

High Frequency Macroeconomic Forecast

Second Quarter 2014

APEC Studies Programme HK Institute of Economics & Business Strategy THE UNIVERSITY OF HONG KONG

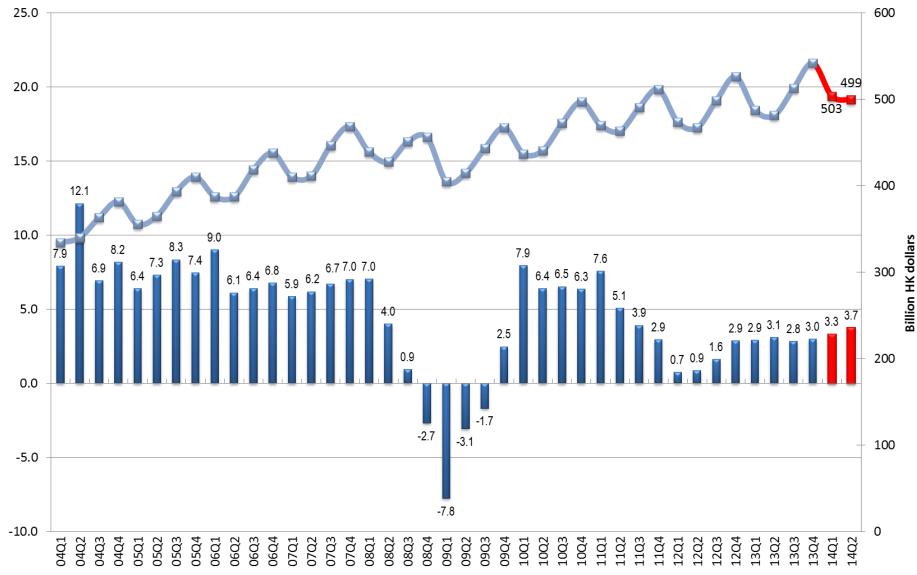
April 9, 2014

	2013					2014		
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	
						` '	(Forecast)	
Gross Domestic Product	2.9	3.1	2.8	3.0	2.9	3.3	3.7	
Private Consumption Expenditure	6.5	4.6	2.4	3.2	4.2	3.4	3.5	
Government Consumption Expenditure	2.2	3.1	2.3	3.2	2.7	3.0	3.0	
Exports of Goods	8.8	6.2	6.2	5.8	6.7	4.1	4.8	
Imports of Goods	9.6	7.6	6.8	6.5	7.6	4.5	5.4	
Exports of Services	5.1	8.0	5.5	4.9	5.8	4.3	4.7	
Imports of Services	0.5	-1.0	2.7	3.7	1.5	1.4	2.9	
Gross Fixed Capital Formation	-3.3	7.6	2.8	5.3	3.3	5.9	2.4	
GFCF in Land & Construction	-2.3	-7.2	-3.2	-8.6	-5.4	-9.7	-5.7	
GFCF in Machinery, Equip. & Computer Software	-4.3	19.4	7.3	17.2	10.5	21.6	7.4	
GDP Deflator Growth Rate	1.3	0.5	1.5	1.0	1.1	1.0	1.0	
CPI (Composite) Inflation Rate	3.7	4.0	5.3	4.3	4.3	4.3	4.1	
Unemployment Rate	3.5	3.3	3.3	3.2	3.3	3.1	3.1	
	-							

	2013				2014			
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	
							(Forecast)	
Gross Domestic Product	^{2.9} 2.9	^{3.2} 3.1	^{2.9} 2.8	^{3.1} 3.0	2.9	^{3.5} 3.3	3.7	
Private Consumption Expenditure	^{6.3} 6.5	^{4.2} 4.6	2.8 2.4	^{3.5} 3.2	4.2	^{3.7} 3.4	3.5	
Government Consumption Expenditure	^{2.1} 2.2	^{3.2} 3.1	2.7 2.3	^{3.0} 3.2	2.7	^{3.0} 3.0	3.0	
Exports of Goods	^{8.8} 8.8	^{6.2} 6.2	^{6.2} 6.2	^{6.3} 5.8	6.7	^{6.1} 4.1	4.8	
Imports of Goods	^{9.6} 9.6	^{7.6} 7.6	^{6.8} 6.8	^{6.1} 6.5	7.6	^{5.9} 4.5	5.4	
Exports of Services	^{5.3} 5.1	^{8.4} 8.0	^{4.9} 5.5	^{5.3} 4.9	5.8	^{5.5} 4.3	4.7	
Imports of Services	^{0.5} 0.5	^{-0.8} -1.0	^{2.4} 2.7	^{4.6} 3.7	1.5	^{3.1} 1.4	2.9	
Gross Fixed Capital Formation	- ^{3.3} -3.3	^{6.9} 7.6	^{2.2} 2.8	^{1.0} 5.3	3.3	^{5.9} 5.9	2.4	
GFCF in Land & Construction	^{-2.6} -2.3	-7.9	-3.9	- 6 .9 -8.6	-5.4	-7.7 -9.7	-5.7	
GFCF in Machinery, Equip. & Computer Software	-4.0	^{19.3} 19.4	^{7.0} 7.3	^{7.9} 17.2	10.5	^{19.9} 21.6	7.4	
GDP Deflator Growth Rate	^{1.4} 1.3	0.8 0.5	^{1.8} 1.5	^{1.5} 1.0	1.1	^{1.2} 1.0	1.0	
CPI (Composite) Inflation Rate	^{3.7} 3.7	4.0 4.0	^{5.3} 5.3	4.2 4.3	4.3	4.0 4.3	4.1	
					1			
Unemployment Rate	3.5	^{3.3} 3.3	^{3.3} 3.3	^{3.3} 3.2	3.3	^{3.2} 3.1	3.1	
	Before C&S revision Previous Forecast							
Data of Faragasti April 2, 2014								

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		2013	20	14	
	Q3	Q4	Annual	Q1	Q2
				(estimate)	(forecast)
Gross Domestic Product	2.8	3.0	2.9	3.3	3.7
Private Consumption Expenditure	2.4	3.2	4.2	3.4	3.5
Government Consumption Expenditure	2.3	3.2	2.7	3.0	3.0
Total Exports of Goods & Services	6.0	5.6	6.5	4.2	4.8
Total Imports of Goods & Services	6.4	6.2	6.9	4.2	5.2
Gross Fixed Capital Formation	2.8	5.3	3.3	5.9	2.4
Unemployment Rate	3.3	3.2	3.3	3.1	3.1

Real Gross Domestic Product (2011 Prices)

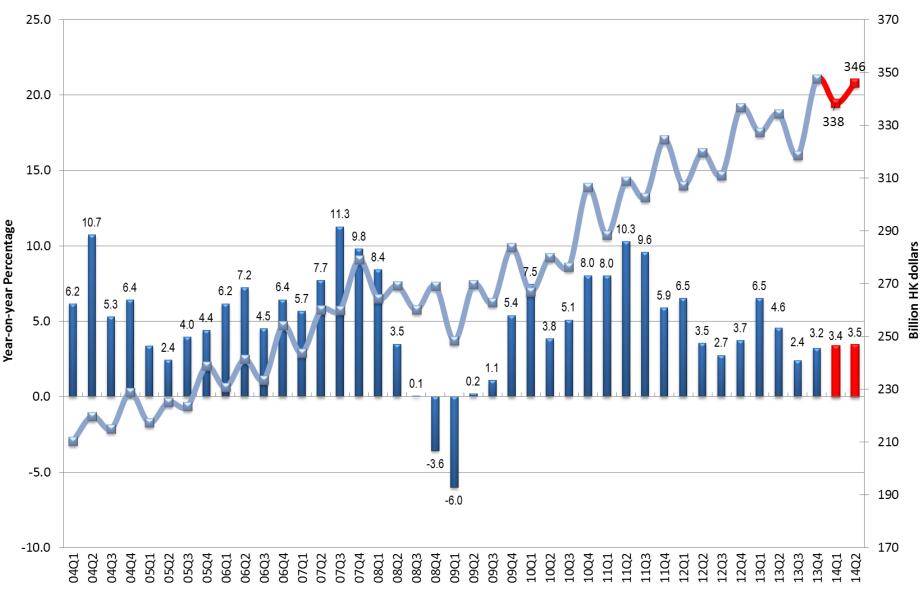


Year-on-year Percentage

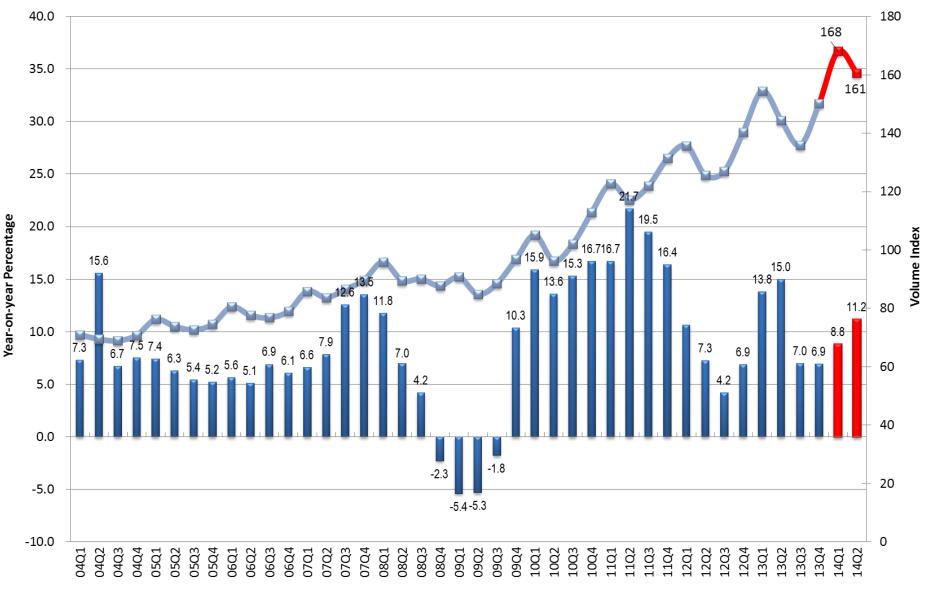
	2013					2014		
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	
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Gross Domestic Product	2.9	3.1	2.8	3.0	2.9	3.3	3.7	
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CPI (Composite) Inflation Rate	3.7	4.0	5.3	4.3	4.3	4.3	4.1	
			0.0		0.0			
Unemployment Rate	3.5	3.3	3.3	3.2	3.3	3.1	3.1	

	2013					2014			
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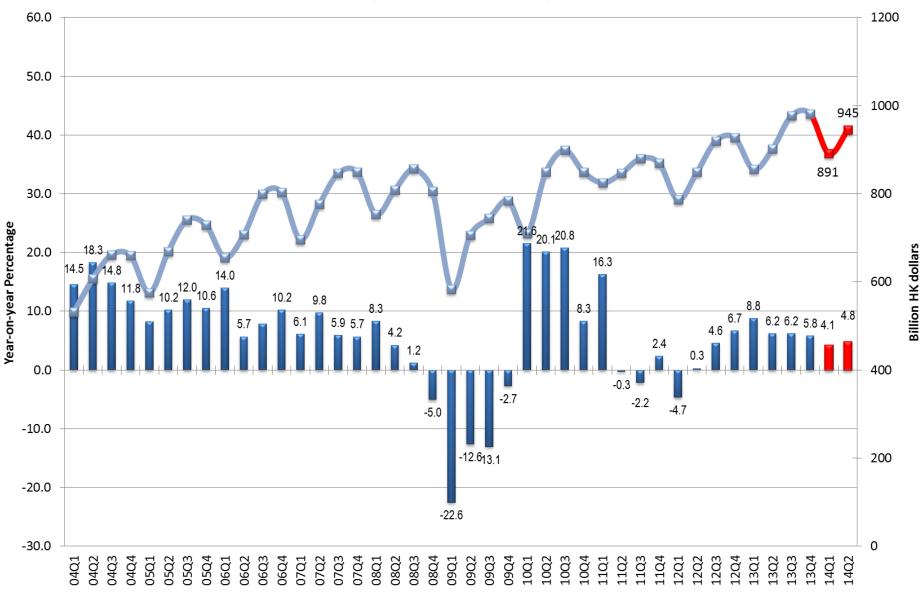
Private Consumption Expenditure (2011 Prices)



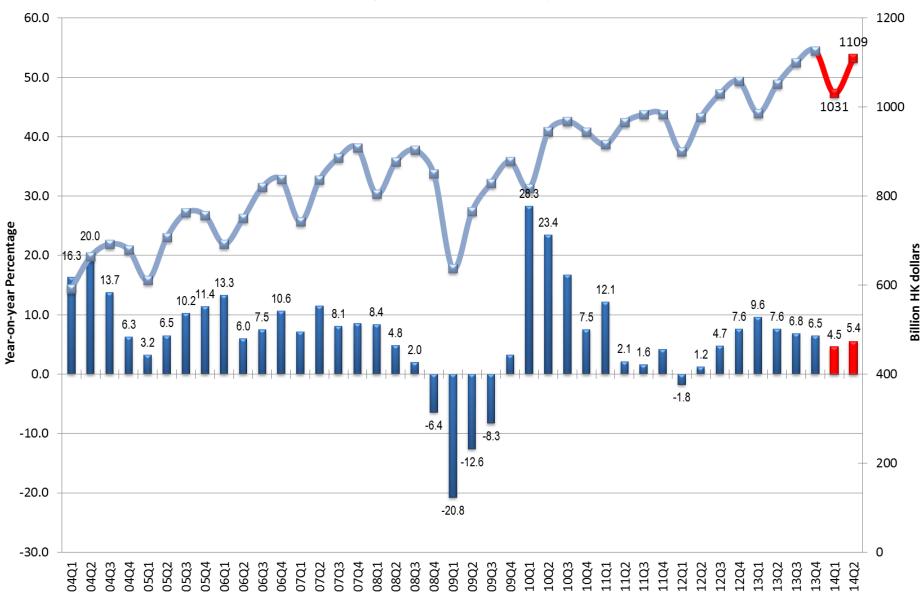
Retail Sales Volume (Oct 09 - Sep 10 = 100)



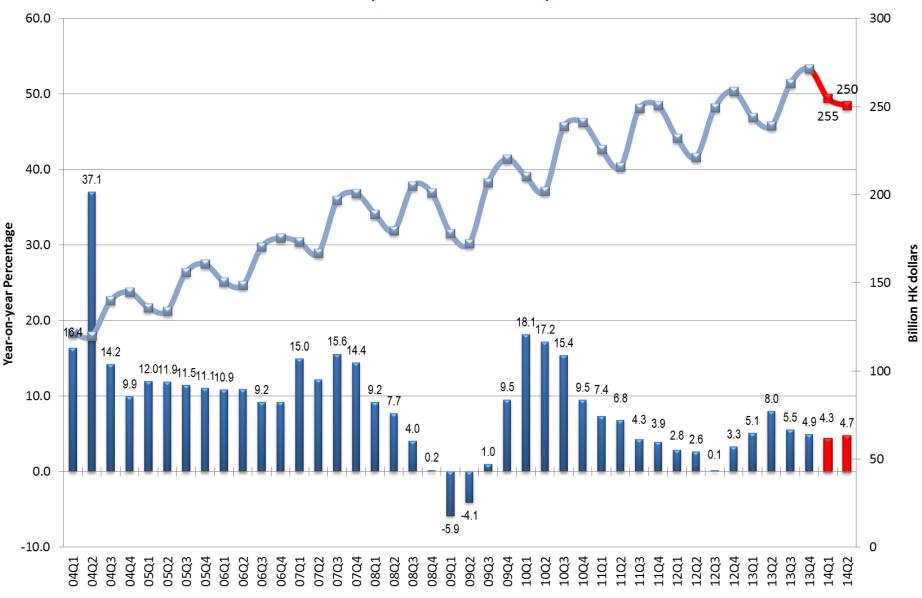
Exports of Goods (2011 Prices)



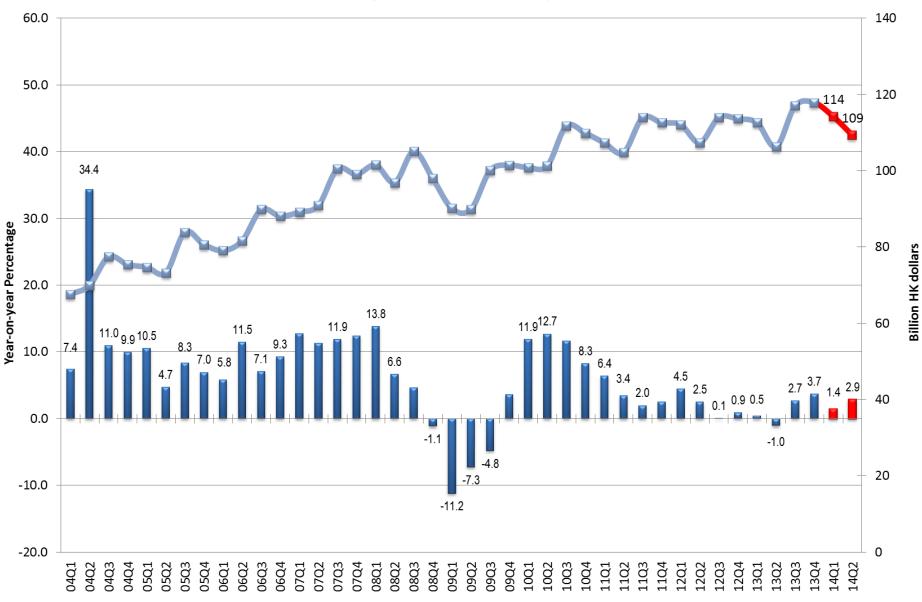
Imports of Goods (2011 Prices)



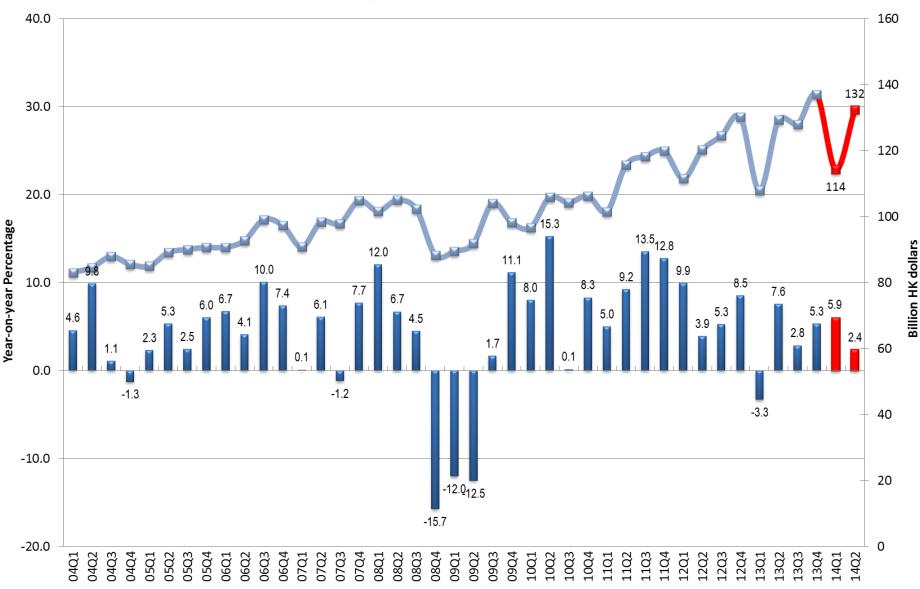
Exports of Services (2011 Prices)



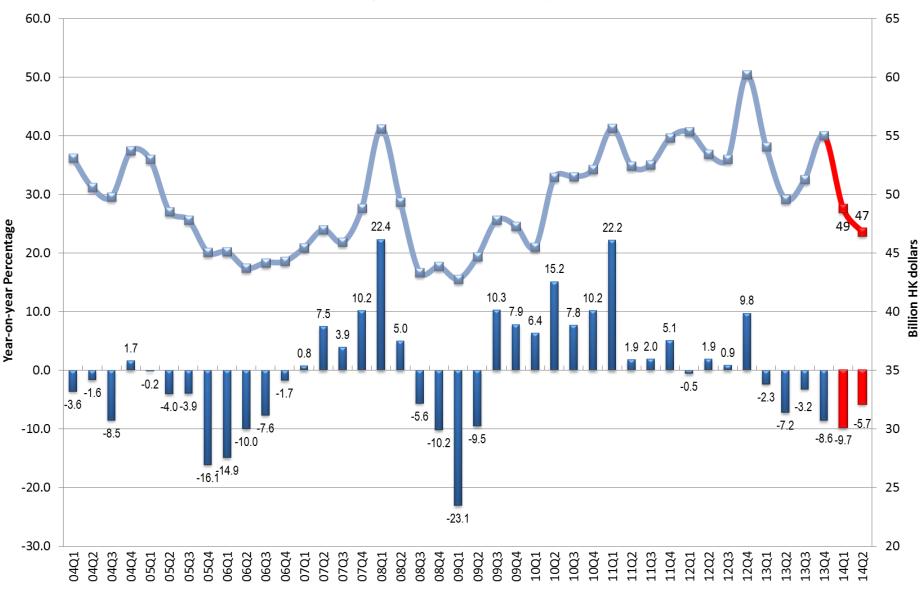
Imports of Services (2011 Prices)



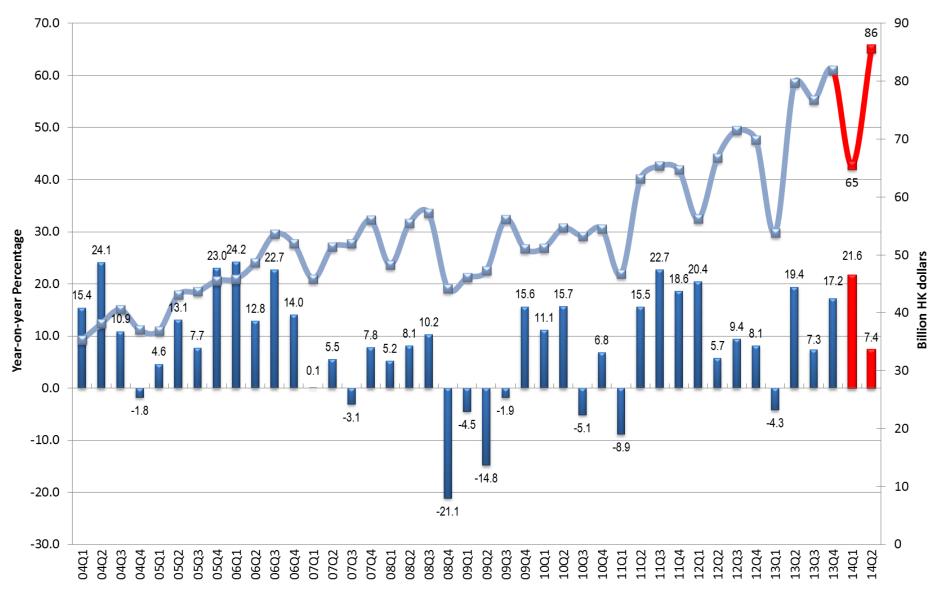
Gross Domestic Fixed Capital Formation (2011 Prices)



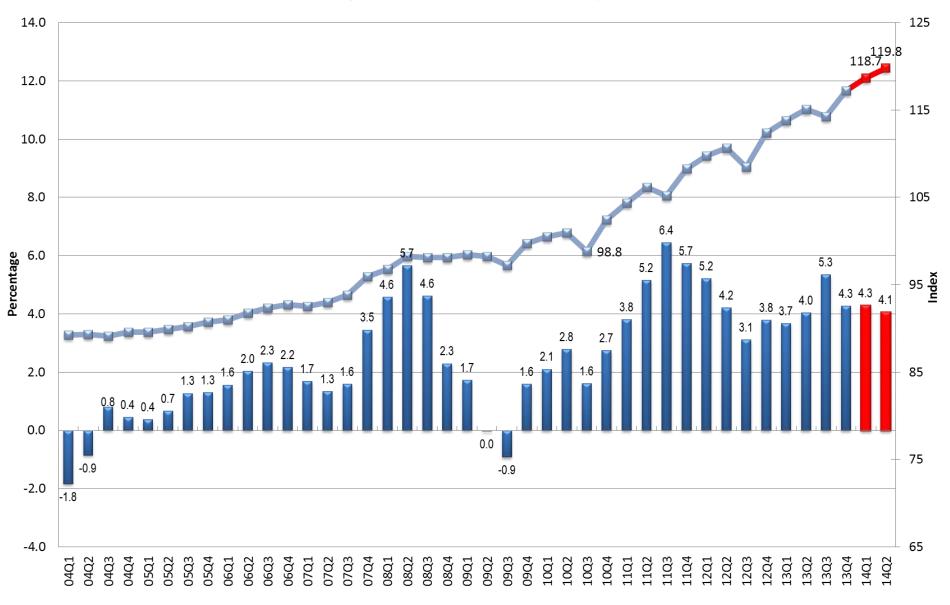
Investment in Land and Construction (2011 Prices)



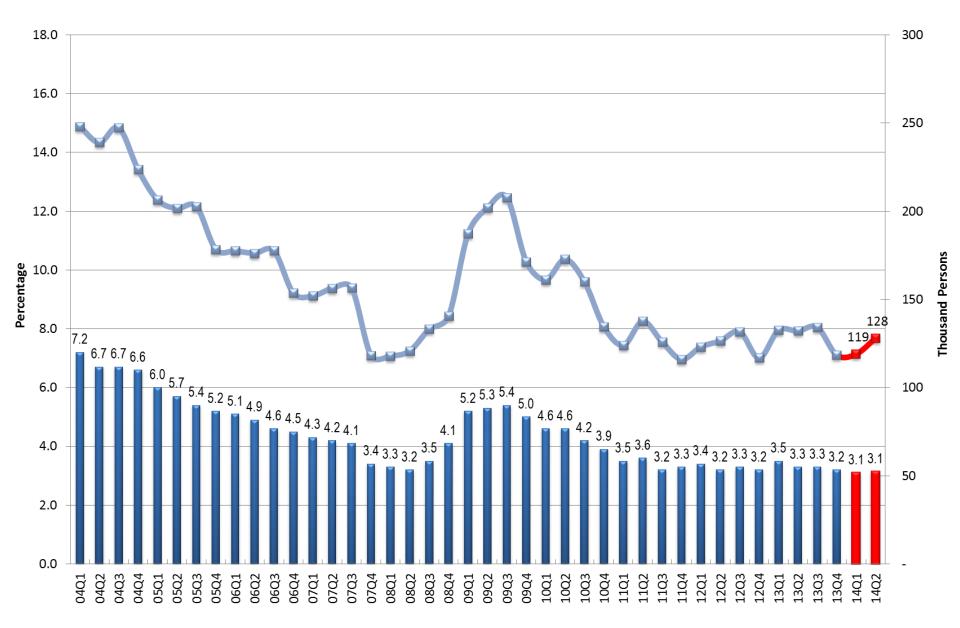
Investment in Machinery, Equipment & Computer Software (2011 Prices)



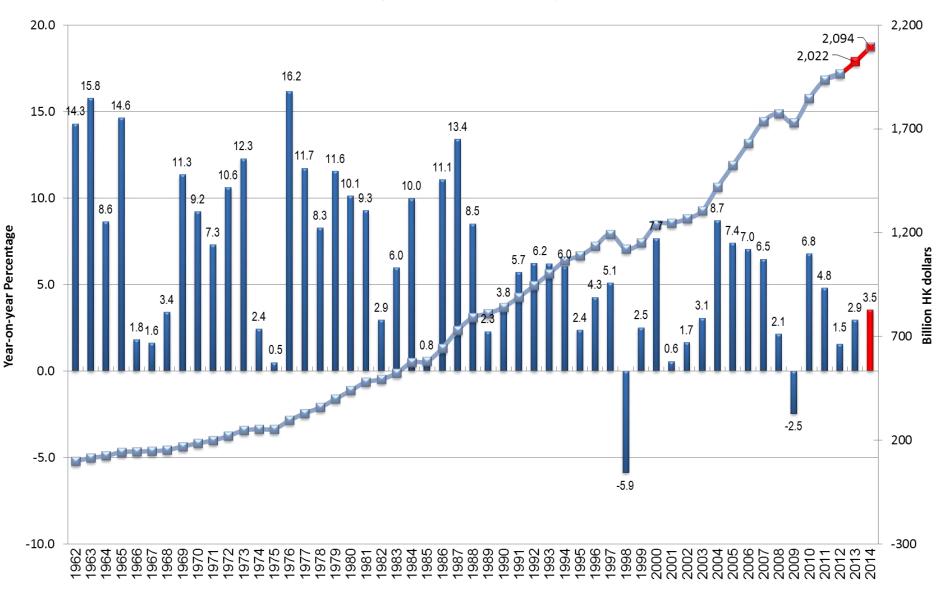
Consumer Price Index (10/09-09/10=100)



Unemployment



Real Gross Domestic Product (2011 Prices)



Current Quarter Model Forecast

Year-on-Year Growth Rate (%)

			iuio					
	2013					2014		
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						(Estimate)	(Forecast)	
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Date of Forecast: April 3, 2014								



High Frequency Macroeconomic Forecast

Second Quarter 2014

Our forecasts can be accessed at:



http://www.hiebs.hku.hk/apec/macroforecast.htm