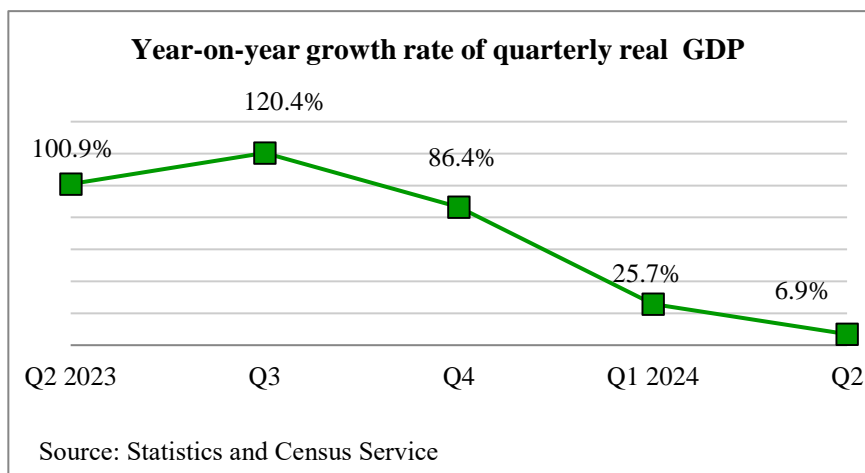


Economic Outlook of Macao

2024 First Half

Overall Economy

In the first half of 2024, the Macao economy grew by 15.7%¹ year-on-year in real terms, reaching a Gross Domestic Product (GDP) of

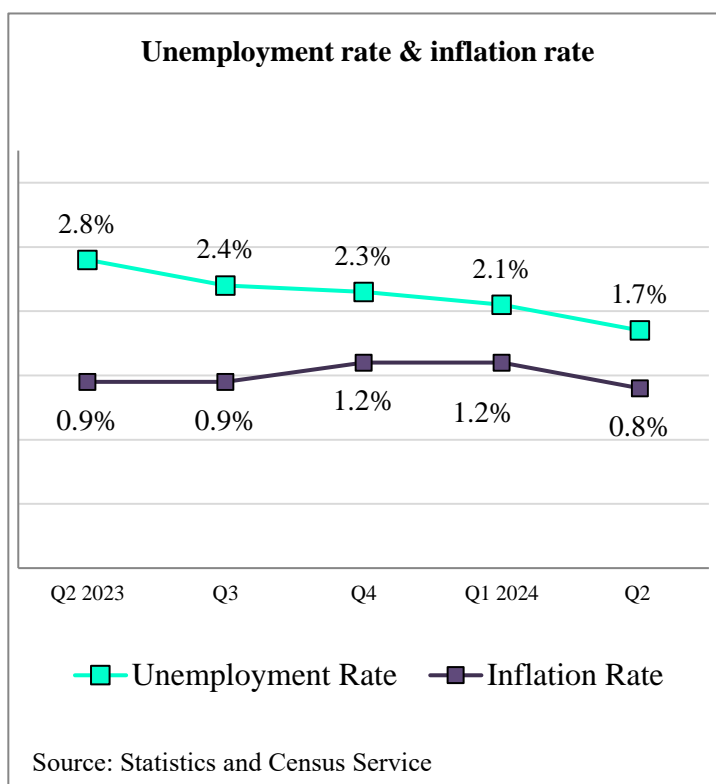


MOP204.27 billion. This growth was attributed to an increase in visitor arrivals and tourism activities, leading to a 17.6% year-on-year growth in services exports, particularly in gaming services which surged by 39.9%. On the other hand, imports of goods decreased by 3.3% year-on-year. Private consumption expenditure increased by 7.8%, and gross fixed capital formation rose by 9.8% year-on-year. However, government final consumption expenditure fell by 14.0% year-on-year. Additionally, there was a 15.9% year-on-year drop in exports of goods and a 6.2% year-on-year decrease in imports of services.

Employment and Inflation

In the second quarter of 2024, the labor force was 383,000, with an employed population of 376,000 and a labour force participation rate of 67.9%. The unemployment rate was 1.7%, decreased by 1.1 percentage points year-on-year, with the under-employment rate down 0.3 percentage points year-on-year to 1.5%. Median monthly employment earnings of the overall employed population were up 5.3% year-on-year to MOP17,900.

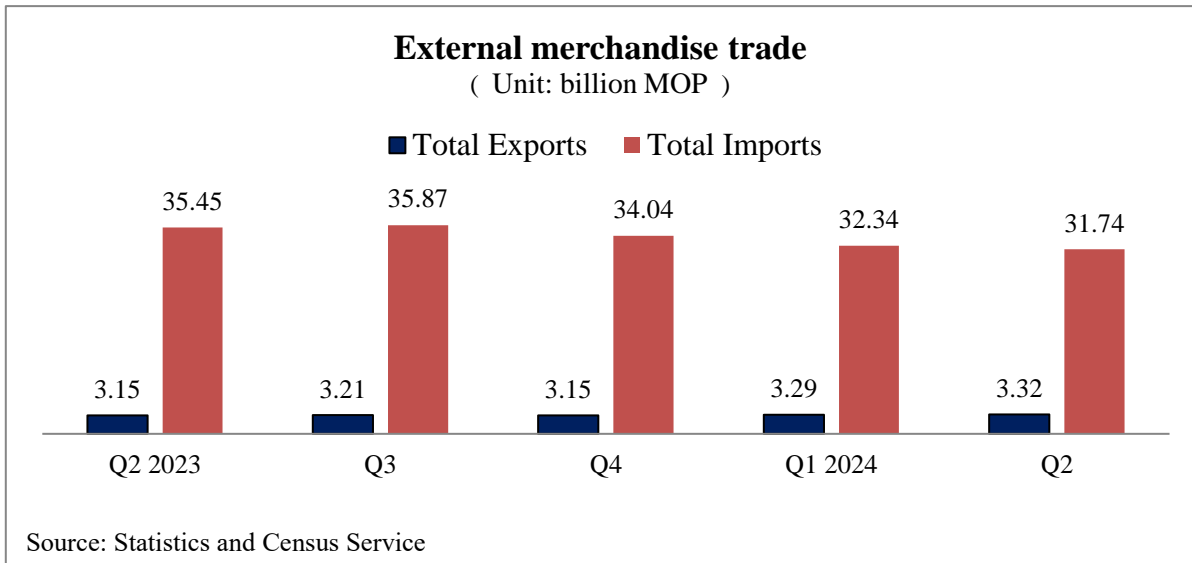
The average Composite CPI in the first half of 2024 was up 1.02% year-on-year, attributed to the rise in the prices of Education, Recreation & Culture, and Clothing & Footwear. In contrast, the decrease in the prices of Transport and Communication have mitigated part of the increase in the average Composite CPI.



External Merchandise Trade

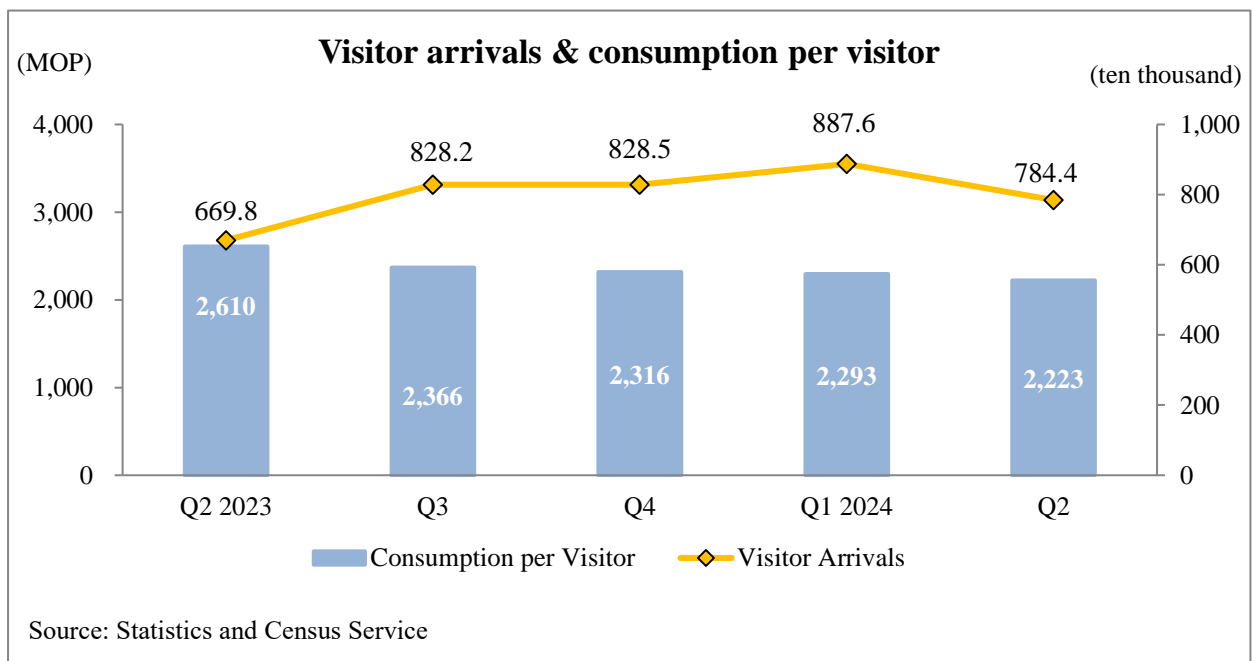
In the realm of external merchandise trade, there were increase in the exports of diamond & diamond jewelry, travel goods & handbags, garments & textiles, and watches. However, there were decrease in the exports of machines and mechanical appliances. Total merchandise exports in the first half of 2024 increased by 4.0% year-on-year to MOP6.61 billion, while total merchandise imports in the same period decreased by 10.2% year-on-year to MOP64.1 billion. The trade deficit was MOP57.5 billion, down 11.6% year-on-year. Major trading partners include the European Union, Mainland China, Hong Kong, Japan, the United States, Switzerland, and others.

The total value of merchandise exports under CEPA in the first half of 2024 decreased by 13.5% year-on-year to MOP28.0 million, with a tariff exemption of MOP1.6 million, representing a 0.9% decrease year-on-year.

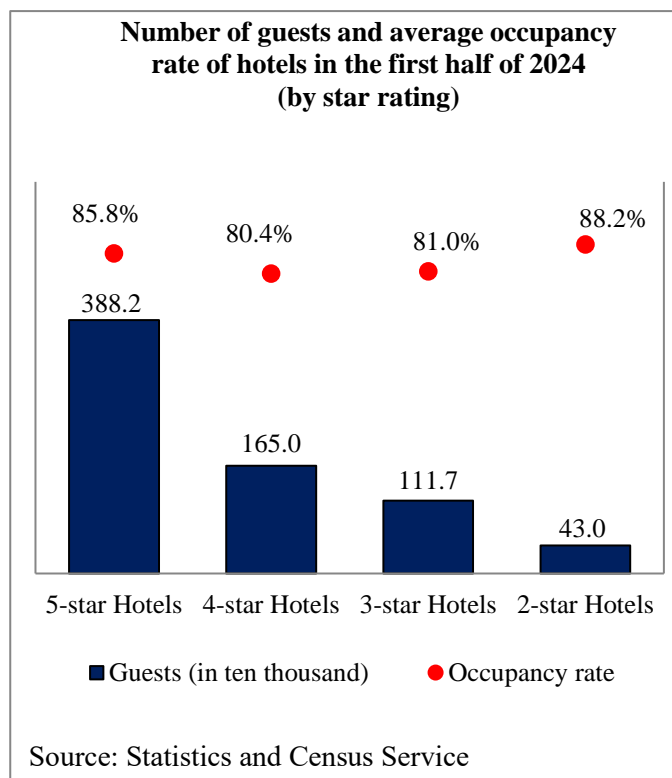


Tourism and Gaming

In the first half of 2024, the total number of visitors increased by 43.6% year-on-year to 16.7 million. Of these visitors, 11.5 million were from Mainland China, representing 69.0% of the total and an 52.9% increase from the previous year; 3.6 million visitors were from Hong Kong, making up 21.6% of the total and reflecting an 4.5% increase from the previous year. Visitors' spending (excluding gaming) in the first half of 2024 increased by 16.4% to MOP37.8 billion, with per capita spending decreased by 18.9% to MOP2,260.

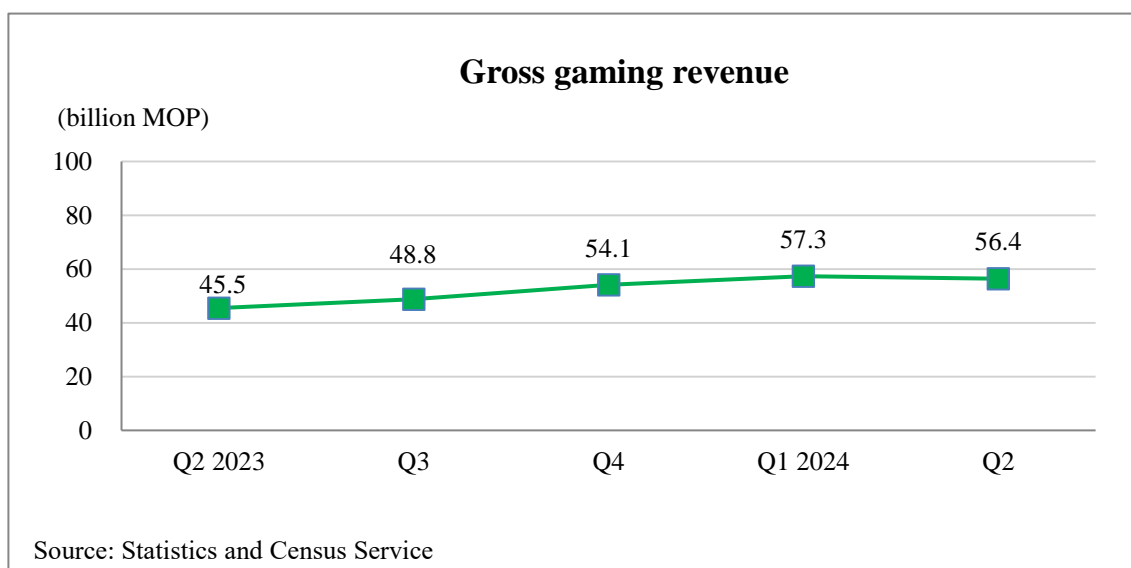


As at the end of June 2024, there were 101 hotels in operation, which were 7 more than the previous year, providing a total of 46,000 guest rooms with an increase of 3,658 rooms compared with the previous year. Among these hotels, 38 were five-star hotels, which were 3 more than the previous year, providing 28,000 guest rooms. The average occupancy rate of hotels for the first half of 2024 was 84.2%, up 6.1 percentage points compared with the previous year. The number of guests increased by 19.5% to 7.1 million, with an average stay of 1.7



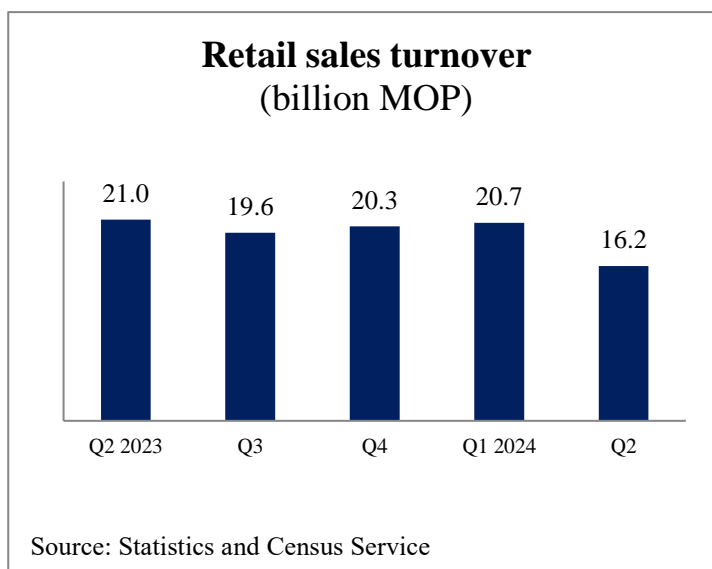
nights, which remained consistent with the previous year. The average occupancy rate for 5-star hotels was 85.8%, up 8.1 percentage points compared with the previous year, and the number of guests increased by 23.2% to 3.9 million, while the average length of stay increased by 0.1 nights from last year to 1.9 nights this year.

The gaming sector's revenue in the first half of 2024 increased by 41.9% to MOP113.7 billion year-on-year.



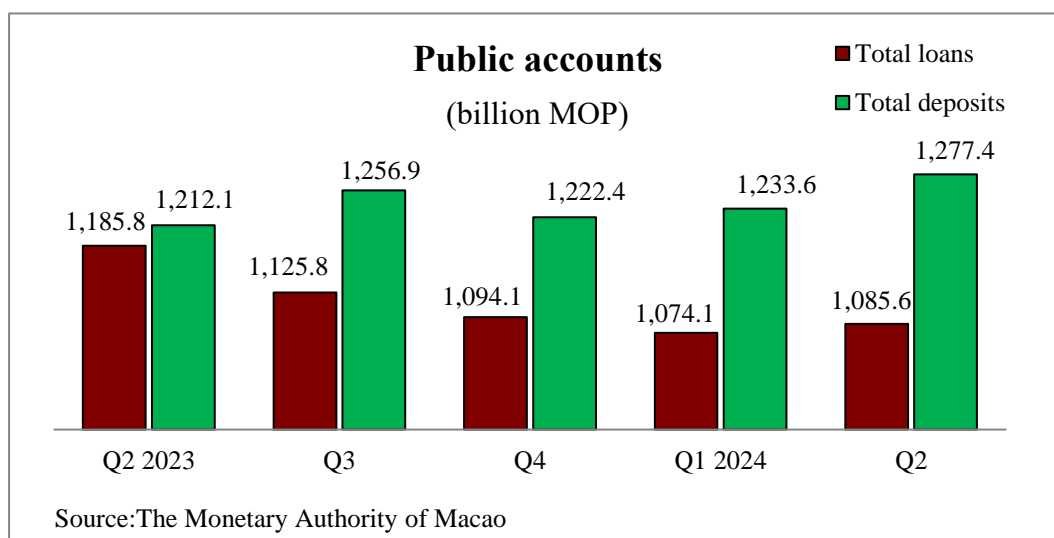
Retailing

The total value of retail sales in the first half of 2024 declined by 17.5% to MOP36.9 billion. During this period, the prices of communication equipment decreased by 39.4% to MOP806 million, retail sales of watches, clocks, and jewelry decreased by 24.6% to MOP8.3 billion, retail sales of leather goods decreased by 23.5% to MOP7.9 billion. On the other hand, retail sales of Chinese food products increased by 3.0% to MOP796 million, and retail sales of motor vehicles increased by 0.8% to MOP986 million.



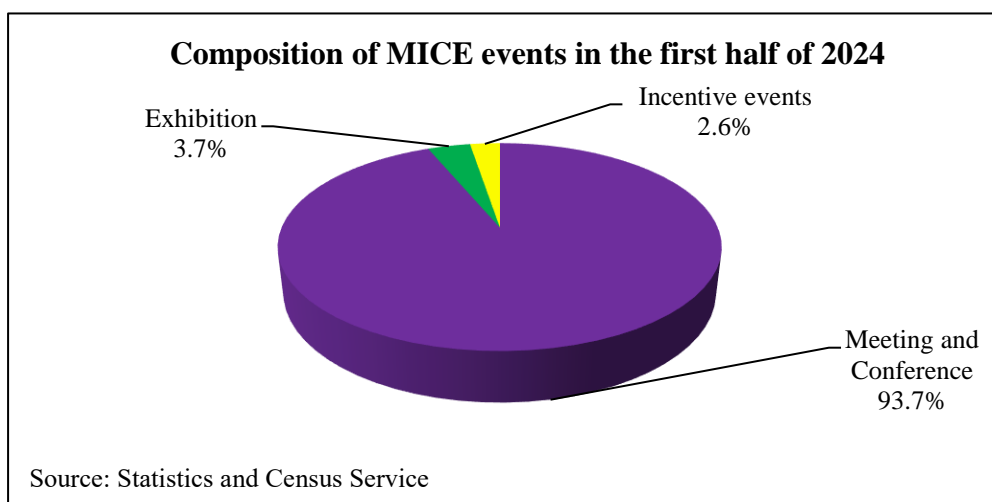
Financial Sector

In the first half of 2024, banking profits amounted to MOP4.2 billion, representing a 43.5% decrease year-on-year. Total deposits reached MOP1,277.4 billion, representing a rise of 5.4%. However, total loans decreased by 8.5% to MOP1,085.6 billion; non-performing loans increased by 99.9% to MOP49.7 billion.



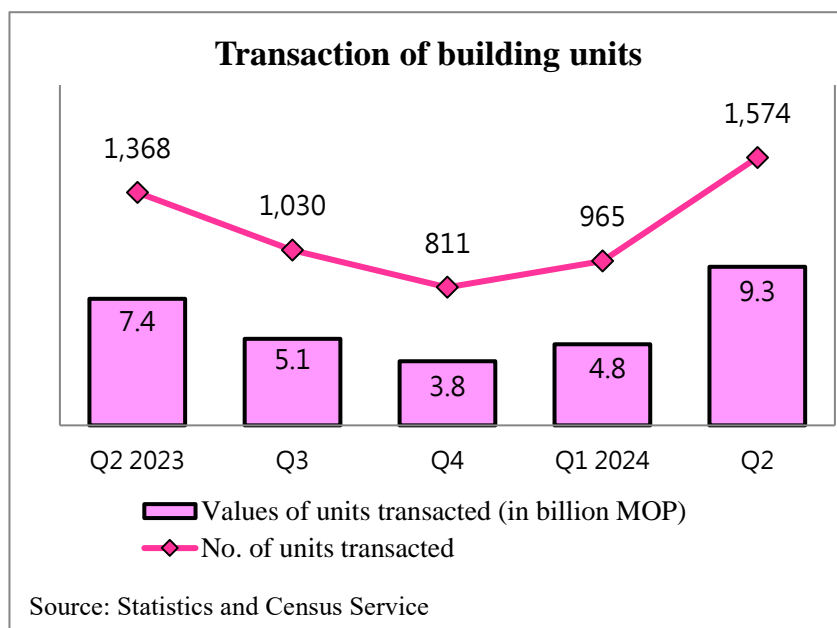
Convention and Exhibition

In the first half of 2024, there were significant rebound in both the number of MICE events and visitors. Under a total of 702 events, 658 meetings and conference have been held with 74,000 participants and an average duration of 1.1 days. While the number of meeting and conference has increased by 166, there was no change in the average duration compared with the previous year and the number of participants has increased by 4.6% year-on-year. A total of 26 exhibitions have been held during the same period with 399,000 attendees and an average duration of 3.0 days. Despite an increase of 2 exhibitions compared with the previous year, the average duration was 0.1 days fewer than the previous year and the number of attendees has decreased by 33.4% year-on-year. A total of 18 incentive events have also been held with 5,748 participants and an average duration of 2.2 days, rather than an increase of 12 events and 16.6% of participants compared with the previous year, the average duration of incentive events has also increased by 0.2 days.



Construction and Real Estate Sector

In the real estate sector, the total number of units transacted during the first half of 2024 has decreased by 1.4% to 2,539, with the total value of transactions also down 2.2% to MOP14.1 billion. Specifically, the transacted residential units has decreased by 7.4% to 1,599 units, while the transactions amount has decreased by 12.2% to MOP10.0 billion.



¹ Unless otherwise specified, the rates of change mentioned in this article refer to those from the first half of 2023 to the first half of 2024.

Data Source: Statistics and Census Service, the Monetary Authority of Macao and Economic and Technological Development Bureau.