

**BANKING**

	Amount (\$bn)	% change, yoy, unless otherwise stated									
		Monthly			Quarterly				Yearly		
		2/06	1/06	Q4/05	Q3/05	Q2/05	Q1/05	2005	2004	2003	
HKD M0 (in HKD)	148.3	-1.6	6.6	1.1	2.5	5.7	10.3	1.1	10.1	12.9	
HKD M1 (in HKD)	501.3	22.7	-17.8	-15.6	-5.5	-6.3	2.9	-15.6	16.3	36.7	
HKD M2 (in HKD)	2,549.2	12.3	9.0	5.5	10.1	7.1	6.4	5.5	4.8	6.2	
HKD M3 (in HKD)	2,565.8	12.4	9.1	5.7	10.1	6.9	6.2	5.7	4.6	5.9	
Spread (Prime-Hibor1) (pa) (%)	N.A.	3.95	3.97	3.34	3.12	2.80	3.81	3.27	4.77	4.08	
Res. mortg. loans outstanding#											
(before adjusted to reclassification)	N.A.	-0.1	0.5	1.0	2.9	3.6	1.5	1.0	1.1	-2.2	
(after adjusted to reclassification)	531.1	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.	57.2	56.3	57.5	58.0	57.8	56.9	57.6	57.3	60.4	
(HKD)	N.A.	82.1	82.1	84.8	85.4	86.4	84.7	85.3	84.3	86.0	
Foreign Currency Reserves <sup>1</sup> (in US\$bn)	125.7	125.7	127.8	124.3	122.8	122.0	122.4	124.3	123.6	118.4	
<b>Deposits</b>	4,273.8	9.4	6.8	5.2	8.1	8.0	8.4	5.2	8.4	7.5	
HKD Deposits <sup>2</sup>	2,343.4	13.2	8.9	5.6	10.6	7.1	6.2	5.6	4.5	5.8	
FC Deposits <sup>3</sup>	1,930.4	5.0	4.5	4.8	5.4	9.0	10.8	4.8	13.0	9.6	
<b>Loans &amp; Advances</b>	2,444.2	9.9	5.2	7.3	9.2	8.7	6.8	7.3	5.9	-2.0	
Loans in HKD	1,923.5	11.0	4.6	7.8	9.8	9.4	8.1	7.8	5.9	-2.6	
Loans in FC	520.7	5.9	7.4	5.4	6.9	6.3	2.4	5.4	5.8	0.3	
Loans for use in HK <sup>4</sup>	2,196.3	10.3	5.0	7.8	9.2	10.0	7.6	7.8	6.3	-1.4	
Trade Finance	140.5	6.7	7.2	9.1	14.4	22.3	25.1	9.1	30.0	10.2	
Loans for use outside HK <sup>5</sup>	247.9	6.4	7.0	3.2	8.9	-2.0	0.7	3.2	3.0	-6.6	
		<b>Q4/05</b>	<b>2/06</b>	<b>1/06</b>	<b>Q4/05</b>	<b>Q3/05</b>	<b>Q2/05</b>	<b>Q1/05</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
<b>Loans for use in HK (eop)</b>	2,071.9	N.A.	N.A.	7.8	9.2	10.0	7.6	7.8	6.3	-1.4	
Mortgage Lending (excl. HOS)	539.0	N.A.	N.A.	0.9	2.7	3.4	1.4	0.9	0.9	-2.4	
Property Development & Investment	450.2	N.A.	N.A.	16.5	16.9	14.4	13.2	16.5	7.2	-4.9	
Trade Finance <sup>4</sup>	141.9	N.A.	N.A.	9.1	14.4	22.3	25.1	9.1	30.0	10.2	
Financial Concerns	179.1	N.A.	N.A.	6.7	11.6	11.2	9.8	6.7	14.2	17.1	
Wholesale & Retail Trade	100.8	N.A.	N.A.	1.6	3.2	6.2	-0.5	1.6	5.9	-6.7	
Manufacturing	119.3	N.A.	N.A.	20.1	25.7	31.0	29.4	20.1	23.9	13.4	
Credit Card	62.0	N.A.	N.A.	19.4	13.5	8.0	8.0	19.4	5.0	-3.7	
Private Purposes	98.3	N.A.	N.A.	11.3	14.0	15.7	12.1	11.3	14.5	-3.6	

**PRIVATE CONSUMPTION**

	Amount	% change, yoy, unless otherwise stated								
		Monthly			Quarterly				Yearly	
		2/06	1/06	Q4/05	Q3/05	Q2/05	Q1/05	2005	2004	2003
Retail Sales (Value)	\$16.2 bn	-3.1	11.6	5.2	6.1	7.3	8.9	6.8	10.8	-2.3
(Volume)	N.A.	-4.9	10.4	4.3	5.1	6.5	8.1	5.9	9.1	-0.6
Restaurant Receipts (Value)	\$14.7 bn (05 Q4)	N.A.	N.A.	7.0	6.3	4.5	6.1	6.0	10.1	-9.7
(Volume)	N.A.	N.A.	N.A.	5.9	5.2	3.8	5.6	5.2	9.9	-8.5
Department Store (Value)	\$1.6 bn	-7.9	10.2	6.4	7.2	7.6	12.9	8.2	12.3	-2.9
(Volume)	N.A.	-7.8	11.3	5.8	6.3	7.3	11.5	7.4	10.3	-2.8
Visitors Arrivals	1.93 mn	10.9	15.6	5.8	4.0	8.5	10.8	7.1	40.4	-6.2

## PROPERTY

Private Residential	Amount	% Change mom		% Change qoq				% Change yoy		
		Monthly		Quarterly				Yearly		
	2/06	2/06	1/06	Q4/05	Q3/05	Q2/05	Q1/05	2005	2004	2003
<b>Price and Rental Indices</b>										
Rental (official) : period average	N.A.	N.A.	-1.9	2.0	3.2	3.7	2.9	11.4	5.7	-11.8
Price (official) : period average	N.A.	N.A.	0.9	-4.2	-1.0	5.2	7.8	17.8	26.7	-12.0
: eop	N.A.	N.A.	0.9	-5.4	1.2	-1.8	13.6	6.7	27.4	0.9
HK (\$/sf): eop	4,068	4,068	4,023	3,970	4,103	4,009	3,853	3,970	3,686	2,734
KL (\$/sf): eop	3,825	3,825	3,532	3,646	3,663	3,563	3,421	3,646	3,253	2,446
NT (\$/sf): eop	2,955	2,955	2,775	2,751	2,790	2,788	2,906	2,751	2,611	1,799
Rental yield (%) : HK	3.96	3.96	3.92	3.79	3.67	3.71	3.73	3.73	3.95	4.83
KL	3.72	3.72	4.05	3.87	3.83	3.89	3.93	3.88	4.31	5.20
NT	3.51	3.51	3.92	3.82	3.79	3.65	3.81	3.77	4.09	4.74
<b>Sales &amp; purchase agreements</b>										
Value	\$16.5 bn	15.1	-1.2	-5.5	-40.4	49.8	-16.8	12.4	85.7	2.2
Number	6,413	9.5	7.3	-11.8	-39.5	46.0	-14.6	0.2	41.4	1.6
<b>New res. mortg. approved of 23 AIs#</b>										
Number, during the period	4,677	-3.4	-2.9	-12.9	-41.6	18.9	0.1	-4.0	46.0	-18.3
Value per loan, during the period	\$1.65 mn	5.8	1.3	0.2	-5.6	-2.9	2.4	4.2	26.4	-4.1

## MACROECONOMIC INDICATORS

	Amount (\$bn)	% change, yoy unless otherwise stated								
		Monthly			Quarterly				Yearly	
	2/06	2/06	1/06	Q4/05	Q3/05	Q2/05	Q1/05	2005	2004	2003
GDP	N.A.	N.A.	N.A.	7.6	8.3	7.3	6.0	7.3	8.6	3.2
Composite CPI	N.A.	1.6	2.6	1.8	1.4	0.8	0.4	1.1	-0.4	-2.6
<b>Labour</b>										
Unemployment Rate (%)	N.A.	5.2	5.2	5.3	5.5	5.7	6.1	5.6	6.8	7.9
Unemployed ('000 people)	N.A.	176.0	174.4	182.0	205.7	204.5	210.6	200.7	242.5	277.2
<b>External Trade (Nominal)</b>										
Total Exports	153.6	20.5	4.2	10.0	12.5	12.5	10.5	11.4	15.9	11.7
Domestic Exports	9.5	52.4	34.8	25.2	13.9	-6.4	-6.9	8.0	3.5	-7.1
Re-exports	144.1	18.8	2.4	9.0	12.5	13.7	11.6	11.7	16.8	13.4
Total Imports	176.7	28.3	0.6	11.3	11.5	10.1	8.1	10.3	16.9	11.5
Trade Balance (in \$bn)	-23.0	-23.0	4.4	-17.1	-10.8	-26.0	-25.4	-79.3	-92.0	-63.3

## FORECASTS FOR REAL GDP & CPI

	2006F (Gov)	2006F (BEA)	2005	2004	2003
GDP	4.5	5.2	7.3	8.6	3.2
Private Consumption	N.A.	4.5	3.7	7.3	-0.9
Government	N.A.	-2.0	-3.0	0.7	1.9
Capital Formation	N.A.	1.0	3.9	3.0	0.9
Domestic Exports	N.A.	2.0	7.6	2.4	-7.3
Re-exports	N.A.	9.4	11.4	16.3	16.3
Total Exports	N.A.	9.0	11.2	15.3	14.2
Imports of Goods	N.A.	8.1	8.6	14.1	13.1
Visible Trade (HK\$ billion)	N.A.	13.9	-11.4	-61.0	-72.8
Exports of Services	N.A.	6.0	8.4	17.9	7.9
Imports of Services	N.A.	3.0	2.8	14.6	-2.1
Invisible Trade (HK\$ billion)	N.A.	295.2	277.4	244.2	201.4
CPI (Composite)	2.3	2.5	1.1	-0.4	-2.6

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 24 to 23 starting from November 2005

**KEY INTERNATIONAL INDICATORS FOR MAJOR ECONOMIES**  
(Update: 7<sup>th</sup> April, 2006)

Country/Region	Unemployment Rate	Inflation Rate	GDP**	Money Supply (M1) Growth	Prime Rate
Australia	5.2% (Feb.)	2.8% (Q4)	2.7% (Q4)	6.4% (Jan.)	5.50% #
Canada	6.4% (Feb.)	2.2% (Feb.)	2.5% (Q4)**	10.0% (Feb.)	5.50%
China	4.2% *	0.9% (Feb.)	9.9% (Q4)	12.4% (Feb.)	5.58%
Euro area	8.3% (Jan.)	2.0% (Feb.)	1.7% (Q4)	9.9% (Feb.)	3.50%
Hong Kong	5.2% (Dec.-Feb.)	1.6% (Feb.)	7.6% (Q4)	22.7% (Feb.)	8.25%
Japan	4.5% (Jan.)	0.4% (Feb.)	5.4% (Q4)**	5.5% (Feb.)	1.375%
UK	5.0% (Jan.)	2.0% (Feb.)	1.8% (Q4)	6.2% (Feb.)	4.50%
US	4.8% (Feb.)	3.6% (Feb.)	1.7% (Q4)**	0.4% (Feb.)	7.75%

\* Figure as at end-December, 2005

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

# RBA Cash Rate

*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.*