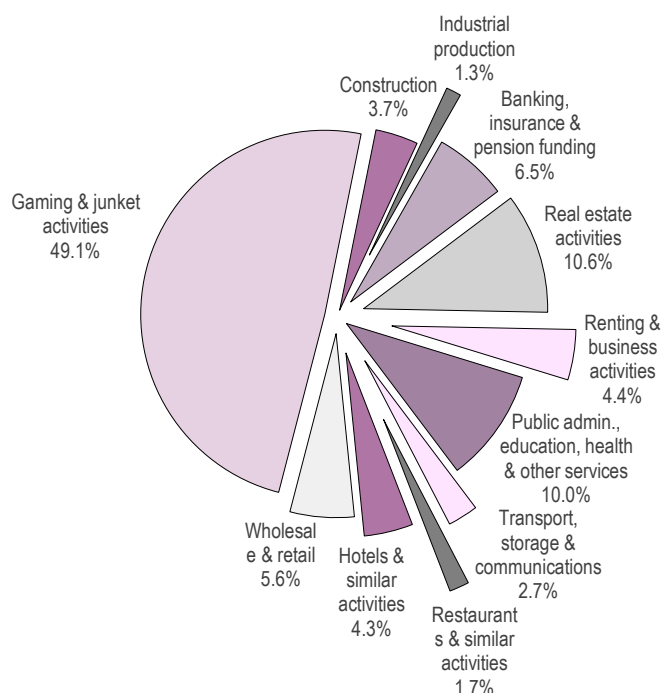


- Gross Value Added of all economic activities of Macao registered a 9.1% growth in real terms in 2017 after declining by 0.7% year-on-year in 2016, underpinned by satisfactory performance of the tertiary sector, with Gross Value Added of Wholesale & Retail and Gaming & Junket Activities increasing by 21.9% and 16.2% respectively in real terms.
- Gross Value Added of the secondary sector decreased by 20.6% in real terms, while that of the tertiary sector rose by 11.2% in real terms.
- The relative importance of the secondary sector to total Gross Value Added fell from 6.7% in 2016 to 5.1% in 2017. Meanwhile, the relative importance of the tertiary sector rose from 93.3% to 94.9%, in which the share of Gaming & Junket Activities increased by 2.5 percentage points year-on-year to 49.1%, and that of non-gaming services decreased by 0.8 percentage points to 45.8%.

### Principal indicators

	2016	2017	Difference (p. p.)	%
Industrial structure:				
Secondary sector	6.7	5.1	-1.6	
Tertiary sector	93.3	94.9	1.6	
Gaming & Junket Activities	46.7	49.1	2.5	
Ratio of Gross Value Added to Gross Output	66.3	67.4	1.2	
Ratio of Compensation of Employees to Gross Value Added	30.6	28.8	-1.8	

### Structure of economic activities



### Changes in industrial structure

- In 2017, the relative importance of the secondary sector dropped by 1.6 percentage points year-on-year to 5.1%, owing to a 28.8% decline, in real terms, in Gross Value Added of Construction that took up the largest share of the secondary sector. Meanwhile, the relative importance of the tertiary sector increased by 1.6 percentage points to 94.9% on account of the rising shares of Hotels & Similar Activities, Wholesale & Retail and Gaming & Junket Activities.
- The share of Gross Value Added in Gross Output of all economic activities rose from 66.3% in 2016 to 67.4% in 2017. Compensation of Employees increased by 5.2%, slower than the rise in Gross Value Added, and therefore, its share in Gross Value Added dropped by 1.8 percentage points from 30.6% in 2016 to 28.8% in 2017.

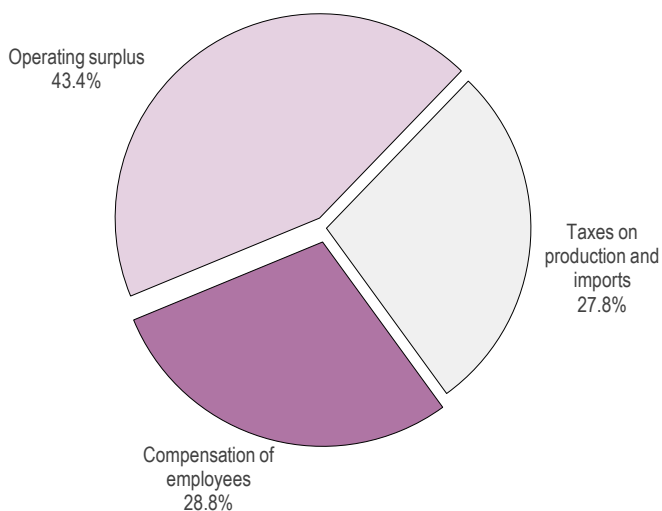
### GDP at current producers' prices by the production approach

	Gross Output	Intermediate Consumption	Gross Value Added				Taxes on imports	GDP
			Total	Compensation of Employees	Operating Surplus	Tax on Production		
Total (Million MOP, hereafter)	589,326	191,829	397,497	114,502	172,882	110,113	530	398,027
Year-on-year (%)	9.6	5.8	11.6	5.2	11.8	18.9	18.8	11.6
Secondary sector	60,526	40,386	20,141	12,168	7,616	356	-	20,141
Year-on-year (%)	-11.3	-9.0	-15.6	-13.8	-18.6	-11.4	..	-15.6
Tertiary sector	528,800	151,443	377,357	102,334	165,266	109,757	530	377,886
Year-on-year (%)	12.7	10.6	13.6	8.0	13.8	19.0	18.8	13.6

## Changes in primary distribution of income

- Taxes on Production and Imports, Operating Surplus and Compensation of Employees amounted to MOP110.6 billion, MOP172.9 billion and MOP114.5 billion respectively in 2017, accounting for 27.8%, 43.4% and 28.8% of GDP. The relative importance of Compensation of Employees to GDP went down by 1.8 percentage points year-on-year. The share of Operating Surplus remained similar to 2016 while that of Taxes on Production and Imports rose by 1.7 percentage points. (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

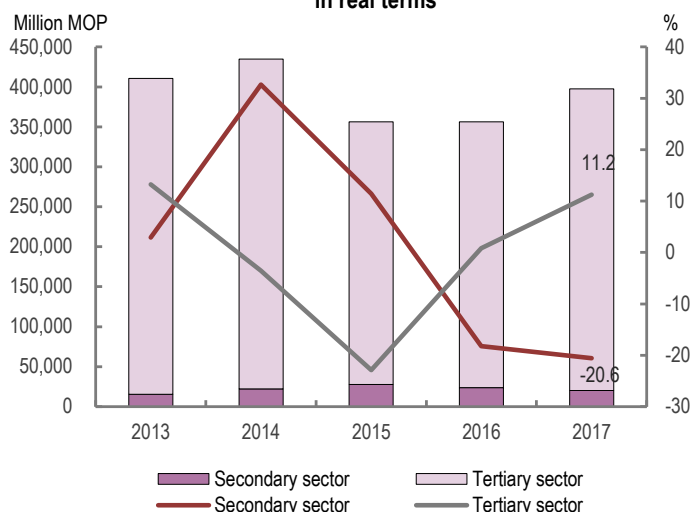
	Gross Value Added at current prices (Million MOP)		Real growth rate (%)		Relative importance (%)		Change in relative importance (p. p.)
	2016	2017	2016	2017	2016	2017	
Total	356,130	397,497	-0.7	9.1	100.0	100.0	-
Secondary sector	23,872	20,141	-18.2	-20.6	6.7	5.1	-1.6
Manufacturing	2,160	2,260	-6.9	7.7	0.6	0.6	0 <sup>#</sup>
Electricity, gas & water supply	2,560	2,990	6.4	17.2	0.7	0.8	0 <sup>#</sup>
Construction	19,152	14,891	-21.8	-28.8	5.4	3.7	-1.6
Tertiary sector	332,258	377,357	0.8	11.2	93.3	94.9	1.6
Wholesale & retail	18,932	22,375	-1.8	21.9	5.3	5.6	0.3
Hotels & similar activities	14,560	17,053	33.8	8.6	4.1	4.3	0.2
Restaurants & similar activities	6,488	6,905	-2.4	0.5	1.8	1.7	-0.1
Transport, storage & communications	10,199	10,572	6.7	3.7	2.9	2.7	-0.2
Banking	19,794	21,553	16.1	9.5	5.6	5.4	-0.1
Insurance & pension funding	4,613	4,282	26.2	-10.6	1.3	1.1	-0.2
Real estate activities	37,611	42,060	1.2	5.2	10.6	10.6	0 <sup>#</sup>
Renting & business activities	16,613	17,611	14.9	4.6	4.7	4.4	-0.2
Public administration	15,822	17,080	3.3	2.5	4.4	4.3	-0.1
Education	6,917	7,410	5.8	-0.1	1.9	1.9	-0.1
Health & social work	5,328	5,752	7.3	2.9	1.5	1.4	0 <sup>#</sup>
Gaming & junket activities	166,158	195,274	-5.3	16.2	46.7	49.1	2.5
Other community, social & personal services; households with employed persons	9,223	9,430	-7.3	-1.5	2.6	2.4	-0.2

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

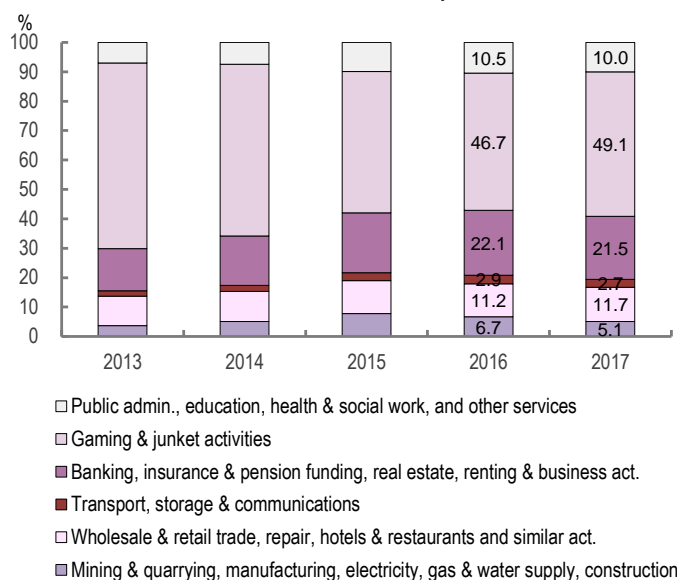
## Changes by economic activity

- Gross Value Added of the secondary sector declined by 20.6% in real terms, with that of Construction dropping by 28.8%, and that of Manufacturing and Electricity, Gas & Water Supply rising by 7.7% and 17.2% respectively in real terms.
- Gross Value Added of the tertiary sector increased by 11.2% in real terms. Except for Insurance & Pension Funding (-10.6%), Other Community, Social & Personal Services, Households with Employed Persons (-1.5%) and Education (-0.1%) which recorded decreases, Gross Value Added of other industries rose to different extents in real terms. Notable increases were observed in Wholesale & Retail (+21.9%), Gaming & Junket Activities (+16.2%), Banking (+9.5%) and Hotels & Similar Activities (+8.6%), with the respective Gross Value Added at current prices rising by MOP3.44 billion, MOP29.12 billion, MOP1.76 billion and MOP2.49 billion.
- As regards industrial structure, the relative importance of the secondary sector to total Gross Value Added (5.1%) decreased by 1.6 percentage points year-on-year. The share of Construction dropped by 1.6 percentage points to 3.7%, and both the shares of Manufacturing (0.6%) and Electricity, Gas & Water Supply (0.8%) remained similar to 2016. Meanwhile, the relative importance of the tertiary sector rose from 93.3% in 2016 to 94.9% in 2017, up by 1.6 percentage points. The shares of Hotels & Similar Activities (4.3%), Wholesale & Retail (5.6%) and Gaming & Junket Activities (49.1%) increased by 0.2, 0.3 and 2.5 percentage points respectively, while those of Health & Social Work (1.4%) and Real Estate Activities (10.6%) held steady year-on-year. The shares of all other industries showed a decline ranging from about 0.1 to 0.2 percentage points.

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



## Evolution of relative importance



## Gross Value Added of tertiary sector

	Million MOP				
	2013	2014	2015	2016	2017
Wholesale & retail trade	21,686	22,500	19,958	18,932	22,375
Hotels & restaurants	19,313	22,069	19,836	21,048	23,957
Transport, storage & communications	7,314	8,872	9,733	10,199	10,572
Banking, insurance & pension funding	16,201	19,885	22,198	24,407	25,835
Real estate activities, renting & business activities	42,871	52,859	50,340	54,224	59,671
Public administration	11,571	13,182	14,949	15,822	17,080
Education	4,952	5,678	6,361	6,917	7,410
Health & social work	3,773	4,216	4,774	5,328	5,752
Gaming & junket activities	258,966	254,051	171,107	166,158	195,274
Other community, social & personal services; households with employed persons	8,441	9,083	9,339	9,223	9,430

## Year-on-year change of Gross Value Added of tertiary sector in real terms, in chained (2016) dollars

	2013	2014	2015	2016	2017	%
Wholesale & retail trade	35.0	2.4	-3.4	-1.8	21.9	
Hotels & restaurants	7.6	3.6	-10.9	22.5	6.1	
Transport, storage & communications	4.6	19.2	4.8	6.7	3.7	
Banking, insurance & pension funding	18.1	7.6	13.1	18.0	6.0	
Real estate activities, renting & business activities	7.0	0.7	-8.1	5.0	5.0	
Public administration	3.0	2.4	3.0	3.3	2.5	
Education	16.5	15.7	6.4	5.8	-0.1	
Health & social work	19.2	4.8	6.7	7.3	2.9	
Gaming & junket activities	13.6	-7.5	-35.6	-5.3	16.2	
Other community, social & personal services; households with employed persons	0.2	-2.3	-5.9	-7.3	-1.5	

## 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.)
	2016	2017	2016	2017	2016	2017	
Secondary sector	23,799	20,066	-18.3	-20.7	9.0	6.9	-2.0
Manufacturing	2,160	2,260	-6.9	7.7	0.8	0.8	0 <sup>#</sup>
Electricity, gas & water supply	2,487	2,916	6.5	16.9	0.9	1.0	0.1
Construction	19,152	14,891	-21.8	-28.8	7.2	5.2	-2.1
Tertiary sector	241,274	268,824	2.9	8.8	91.0	93.1	2.0
Wholesale & retail	18,410	21,691	0.7	21.7	6.9	7.5	0.6
Hotels & similar activities	13,916	16,312	34.3	8.5	5.2	5.6	0.4
Restaurants & similar activities	6,488	6,905	-2.4	0.5	2.4	2.4	-0.1
Transport, storage & communications	10,114	10,457	6.7	3.7	3.8	3.6	-0.2
Banking	19,794	21,553	16.1	9.5	7.5	7.5	0 <sup>#</sup>
Insurance & pension funding	4,613	4,282	28.2	-8.9	1.7	1.5	-0.3
Real estate activities	35,549	39,280	0.1	4.3	13.4	13.6	0.2
Renting & business activities	16,613	17,611	14.9	4.6	6.3	6.1	-0.2
Public administration	15,822	17,080	3.3	2.5	6.0	5.9	-0.1
Education	6,917	7,410	5.8	-0.1	2.6	2.6	0 <sup>#</sup>
Health & social work	5,328	5,752	7.3	2.9	2.0	2.0	0 <sup>#</sup>
Gaming & junket activities	78,562	91,147	-6.0	14.7	29.6	31.6	1.9
Other community, social & personal services; households with employed persons	9,149	9,344	-7.5	-1.6	3.5	3.2	-0.2
Gross value added at basic prices	265,073	288,890	0.7	6.2	100.0	100.0	-
Taxes on products	91,503	109,137	-4.5	17.5	..	..	..
Production-based GDP	356,576	398,027	-0.7	9.1	..	..	..

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 Macau Government Tourist 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<sup>#</sup> Magnitude less than half of the unit employed

For additional information:  
<http://www.dsec.gov.mo/e/pibp.aspx>

