

**BANKING**

	Amount	% change, yoy, unless otherwise stated								
	(\$bn)	Monthly			Quarterly				Yearly	
		2/05	2/05	1/05	Q4/04	Q3/04	Q2/04	Q1/04	2004	2003
HKD M0 (in HKD)	150.7	12.9	7.4	10.1	12.8	12.8	12.5	10.1	12.9	11.4
HKD M1 (in HKD)	408.6	11.0	18.1	16.3	24.1	39.0	44.5	16.3	36.7	12.9
HKD M2 (in HKD)	2,270.2	3.2	1.6	4.8	0.7	2.8	5.1	4.8	6.2	-0.7
HKD M3 (in HKD)	2,282.9	3.0	1.5	4.6	0.6	2.6	4.8	4.6	5.9	-0.6
Spread (Prime-Hibor1) (pa) (%)	N.A.	3.73	4.60	4.65	4.59	4.90	4.93	4.77	4.08	3.37
Res. mortg. loans outstanding#										
(before adjusted to reclassification)	N.A.	1.7	1.4	1.1	0.6	0.1	-0.6	1.1	-2.2	1.0
(after adjusted to reclassification)	531.9	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.	56.9	57.2	56.1	57.6	57.8	57.6	57.3	60.4	64.7
(HKD)	N.A.	83.7	85.5	83.5	85.8	84.9	82.8	84.3	86.0	89.6
Foreign Currency Reserves <sup>1</sup> (in US\$bn)	123.9	123.9	124.7	123.6	118.4	120.8	123.8	123.6	118.4	111.9
<b>Deposits</b>	3,907.9	5.9	5.7	8.4	5.8	6.5	8.3	8.4	7.5	-2.6
HKD Deposits <sup>2</sup>	2,070.1	2.5	1.3	4.5	-0.3	2.3	4.6	4.5	5.8	-1.6
FC Deposits <sup>3</sup>	1,837.7	10.1	11.0	13.0	13.1	11.8	12.8	13.0	9.6	-3.8
<b>Loans &amp; Advances</b>	2,224.2	4.1	5.2	5.9	3.0	1.1	-0.9	5.9	-2.0	-4.9
Loans in HKD	1,732.3	3.7	5.3	5.9	2.4	0.6	-2.4	5.9	-2.6	-1.9
Loans in FC	491.8	5.8	4.8	5.8	5.2	2.8	4.5	5.8	0.3	-14.3
Loans for use in HK <sup>4</sup>	1,991.2	4.7	5.8	6.3	4.0	1.7	-0.6	6.3	-1.4	-2.4
Loans for use outside HK <sup>5</sup>	233.0	-0.3	-0.1	3.0	-4.6	-3.6	-3.2	3.0	-6.6	-20.7
<b>Loans for use in HK (eop) – Q4/2004</b>	1,922.6	N.A.	N.A.	6.3	4.0	1.7	-0.6	6.3	-1.4	-2.4
Mortgage Lending (excl. HOS)	534.2	N.A.	N.A.	0.9	0.4	0.0	-0.8	0.9	-2.4	0.5
Property Development & Investment	386.5	N.A.	N.A.	7.2	-1.5	-3.3	-6.0	7.2	-4.9	-2.6
Trade Finances <sup>4</sup>	130.1	N.A.	N.A.	30.0	32.6	23.9	14.7	30.0	10.2	2.5
Financial Concerns	167.8	N.A.	N.A.	14.2	13.6	21.0	22.1	14.2	17.1	-11.6
Wholesale & Retail Trade	99.2	N.A.	N.A.	5.9	2.3	-3.6	-4.6	5.9	-6.7	-0.8
Manufacturing	99.3	N.A.	N.A.	23.9	20.7	22.3	17.9	23.9	13.4	-0.8
Credit Card	51.9	N.A.	N.A.	4.9	0.2	0.7	-0.7	4.9	-3.7	-6.3
Private Purposes	88.3	N.A.	N.A.	14.5	5.5	2.0	1.1	14.5	-3.6	-2.3

**PRIVATE CONSUMPTION**

	Amount	% change, yoy, unless otherwise stated								
		Monthly			Quarterly				Yearly	
		2/05	2/05	1/05	Q4/04	Q3/04	Q2/04	Q1/04	2004	2003
Retail Sales (Value)	\$16.7 bn	16.5	4.1	8.3	8.5	19.0	8.9	10.8	-2.3	-4.1
(Volume)	N.A.	16.0	3.1	7.3	6.7	15.7	7.8	9.1	-0.6	-2.6
Restaurant Receipts (Value)	\$13.8 bn (04 Q4)	N.A.	N.A.	8.9	8.2	21.4	3.7	10.1	-9.7	-5.4
(Volume)	N.A.	N.A.	N.A.	8.3	7.8	21.1	4.3	9.9	-8.5	-4.2
Department Store (Value)	\$1.8 bn	20.7	0.3	8.3	10.8	22.3	11.7	12.3	-2.9	-0.7
(Volume)	N.A.	18.7	-2.0	8.7	8.5	18.0	9.3	10.3	-2.9	0.5
Visitors Arrivals	1.75 mn	20.0	8.3	17.0	30.1	208.4	14.7	40.4	-6.2	20.7

## PROPERTY

Private Residential	Amount	% Change mom			% Change qoq				% Change yoy		
		2/05	2/05	1/05	Q4/04	Q3/04	Q2/04	Q1/04	2004	2003	2002
<b>Price and Rental Indices</b>											
Rental (official) : period average	N.A.	N.A.	1.4	2.0	1.5	3.6	3.6	5.6	-11.8	-12.5	
Price (official) : period average	N.A.	N.A.	1.7	6.9	0.8	4.9	14.3	26.6	-12.0	-11.1	
: eop	N.A.	N.A.	1.7	2.7	8.3	-4.4	19.4	27.1	0.9	-12.2	
HK (\$/sf): eop	3,768	3,768	3,751	3,686	3,552	3,491	3,388	3,686	2,734	2,765	
KL (\$/sf): eop	3,369	3,369	3,238	3,253	3,040	3,021	2,850	3,253	2,446	2,432	
NT (\$/sf): eop	2,637	2,637	2,621	2,611	2,524	2,699	2,181	2,611	1,799	2,024	
Rental yield (%) : HK	3.74	3.74	3.67	3.82	3.85	3.81	4.31	3.95	4.83	4.91	
KL	3.91	3.91	4.04	4.08	4.36	4.21	4.61	4.31	5.20	5.09	
NT	3.77	3.77	3.99	3.97	4.05	3.93	4.42	4.09	4.74	4.51	
<b>Sales &amp; purchase agreements</b>											
Value	\$29.0 bn	-7.0	-7.0	80.3	-25.3	-11.4	29.0	85.7	2.2	-3.8	
Number	9,631	-5.0	-3.6	43.1	-16.7	-14.3	15.9	41.4	1.6	-2.6	
<b>New res. mortg. approved of 24 AIs#</b>											
Number, during the period	7,582	-16.0	-1.4	17.9	-2.0	-6.1	25.7	46.0	-18.3	-7.8	
Value per loan, during the period	\$1.73 mn	5.5	-0.6	7.7	2.4	0.2	11.0	26.4	-4.1	-4.9	
<b>Supply</b>											
No. of private flats completed	6,871	N.A.	N.A.	N.A.	6,871	5,692	4,634	N.A.	27,197	32,746	
	04 Q3										
No. of private flats with consent to start work	1,415	N.A.	N.A.	N.A.	1,415	4,586	7,695	N.A.	30,012	18,271	
	04 Q3										

## MACROECONOMIC INDICATORS

	Amount (\$bn)	% change, yoy unless otherwise stated								
		Monthly			Quarterly				Yearly	
	2/05	2/05	1/05	Q4/04	Q3/04	Q2/04	Q1/04	2004	2003	2002
GDP	N.A.	N.A.	N.A.	7.1	6.8	12.1	7.0	8.1	3.2	1.9
Composite CPI	N.A.	0.8	-0.5	0.2	0.8	-0.8	-1.9	-0.4	-2.6	-3.0
<b>Labour</b>										
Unemployment Rate (%)	N.A.	6.1	6.4	6.5	6.8	6.9	7.2	6.8	7.9	7.3
Unemployed ('000 people)	N.A.	209.0	213.6	226.9	248.9	240.2	249.5	241.4	277.2	255.5
<b>External Trade (Nominal)</b>										
Total Exports	127.5	-5.4	34.8	15.3	17.2	17.8	13.0	15.9	11.7	5.4
Domestic Exports	6.3	-20.4	18.0	8.6	0.8	4.9	-0.6	3.5	-7.1	-14.7
Re-exports	121.3	-4.5	35.9	15.7	18.5	18.7	14.0	16.8	13.4	7.7
Total Imports	137.7	-10.9	37.2	11.9	18.4	22.1	15.7	16.9	11.5	3.3
Trade Balance (in \$bn)	-10.2	-10.2	-2.0	-9.2	-14.6	-34.5	-33.7	-92.0	-63.3	-58.9

## FORECASTS FOR REAL GDP & CPI

	2005F (Gov)	2005F (BEA)	2004	2003	2002
GDP	5.0	4.5	8.1	3.2	1.9
Private Consumption	N.A.	4.5	6.7	-0.3	-1.2
Government	N.A.	-1.0	0.5	1.9	2.5
Capital Formation	N.A.	4.0	4.5	0.1	-4.5
Domestic Exports	N.A.	-6.0	2.4	-7.3	-11.2
Re-exports	N.A.	9.5	16.3	16.3	11.0
Total Exports	N.A.	8.5	15.3	14.2	8.7
Imports of Goods	N.A.	9.1	14.1	13.1	7.9
Visible Trade (HK\$ billion)	N.A.	-79.0	-61.0	-72.8	-80.5
Exports of Services	N.A.	11.0	14.9	5.7	11.7
Imports of Services	N.A.	6.0	10.5	-4.6	3.7
Invisible Trade (HK\$ billion)	N.A.	256.0	221.0	185.0	155.4
CPI (Composite)	1.5	1.5	-0.4	-2.6	-3.0

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 were 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 are included in trade finance & loans for use in HK

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

# The number of authorized institutions participating in the HKMA Residential Mortgage Survey has been reduced from 25 to 24 starting from September 2004

**KEY INTERNATIONAL INDICATORS FOR MAJOR ECONOMIES**  
(Update: 8<sup>th</sup> April, 2005)

Country/Region	Unemployment Rate	Inflation Rate	GDP**	Money Supply (M1) Growth	Prime Rate
Australia	5.1% (Mar.)	2.6% (Q4)	1.5% (Q4)	2.0% (Feb.)	9.50%
Canada	7.0% (Feb.)	2.1% (Feb.)	1.7% (Q4)**	13.7% (Feb.)	4.25%
China	4.2%*	3.9% (Feb.)	9.5% (Q4)	10.6% (Feb.)	5.58%
Euro area	8.9% (Feb.)	2.1% (Mar.)	1.6% (Q4)	9.9% (Feb.)	3.00%
Hong Kong	6.1% (Dec.-Feb.)	0.8% (Feb.)	7.1% (Q4)	11.0% (Feb.)	5.50%
Japan	4.7% (Feb.)	-0.3% (Feb.)	0.5% (Q4)**	4.0% (Feb.)	1.375%
UK	4.7% (Jan.)	1.6% (Feb.)	2.9% (Q4)	5.9% (Feb.)	4.75%
US	5.2% (Mar.)	3.0% (Feb.)	3.8% (Q4)**	4.1% (Feb.)	5.75%

\* Figure as at end-December, 2004

\*\* GDP figures are yoy except Canada, Japan, and US where they are quarterly annualized rates.

*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; Bloomberg and the National Bureau of Statistics, China. Opinions expressed herein are subject to change without notice.*