

BANKING

	Amount	% change, yoy, unless otherwise stated								
	(\$bn)	Monthly			Quarterly				Yearly	
	3/05	3/05	2/05	Q1/05	Q4/04	Q3/04	Q2/04	2004	2003	2002
HKD M0 (in HKD)	147.1	10.3	12.9	10.3	10.1	12.8	12.8	10.1	12.9	11.4
HKD M1 (in HKD)	387.2	2.9	11.0	2.9	16.3	24.1	39.0	16.3	36.7	12.9
HKD M2 (in HKD)	2,201.4	6.4	3.2	6.4	4.8	0.7	2.8	4.8	6.2	-0.7
HKD M3 (in HKD)	2,214.6	6.2	3.0	6.2	4.6	0.6	2.6	4.6	5.9	-0.6
Spread (Prime-Hibor1) (pa) (%)	N.A.	3.09	3.73	3.81	4.65	4.59	4.90	4.77	4.08	3.37
Res. mortg. loans outstanding#										
(before adjusted to reclassification)	N.A.	1.5	1.7	1.5	1.1	0.6	0.1	1.1	-2.2	1.0
(after adjusted to reclassification)	533.2	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.	56.6	56.9	56.9	56.1	57.6	57.8	57.3	60.4	64.7
(HKD)	N.A.	84.8	83.7	84.7	83.5	85.8	84.9	84.3	86.0	89.6
Foreign Currency Reserves ¹ (in US\$bn)	122.4	122.4	123.9	122.4	123.6	118.4	120.8	123.6	118.4	111.9
Deposits	3,853.1	8.4	5.9	8.4	8.4	5.8	6.5	8.4	7.5	-2.6
HKD Deposits ²	2,004.4	6.2	2.5	6.2	4.5	-0.3	2.3	4.5	5.8	-1.6
FC Deposits ³	1,848.6	10.8	10.1	10.8	13.0	13.1	11.8	13.0	9.6	-3.8
Loans & Advances	2,180.7	6.8	4.1	6.8	5.9	3.0	1.1	5.9	-2.0	-4.9
Loans in HKD	1,699.1	8.1	3.7	8.1	5.9	2.4	0.6	5.9	-2.6	-1.9
Loans in FC	481.7	2.4	5.8	2.4	5.8	5.2	2.8	5.8	0.3	-14.3
Loans for use in HK ⁴	1,952.4	7.6	4.7	7.6	6.3	4.0	1.7	6.3	-1.4	-2.4
Loans for use outside HK ⁵	228.4	0.7	-0.3	0.7	3.0	-4.6	-3.6	3.0	-6.6	-20.7
Loans for use in HK (eop) – Q1/2005	1,952.4	7.6	N.A.	7.6	6.3	4.0	1.7	6.3	-1.4	-2.4
Mortgage Lending (excl. HOS)	539.9	1.4	N.A.	1.4	0.9	0.4	0.0	0.9	-2.4	0.5
Property Development & Investment	403.1	13.4	N.A.	13.4	7.2	-1.5	-3.3	7.2	-4.9	-2.6
Trade Finances ⁴	133.2	25.1	N.A.	25.1	30.0	32.6	23.9	30.0	10.2	2.5
Financial Concerns	167.7	9.4	N.A.	9.4	14.2	13.6	21.0	14.2	17.1	-11.6
Wholesale & Retail Trade	97.1	-0.9	N.A.	-0.9	5.9	2.3	-3.6	5.9	-6.7	-0.8
Manufacturing	109.4	29.4	N.A.	29.4	23.9	20.7	22.3	23.9	13.4	-0.8
Credit Card	50.9	8.0	N.A.	8.0	5.0	0.2	0.7	5.0	-3.7	-6.3
Private Purposes	87.9	12.1	N.A.	12.1	14.5	5.5	2.0	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 3/05	% Change mom Monthly		% Change qoq Quarterly			% Change yoy Yearly			
		3/05	2/05	Q1/05	Q4/04	Q3/04	Q2/04	2004	2003	2002
Price and Rental Indices										
Rental (official) : period average	N.A.	N.A.	1.5	N.A.	2.1	1.5	3.6	5.7	-11.8	-12.5
Price (official) : period average	N.A.	N.A.	0.5	N.A.	7.1	0.8	4.9	26.7	-12.0	-11.1
: eop	N.A.	N.A.	0.5	N.A.	2.8	8.3	-4.4	27.2	0.9	-12.2
<i>HK (\$/sf): eop</i>	3,853	3,853	3,768	3,853	3,686	3,552	3,491	3,686	2,734	2,765
<i>KL (\$/sf): eop</i>	3,421	3,421	3,369	3,421	3,253	3,040	3,021	3,253	2,446	2,432
<i>NT (\$/sf): eop</i>	2,906	2,906	2,637	2,906	2,611	2,524	2,699	2,611	1,799	2,024
Rental yield (%) : <i>HK</i>	3.73	3.73	3.74	3.73	3.82	3.85	3.81	3.95	4.83	4.91
<i>KL</i>	3.93	3.93	3.91	3.93	4.08	4.36	4.21	4.31	5.20	5.09
<i>NT</i>	3.81	3.81	3.77	3.81	3.97	4.05	3.93	4.09	4.74	4.51
Sales & purchase agreements										
Value	\$33.3 bn	14.7	-7.0	-16.8	80.3	-25.3	-11.4	85.7	2.2	-3.8
Number	10,238	6.3	-5.0	-14.6	43.1	-16.7	-14.3	41.4	1.6	-2.6
New res. mortg. approved of 24 AIs#										
Number, during the period	10,779	42.2	-16.0	0.1	17.9	-2.0	-6.1	46.0	-18.3	-7.8
Value per loan, during the period	\$1.76 mn	1.7	5.5	2.4	7.7	2.4	0.2	26.4	-4.1	-4.9
Supply										
No. of private flats completed	7,115 <i>04 Q4</i>	N.A.	N.A.	N.A.	7,115	6,871	5,692	24,312	27,197	32,746
No. of private flats with consent to start work	1,121 <i>04 Q4</i>	N.A.	N.A.	N.A.	1,121	1,415	4,586	14,817	30,012	18,271

MACROECONOMIC INDICATORS

	Amount (\$bn)	% change, yoy unless otherwise stated								
		Monthly		Quarterly			Yearly			
	3/05	3/05	2/05	Q1/05	Q4/04	Q3/04	Q2/04	2004	2003	2002
GDP	N.A.	N.A.	N.A.	N.A.	7.1	6.8	12.1	8.1	3.2	1.9
Composite CPI	N.A.	0.8	0.8	0.4	0.2	0.8	-0.8	-0.4	-2.6	-3.0
Labour										
Unemployment Rate (%)	N.A.	6.1	6.1	6.1	6.5	6.8	6.9	6.8	7.9	7.3
Unemployed ('000 people)	N.A.	211.0	209.3	211.0	226.9	248.9	240.2	241.4	277.2	255.5
External Trade (Nominal)										
Total Exports	168.7	3.5	-5.4	10.6	15.3	17.2	17.8	15.9	11.7	5.4
Domestic Exports	8.0	-17.2	-20.4	-6.9	8.6	0.8	4.9	3.5	-7.1	-14.7
Re-exports	160.6	4.9	-4.5	11.7	15.7	18.5	18.7	16.8	13.4	7.7
Total Imports	182.5	2.5	-10.9	8.1	11.9	18.4	22.1	16.9	11.5	3.3
Trade Balance (in \$bn)	-13.8	-13.8	-10.2	-25.4	-9.2	-14.6	-34.5	-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

¹ Foreign Currency Reserves in Land Fund were not included before June 30, 1997

² Adjusted to include swap deposits

³ Adjusted to exclude swap deposits

⁴ Loans to finance merchandising trade not touching HK are included in trade finance & loans for use in HK

⁵ 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: 5th May, 2005)

Country/Region	Unemployment Rate	Inflation Rate	GDP**	Money Supply (M1) Growth	Prime Rate
Australia	5.1% (Mar.)	2.4% (Q1)	1.5% (Q4)	2.0% (Feb.)	9.50%
Canada	6.9% (Mar.)	2.3% (Mar.)	1.7% (Q4)**	11.8% (Mar.)	4.25%
China	4.2%*	2.7% (Mar.)	9.5% (Q1)	9.9% (Mar.)	5.58%
Euro area	8.9% (Feb.)	2.1% (Apr.)	1.6% (Q4)	9.3% (Mar.)	3.00%
Hong Kong	6.1% (Jan.-Mar.)	0.8% (Mar.)	7.1% (Q4)	2.9% (Mar.)	5.50%
Japan	4.5% (Mar.)	-0.2% (Mar.)	0.5% (Q4)**	4.5% (Mar.)	1.375%
UK	4.8% (Feb.)	1.9% (Mar.)	2.8% (Q1)	5.2% (Mar.)	4.75%
US	5.2% (Mar.)	3.1% (Mar.)	3.1% (Q1)**	3.3% (Mar.)	6.00%

* Figure as at end-March, 2005

** 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.