High Frequency Macroeconomic Forecast

Fourth Quarter 2009

APEC Study Center
The University of Hong Kong

October 7, 2009

http://www.hku.hk/apec/

High Frequency Macroeconomic Forecasts
APEC Study Center
The University of Hong Kong

Current Quarter Model Forecast
(Percentage)

	2009				
	Q1	Q2	Q3 (forecast)	Q4 (forecast)	Annual (forecast)
Gross Domestic Product	-7.8	-3.8	-2.1	1.0	-3.1
Private Consumption Expenditure	-6.0	-1.0	0.2	1.1	-1.4
Government Consumption Expenditure	1.4	1.6	1.8	1.8	1.7
Total Export of Goods & Services	-19.3	-11.1	-11.4	-6.8	-12.0
Total Import of Goods & Services	-20.0	-12.0	-11.8	-7.3	-12.7
Gross Fixed Capital Formation	-13.7	-14.0	-3.0	7.3	-6.4
Unemployment Rate	5.2	5.4	5.3	5.2	5.3

Date of Forecast: October 5, 2009

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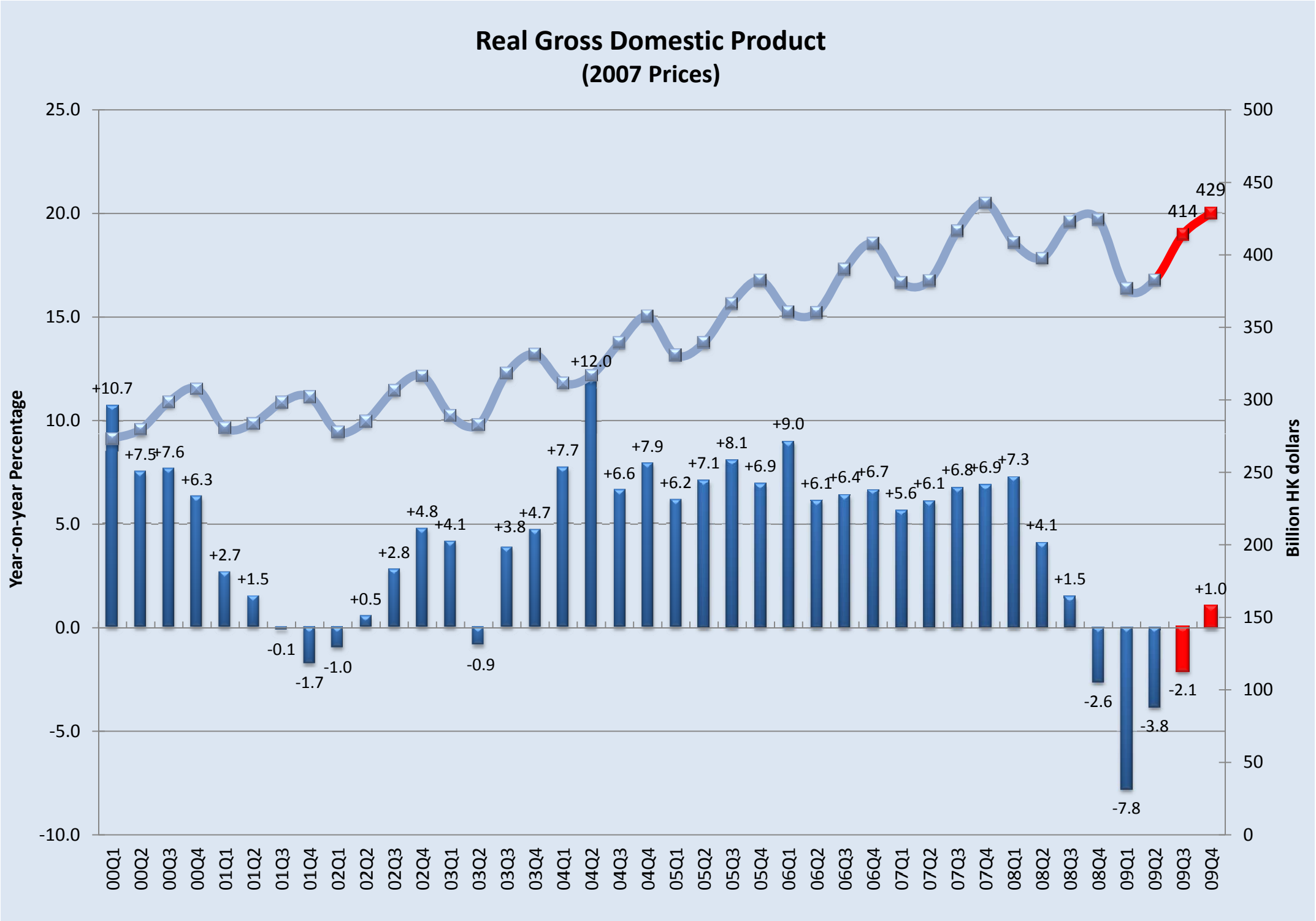
Current Quarter Model Forecast
Contribution to total GDP Growth (Percentage Points)

	2009				
	Q1	Q2	Q3 (forecast)	Q4 (forecast)	Annual (forecast)
Gross Domestic Product	-7.8	-3.8	-2.1	1.0	-3.1
Private Consumption Expenditure	-3.6	-0.6	0.1	0.6	-0.9
Government Consumption Expenditure	0.1	0.1	0.1	0.1	0.1
Net Export of Goods & Services	-0.6	1.0	-0.8	-0.2	-0.2
Gross Fixed Capital Formation	-2.8	-3.0	-0.6	1.2	-1.2
Changes in Inventories	-0.9	-1.3	-0.9	-0.8	-1.0

Date of Forecast: October 5, 2009


Real Gross Domestic Product
(2007 Prices)
Year-on-year Percentage
Billion HK dollars
25.0
20.0
15.0
10.0
5.0
0.0
-5.0
-10.0
500
450
400
350
300
250
200
150
100
50
0
+10.7
+7.5
+7.6
+6.3
+2.7
+1.5
-0.1
-1.7
-1.0
+0.5
+2.8
+4.8
+4.1
-0.9
+3.8
+4.7
+7.7
+12.0
+6.6
+7.9
+6.2
+7.1
+8.1
+6.9
+9.0
+6.1
+6.4
+6.7
+5.6
+6.1
+6.8
+6.9
+7.3
+4.1
+1.5
-2.6
-7.8
-3.8
-2.1
+1.0
414
429
00Q1
00Q2
00Q3
00Q4
01Q1
01Q2
01Q3
01Q4
02Q1
02Q2
02Q3
02Q4
03Q1
03Q2
03Q3
03Q4
04Q1
04Q2
04Q3
04Q4
05Q1
05Q2
05Q3
05Q4
06Q1
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06Q3
06Q4
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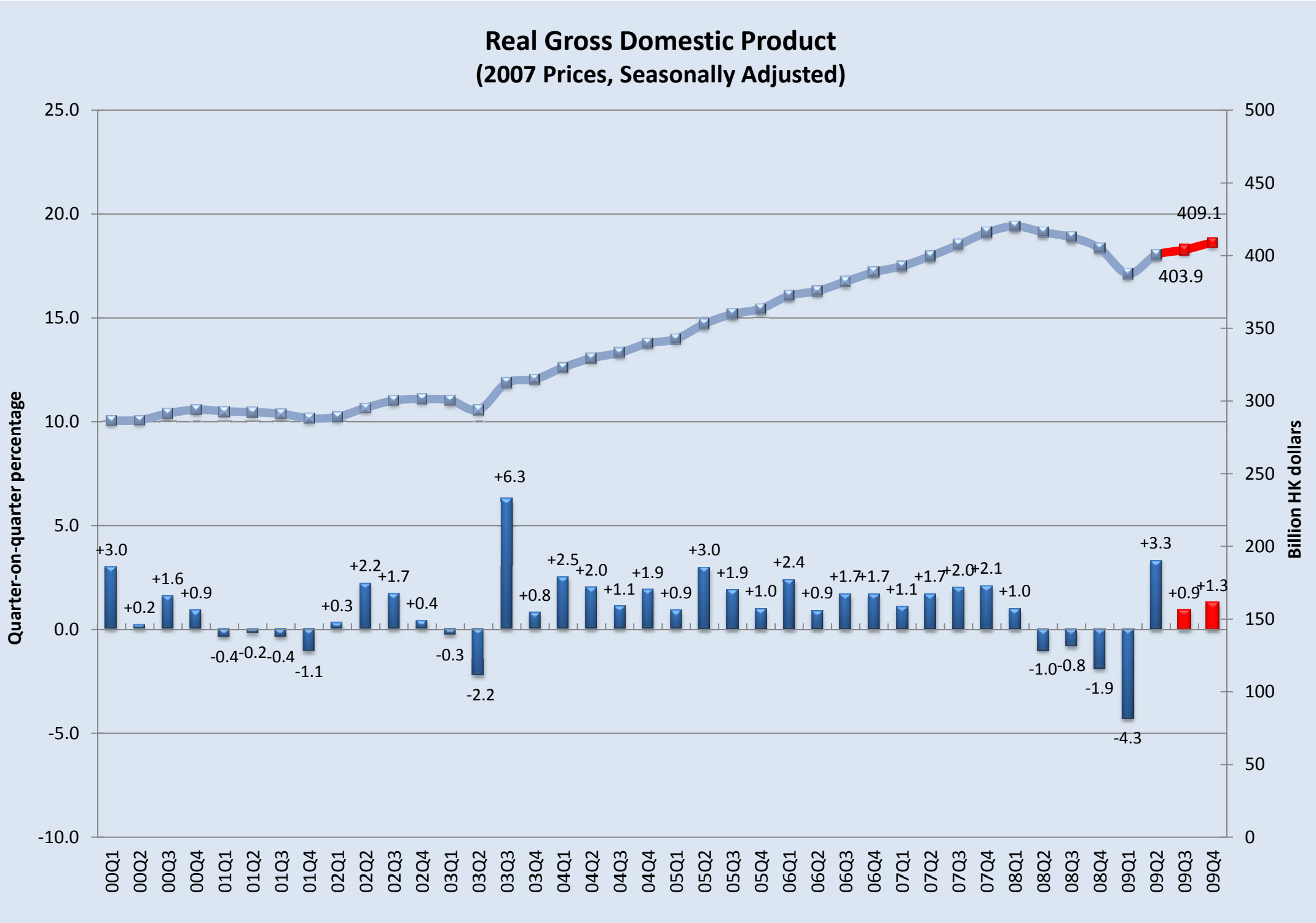
Real Gross Domestic Product
(2007 Prices, Seasonally Adjusted)
Quarter-on-quarter percentage
Billion HK dollars
25.0
20.0
15.0
10.0
5.0
0.0
-5.0
-10.0
500
450
400
350
300
250
200
150
100
50
0
409.1
403.9
+3.0
+0.2
+1.6
+0.9
-0.4
-0.2
-0.4
-1.1
+0.3
+2.2
+1.7
+0.4
-0.3
-2.2
+6.3
+0.8
+2.5
+2.0
+1.1
+1.9
+0.9
+3.0
+1.9
+1.0
+2.4
+0.9
+1.7
+1.7
+1.1
+1.7
+2.0
+2.1
+1.0
-1.0
-0.8
-1.9
-4.3
+3.3
+0.9
+1.3
00Q1
00Q2
00Q3
00Q4
01Q1
01Q2
01Q3
01Q4
02Q1
02Q2
02Q3
02Q4
03Q1
03Q2
03Q3
03Q4
04Q1
04Q2
04Q3
04Q4
05Q1
05Q2
05Q3
05Q4
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06Q3
06Q4
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09Q3
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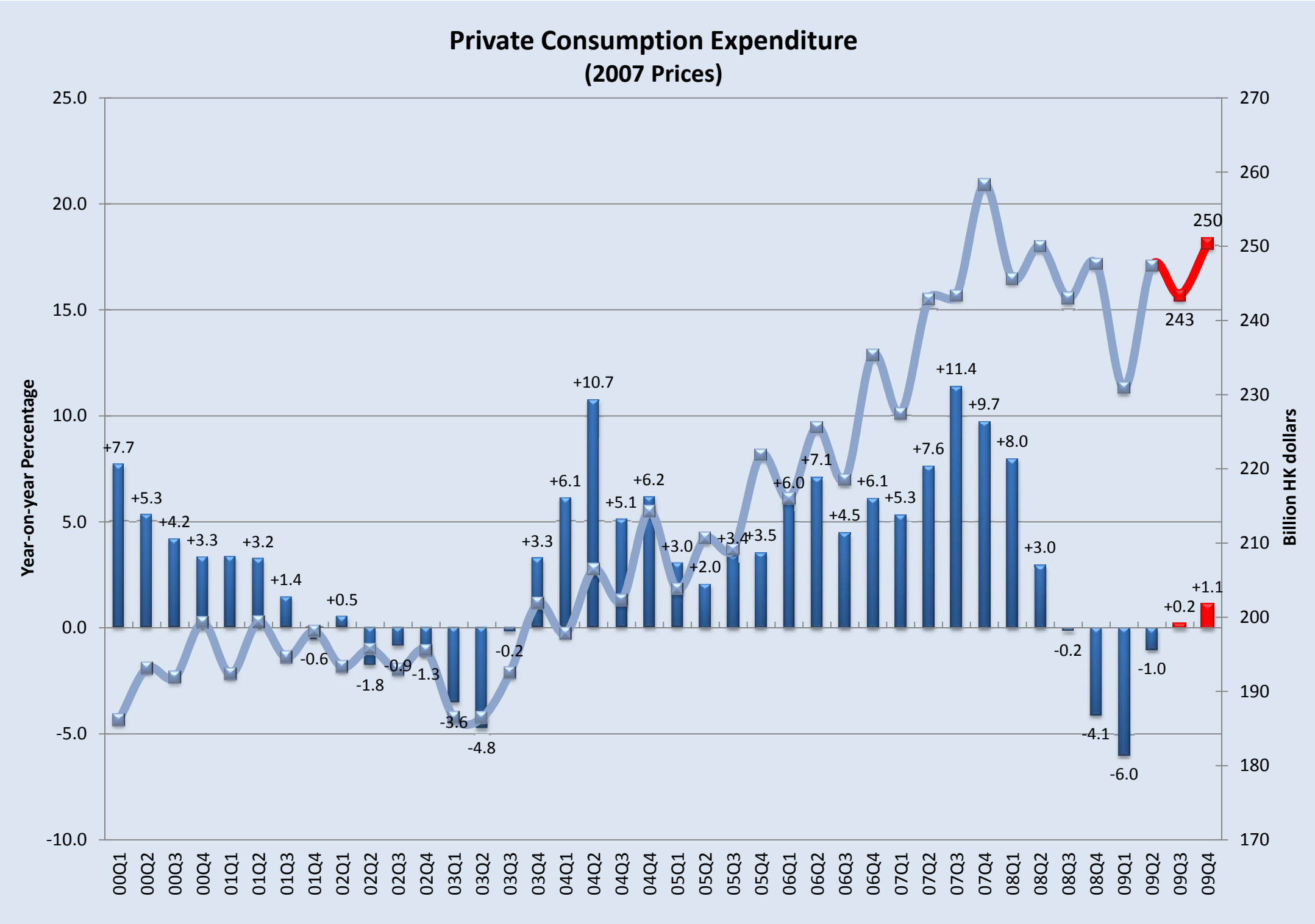
Private Consumption Expenditure
(2007 Prices)
Year-on-year Percentage
Billion HK dollars
25.0
20.0
15.0
10.0
5.0
0.0
-5.0
-10.0
270
260
250
240
230
220
210
200
190
180
170
+7.7
+5.3
+4.2
+3.3
+3.2
+1.4
-0.6
+0.5
-1.8
-0.9
-1.3
-3.6
-4.8
-0.2
+3.3
+6.1
+10.7
+5.1
+6.2
+3.0
+2.0
+3.4
+3.5
+6.0
+7.1
+4.5
+6.1
+5.3
+7.6
+11.4
+9.7
+8.0
+3.0
-0.2
-4.1
-6.0
-1.0
+0.2
+1.1
250
243
00Q1
00Q2
00Q3
00Q4
01Q1
01Q2
01Q3
01Q4
02Q1
02Q2
02Q3
02Q4
03Q1
03Q2
03Q3
03Q4
04Q1
04Q2
04Q3
04Q4
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05Q3
05Q4
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06Q3
06Q4
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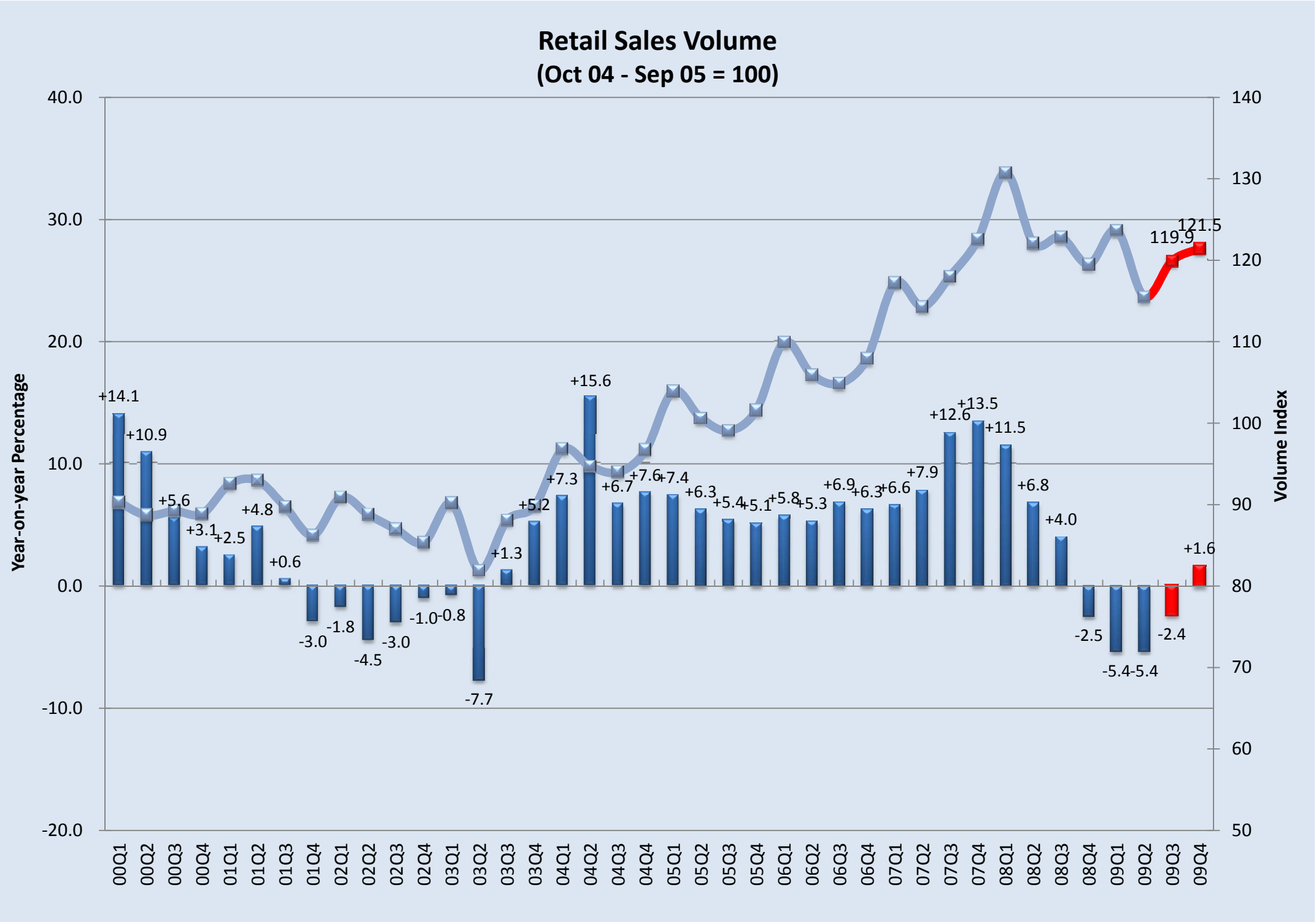
Retail Sales Volume
(Oct 04 - Sep 05 = 100)
Year-on-year Percentage
Volume Index
40.0
30.0
20.0
10.0
0.0
-10.0
-20.0
140
130
120
110
100
90
80
70
60
50
+14.1
+10.9
+5.6
+3.1
+2.5
+4.8
+0.6
-3.0
-1.8
-4.5
-3.0
-1.0
-0.8
-7.7
+1.3
+5.2
+7.3
+15.6
+6.7
+7.6
+7.4
+6.3
+5.4
+5.1
+5.8
+5.3
+6.9
+6.3
+6.6
+7.9
+12.6
+13.5
+11.5
+6.8
+4.0
-2.5
-5.4
-5.4
-2.4
+1.6
119.9
121.5
00Q1
00Q2
00Q3
00Q4
01Q1
01Q2
01Q3
01Q4
02Q1
02Q2
02Q3
02Q4
03Q1
03Q2
03Q3
03Q4
04Q1
04Q2
04Q3
04Q4
05Q1
05Q2
05Q3
05Q4
06Q1
06Q2
06Q3
06Q4
07Q1
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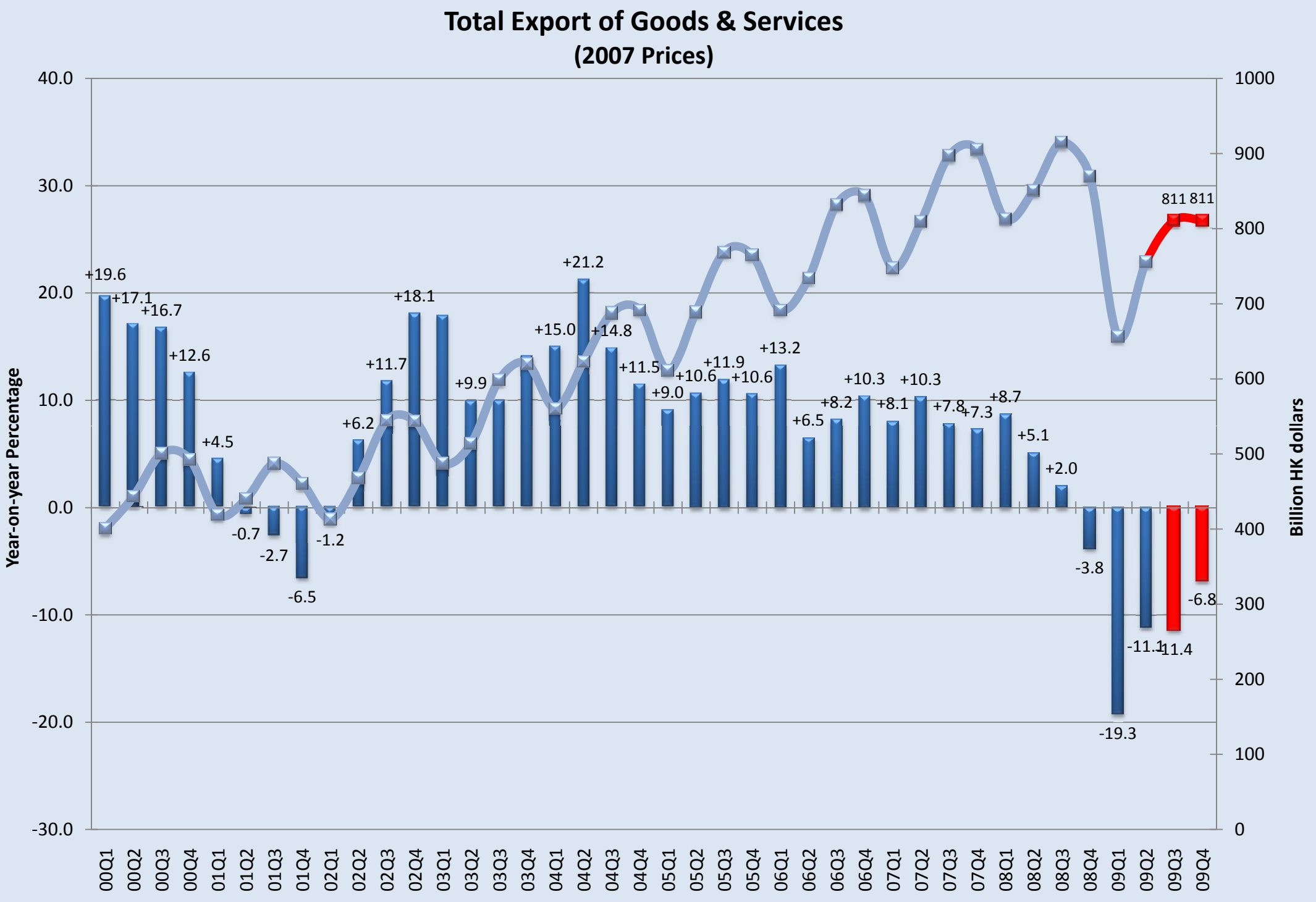
09Q4


Total Export of Goods & Services
(2007 Prices)
Year-on-year Percentage
Billion HK dollars
40.0
30.0
20.0
10.0
0.0
-10.0
-20.0
-30.0
1000
900
800
700
600
500
400
300
200
100
0
+19.6
+17.1
+16.7
+12.6
+4.5
-0.7
-2.7
-6.5
-1.2
+6.2
+11.7
+18.1
+9.9
+15.0
+21.2
+14.8
+11.5
+9.0
+10.6
+11.9
+10.6
+13.2
+6.5
+8.2
+10.3
+8.1
+10.3
+7.8
+7.3
+8.7
+5.1
+2.0
-3.8
-19.3
-11.1
-11.4
-6.8
811
811
00Q1
00Q2
00Q3
00Q4
01Q1
01Q2
01Q3
01Q4
02Q1
02Q2
02Q3
02Q4
03Q1
03Q2
03Q3
03Q4
04Q1
04Q2
04Q3
04Q4
05Q1
05Q2
05Q3
05Q4
06Q1
06Q2
06Q3
06Q4
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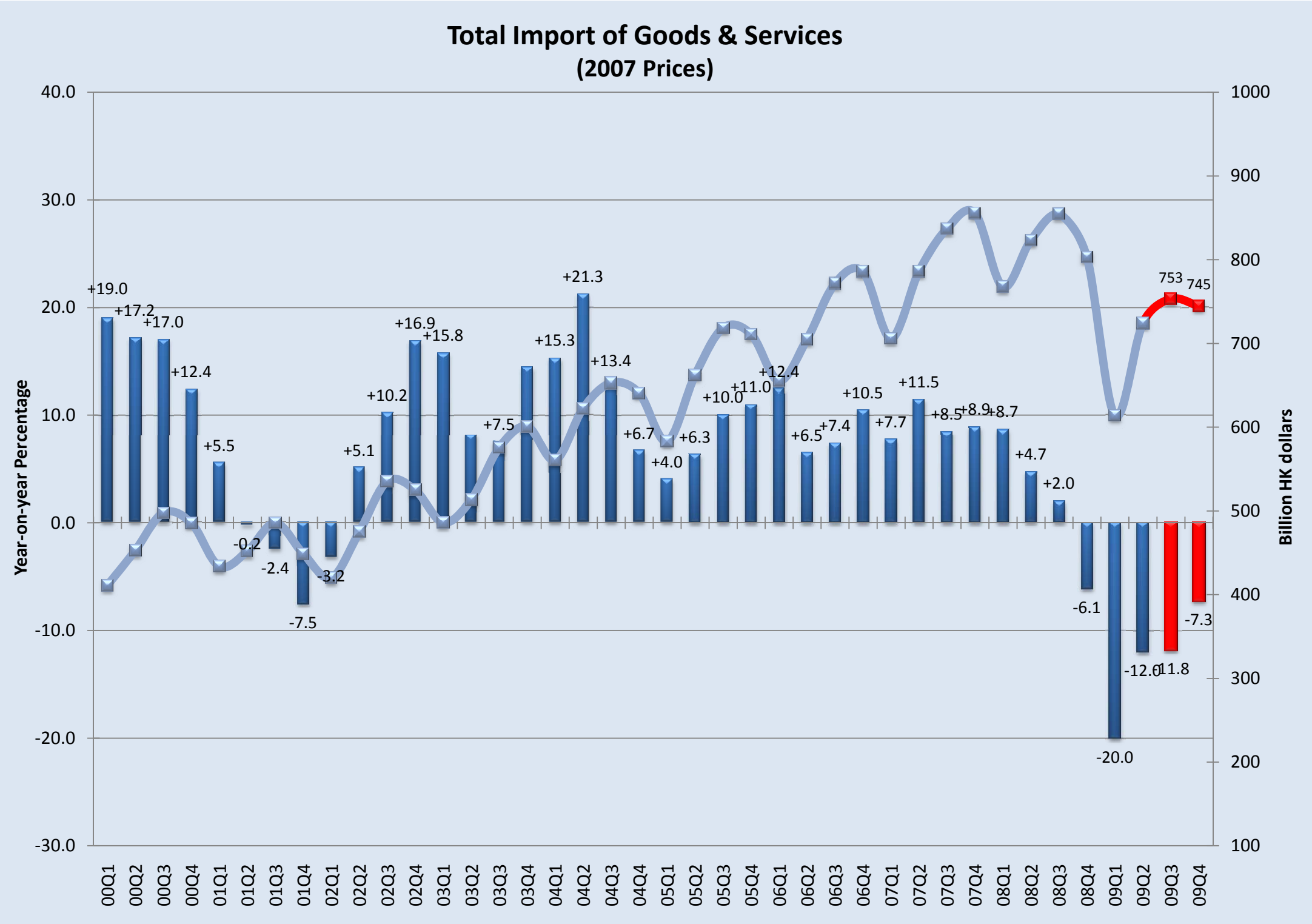
09Q3
09Q4


Total Import of Goods & Services
(2007 Prices)
Year-on-year Percentage
Billion HK dollars
40.0
30.0
20.0
10.0
0.0
-10.0
-20.0
-30.0
1000
900
800
700
600
500
400
300
200
100
+19.0
+17.2
+17.0
+12.4
+5.5
-0.2
-2.4
-7.5
-3.2
+5.1
+10.2
+16.9
+15.8
+7.5
+15.3
+21.3
+13.4
+6.7
+4.0
+6.3
+10.0
+11.0
+12.4
+6.5
+7.4
+10.5
+7.7
+11.5
+8.5
+8.9
+8.7
+4.7
+2.0
-6.1
-20.0
-12.0
-11.8
-7.3
753
745
00Q1
00Q2
00Q3
00Q4
01Q1
01Q2
01Q3
01Q4
02Q1
02Q2
02Q3
02Q4
03Q1
03Q2
03Q3
03Q4
04Q1
04Q2
04Q3
04Q4
05Q1
05Q2
05Q3
05Q4
06Q1
06Q2
06Q3
06Q4
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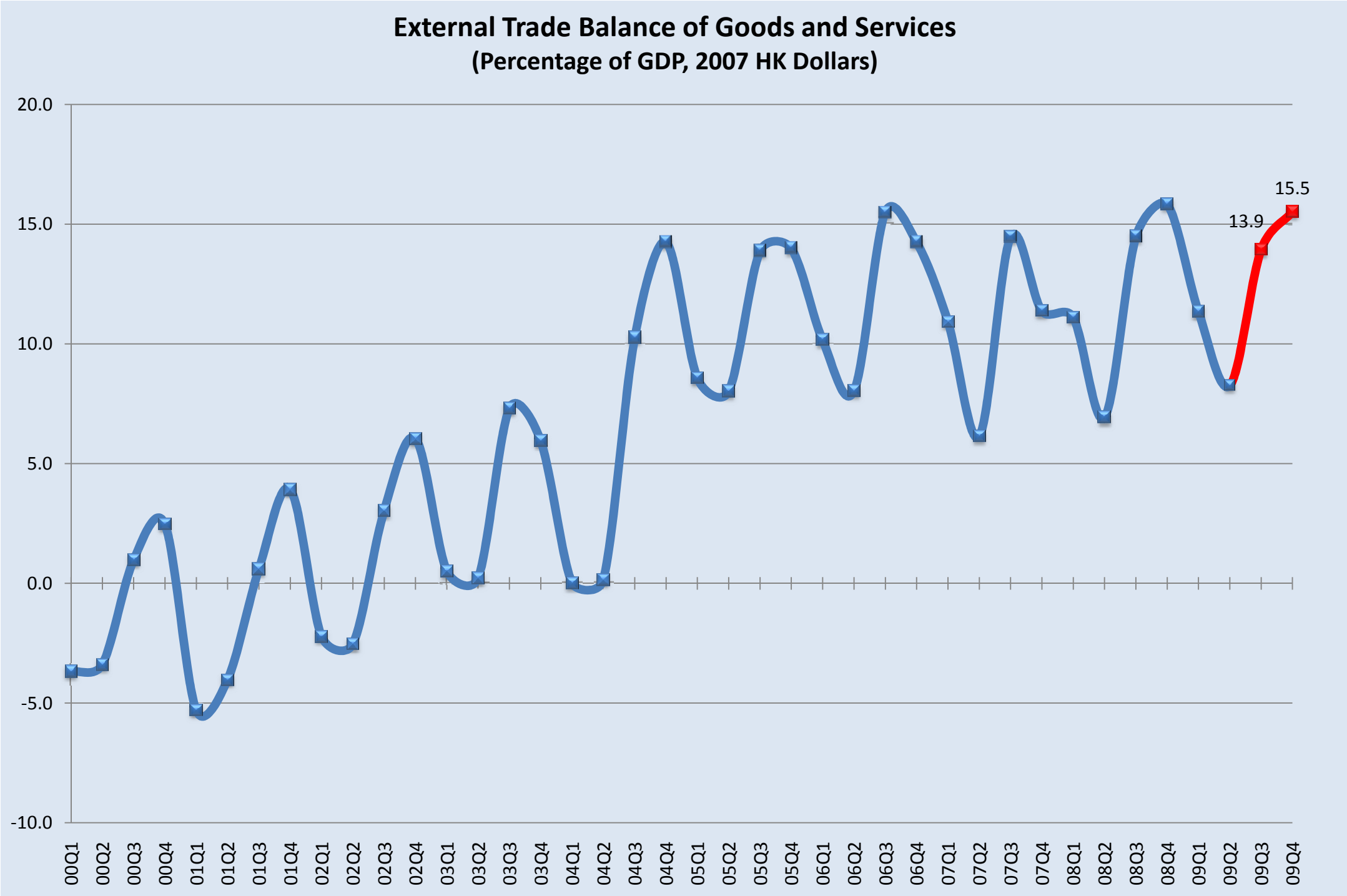
08Q4
09Q1
09Q2
09Q3
09Q4


External Trade Balance of Goods and Services
(Percentage of GDP, 2007 HK Dollars)
20.0
15.0
10.0
5.0
0.0
-5.0
-10.0
15.5
13.9
00Q1
00Q2
00Q3
00Q4
01Q1
01Q2
01Q3
01Q4
02Q1
02Q2
02Q3
02Q4
03Q1
03Q2
03Q3
03Q4
04Q1
04Q2
04Q3
04Q4
05Q1
05Q2
05Q3
05Q4
06Q1
06Q2
06Q3
06Q4
07Q1
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08Q2
08Q3
08Q4
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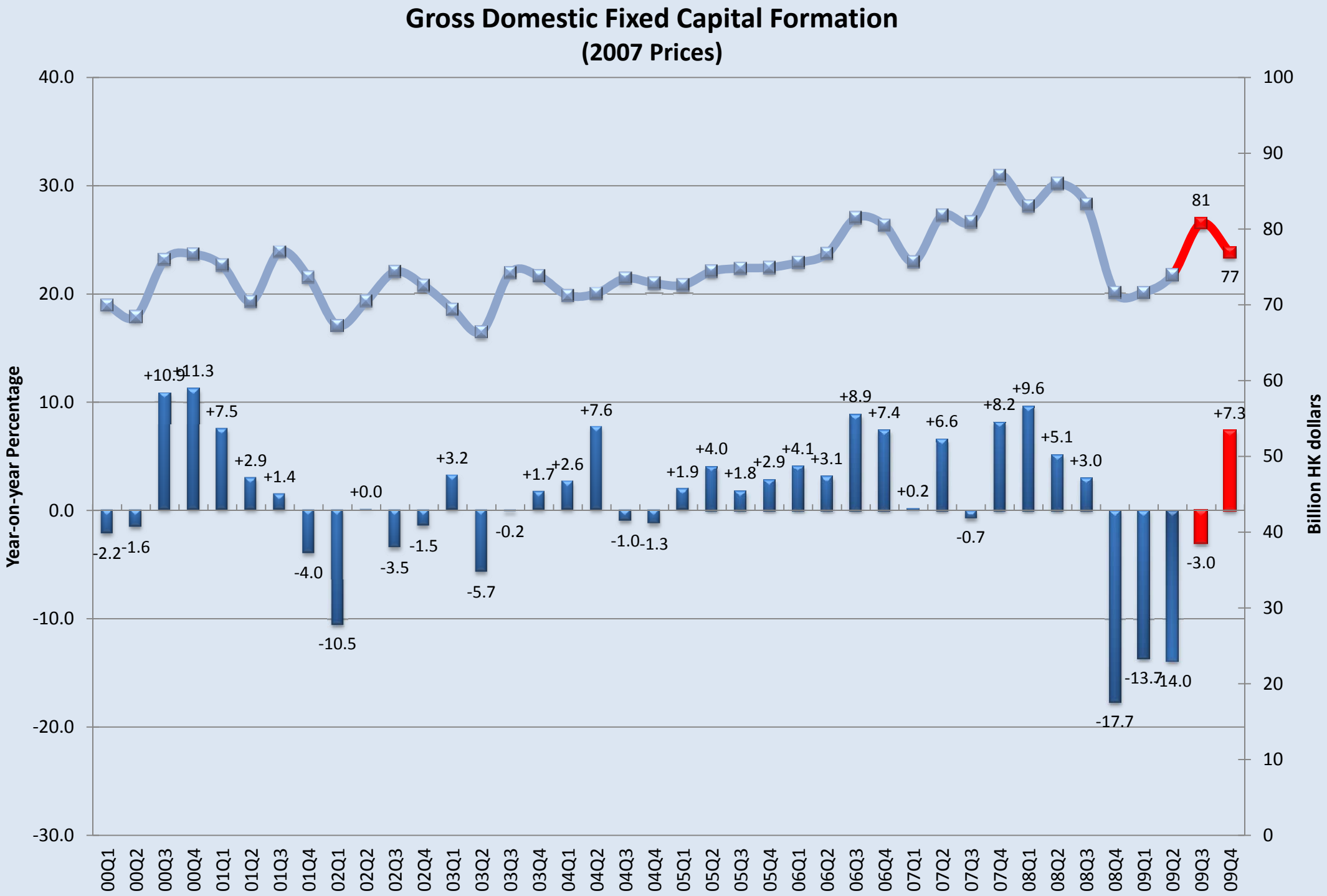
09Q2
09Q3
09Q4


Gross Domestic Fixed Capital Formation
(2007 Prices)
Year-on-year Percentage
Billion HK dollars
40.0
30.0
20.0
10.0
0.0
-10.0
-20.0
-30.0
100
90
80
70
60
50
40
30
20
10
0
-2.2
-1.6
+10.9
+11.3
+7.5
+2.9
+1.4
-4.0
-10.5
+0.0
-3.5
-1.5
+3.2
-5.7
-0.2
+1.7
+2.6
+7.6
-1.0
-1.3
+1.9
+4.0
+1.8
+2.9
+4.1
+3.1
+8.9
+7.4
+0.2
+6.6
-0.7
+8.2
+9.6
+5.1
+3.0
-17.7
-13.7
-14.0
-3.0
+7.3
81
77
00Q1
00Q2
00Q3
00Q4
01Q1
01Q2
01Q3
01Q4
02Q1
02Q2
02Q3
02Q4
03Q1
03Q2
03Q3
03Q4
04Q1
04Q2
04Q3
04Q4
05Q1
05Q2
05Q3
05Q4
06Q1
06Q2
06Q3
06Q4
07Q1
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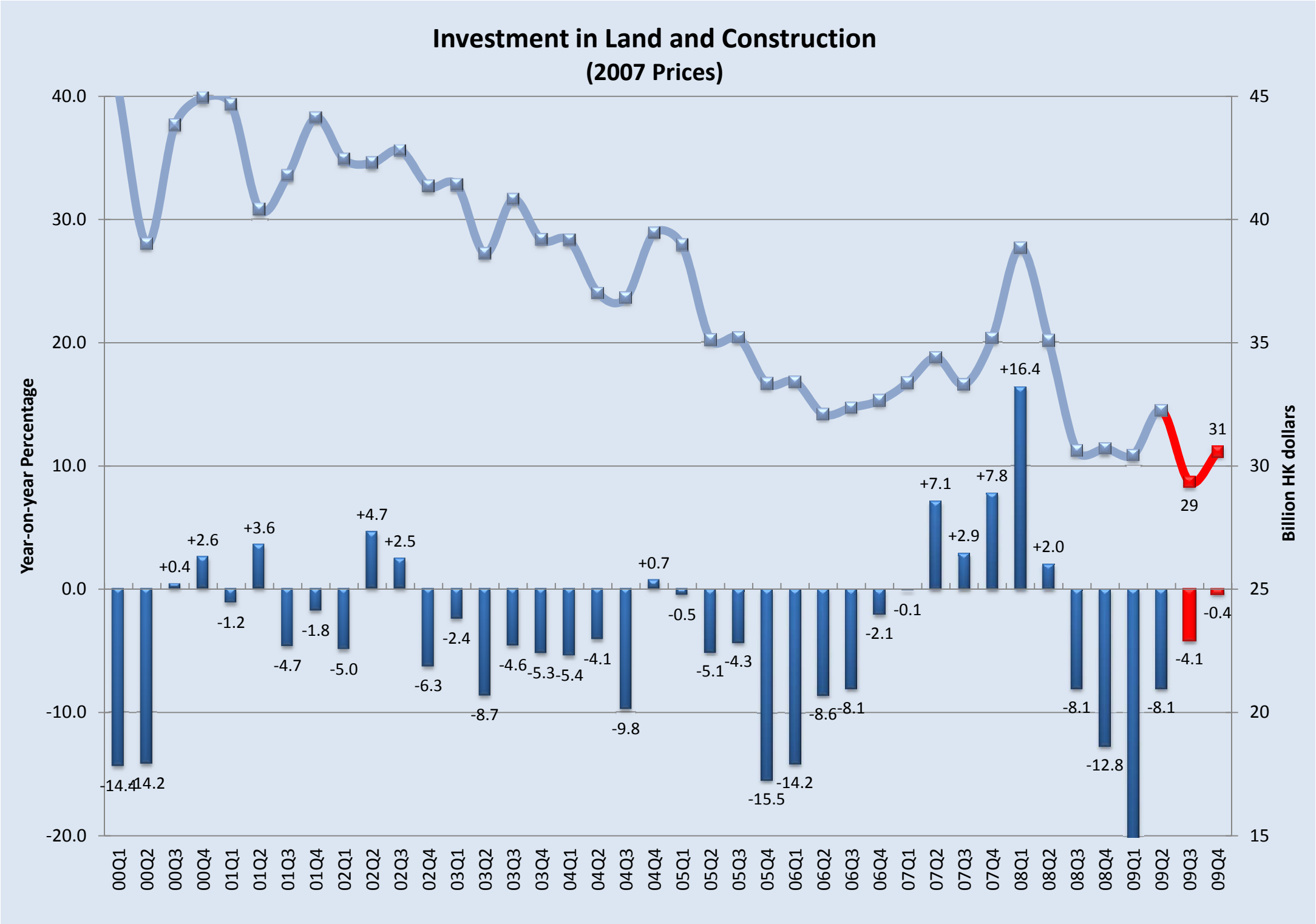
09Q2
09Q3
09Q4


Investment in Land and Construction
(2007 Prices)
Year-on-year Percentage
Billion HK dollars
40.0
30.0
20.0
10.0
0.0
-10.0
-20.0
45
40
35
30
25
20
15
-14.4
-14.2
+0.4
+2.6
-1.2
+3.6
-4.7
-1.8
-5.0
+4.7
+2.5
-6.3
-2.4
-8.7
-4.6
-5.3
-5.4
-4.1
-9.8
+0.7
-0.5
-5.1
-4.3
-15.5
-14.2
-8.6
-8.1
-2.1
-0.1
+7.1
+2.9
+7.8
+16.4
+2.0
-8.1
-12.8
-8.1
-4.1
-0.4
29
31
00Q1
00Q2
00Q3
00Q4
01Q1
01Q2
01Q3
01Q4
02Q1
02Q2
02Q3
02Q4
03Q1
03Q2
03Q3
03Q4
04Q1
04Q2
04Q3
04Q4
05Q1
05Q2
05Q3
05Q4
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06Q3
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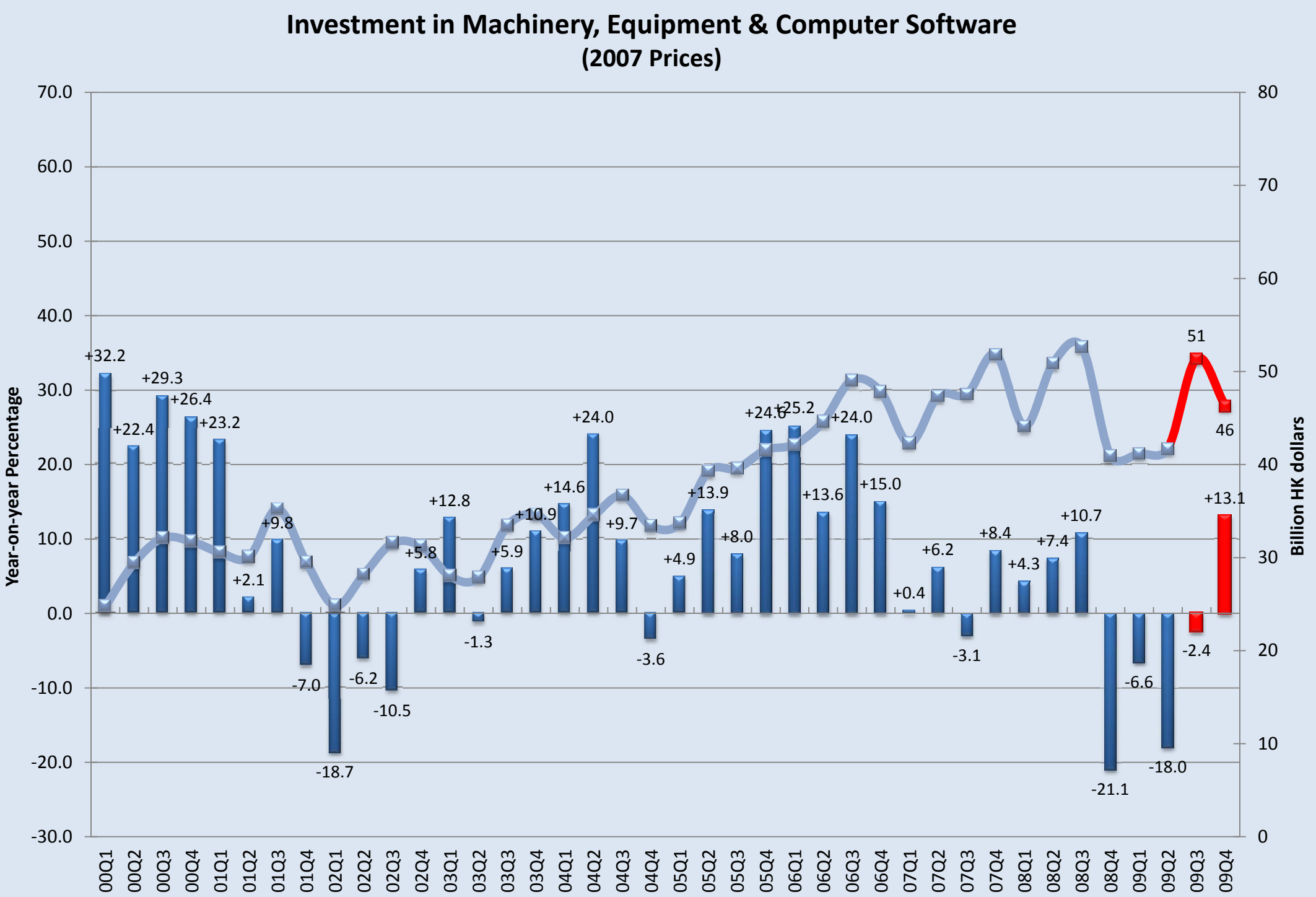
Investment in Machinery, Equipment & Computer Software
(2007 Prices)
Year-on-year Percentage
Billion HK dollars
70.0
60.0
50.0
40.0
30.0
20.0
10.0
0.0
-10.0
-20.0
-30.0
80
70
60
50
40
30
20
10
0
+32.2
+22.4
+29.3
+26.4
+23.2
+2.1
+9.8
-7.0
-18.7
-6.2
-10.5
+5.8
+12.8
-1.3
+5.9
+10.9
+14.6
+24.0
+9.7
-3.6
+4.9
+13.9
+8.0
+24.6
+25.2
+13.6
+24.0
+15.0
+0.4
+6.2
-3.1
+8.4
+4.3
+7.4
+10.7
-21.1
-6.6
-18.0
-2.4
51
46
+13.1
00Q1
00Q2
00Q3
00Q4
01Q1
01Q2
01Q3
01Q4
02Q1
02Q2
02Q3
02Q4
03Q1
03Q2
03Q3
03Q4
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04Q2
04Q3
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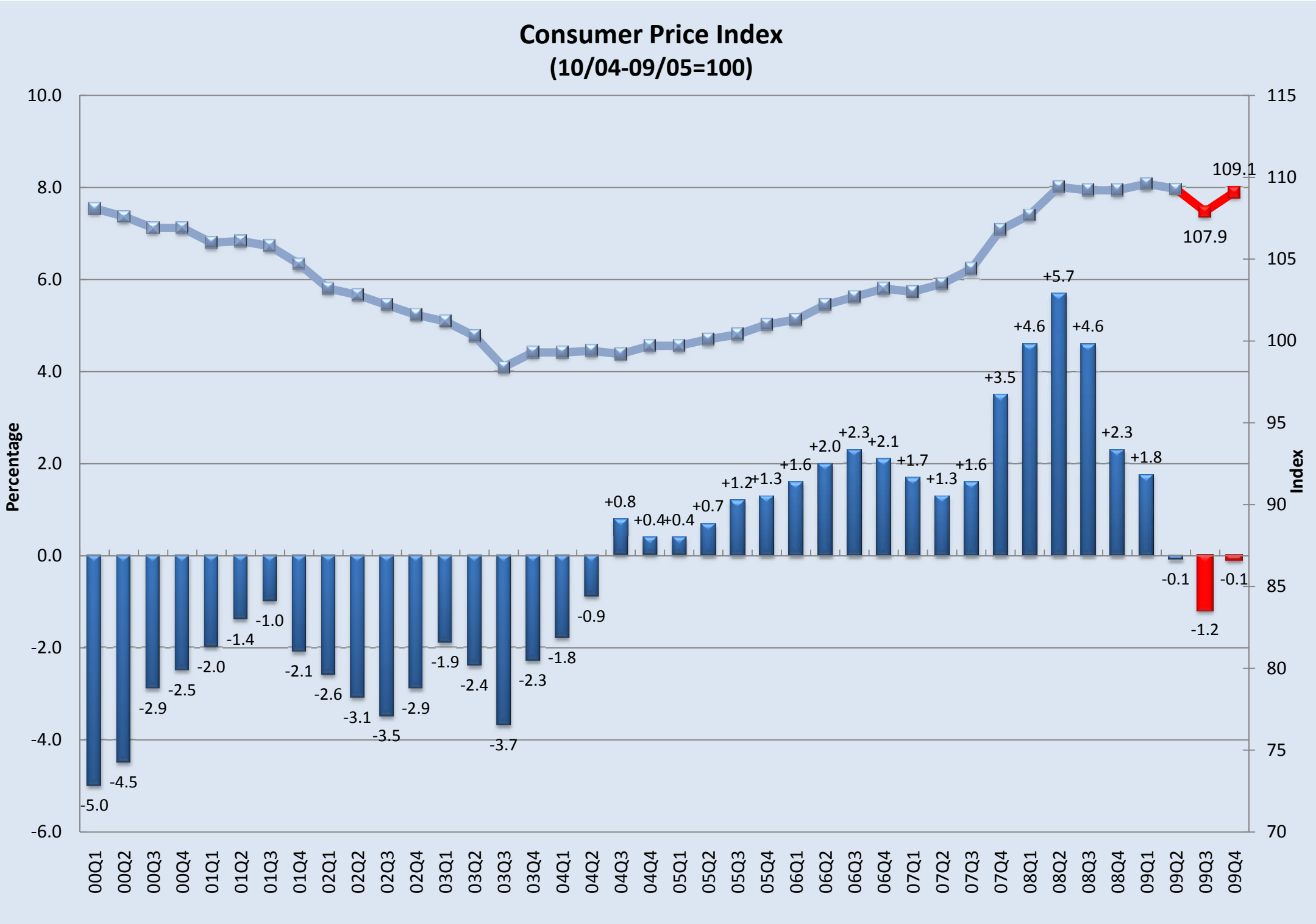
Consumer Price Index
(10/04-09/05=100)
Percentage
Index
10.0
8.0
6.0
4.0
2.0
0.0
-2.0
-4.0
-6.0
115
110
105
100
95
90
85
80
75
70
109.1
107.9
-5.0
-4.5
-2.9
-2.5
-2.0
-1.4
-1.0
-2.1
-2.6
-3.1
-3.5
-2.9
-1.9
-2.4
-3.7
-2.3
-1.8
-0.9
+0.8
+0.4
+0.4
+0.7
+1.2
+1.3
+1.6
+2.0
+2.3
+2.1
+1.7
+1.3
+1.6
+3.5
+4.6
+5.7
+4.6
+2.3
+1.8
-0.1
-1.2
-0.1
00Q1
00Q2
00Q3
00Q4
01Q1
01Q2
01Q3
01Q4
02Q1
02Q2
02Q3
02Q4
03Q1
03Q2
03Q3
03Q4
04Q1
04Q2
04Q3
04Q4
05Q1
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05Q3
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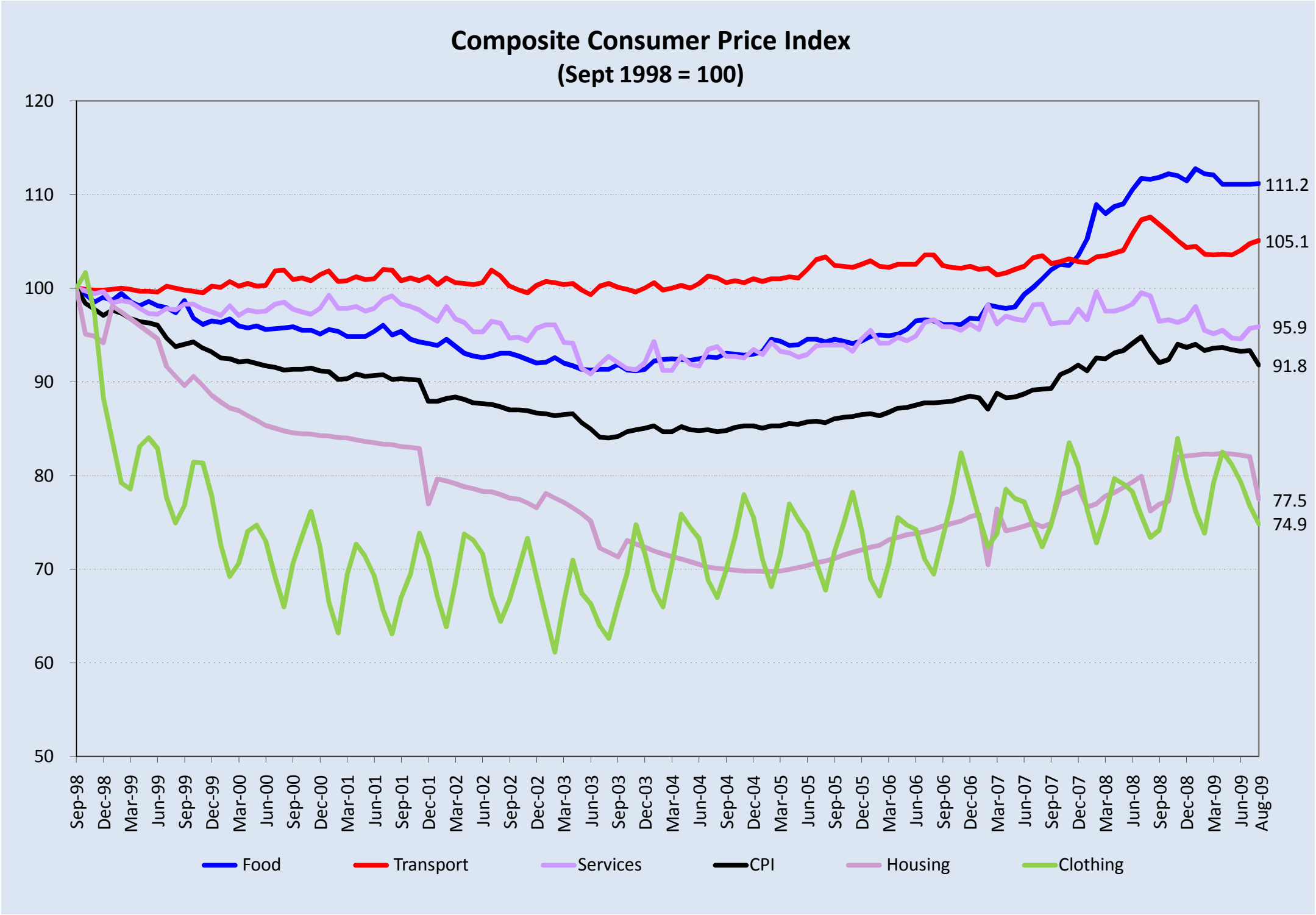
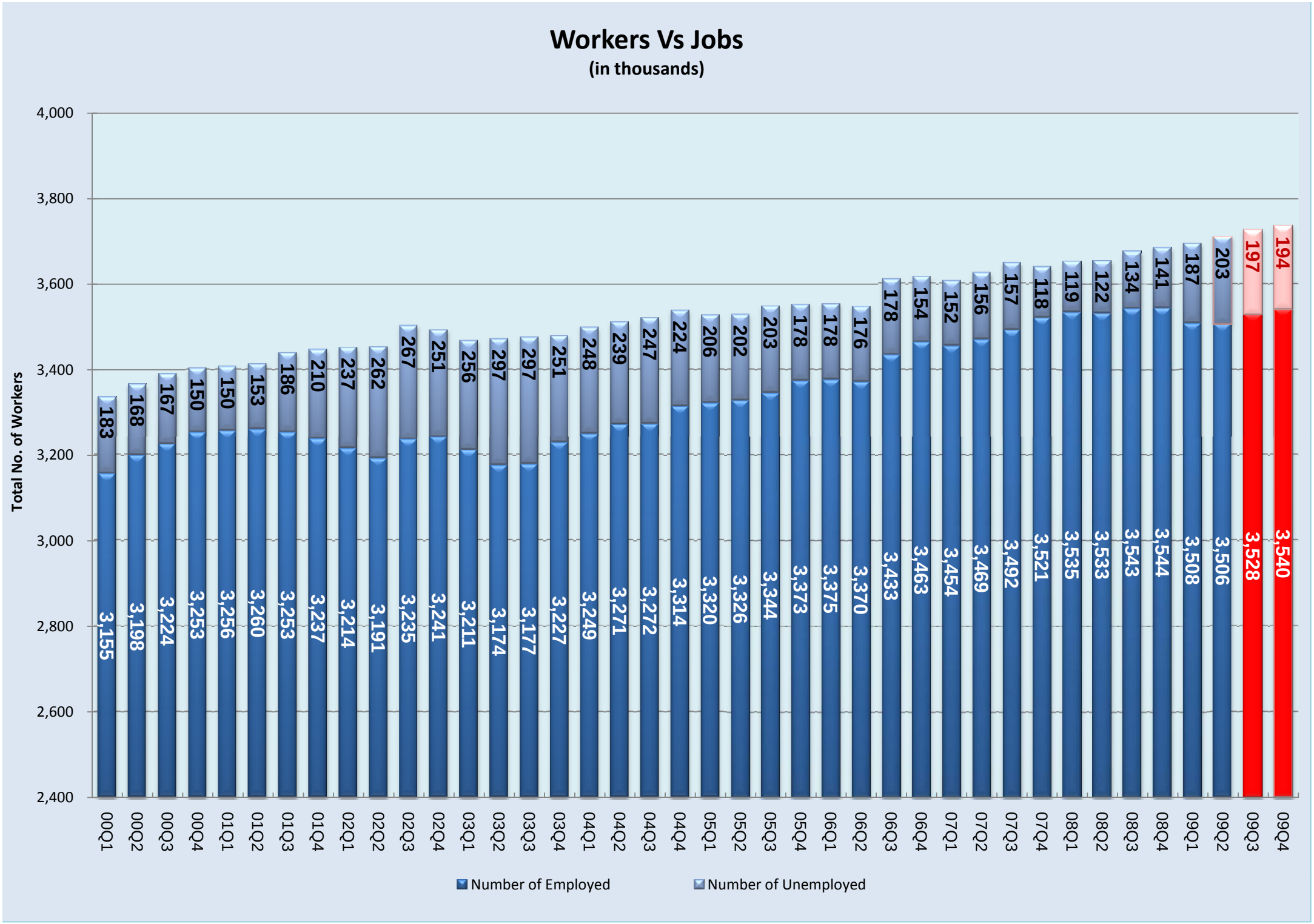
09Q4


Composite Consumer Price Index
(Sept 1998 = 100)
120
110
100
90
80
70
60
50
111.2
105.1
95.9
91.8
77.5
74.9
Sep-98
Dec-98
Mar-99
Jun-99
Sep-99
Dec-99
Mar-00
Jun-00
Sep-00
Dec-00
Mar-01
Jun-01
Sep-01
Dec-01
Mar-02
Jun-02
Sep-02
Dec-02
Mar-03
Jun-03
Sep-03
Dec-03
Mar-04
Jun-04
Sep-04
Dec-04
Mar-05
Jun-05
Sep-05
Dec-05
Mar-06
Jun-06
Sep-06
Dec-06
Mar-07
Jun-07
Sep-07
Dec-07
Mar-08
Jun-08
Sep-08
Dec-08
Mar-09
Jun-09
Aug-09
Food
Transport
Services
CPI
Housing
Clothing

Unemployment
Percentage
Thousand Persons
18.0
16.0
14.0
12.0
10.0
8.0
6.0
4.0
2.0
0.0
350
300
250
200
150
100
50
-
297
197
194
5.6 5.1 4.8 4.4 4.5 4.5 5.2 6.3 7.0 7.5 7.3 7.4 7.5 8.5 8.2 7.5 7.2 6.7 6.7 6.6 6.0 5.7 5.4 5.2 5.1 4.9 4.7 4.4 4.4 4.2 4.0 3.4 3.3 3.3 3.4 4.1 5.2 5.4 5.3 5.2
00Q1 00Q2 00Q3 00Q4 01Q1 01Q2 01Q3 01Q4 02Q1 02Q2 02Q3 02Q4 03Q1 03Q2 03Q3 03Q4 04Q1 04Q2 04Q3 04Q4 05Q1 05Q2 05Q3 05Q4 06Q1 06Q2 06Q3 06Q4 07Q1 07Q2 07Q3 07Q4 08Q1 08Q2 08Q3 08Q4 09Q1 09Q2 09Q3 09Q4
Unemployment Rate (Seasonally Adjusted)
Number of Unemployed


Workers Vs Jobs
(in thousands)
Total No. of Workers
4,000
3,800
3,600
3,400
3,200
3,000
2,800
2,600
2,400
00Q1 183 3,155
00Q2 168 3,198
00Q3 167 3,224
00Q4 150 3,253
01Q1 150 3,256
01Q2 153 3,260
01Q3 186 3,253
01Q4 210 3,237
02Q1 237 3,214
02Q2 262 3,191
02Q3 267 3,235
02Q4 251 3,241
03Q1 256 3,211
03Q2 297 3,174
03Q3 297 3,177
03Q4 251 3,227
04Q1 248 3,249
04Q2 239 3,271
04Q3 247 3,272
04Q4 224 3,314
05Q1 206 3,320
05Q2 202 3,326
05Q3 203 3,344
05Q4 178 3,373
06Q1 178 3,375
06Q2 176 3,370
06Q3 178 3,433
06Q4 154 3,463
07Q1 152 3,454
07Q2 156 3,469
07Q3 157 3,492
07Q4 118 3,521
08Q1 119 3,535
08Q2 122 3,533
08Q3 134 3,543
08Q4 141 3,544
09Q1 187 3,508
09Q2 203 3,506
09Q3 197 3,528
09Q4 194 3,540
Number of Employed
Number of Unemployed

Hong Kong Macroeconomic Forecast Project

Our quarterly forecasts
can be accessed at

http://www.hku.hk/apec/