

**BANKING**

|  | Amount  | % change, yoy, unless otherwise stated |       |       |           |       |       |       |        |       |
|--|---------|--|-------|-------|-----------|-------|-------|-------|--------|-------|
|  | (\$bn)  | Monthly                                |       |       | Quarterly |       |       |       | Yearly |       |
|  |         | 2/02                                   | 2/02  | 1/02  | Q4/01     | Q3/01 | Q2/01 | Q1/01 | 2001   | 2000  |
| HKD M0 (in HKD)                                    | 109.9   | 15.5                                   | 1.1   | 10.8  | 9.6       | 4.6   | 1.7   | 10.8  | -7.8   | 22.6  |
| HKD M1 (in HKD)                                    | 235.0   | 14.1                                   | 8.2   | 12.8  | 8.7       | 3.9   | -0.3  | 12.8  | -0.7   | 15.2  |
| HKD M2 (in HKD)                                    | 1,965.7 | -0.5                                   | -1.5  | 0.5   | 2.0       | 3.0   | 4.4   | 0.5   | 3.9    | 5.3   |
| HKD M3 (in HKD)                                    | 1,983.0 | -0.3                                   | -1.3  | 0.7   | 2.2       | 3.1   | 4.5   | 0.7   | 4.0    | 5.3   |
| Spread (Prime-Hibor1) (pa) (%)                     | N.A.    | 3.29                                   | 3.40  | 3.41  | 3.29      | 3.36  | 3.52  | 3.40  | 3.26   | 2.99  |
| Res. mortg. loans outstanding#                     |         |  |       |       |           |       |       |       |        |       |
| (before adjusted to reclassification)              | N.A.    | 2.9                                    | 2.6   | 1.6   | 2.2       | 1.6   | 2.1   | 1.6   | N.A.   | N.A.  |
| (after adjusted to reclassification)               | 532.4   | N.A.                                   | N.A.  | N.A.  | N.A.      | N.A.  | N.A.  | N.A.  | N.A.   | N.A.  |
| Loans-to-Deposits Ratio (pa) (%)                   |         |  |       |       |           |       |       |       |        |       |
| (Total)  | N.A.    | 66.5                                   | 65.8  | 65.1  | 65.7      | 68.3  | 70.8  | 67.5  | 79.1   | 97.2  |
| (HKD)  | N.A.    | 91.2                                   | 91.1  | 88.8  | 89.4      | 91.2  | 90.9  | 90.1  | 92.0   | 96.0  |
| Foreign Currency Reserves <sup>1</sup> (in US\$bn) | 111.3   | 111.3                                  | 111.3 | 111.2 | 113.4     | 114.1 | 114.6 | 111.2 | 107.5  | 96.3  |
| <b>Deposits</b>                                    | 3,253.9 | -5.2                                   | -3.5  | -3.6  | 1.6       | 4.2   | 6.2   | -3.6  | 9.6    | 7.6   |
| HKD Deposits <sup>2</sup>                          | 1,812.2 | -1.2                                   | -1.5  | 0.2   | 2.0       | 3.7   | 5.5   | 0.2   | 5.0    | 4.5   |
| FC Deposits <sup>3</sup>                           | 1,441.6 | -9.8                                   | -5.9  | -7.8  | 1.2       | 4.9   | 7.0   | -7.8  | 15.3   | 11.6  |
| <b>Loans &amp; Advances</b>                        | 2,164.1 | -11.1                                  | -11.0 | -11.2 | -12.0     | -10.6 | -12.0 | -11.2 | -12.5  | -14.9 |
| Loans in HKD                                       | 1,652.6 | -1.4                                   | -0.1  | -0.3  | -0.5      | 2.8   | 3.6   | -0.3  | 2.8    | -5.2  |
| Loans in FC  | 511.5   | -32.4                                  | -33.8 | -33.6 | -33.3     | -33.2 | -35.4 | -33.6 | -32.8  | -25.1 |
| Loans for use in HK <sup>4</sup>                   | 1,874.3 | -4.2                                   | -4.5  | -4.3  | -4.7      | 0.5   | 0.7   | -4.3  | 1.7    | -8.3  |
| Loans for use outside HK <sup>5</sup>              | 289.8   | -39.2                                  | -37.4 | -38.6 | -38.7     | -42.9 | -43.8 | -38.6 | -43.6  | -26.4 |
| <b>Loans for use in HK (eop) – Q4/2001</b>         | 1,880.7 | N.A.                                   | N.A.  | -4.3  | -4.7      | 0.5   | 0.7   | -4.3  | 1.7    | -8.3  |
| Mortgage Lending                                   | 646.9   | N.A.                                   | N.A.  | 3.3   | 3.5       | 2.9   | 2.4   | 3.3   | 2.9    | 3.2   |
| Property Development & Investment                  | 388.7   | N.A.                                   | N.A.  | -2.4  | -2.0      | -0.1  | 4.3   | -2.4  | 3.7    | -7.7  |
| Trade Finances <sup>4</sup>                        | 88.8    | N.A.                                   | N.A.  | -14.5 | -13.4     | -12.6 | -10.7 | -14.5 | -8.6   | -23.8 |
| Financial Concerns                                 | 143.7   | N.A.                                   | N.A.  | -15.4 | -22.7     | -9.7  | -8.8  | -15.4 | -10.0  | -19.3 |
| Wholesale & Retail Trade                           | 101.3   | N.A.                                   | N.A.  | -15.7 | -14.7     | -14.6 | -18.8 | -15.7 | -16.6  | -19.8 |
| Manufacturing                                      | 71.8    | N.A.                                   | N.A.  | -2.6  | -5.1      | -0.3  | -6.1  | -2.6  | -8.1   | -15.3 |
| Credit Card  | 54.8    | N.A.                                   | N.A.  | 12.8  | 18.9      | 22.4  | 25.1  | 12.8  | 30.1   | 7.2   |
| Private Purposes                                   | 81.9    | N.A.                                   | N.A.  | -2.4  | -2.5      | 3.1   | 0.2   | -2.4  | 3.5    | -3.8  |

**PRIVATE CONSUMPTION**

|                             | Amount            | % change, yoy, unless otherwise stated |      |       |           |       |       |       |        |       |
|-----------------------------|-------------------|--|------|-------|-----------|-------|-------|-------|--------|-------|
|                             |                   | Monthly                                |      |       | Quarterly |       |       |       | Yearly |       |
|                             |                   | 1/02                                   | 1/02 | 12/01 | Q4/01     | Q3/01 | Q2/01 | Q1/01 | 2001   | 2000  |
| Retail Sales (Value)        | \$15.9 bn         | -11.8                                  | -5.4 | -5.2  | -2.0      | 2.4   | -0.2  | -1.2  | 3.8    | -8.1  |
| (Volume)                    | N.A.              | -10.4                                  | -3.3 | -2.9  | 0.5       | 4.9   | 2.3   | 1.2   | 8.3    | -1.5  |
| Restaurant Receipts (Value) | \$14.0 bn (01 Q4) | N.A.                                   | N.A. | -4.9  | -4.5      | -0.7  | 0.1   | -2.5  | 2.1    | 0.4   |
| (Volume)                    | N.A.              | N.A.                                   | N.A. | -4.6  | -4.4      | -0.6  | 0.3   | -2.3  | 3.1    | 1.9   |
| Department Store (Value)    | \$1.6 bn          | -11.5                                  | 2.3  | 1.3   | 5.3       | 8.4   | -3.1  | 3.0   | -1.0   | -10.8 |
| (Volume)                    | N.A.              | -10.1                                  | 3.7  | 3.4   | 8.4       | 12.7  | 0.8   | 6.3   | 3.9    | 1.8   |
| Visitors Arrivals           | 1.18 mn           | 10.5                                   | 6.4  | 1.7   | 4.1       | 7.4   | 7.7   | 5.1   | 15.3   | 11.5  |

## PROPERTY

| Private Residential                             | Amount<br>2/02 | % Change mom<br>Monthly |       | % Change qoq<br>Quarterly |       |       |        | % Change yoy<br>Yearly |        |        |
|---|----------------|-------------------------|-------|---------------------------|-------|-------|--------|------------------------|--------|--------|
|   |                | 2/02                    | 1/02  | Q4/01                     | Q3/01 | Q2/01 | Q1/01  | 2001                   | 2000   | 1999   |
| <b>Price and Rental Indices</b>                 |                |                         |       |                           |       |       |        |                        |        |        |
| Rental (official): period average               | N.A.           | N.A.                    | -1.6  | -4.3                      | -1.5  | -0.8  | -0.6   | -2.8                   | -1.9   | -11.2  |
| Price (official) : period average               | N.A.           | N.A.                    | 0.1   | -6.9                      | -3.4  | 0.2   | -3.8   | -12.4                  | -10.4  | -14.6  |
| : eop   | N.A.           | N.A.                    | 0.1   | -5.2                      | -5.1  | -1.5  | 0.4    | -10.9                  | -14.5  | -8.5   |
| HK (\$/sf): eop                                 | 3,081          | 3,081                   | 3,093 | 3,066                     | 3,118 | 3,259 | 3,423  | 3,066                  | 3,438  | 4,133  |
| KL (\$/sf): eop                                 | 2,638          | 2,638                   | 2,742 | 2,761                     | 2,778 | 2,911 | 3,041  | 2,761                  | 3,083  | 3,705  |
| NT (\$/sf): eop                                 | 2,221          | 2,221                   | 2,257 | 2,216                     | 2,249 | 2,393 | 2,455  | 2,216                  | 2,544  | 3,022  |
| Rental yield (%) : HK                           | 5.09           | 5.09                    | 5.15  | 5.29                      | 5.26  | 5.22  | 5.11   | 5.22                   | 4.49   | 4.16   |
| KL  | 5.44           | 5.44                    | 5.26  | 5.43                      | 5.45  | 5.56  | 5.33   | 5.44                   | 4.92   | 4.59   |
| NT  | 4.61           | 4.61                    | 4.53  | 4.67                      | 4.48  | 4.56  | 4.52   | 4.56                   | 4.22   | 3.83   |
| <b>Sales &amp; purchase agreements</b>          |                |                         |       |                           |       |       |        |                        |        |        |
| Value   | \$21.3 bn      | -32.3                   | 16.8  | -2.3                      | 2.1   | 8.1   | -15.7  | -13.4                  | -13.3  | -24.7  |
| Number  | 6,830          | -26.0                   | 20.4  | 3.1                       | -3.6  | 8.0   | 11.2   | 2.9                    | -12.9  | -11.7  |
| <b>New res. mortg. approved of 29 AIs#</b>      |                |                         |       |                           |       |       |        |                        |        |        |
| Number, during the period                       | 5,946          | -34.6                   | 9.0   | 11.9                      | -8.7  | -1.2  | 24.7   | 6.7                    | N.A.   | N.A.   |
| Value per loan, during the period               | \$1.38 mn      | -2.1                    | -7.2  | 5.4                       | -1.4  | 1.3   | 1.4    | 1.7                    | N.A.   | N.A.   |
| <b>Supply</b>                                   |                |                         |       |                           |       |       |        |                        |        |        |
| No. of private flats completed                  | 7,935<br>01 Q4 | N.A.                    | N.A.  | N.A.                      | 4,507 | 5,546 | 5,998  | N.A.                   | 25,150 | 31,504 |
| No. of private flats with consent to start work | 8,020<br>01 Q4 | N.A.                    | N.A.  | N.A.                      | 3,705 | 5,161 | 10,388 | N.A.                   | 31,366 | 44,323 |

## MACROECONOMIC INDICATORS

|                                 | Amount<br>(\$bn) | % change, yoy unless otherwise stated |       |       |           |       |       |       |        |       |
|---------------------------------|------------------|---------------------------------------|-------|-------|-----------|-------|-------|-------|--------|-------|
|                                 |                  | Monthly                               |       |       | Quarterly |       |       |       | Yearly |       |
|                                 | 2/02             | 2/02                                  | 1/02  | Q4/01 | Q3/01     | Q2/01 | Q1/01 | 2001  | 2000   | 1999  |
| GDP                             | N.A.             | N.A.                                  | N.A.  | -1.6  | -0.4      | 0.8   | 2.2   | 0.1   | 10.5   | 3.0   |
| Composite CPI                   | N.A.             | -2.3                                  | -3.5  | -2.1  | -1.1      | -1.3  | -1.9  | -1.6  | -3.8   | -4.0  |
| <b>Labour</b>                   |                  |                                       |       |       |           |       |       |       |        |       |
| Unemployment Rate (%)           | N.A.             | 6.8                                   | 6.7   | 5.8   | 5.0       | 4.5   | 4.5   | 5.1   | 4.9    | 6.2   |
| Unemployed ('000 people)        | N.A.             | 228.0                                 | 218.8 | 203.0 | 172.9     | 152.7 | 146.6 | 174.4 | 166.9  | 207.5 |
| <b>External Trade (Nominal)</b> |                  |                                       |       |       |           |       |       |       |        |       |
| Total Exports                   | 95.3             | -9.1                                  | -12.2 | -12.0 | -7.2      | -4.7  | 2.3   | -5.8  | 16.6   | 0.1   |
| Domestic Exports                | 8.6              | -21.5                                 | -19.4 | -15.6 | -17.9     | -11.4 | -15.3 | -15.2 | 6.1    | -9.5  |
| Re-exports                      | 86.7             | -7.6                                  | -11.4 | -11.6 | -5.8      | -3.9  | 4.8   | -4.6  | 18.1   | 1.7   |
| Total Imports                   | 98.1             | -19.8                                 | -8.6  | -13.5 | -6.6      | -3.4  | 3.6   | -5.4  | 19.0   | -2.5  |
| Trade Balance (in \$bn)         | -2.8             | -2.8                                  | -3.2  | -11.2 | -17.8     | -29.1 | -29.1 | -87.2 | -85.3  | -43.7 |

## FORECASTS FOR REAL GDP & CPI

|                                | 2002F (Gov) | 2002F (BEA) | 2001  | 2000  | 1999  |
|--------------------------------|-------------|-------------|-------|-------|-------|
| GDP                            | 1.0         | 0           | 0.1   | 10.5  | 3.0   |
| Private Consumption            | -0.5        | -1.5        | 2.0   | 5.4   | 0.6   |
| Government                     | 4.0         | 4.3         | 5.1   | 2.1   | 3.3   |
| Capital Formation              | -5.1        | -3.0        | 2.1   | 9.8   | -17.5 |
| Domestic Exports               | -4.0        | -6.0        | -11.0 | 7.5   | -7.2  |
| Re-exports                     | 0.5         | 0           | -2.0  | 18.5  | 5.4   |
| Total Exports                  | 0           | -0.6        | -3.0  | 17.1  | 3.7   |
| Imports of Goods               | -0.7        | -0.8        | -2.4  | 18.1  | 0.1   |
| Visible Trade (HK\$ billion)   | -50.3       | -59.0       | -62.2 | -52.7 | -33.1 |
| Exports of Services            | 4.5         | 4.0         | 3.5   | 14.1  | 5.7   |
| Imports of Services            | 0.5         | 0           | 0.1   | 2.1   | -3.0  |
| Invisible Trade (HK\$ billion) | 138.6       | 137.9       | 127.3 | 118.4 | 89.4  |
| CPI (Composite)                | -2.8        | -2.5        | -1.6  | -3.8  | -4.0  |

Unit: percentage

Note: *pa*: Period averages; *eop*: End-of-period; *N.A.*: Not applicable  
*mom*: Month-on-month; *qoq*: Quarter-on-quarter; *yoy*: Year-on-year

<sup>1</sup> Foreign Currency Reserves in Land Fund are not included before June 30, 1997

<sup>2</sup> Adjusted to include swap deposits

<sup>3</sup> Adjusted to exclude swap deposits

<sup>4</sup> Loans to finance merchandising trade not touching HK would be included in trade finance & loans for use in HK

<sup>5</sup> Others loans where the place of use is not known would be included in loans for use outside HK

# The number of authorized institutions participating in the HKMA Residential Mortgage Survey is reduced from 38 to 29 starting from end-October 2001

**KEY INTERNATIONAL INDICATORS FOR MAJOR ECONOMIES**  
(Update: 12<sup>th</sup> April, 2002)

| Country/Region | Unemployment rate  | CPI inflation | Real GDP/GNP growth rate | Money supply (M1) growth | Prime lending rate |
|----------------|--------------------|---------------|--------------------------|--------------------------|--------------------|
| Australia      | 6.6% (Feb.)        | 3.1% (Q4)     | 4.1% (Q4)                | 22.7% (Feb.)             | 8.25%              |
| Canada         | 7.9% (Feb.)        | 1.5% (Feb.)   | 0.9% (Q4)                | 14.2% (Feb.)             | 3.75%              |
| China          | 3.6%*              | 0% (Feb.)     | 6.3% (Q4)                | 10.9% (Feb.)             | 5.85%              |
| Euro area      | 8.4% (Feb.)        | 2.5% (Mar.)   | 0.6% (Q4)                | 6.1% (Feb.)              | 4.25%              |
| Hong Kong      | 6.8% (Dec. - Feb.) | -2.3% (Feb.)  | -1.6% (Q4)               | 14.1% (Feb.)             | 5.125%             |
| Japan          | 5.3% (Feb.)        | -1.6% (Feb.)  | -1.9% (Q4)               | 19.4% (Feb.)             | 1.375%             |
| UK             | 5.1% (Jan.)        | 1.0% (Feb.)   | 1.6% (Q4)                | 7.1% (Feb.)              | 4.0%               |
| US             | 5.5% (Feb.)        | 1.1% (Feb.)   | 0.5% (Q4)                | 7.6% (Feb.)              | 4.75%              |

\* Year-end figure for 2001

*This material is prepared by The Bank of East Asia, Ltd.(Economic Research Department) based upon information which we consider reliable. Data are obtained from the Census and Statistics Department, HKSAR; the Hong Kong Monetary Authority; The Economist and the National Bureau of Statistics, China. Opinions expressed herein are subject to change without notice.*