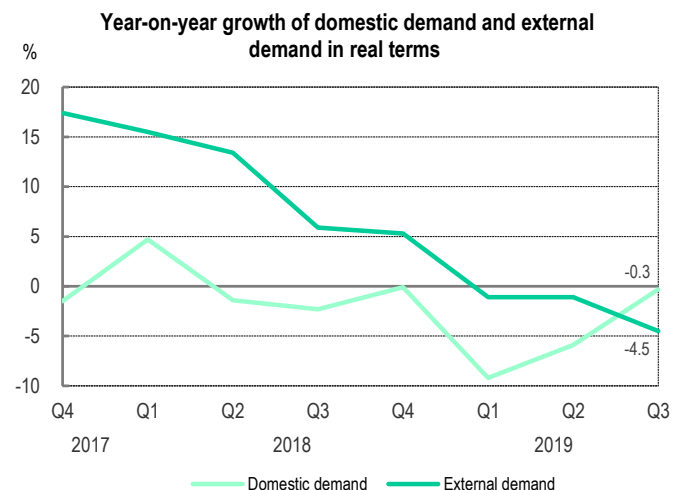
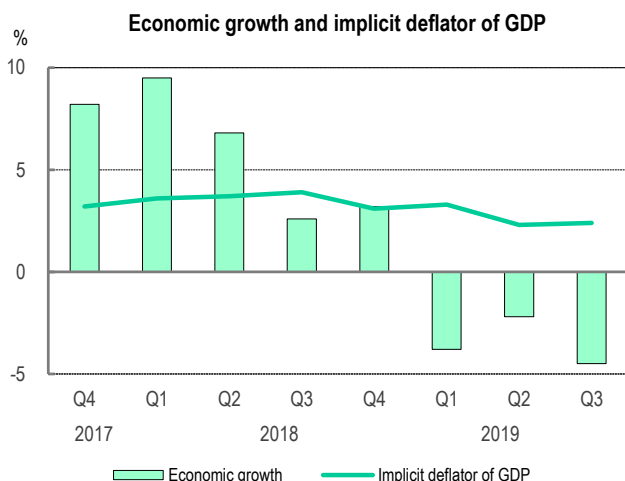
Principal indicators

	Nominal growth	Real growth	%
Gross Domestic Product	-2.2	-4.5	
Exports of gaming services	-1.6	-4.2	
Exports of other tourism services	-12.6	-12.4	
Investment	-8.9	-8.2	

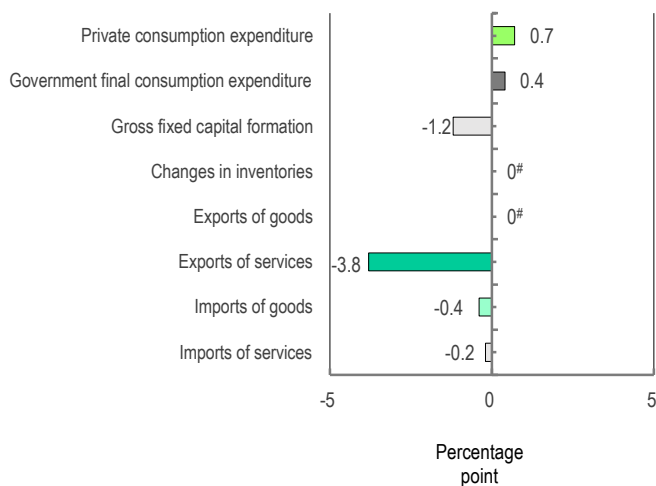
Major expenditure components of GDP

	Nominal growth	Real growth	%
Private consumption expenditure	3.9	2.8	
Government final consumption expenditure	7.2	4.3	
Gross fixed capital formation	-9.3	-8.5	
Private	-22.4	-21.9	
Government	81.8	84.3	
Changes in inventories	1.7	1.3	
Exports of goods and services	-2.2	-4.5	
Exports of goods	0.7	0.5	
Exports of services	-2.3	-4.7	
Imports of goods and services	2.1	1.8	
Imports of goods	1.6	1.6	
Imports of services	3.2	2.1	

- Private consumption showed steady growth. Despite a relatively large drop (-12.4%) in spending of residents on durable goods, private consumption expenditure grew by 2.8% year-on-year, which was in line with the growth in the previous quarter. Household final consumption expenditure in the domestic market and abroad showed respective increases of 2.5% and 3.4%.
- Government final consumption expenditure maintained growth, rising by 4.3% year-on-year. Compensation of employees rose by 2.5% and net purchases of goods and services went up by 6.2%.
- Investment in fixed assets recorded a slower decrease. Gross fixed capital formation dropped by 8.5% year-on-year in real terms in the third quarter, with construction investment and equipment investment falling by 9.7% and 3.0% respectively. Private construction investment declined by 26.3% owing to reduced investment in residential projects and the corresponding drop in real estate developers' operating margin; private equipment investment, however, rose by 1.7%. On the other hand, public construction investment surged by 131.3% as a result of increased government investment, as well as a low base of comparison due to the completion of major constructions in the Macao boundary crossing area of the Hong Kong-Zhuhai-Macao Bridge in the third quarter of 2018; meanwhile, public equipment investment shrank by 19.3%.
- Merchandise trade slackened. In spite of a sustained growth in private consumption, imports of goods merely increased by 1.6% year-on-year owing to the continued decrease in investment. External demand slowed down, with exports of goods rising slightly by 0.5%.
- Exports of services posted accelerated decline. Overnight visitor arrivals decreased by 1.2% year-on-year under external influences while same-day visitors increased. As per-capita spending of both overnight visitors and same-day visitors registered relatively large drop, exports of other tourism services slid by 12.4%. Exports of gaming services fell by 4.2% year-on-year, dragged by a steeper decrease in VIP gaming business; meanwhile, imports of services rose by 2.1% year-on-year.

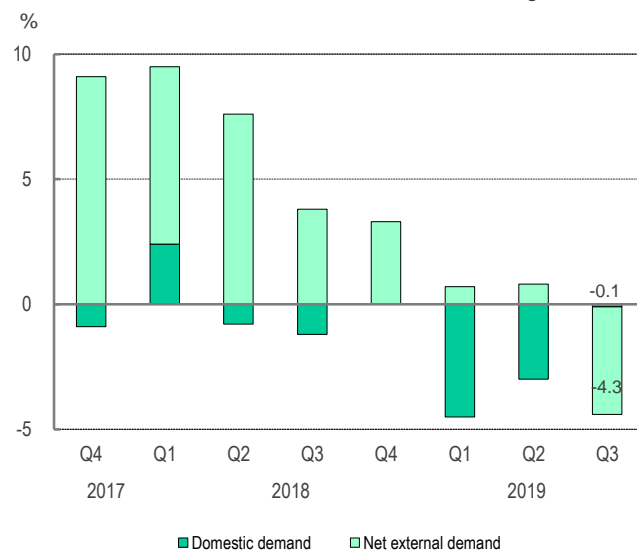


Contribution of major expenditure components to economic growth



0# Magnitude less than half of the unit employed

Contribution of net demand to economic growth



Year-on-year quarterly GDP growth

	2017		2018				2019	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Nominal growth	10.8	11.6	13.5	10.7	6.6	6.5	-0.7	0.1
Real growth	8.1	8.2	9.5	6.8	2.6	3.2	-3.8	-2.2

Year-on-year cumulative GDP growth

	2017		2018				2019	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Nominal growth	12.5	12.2	13.5	12.1	10.2	9.2	-0.7	-0.3
Real growth	10.5	9.9	9.5	8.2	6.3	5.4	-3.8	-3.0

For additional information:

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

