

BANKING

	Amount (\$bn)	% change, yoy, unless otherwise stated									
		Monthly			Quarterly				Yearly		
		3/07	3/07	2/07	Q1/07	Q4/06	Q3/06	Q2/06	2006	2005	2004
HKD M0 (in HKD)	152.8	4.3	10.2	4.3	5.6	4.5	1.9	5.6	1.1	10.1	
HKD M1 (in HKD)	418.8	17.4	-20.2	17.4	11.4	4.7	-2.1	11.4	-15.6	16.3	
HKD M2 (in HKD)	2,948.4	20.2	17.3	20.2	19.2	16.3	13.2	19.2	5.5	4.8	
HKD M3 (in HKD)	2,966.5	20.1	17.3	20.1	19.2	16.3	13.3	19.2	5.7	4.6	
Spread (Prime-Hibor1) (pa) (%)	N.A.	3.65	3.68	3.73	3.89	4.03	3.66	3.86	3.27	4.77	
Res. mortg. loans outstanding#											
(before adjusted to reclassification)	N.A.	0.4	-0.3	0.4	-0.7	-2.3	-3.0	-0.7	1.0	1.1	
(after adjusted to reclassification)	530.4	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.	53.7	53.7	53.4	53.4	55.2	55.6	55.1	57.6	57.3	
(HKD)	N.A.	75.7	75.6	75.7	76.3	79.9	79.5	79.3	85.3	84.3	
Foreign Currency Reserves ¹ (in US\$bn)	135.4	135.4	136.3	135.4	133.2	130.3	126.6	133.2	124.3	123.6	
Deposits	4,972.6	18.2	17.2	18.2	17.2	15.9	12.3	17.2	5.2	8.4	
HKD Deposits ²	2,736.4	21.7	18.2	21.7	20.5	17.4	14.0	20.5	5.6	4.5	
FC Deposits ³	2,236.2	14.1	15.9	14.1	13.5	14.2	10.4	13.5	4.8	13.0	
Loans & Advances	2,671.5	14.8	10.0	14.8	6.7	10.1	7.1	6.7	7.2	5.9	
Loans in HKD	2,070.3	15.5	9.0	15.5	6.7	9.5	5.9	6.7	7.8	6.0	
Loans in FC	601.2	12.2	14.1	12.2	7.0	12.1	11.3	7.0	5.3	5.8	
Loans for use in HK ⁴	2,288.6	10.8	5.4	10.8	2.7	6.8	4.4	2.7	7.8	6.3	
Trade Finance	150.5	8.8	8.3	8.8	7.4	8.4	1.8	7.4	8.9	30.0	
Loans for use outside HK ⁵	382.9	46.2	51.1	46.2	41.9	38.0	31.6	41.9	3.2	3.0	
		Q1/07	3/07	2/07	Q1/07	Q4/06	Q3/06	Q2/06	2006	2005	2004
Loans for use in HK (eop)	2,288.6	N.A.	N.A.	10.8	2.7	5.9	4.4	2.7	7.8	6.3	
Mortgage Lending (excl. HOS)	536.3	N.A.	N.A.	0.3	-0.8	-2.4	-2.9	-0.8	0.9	0.9	
Property Development & Investment	496.4	N.A.	N.A.	9.3	9.2	12.9	16.1	9.2	16.6	7.2	
Trade Finance ⁴	150.5	N.A.	N.A.	8.8	7.4	8.4	1.8	7.4	8.9	30.0	
Financial Concerns	208.1	N.A.	N.A.	13.1	3.6	8.6	5.1	3.6	6.6	14.2	
Wholesale & Retail Trade	108.4	N.A.	N.A.	6.7	4.6	1.8	-0.1	4.6	1.5	5.9	
Manufacturing	106.0	N.A.	N.A.	-9.3	-12.8	-9.0	-0.2	-12.8	20.0	23.9	
Credit Card	60.7	N.A.	N.A.	9.5	5.0	8.3	11.6	5.0	19.4	5.0	
Private Purposes	120.1	N.A.	N.A.	21.6	9.7	14.6	13.7	9.7	11.3	14.5	

PRIVATE CONSUMPTION

	Amount	% change, yoy, unless otherwise stated								
		Monthly			Quarterly				Yearly	
		3/07	3/07	2/07	Q1/07	Q4/06	Q3/06	Q2/06	2006	2005
Retail Sales (Value)	\$18.9 bn	5.0	28.6	10.7	8.7	7.7	6.7	7.3	6.8	10.8
(Volume)	N.A.	3.5	25.2	7.9	6.1	5.8	5.3	5.8	6.1	9.1
Restaurant Receipts (Value)	\$16.8 bn (07 Q1)	N.A.	N.A.	11.8	10.9	7.1	11.1	9.5	6.0	10.1
(Volume)	N.A.	N.A.	N.A.	9.5	9.2	5.5	9.7	8.1	5.2	9.9
Department Store (Value)	\$1.8 bn	9.5	33.1	12.2	7.2	11.0	12.2	8.1	8.2	12.3
(Volume)	N.A.	7.7	30.5	9.8	5.7	11.0	13.0	8.3	7.9	10.1
Visitors Arrivals	2.16 mn	2.9	18.2	6.3	4.3	6.7	8.4	8.1	7.1	40.4

PROPERTY

Private Residential	Amount	% Change mom		% Change qoq			% Change yoy			
		3/07	2/07	Quarterly			Yearly			
	3/07	3/07	2/07	Q1/07	Q4/06	Q3/06	Q2/06	2006	2005	2004
Price and Rental Indices										
Rental (official) : period average	N.A.	2.1	0.2	2.5	2.2	1.4	1.9	5.9	11.3	5.7
Price (official) : period average	N.A.	0.8	1.4	2.9	0.6	-0.5	1.9	0.7	18.0	26.7
: eop	N.A.	0.8	1.4	3.4	0.5	1.1	-0.3	4.1	8.2	27.4
HK (\$/sf): eop	4,228	4,228	4,208	4,228	4,102	4,078	4,062	4,102	3,970	3,686
KL (\$/sf): eop	3,772	3,772	3,976	3,772	3,719	3,716	3,660	3,719	3,646	3,253
NT (\$/sf): eop	2,803	2,803	2,835	2,803	2,851	2,779	2,861	2,851	2,751	2,611
Rental yield (%) : HK	3.98	3.98	4.02	4.01	3.97	3.91	3.92	3.93	3.73	3.95
KL	4.09	4.09	4.05	4.06	4.03	3.99	3.99	3.97	3.88	4.31
NT	3.96	3.96	3.94	4.05	3.90	3.87	3.84	3.85	3.77	4.09
Sales & purchase agreements										
Value	\$32.0 bn	20.4	-2.1	12.8	-0.6	-27.9	88.8	-20.3	12.4	85.7
Number	9,470	3.1	4.3	11.3	-6.9	0.2	23.1	-19.9	0.2	41.4
New res. mortg. approved of 23 AIs#										
Number, during the period	9,198	47.3	-15.5	0.8	14.0	-10.1	29.7	-14.5	-4.0	46.0
Value per loan, during the period	\$1.77 mn	6.6	-1.8	-4.8	5.1	-0.8	5.5	5.3	4.2	26.4

MACROECONOMIC INDICATORS

	Amount (\$bn)	% change, yoy unless otherwise stated								
		Monthly			Quarterly			Yearly		
	3/07	3/07	2/07	Q1/07	Q4/06	Q3/06	Q2/06	2006	2005	2004
GDP	N.A.	N.A.	N.A.	N.A.	7.0	6.7	5.5	6.8	7.5	8.6
Composite CPI	N.A.	2.4	0.8	1.7	2.2	2.3	2.1	2.0	1.0	-0.4
Labour										
Unemployment Rate (%)	N.A.	4.3	4.3	4.3	4.4	4.7	4.9	4.8	5.6	6.8
Unemployed ('000 people)	N.A.	152.5	146.8	152.5	153.7	177.0	175.7	170.9	197.3	239.4
External Trade (Nominal)										
Total Exports	206.8	6.9	11.6	9.0	11.9	-2.7	5.4	9.4	11.4	15.9
Domestic Exports	7.6	-29.1	-34.7	-33.4	-31.8	-15.5	19.9	-1.1	8.0	3.5
Re-exports	199.3	9.0	14.6	11.8	15.3	-1.9	4.6	10.0	11.7	16.8
Total Imports	235.2	11.1	1.3	9.0	14.0	-1.6	8.1	11.6	10.3	16.9
Trade Balance (in \$bn)	-28.3	-28.3	-7.5	-40.3	-32.4	-26.2	-43.2	-138.8	-79.3	-92.0

FORECASTS FOR REAL GDP & CPI

	2007F (BEA)	2007F (Gov)	2006	2005	2004
GDP	5.0	4.5-5.5	6.8	7.5	8.6
Private Consumption	5.8	N.A.	5.1	3.3	7.2
Government	2.0	N.A.	0.3	-3.1	0.7
Capital Formation	4.0	N.A.	7.9	4.6	3.1
Domestic Exports	-5.0	N.A.	2.3	7.6	2.4
Re-exports	8.0	N.A.	10.7	11.4	16.3
Total Exports	7.3	N.A.	10.2	11.2	15.3
Imports of Goods	7.7	N.A.	10.0	8.6	14.1
Visible Trade (HK\$ billion)	-18.6	N.A.	-7.8	-11.4	-61.0
Exports of Services	6.8	N.A.	8.7	11.3	17.9
Imports of Services	6.4	N.A.	6.3	7.4	14.6
Invisible Trade (HK\$ billion)	333.6	N.A.	311.4	280.9	244.2
CPI (Composite)	2.0	1.5	2.0	1.0	-0.4

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 24 to 23 starting from November 2005

KEY INTERNATIONAL INDICATORS FOR MAJOR ECONOMIES
(Update: 14th May, 2007)

Country/Region	Unemployment Rate	Inflation Rate	GDP**	Money Supply (M1) Growth	Prime Rate
Australia	4.4% (Apr.)	2.4% (Q1)	2.8% (Q4)	11.8% (Mar.)	6.25% #
Canada	6.1% (Mar.)	2.3% (Mar.)	1.4% (Q4)**	10.0% (Mar.)	6.00%
China	4.1% *	3.0% (Apr.)	11.1% (Q1)	20.0% (Apr.)	6.39%
Euro area	7.2% (Mar.)	1.9% (Mar.)	3.3% (Q4)	7.0% (Mar.)	4.75%
Hong Kong	4.3% (Jan.-Mar.)	2.4% (Mar.)	7.0% (Q4)	17.4% (Mar.)	8.00%
Japan	4.0% (Mar.)	-0.1% (Mar.)	5.5% (Q4)**	-0.8% (Apr.)	1.875%
UK	5.5% (Feb.)	3.1% (Mar.)	2.8% (Q1)	3.7% (Apr.)	5.50%
US	4.4% (Mar.)	2.8% (Mar.)	1.3% (Q1)**	-0.2% (Apr.)	8.25%

* Figure as at end-December, 2006

** 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.