

**BANKING**

	Amount	% change, yoy, unless otherwise stated								
	(\$bn)	Monthly			Quarterly				Yearly	
	2/03	2/03	1/03	Q4/02	Q3/02	Q2/02	Q1/02	2002	2001	2000
HKD M0 (in HKD)	119.4	8.7	23.6	11.4	11.2	13.7	15.6	11.4	10.8	-7.8
HKD M1 (in HKD)	259.8	10.6	13.9	12.9	14.5	16.4	15.6	12.9	12.8	-0.7
HKD M2 (in HKD)	1,976.8	0.0	0.1	-0.7	-0.9	0.8	0.1	-0.7	0.5	3.9
HKD M3 (in HKD)	1,995.2	0.1	0.1	-0.6	-0.8	0.9	0.2	-0.6	0.7	4.0
Spread (Prime-Hibor1) (pa) (%)	N.A.	3.68	3.66	3.40	3.43	3.40	3.26	3.37	3.40	3.26
Res. mortg. loans outstanding#										
(before adjusted to reclassification)	N.A.	-0.2	0.4	1.0	2.4	3.6	3.0	1.0	1.6	N.A.
(after adjusted to reclassification)	531.6	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.	62.8	62.8	62.7	64.3	65.3	66.3	64.7	67.5	79.1
(HKD)	N.A.	89.1	89.5	88.4	89.4	89.6	91.0	89.6	90.1	92.0
Foreign Currency Reserves <sup>1</sup> (in US\$bn)	113.7	113.7	115.6	111.9	111.2	112.4	110.2	111.9	111.2	107.5
<b>Deposits</b>	3,303.2	0.0	-1.9	-2.6	-5.3	-4.3	-4.2	-2.6	-3.6	9.6
HKD Deposits <sup>2</sup>	1,809.9	-0.7	-1.4	-1.6	-1.7	-0.1	-0.7	-1.6	0.2	5.0
FC Deposits <sup>3</sup>	1,493.3	1.0	-2.5	-3.8	-9.5	-9.2	-8.4	-3.8	-7.8	15.3
<b>Loans &amp; Advances</b>	2,072.8	-4.2	-4.8	-4.9	-6.6	-7.3	-9.3	-4.9	-11.2	-12.5
Loans in HKD	1,611.8	-2.5	-2.2	-1.9	-1.4	-1.6	-1.4	-1.9	-0.3	2.8
Loans in FC	461.0	-9.9	-13.2	-14.2	-21.1	-22.2	-28.4	-14.2	-33.6	-32.8
Loans for use in HK <sup>4</sup>	1,829.8	-2.4	-2.4	-2.4	-3.4	-3.5	-3.4	-2.4	-4.3	1.7
Loans for use outside HK <sup>5</sup>	243.0	-16.1	-20.2	-20.7	-24.9	-27.2	-35.8	-20.7	-38.6	-43.6
<b>Loans for use in HK (eop) – Q4/2002</b>	1,834.0	N.A.	N.A.	-2.4	-3.4	-3.5	-3.4	-2.4	-4.4	1.6
Mortgage Lending	641.6	N.A.	N.A.	-0.8	0.6	2.1	2.6	-0.8	3.3	2.9
Property Development & Investment	378.9	N.A.	N.A.	-2.6	-3.8	-3.8	-5.0	-2.6	-2.4	3.7
Trade Finances <sup>4</sup>	91.0	N.A.	N.A.	2.6	-3.0	-8.7	-13.3	2.6	-14.6	-8.6
Financial Concerns	125.5	N.A.	N.A.	-11.6	-13.0	-16.4	-14.2	-11.6	-16.4	-10.1
Wholesale & Retail Trade	100.4	N.A.	N.A.	-0.8	-6.8	-11.3	-11.9	-0.8	-15.8	-16.6
Manufacturing	70.7	N.A.	N.A.	-0.8	-3.1	-4.2	-3.0	-0.8	-3.4	-8.0
Credit Card	51.5	N.A.	N.A.	-6.1	-2.6	2.9	9.3	-6.1	12.8	30.1
Private Purposes	79.9	N.A.	N.A.	-2.4	-3.1	-1.7	1.7	-2.4	-2.4	3.4

**PRIVATE CONSUMPTION**

	Amount	% change, yoy, unless otherwise stated								
		Monthly			Quarterly				Yearly	
		1/03	1/03	12/02	Q4/02	Q3/02	Q2/02	Q1/02	2002	2001
Retail Sales (Value)	\$17.5 bn	9.9	-1.9	-2.5	-4.3	-5.8	-2.8	-4.1	-1.2	3.8
(Volume)	N.A.	11.7	-0.7	-1.1	-3.0	-4.5	-0.8	-2.6	1.2	8.3
Restaurant Receipts (Value)	\$13.2 bn (02 Q4)	N.A.	N.A.	-6.1	-4.5	-6.0	-5.4	-5.5	-2.5	2.1
(Volume)	N.A.	N.A.	N.A.	-4.6	-3.0	-4.8	-4.8	-4.3	-2.3	3.1
Department Store (Value)	\$1.9 bn	19.9	-1.4	-0.2	2.3	-4.2	4.9	0.7	3.0	-1.0
(Volume)	N.A.	20.7	0.3	1.1	0.0	-4.1	6.4	0.8	6.3	3.9
Visitors Arrivals	1.55 mn	31.0	27.8	33.9	22.1	13.2	12.4	20.7	5.1	15.3

## PROPERTY

Private Residential	Amount	% Change mom			% Change qoq				% Change yoy		
		2/03	2/03	1/03	Q4/02	Q3/02	Q2/02	Q1/02	2002	2001	2000
<b>Price and Rental Indices</b>											
Rental (official) : period average	N.A.	N.A.	-1.3	-4.3	-2.7	-2.9	-4.4	-12.5	-2.8	-1.9	
Price (official) : period average	N.A.	N.A.	-2.6	-6.3	-4.3	-2.1	-0.1	-11.1	-12.2	-10.4	
: eop	N.A.	N.A.	-2.6	-4.0	-7.0	-1.9	-0.7	-13.0	-9.8	-14.5	
HK (\$/sf): eop	2,717	2,717	2,732	2,765	2,840	3,006	3,043	2,765	3,066	3,438	
KL (\$/sf): eop	2,419	2,419	2,412	2,432	2,543	2,599	2,660	2,432	2,761	3,083	
NT (\$/sf): eop	1,998	1,998	2,011	2,024	2,118	2,224	2,237	2,024	2,216	2,544	
Rental yield (%) : HK	4.65	4.65	4.62	4.77	4.84	4.91	5.12	4.91	5.22	4.49	
KL	5.18	5.18	5.18	5.03	4.86	5.14	5.32	5.09	5.44	4.92	
NT	4.65	4.65	4.60	4.61	4.46	4.42	4.54	4.51	4.56	4.22	
<b>Sales &amp; purchase agreements</b>											
Value	\$8.0 bn	-45.6	12.8	-16.5	-22.0	18.9	-2.2	-3.8	-13.4	-13.3	
Number	4,622	-36.6	19.3	-3.5	-23.1	11.9	0	-2.6	2.9	-12.9	
<b>New res. mortg. approved of 28 AIs#</b>											
Number, during the period	3,637	-30.5	-6.5	-15.2	-22.8	16.6	-12.8	-7.8	-4.9	N.A.	
Value per loan, during the period	\$1.14 mn	-4.2	-8.5	3.6	-5.2	-7.7	5.6	-4.9	-5.2	N.A.	
<b>Supply</b>											
No. of private flats completed	11,198	N.A.	N.A.	11,198	12,751	5,903	2,894	32,746	23,986	26,274	
	02 Q4										
No. of private flats with consent to start work	3,880	N.A.	N.A.	3,880	4,378	6,848	3,165	18,271	27,274	31,366	
	02 Q4										

## MACROECONOMIC INDICATORS

	Amount (\$bn)	% change, yoy unless otherwise stated								
		Monthly			Quarterly				Yearly	
	2/03	2/03	1/03	Q4/02	Q3/02	Q2/02	Q1/02	2002	2001	2000
GDP	N.A.	N.A.	N.A.	5.0	3.3	0.8	-0.5	2.3	0.6	10.2
Composite CPI	N.A.	-2.0	-1.6	-2.9	-3.5	-3.2	-2.7	-3.0	-1.6	-3.8
<b>Labour</b>										
Unemployment Rate (%)	N.A.	7.4	7.2	7.2	7.4	7.7	7.0	7.3	5.1	4.9
Unemployed ('000 people)	N.A.	256.0	245.6	252.6	267.2	263.4	238.9	255.5	174.8	166.9
<b>External Trade (Nominal)</b>										
Total Exports	105.1	10.4	26.7	15.5	8.5	2.8	-6.2	5.4	-5.8	16.6
Domestic Exports	7.1	-17.2	-6.8	-13.6	-10.4	-17.8	-17.5	-14.7	-15.2	6.1
Re-exports	98.0	13.1	30.3	18.8	10.6	5.3	-5.0	7.7	-4.6	18.1
Total Imports	116.0	18.3	21.4	14.9	6.5	0.4	-9.1	3.3	-5.4	19.0
Trade Balance (in \$bn)	-10.8	-10.8	1.8	-10.7	-10.9	-20.8	-16.5	-58.9	-87.2	-85.3

## FORECASTS FOR REAL GDP & CPI

	2003F (Gov)	2003F (BEA)	2002	2001	2000
GDP	3.0	1.6	2.3	0.6	10.2
Private Consumption	0	-1.2	-1.6	1.4	5.9
Government	2.5	1.5	2.4	6.0	2.0
Capital Formation	0.9	-1.0	-4.4	2.9	11.0
Domestic Exports	-8.0	-8.0	-11.2	-10.2	7.5
Re-exports	8.0	8.5	11.0	-2.4	18.5
Total Exports	6.6	7.1	8.6	-3.3	17.1
Imports of Goods	6.3	6.7	7.9	-1.9	18.2
Visible Trade (HK\$ billion)	-81.3	-80.6	-81.1	-85.0	-64.0
Exports of Services	8.0	7.0	12.1	5.9	12.9
Imports of Services	1.5	1.0	-0.8	-0.2	4.2
Invisible Trade (HK\$ billion)	214.8	212.0	187.5	145.1	126.0
CPI (Composite)	-1.5	-1.5	-3.0	-1.6	-3.8

Unit: %

Note: *pa*: Period averages; *eop*: End-of-period; *N.A.*: Not applicable  
*mom*: Month-on-month; *qoq*: Quarter-on-quarter; *yoy*: Year-on-year  
*Gov*: HKSAR Government; *BEA*: The Bank of East Asia

<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 29 to 28 starting from end-April 2002

**KEY INTERNATIONAL INDICATORS FOR MAJOR ECONOMIES**  
(Update: 11<sup>th</sup> April, 2003)

Country/Region	Unemployment rate	CPI inflation	Real GDP/GNP growth rate	Money supply (M1) growth	Prime lending rate
Australia	6.0% (Feb.)	3.0% (Q4)	3.0% (Q4)	-11.8% (Feb.)	8.75%
Canada	7.3% (Mar.)	4.6% (Feb.)	3.9% (Q4)	5.7% (Feb.)	4.75%
China	4.0%*	0.2% (Feb.)	8.1% (Q4)	18.8% (Feb.)	5.31%
Euro area	8.7% (Feb.)	2.4% (Mar.)	1.3% (Q4)	10.3% (Feb.)	3.5%
Hong Kong	7.4% (Dec. – Feb.)	-2.0% (Feb.)	5.0% (Q4)	10.6% (Feb.)	5.0%
Japan	5.2% (Feb.)	-0.2% (Feb.)	2.8% (Q4)	21.3% (Feb.)	1.375%
UK	5.0% (Jan.)	3.2% (Feb.)	2.2% (Q4)	6.2% (Feb.)	3.75%
US	5.8% (Mar.)	3.0% (Feb.)	2.9% (Q4)	3.8% (Feb.)	4.25%

\* Year-end figure for 2002

*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.*