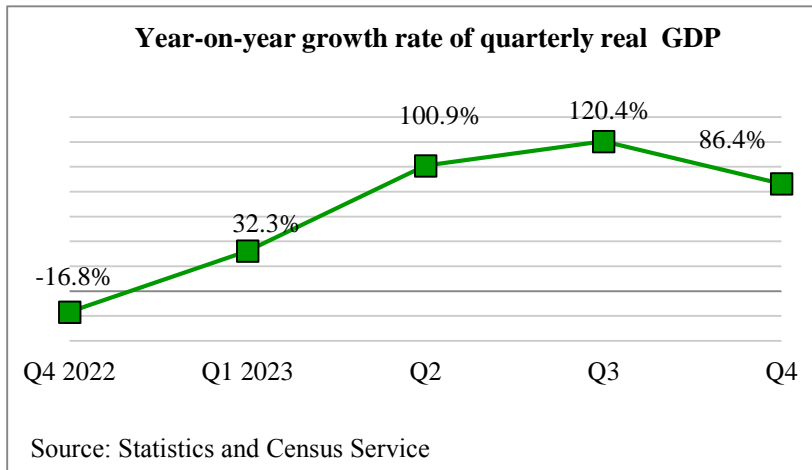


Economic Outlook of Macao

2023

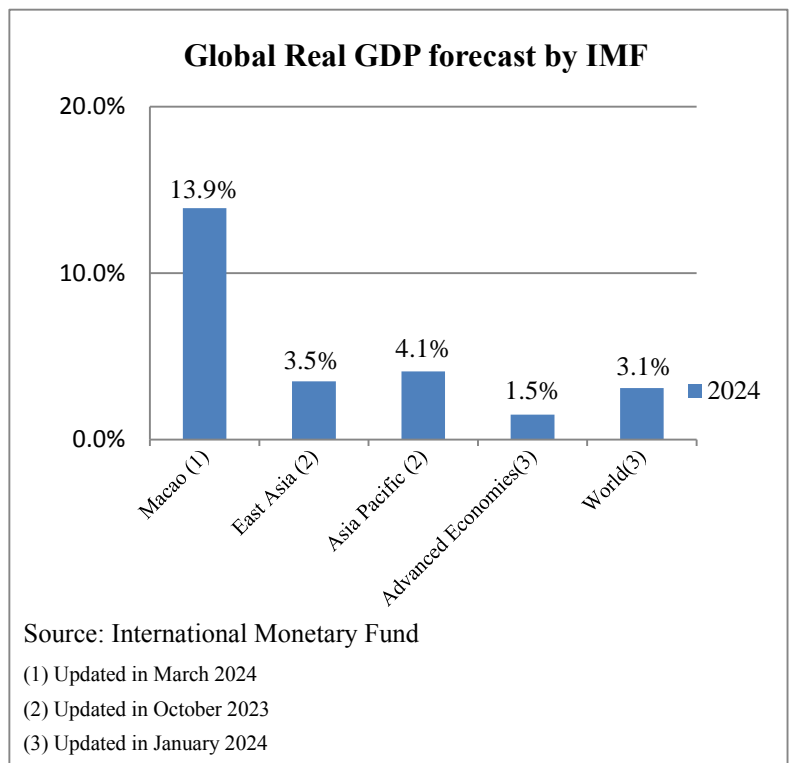
Overall Economy

Macao's Gross Domestic Product (GDP) in 2023 recorded MOP379.48 billion¹, representing an increase of 80.5%² year-on-year in real terms. Exports of gaming services increased significantly



by 343.7%, while service exports also rose by 165.0%. Gross fixed capital formation grew by 14.7%, and private consumption expenditures increased by 12.1%. Imports of services also showed a slight increase of 1.1%. However, exports of goods decreased by 28.1%, and government final consumption expenditures fell by 6.4% in real terms.

According to the International Monetary Fund (IMF) projection in March 2024, Macao's GDP is expected to grow by 13.9% in 2024, and it will regain its pre-pandemic level in 2025.



Employment and Inflation

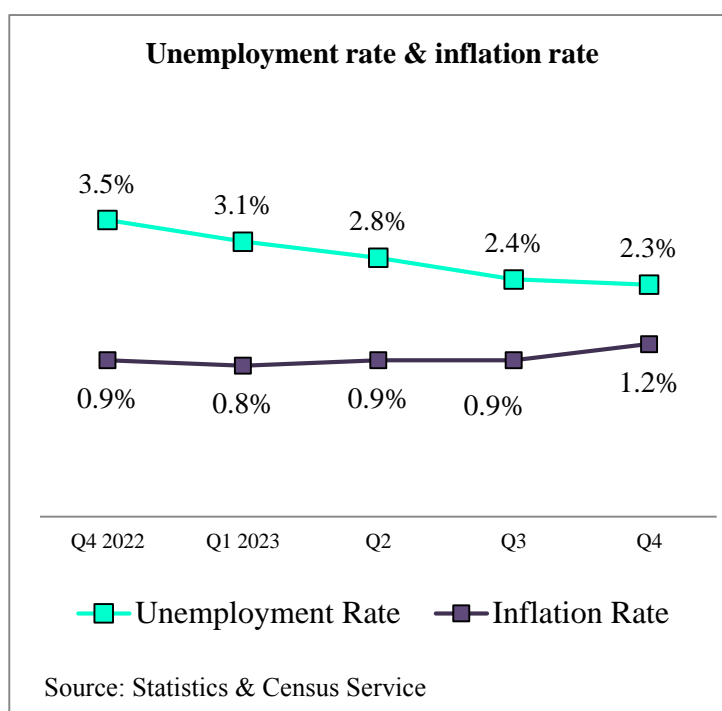
In 2023, the labour force totalled 375,000, out of which 365,000 people were employed. The labour force participation rate of 67.9%. The unemployment rate was 2.7%, which decreased by 1.0 percentage points year-on-year. Moreover, the under-employment rate was down 5.2 percentage points year-on-year to 1.7%. The median monthly employment

earnings of the overall employed population rose by MOP2,500 year-on-year to MOP17,500. On the other hand, the median monthly employment earnings of the local employed population increased by MOP1,000 year-on-year to MOP20,000.

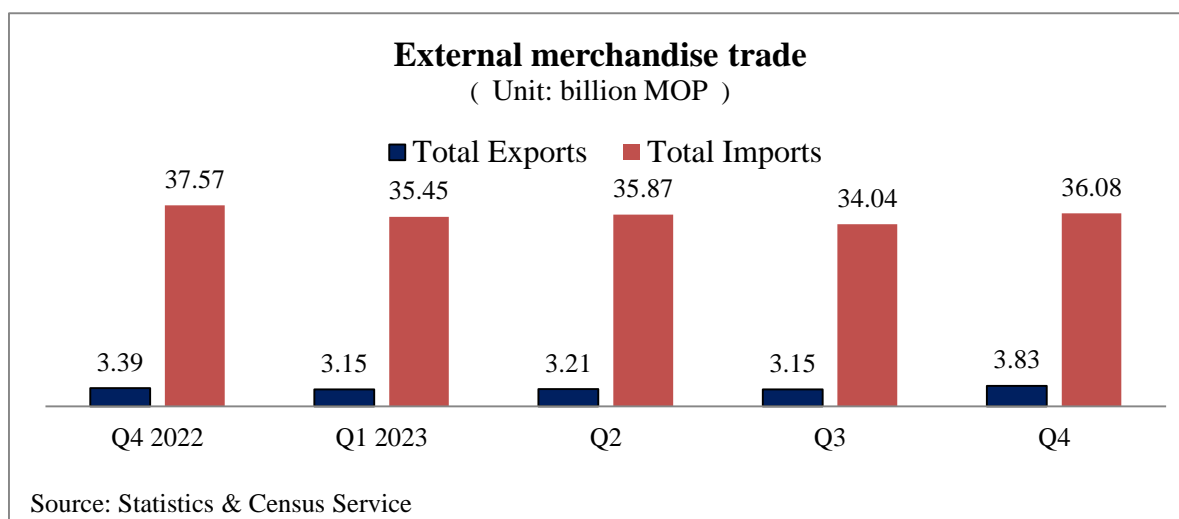
The composite CPI (Consumer Price Index) for 2023 decreased by 0.1 percentage point year-on-year to 0.94%. The increment of the composite CPI was mainly driven by higher charges for eating out and package tours, increases in tuition fees and wages of domestic helpers, and higher prices of clothing and gasoline.

External Merchandise Trade

In 2023, the total value of merchandise exports decreased by 1.3% year-on-year to MOP13.34 billion, while the total value of merchandise imports increased by 1.2% year-on-year to MOP141.44 billion. This led to an increase of 1.4% year-on-year in the trade deficit, which amounted to MOP128.11 billion. Besides, Macao's major trading partners were the European Union, Mainland China, Hong Kong, the United States, and others.

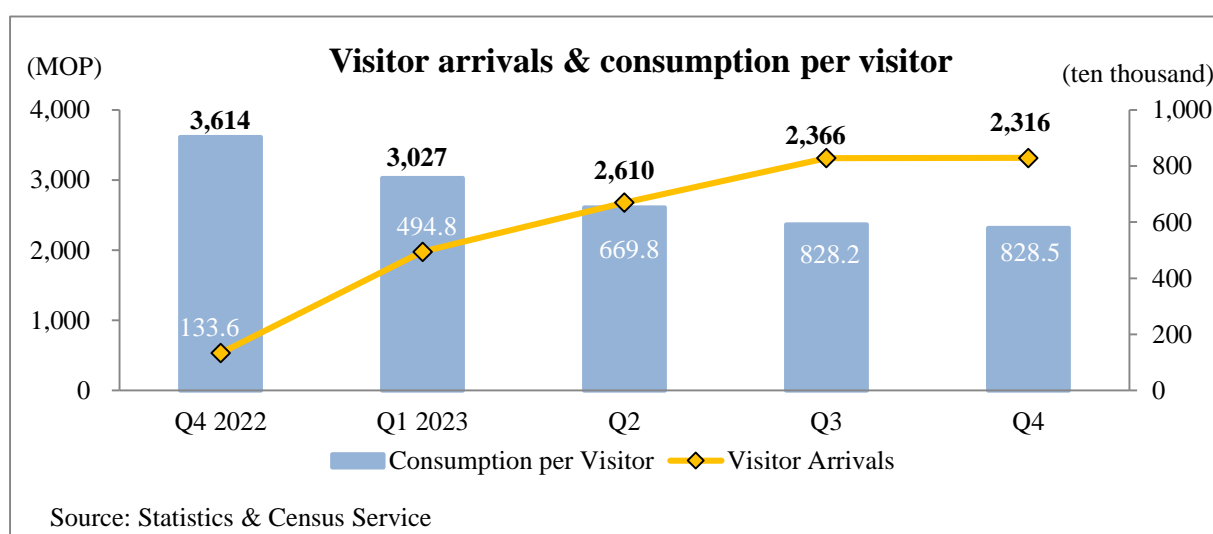


Moreover, in 2023, the total value of merchandise exports under CEPA decreased by 36.8% year-on-year to MOP73.00 million. The amount of tariffs exempted also dropped by 18.7% year-on-year, amounting to MOP4.378 million.

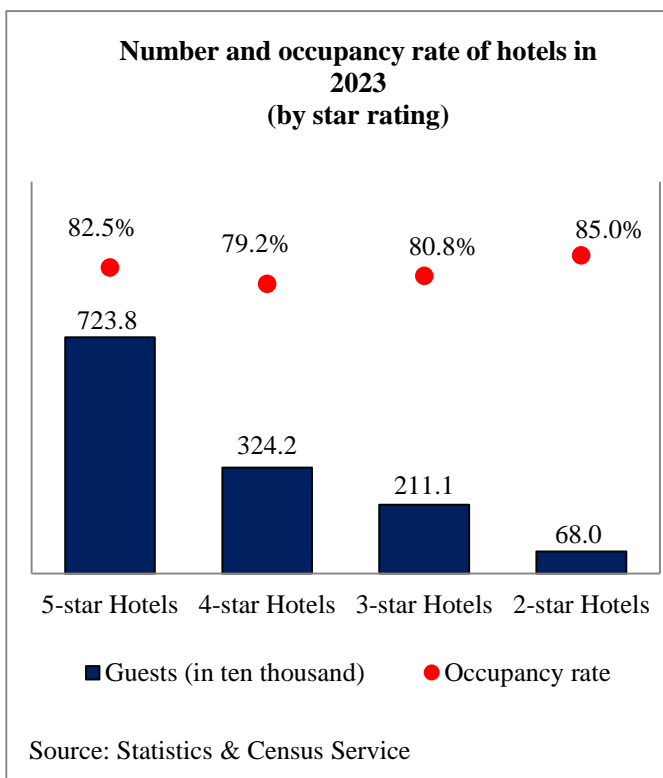


Tourism and Gaming

The number of visitor arrivals in 2023 to Macao increased by 3.9 times year-on-year to 28.213 million, of which visitors from Mainland China went up by 2.7 times to 19.049 million, taking up 67.5% of the total, while visitors from Hong Kong, went up by 13.0 times to 7.196 million taking up 25.5% of the total. Visitors' spending in 2023 rose 2.9 times year-on-year to MOP71.25 billion, and per capita spending of visitors decreased by 20.8% year-on-year to MOP2,525.

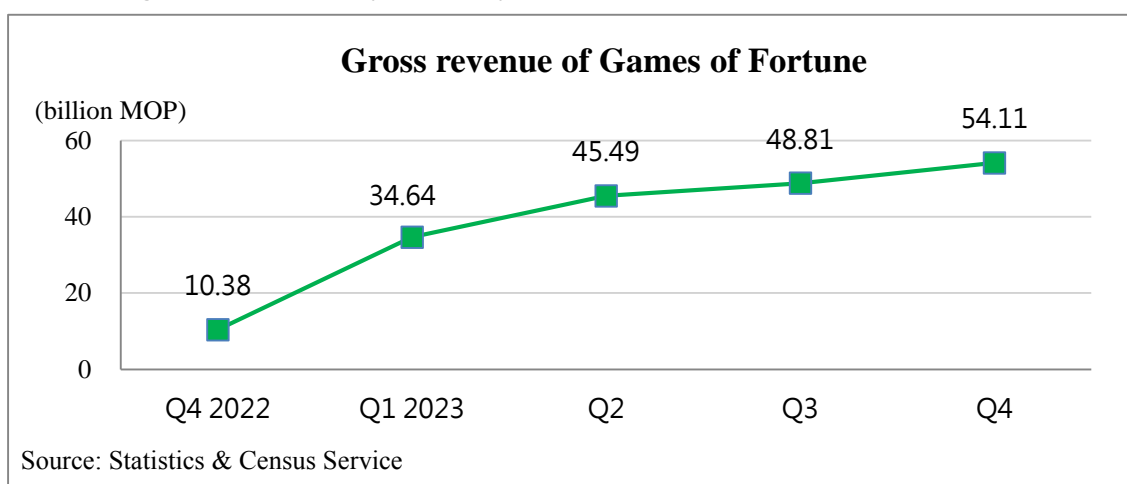


At the end of 2023, the number of hotels increased by 9 compared to the previous year, reaching a total of 100 hotels. These hotels offered a total of 45,000 guest rooms, which was 8,525 more rooms than in 2022. Out of these hotels, 38 were five-star hotels, an increase of three from the previous year. These five-star hotels provided a total of 28,000 guest rooms, a 24.5% increase from the previous year. The hotel occupancy rate in



2023 was 81.5%, which was an increase of 43.1 percentage points from the previous year. The total number of guests increased by 1.7 times to 13.568 million, with an average stay of 1.7 nights. This is a decrease of 0.2 nights compared to the previous year. The occupancy rate for the 5-star hotels was 82.5%, which was an increase of 48.3 percentage points from the previous year. The number of guests in these hotels increased by 2.0 times to 7.238 million, with an average stay of 1.8 nights. This is a decrease of 0.2 nights compared to the previous year.

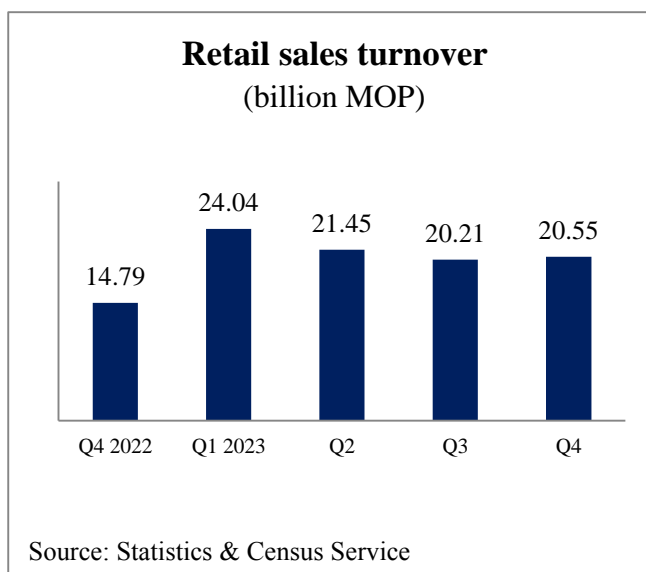
The gaming revenue of Games of Fortune increased to MOP183.06 billion in 2023, a surge of 3.3 times year-on-year.



Retailing

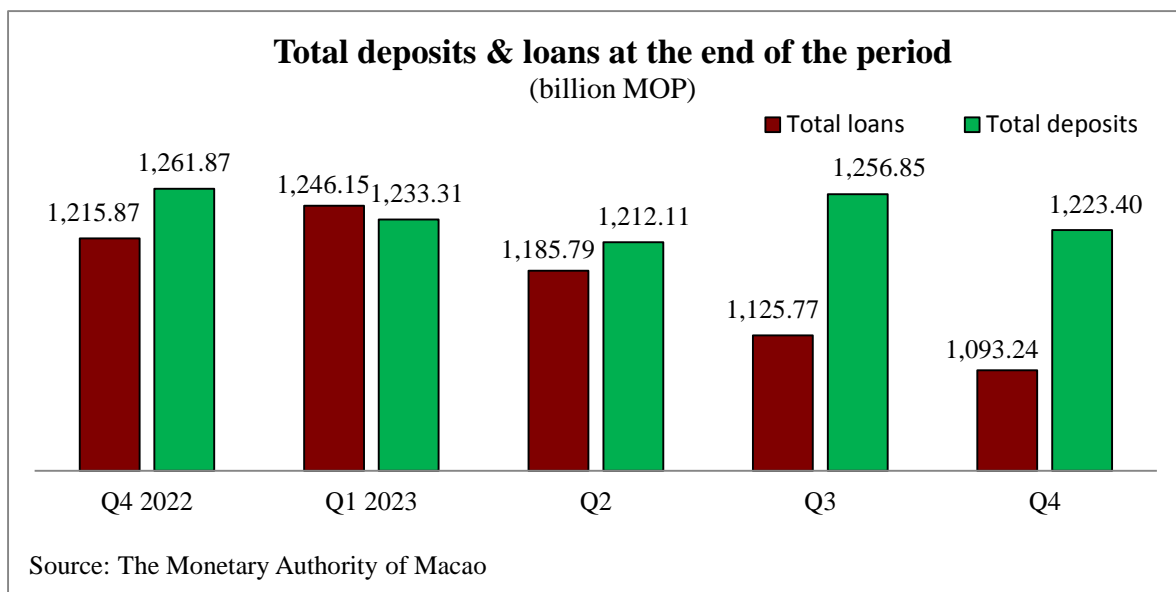
In 2023, the total value of retail sales increased by 49.5% to MOP86.25 billion. Retail sales of Chinese food products increased 3.4 times to MOP 1.68 billion. Clocks and jewellery sales rose by 79.5% to MOP20.77 billion, and department store sales grew by 68.9% to MOP12.84 billion. However, sales of communication equipment decreased by 18.6% to MOP2.46 billion.

Supermarket sales declined by 3.4% to 5.12 billion, and dried seafood sales were down by 2.5% to MOP0.57 billion.



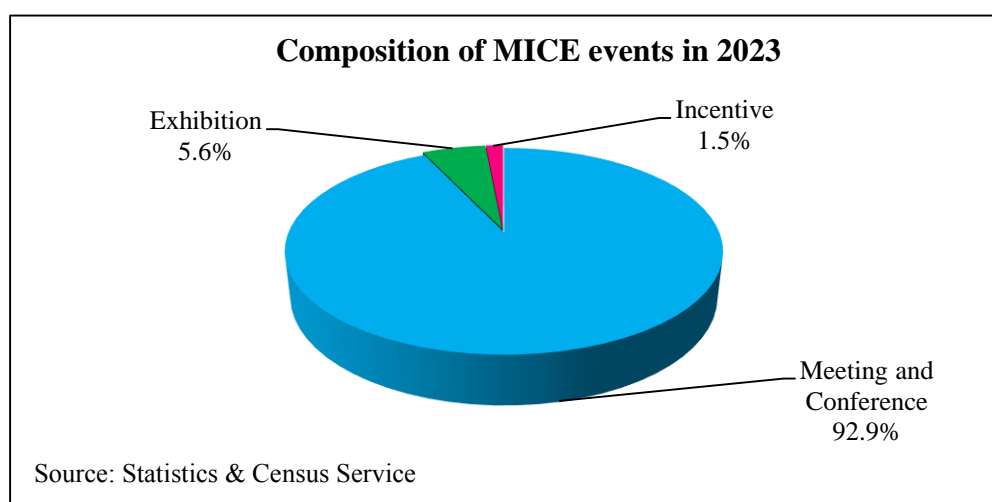
Financial Sector

The banking profit in 2023 was MOP5.7 billion, which decreased by 56.7% year-to-year; the total deposits and loans at the end of the period amounted to MOP1,223.40 billion and MOP1,093.24 billion, which was 3.0% and 10.1% lower than the previous year, respectively. During the period, newly approved housing mortgage loans dropped by 25.3% to MOP17.05 billion; newly-approved commercial real estate loans decreased by 52.9% to MOP22.82 billion; newly approved small and medium-sized enterprise loans decreased by 16.8% to MOP12.54 billion. As for the renminbi (RMB) business, the total RMB savings reached RMB107.98 billion, a 14.4% year-on-year decrease. However, the total cross-border RMB settlement amount reached RMB151.86 billion, an increase of 13.1% compared to the previous year.



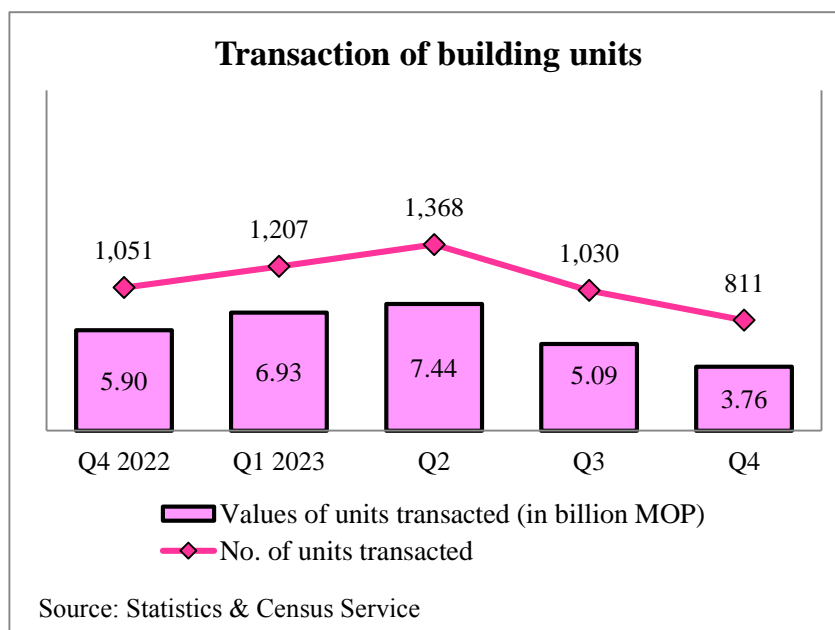
Convention and Exhibition

In 2023, a total of 1,139 MICE events were held. Among them, 1,058 were meetings and conferences, an increase of 656 from the previous year. These events lasted an average of 1.2 days, 0.3 days longer than the prior year. The number of participants also increased by 2.9 times, reaching a total of 170,000. In addition, 64 exhibitions were held, the same as the previous year, and the number of participants and attendees increased by 3.3 % to 1.422 million. The average duration of exhibitions increased by 0.1 days year-on-year to 3.2 days. Furthermore, 17 incentive events were held in 2023, an increase of 6 events from the prior year. The average duration of these events increased by 0.3 days to 1.9 days. The number of participants and attendees also rose by 4.0 times, reaching a total of 10,881.



Construction and Real Estate Sector

In the real estate sector, the total number of units transacted decreased by 2.8% to 4,416, with the total value of transactions reduced by 5.9% to MOP23.23 billion. However, the total number of residential units increased by 2.5% to 2,879, with the total value of transactions rising by 1.8% to MOP18.30 billion.



¹ Unless otherwise specified, GDP figures mentioned in this article are evaluated at current prices.

² Unless otherwise specified, the rates of change mentioned in this article refer to those from 2022 to 2023.

Data Source: Statistics and Census Service, The Monetary Authority of Macao, Financial Services

Bureau, Economic and Technological Development Bureau and IMF