

**Table 1**

**Gross Domestic Product and its main expenditure components  
and the main price indicators  
(year-on-year rate of change (%))**

	<u>2005</u>	<u>2006</u>	<u>2006</u>				<u>2007</u>	
			<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1<sup>#</sup></u>	<u>Q2<sup>+</sup></u>
<i>Change in real terms of GDP and its main expenditure components (%)</i>								
Private consumption expenditure	3.3	5.2	5.1 (1.9)	5.8 (1.4)	4.6 (0.9)	5.4 (1.0)	5.3 (1.8)	6.6 (2.8)
Government consumption expenditure	-3.1	0.2	1.1 (2.9)	-1.5 (-2.3)	-1.1 (0.3)	2.3 (1.4)	2.4 (3.0)	2.8 (-1.8)
Gross domestic fixed capital formation	4.6	7.9	7.3 (N.A)	4.5 (N.A)	10.3 (N.A)	9.4 (N.A)	4.7 (N.A)	11.1 (N.A)
<i>of which :</i>								
Building and construction	-8.4	-7.3	-11.4	-4.1	-10.1	-2.8	-2.6	5.3
Machinery, equipment and computer software	12.9	17.2	22.4	11.9	20.4	14.9	6.8	13.1
Total exports of goods	11.2	10.2	14.4 (3.2)	6.4 (0.1)	8.9 (4.1)	11.7 (3.3)	8.2 (1.4)	11.3 (2.0)
Imports of goods	8.6	10.0	14.0 (2.7)	6.7 (-0.2)	8.5 (4.2)	11.4 (3.8)	8.6 (1.0)	12.9 (3.5)
Exports of services	11.3	8.9	8.5 (0.6)	8.9 (2.6)	8.9 (3.2)	9.0 (2.5)	8.9 (0.5)	10.9 (3.9)
Imports of services	7.4	6.4	5.0 (-0.3)	9.1 (5.4)	5.2 (-0.9)	6.5 (2.0)	4.1 (-2.3)	8.0 (9.2)
<b>Gross Domestic Product</b>	<b>7.5</b>	<b>6.9</b>	<b>8.1</b> <b>(2.0)</b>	<b>5.6</b> <b>(0.9)</b>	<b>6.8</b> <b>(2.6)</b>	<b>7.3</b> <b>(1.5)</b>	<b>5.7</b> <b>(0.6)</b>	<b>6.9</b> <b>(2.0)</b>
<i>Change in the main price indicators (%)</i>								
<b>GDP deflator</b>	<b>-0.4</b>	<b>-0.4</b>	<b>-0.1</b> <b>(-0.2)</b>	<b>-0.2</b> <b>(-0.1)</b>	<b>-0.4</b> <b>(*)</b>	<b>-0.4</b> <b>(*)</b>	<b>0.9</b> <b>(1.1)</b>	<b>0.7</b> <b>(-0.3)</b>
<b>Composite Consumer Price Index</b>	<b>1.0</b>	<b>2.0</b>	<b>1.6</b> <b>(0.4)</b>	<b>2.0</b> <b>(0.7)</b>	<b>2.3</b> <b>(0.6)</b>	<b>2.1</b> <b>(0.4)</b>	<b>1.7</b> <b>(*)</b>	<b>1.3</b> <b>(0.4)</b>
<i>Change in nominal GDP (%)</i>	<b>7.1</b>	<b>6.6</b>	<b>8.0</b>	<b>5.3</b>	<b>6.3</b>	<b>6.9</b>	<b>6.7</b>	<b>7.7</b>

(#) Revised figures.

(+) Preliminary figures.

( ) Seasonally adjusted quarter-to-quarter rate of change.

N.A. Not applicable, as no clear seasonal pattern is found in gross domestic fixed capital formation, due to the presence of considerable short-term fluctuations.

(\*) Change of less than 0.05%.

**Table 2****Economic forecasts for 2007  
(year-on-year rate of change (%))**

	Forecasts for 2007 as released on 18.5.2007 (%)	Latest forecasts for 2007 on 17.8.2007 (%)
<b>Gross Domestic Product (GDP)</b>		
<i>Real GDP</i>	4.5 to 5.5	5 to 6
<i>Nominal GDP</i>	4 to 5	5.5 to 6.5
<b>Composite Consumer Price Index</b>	1.5	1.5
<b>GDP deflator</b>	-0.5	0.5

Table 3

**2007 GDP and price forecasts for Hong Kong put out by  
selected international organisations and private sector analysts**

	<u>Date of release</u>	<u>GDP</u>	<u>Private consumption expenditure</u> ( growth rate )	<u>Gross domestic fixed capital Formation</u> in real	<u>Total exports of goods</u> terms (%) )	<u>Exports of services</u>	<u>Rate of change in consumer prices</u> (%)	<u>Reference source</u>
<b>International organisations:</b>								
IMF	Apr 2007	5.5	--	--	--	--	1.5	World Economic Outlook, Apr 2007.
ADB	Mar 2007	5.4	--	--	--	--	1.6	Asian Development Outlook 2007, Mar 2007.
World Bank	Nov 2006	4.9	--	--	--	--	--	East Asia Update, Nov 2006.
	Apr 2007	5.3	--	--	--	--	--	East Asia and Pacific Update, Apr 2007.
PECC	Nov 2006	5.1	1.7	--	--	--	2.5	State of the Region 2006-2007, Nov 2006.
	May 2007	5.3	--	--	7.4	--	2.2	State of the Region First Quarter Economic Outlook, 2007.
United Nations	Jan 2007	6.2	--	--	--	--	1.7	World Economic Situation and Prospects 2007, Jan 2007.
<b>Private sector analysts:</b>								
<i>(a) Major local banks</i>								
HSBC	Feb 2007	5.3	3.3	8.2	--	--	3	Macro Currencies, February 2007.
	May 2007	5.3	3.5	8	--	--	1.8	Macro Currencies, May 2007.
	Jul 2007	5.4	3.5	8	--	--	1.8	Macro Currencies, July 2007.
Hang Seng Bank	Feb 2007	5.6	--	--	--	--	2.5	Economic Bulletin, February 2007.
	May 2007	5.6	--	--	8	--	2	Economic Bulletin, May 2007.
	Jul 2007	5.6	--	--	8	--	2	Economic Bulletin, Jul 2007.
Standard Chartered Bank	Feb 2007	5	--	--	--	--	2	Asia Focus, 14 Feb 2007.
	May 2007	5.5	--	--	--	--	2	Asia Focus, 16 May 2007.
	Aug 2007	5.5	--	--	--	--	1.8	Asia Focus, 8 Aug 2007.
Bank of China (HK)	Dec 2006	5	3.8	4.8	7.5	7	2.5	Bank of China (HK) Research, Dec 2006.
	Jun 2007	5	3.8	4.8	7.5	7	2	BOC Economic Review Monthly, Jun 2007.
Bank of East Asia	Jan 2007	5	5.5	4.5	7.4	7	2.7	Economic Analysis, Jan 2007.
	Aug 2007	6	--	--	--	--	2	Bank of East Asia, 13 Aug 2007.

**Table 3 (cont'd)**

**2007 GDP and price forecasts for Hong Kong put out by selected international organisations and private sector analysts**

	Date of release	GDP	Private consumption expenditure (growth rate)	Gross domestic fixed capital formation in real	Total exports of goods terms (%)	Exports of services	Rate of change in consumer prices (%)	Reference source
ABN Amro Bank	Jan 2007	4	3.6	6	--	--	3	Asia Vision, 10 Jan 2007.
	May 2007	4.8	--	--	--	--	--	Asia Vision, 30 May 2007.
	Jul 2007	5.5	--	--	--	--	2.1	Macro forecast, Jul 2007.
Citigroup	Jan 2007	6	4.3	5.8	--	--	2.6	Asia Economic Outlook and Strategy, 26 Jan 2007.
	Apr 2007	6	4.8	5.9	--	--	1.8	Asia Economic Outlook and Strategy, 27 Apr 2007.
	Jul 2007	6	--	--	--	--	1.8	Hong Kong Economics, 2 Jul 2007.
<i>(b) Investment bank</i>								
JP Morgan Chase	Feb 2007	5	--	--	--	--	2.5	Global Data Watch, 16 Feb 2007.
	May 2007	5.5	--	--	--	--	1.8	JP Morgan Chase, 14 May 2007.
	Aug 2007	5.3	--	--	--	--	1.6	JP Morgan Chase, 13 Aug 2007.
Goldman Sachs Asia	Feb 2007	5.5	--	--	--	--	3.1	Goldman Sachs Asia, 26 Feb 2007.
	May 2007	5.5	--	--	--	--	3.1	Goldman Sachs Asia, 15 May 2007.
	Aug 2007	6	--	--	--	--	2.9	Goldman Sachs Asia, 13 Aug 2007.
Morgan Stanley Asia	Nov 2006	5	4.2	6.4	--	--	2.5	Morgan Stanley Research, 21 Nov 2006.
	Feb 2007	5	4.2	5.8	10	7	2.5	Morgan Stanley Research, 28 Feb 2007.
	May 2007	5	4.5	6	--	--	2.5	Hong Kong Economics, 21 May 2007.
Merrill Lynch	Apr 2007	4.6	--	--	--	--	2.3	The Asian Market Economist, 16 Apr 2007.
Credit Suisse	Dec 2006	4.5	--	--	--	--	3-5	Hong Kong Economics Times, 22 Dec 2006.
	Mar 2007	5	4.5	8.5	--	--	2.2	Emerging Markets Quarterly, 14 Mar 2007.
	Jun 2007	5	5.5	6.5	--	--	2	Emerging Markets Quarterly, 20 Jun 2007.
Lehman Brothers	Feb 2007	5.5	--	--	--	--	2.5	Global Weekly Economic Monitor, 16 Feb 2007.
	May 2007	5.5	--	--	--	--	2.5	Global Weekly Economic Monitor, 11 May 2007.
	Aug 2007	6.5	--	--	--	--	1.5	Global Weekly Economic Monitor, 10 Aug 2007.

**Table 3 (cont'd)**

**2007 GDP and price forecasts for Hong Kong put out by selected international organisations and private sector analysts**

	<u>Date of release</u>	<u>GDP</u>	<u>Private consumption expenditure</u> ( growth rate	<u>Gross domestic fixed capital formation</u> in real	<u>Total exports of goods</u> terms (%) )	<u>Exports of services</u>	<u>Rate of change in consumer prices</u> (%)	<u>Reference source</u>
<i>(c) Others</i>								
Economist Intelligence Unit	Mar 2007	4.6	4.9	7.5	--	--	2.5	Country Forecast, Mar 2007.
	Apr 2007	5.7	5.7	8.1	--	--	2.5	Country Forecast, Apr 2007.
	May 2007	5.4	5.2	8.1	--	--	2.6	Country Forecast, May 2007.
	Jul 2007	5.7	5.5	6.5	--	--	2	Country Forecast, Jul 2007.
	Aug 2007	5.9	5.8	6.5	--	--	1.9	Country Forecast, Aug 2007.
Hong Kong General Chamber of Commerce	Feb 2007	5	--	--	--	--	2.5	HKGCC, 24 Feb 2007.
University of Hong Kong	Apr 2007	5-6	--	--	--	--	2.2	APEC Study Center, HKU 11 Apr 2007.
	Jul 2007	5.2	--	--	--	--	--	APEC Study Center, HKU 4 Jul 2007.
Federation of Hong Kong Industries	Jan 2007	5.5-6	--	--	--	--	--	Press release, 18 Jan 2007.

**Observation :**

The forecasts of GDP growth in real terms for 2007 from the private sector analysts listed above are mostly in the range of 5-6%, averaging at 5.5%.