

National Income and Balance of Payments

Data on transactions and assets and liabilities vis-à-vis the mainland of China are treated as external transactions and external positions respectively. Examples of external transactions are trade in goods, trade in services and external factor income flows. Examples of external positions are stocks of inward and outward direct investments.

Gross Domestic Product (GDP)

	2005	2009@	2010@
GDP (HK\$ billion)			
At current market prices	1,382.6	1,622.2	1,748.1
	(+7.0)	(-3.3)	(+7.8)
In chained (2008) dollars	1,439.7	1,632.3	1,743.5
	(+7.1)	(-2.7)	(+6.8)
Per capita GDP (HK\$)			
At current market prices	202,928	231,621	247,332
	(+6.6)	(-3.6)	(+6.8)
In chained (2008) dollars	211,310	233,059	246,677
	(+6.6)	(-3.0)	(+5.8)

GDP by Expenditure Component

Expenditure components at current market prices (HK\$ billion)

Private consumption expenditure	804.9	1,012.4	1,079.5
Government consumption expenditure	121.4	142.9	147.1
Gross domestic fixed capital formation	289.2	322.7	374.6
Changes in inventories	-4.8	22.9	42.3
Exports of goods (f.o.b.)	2,251.7	2,494.7	3,061.3
Exports of services	495.4	670.2	835.0
<i>Less : Imports of goods (f.o.b.)</i>	<i>2,311.1</i>	<i>2,703.0</i>	<i>3,395.1</i>
<i>Imports of services</i>	<i>264.2</i>	<i>340.6</i>	<i>396.6</i>
GDP	1,382.6	1,622.2	1,748.1

Ratio of expenditure components to GDP at current market prices (%)

Private consumption expenditure	58.2	62.4	61.8
Government consumption expenditure	8.8	8.8	8.4
Gross domestic fixed capital formation	20.9	19.9	21.4
Changes in inventories	-0.3	1.4	2.4
Exports of goods (f.o.b.)	162.9	153.8	175.1
Exports of services	35.8	41.3	47.8
<i>Less : Imports of goods (f.o.b.)</i>	<i>167.2</i>	<i>166.6</i>	<i>194.2</i>
<i>Imports of services</i>	<i>19.1</i>	<i>21.0</i>	<i>22.7</i>
GDP	100.0	100.0	100.0

GDP by Expenditure Component	2005	2009@	2010@
Year-on-year rates of change of GDP and expenditure components (%)			
In nominal terms			
GDP	+7.0	-3.3	+7.8
Private consumption expenditure	+4.8	-1.0	+6.6
Government consumption expenditure	-4.6	+2.6	+3.0
Gross domestic fixed capital formation	+5.1	-3.5	+16.1
Exports of goods (f.o.b.)	+11.1	-12.3	+22.7
Exports of services	+15.3	-6.7	+24.6
Imports of goods (f.o.b.)	+10.1	-10.6	+25.6
Imports of services	+9.0	-7.1	+16.5
In real terms			
GDP	+7.1	-2.7	+6.8
Private consumption expenditure	+3.0	+0.6	+5.8
Government consumption expenditure	-3.2	+2.3	+2.7
Gross domestic fixed capital formation	+4.1	-3.9	+8.1
Exports of goods (f.o.b.)	+10.4	-12.7	+17.3
Exports of services	+11.6	+0.3	+15.0
Imports of goods (f.o.b.)	+8.0	-9.5	+18.1
Imports of services	+7.8	-4.9	+10.9
GDP by Economic Activity ^Δ			
Percentage contribution of economic activities to GDP at basic prices (%)			
Agriculture, fishing, mining and quarrying	0.1	0.1	0.1
Manufacturing	2.9	1.9	1.8
Electricity, gas and water supply, and waste management	3.0	2.5	2.3
Construction	2.9	3.0	3.2
Services	91.2	92.5	92.6
Import/export, wholesale and retail trades	26.1	24.7	23.6
Accommodation and food services	2.8	3.4	3.1
Transportation, storage, postal and courier services	8.5	6.2	6.4
Information and communications	3.3	3.0	3.0
Financing and insurance	12.7	16.0	15.2
Real estate, professional and business services	9.0	10.4	11.2
Public administration, social and personal services	17.9	16.9	18.0
Ownership of premises	11.0	11.8	12.1
Total	100.0	100.0	100.0
GDP at basic prices (HK\$ billion)	1,359.2	1,592.9	1,550.9

Note: Starting from the reference year of 2009, statistics on GDP by economic activity are compiled based on HSIC Version 2.0. Besides, the valuation of value added has been changed from factor cost to basic prices to follow international standard. As a result of these statistical developments, the series of the GDP by economic activity has been revised and backcasted to 2000.

GDP by Economic Activity ^Δ	2005	2009[@]	2010[@]
Year-on-year rates of change in real terms of value added of major economic activities (%)			
Manufacturing	+1.7	-8.3	+2.8
Construction	-7.9	-7.6	+15.2
Services	+7.4	-1.6	+7.0
<i>of which :</i>			
Import/export, wholesale and retail trades	+14.7	-9.4	+18.2
Accommodation and food services	+6.2	-11.3	+8.5
Transportation, storage, postal and courier services	+7.0	-5.5	+7.7
Information and communications	+2.6	+0.9	+1.4
Financing and insurance	+11.8	+4.3	+5.6
Real estate, professional and business services	+4.6	+1.7	+1.6
Public administration, social and personal services	+0.2	+2.8	+3.3

Notes: Starting from the reference year of 2009, statistics on GDP by economic activity are compiled based on HSIC Version 2.0. Besides, the valuation of value added has been changed from factor cost to basic prices to follow international standard. As a result of these statistical developments, the series of the GDP by economic activity has been revised and backcasted to 2000. Figures for 2010 refer to the percentage changes in the first three quarters over the same period a year earlier.

Gross National Product (GNP)

HK\$ billion, unless otherwise specified

	2005	2008	2009@
In chained (2008) dollars⁽¹⁾			
GDP	1,439.7	1,677.0	1,632.3
Net external factor income flows	1.2	83.3	43.5
<i>External factor income inflow</i>	539.8	923.3	789.0
<i>External factor income outflow</i>	538.6	840.0	745.4
GNP	1,441.8	1,760.3	1,675.8
	(+5.3)	(+4.5)	(-4.8)
Per capita GDP (HK\$)	211,310	240,339	233,059
Per capita GNP (HK\$)	211,622	252,278	239,273
	(+4.8)	(+3.7)	(-5.2)
At current market prices			
GDP	1,382.6	1,677.0	1,622.2
Net external factor income flows	1.6	83.3	42.9
<i>External factor income inflow</i>	504.0	923.3	781.2
<i>External factor income outflow</i>	502.3	840.0	738.3
GNP	1,384.2	1,760.3	1,665.1
	(+5.2)	(+6.0)	(-5.4)
Per capita GDP (HK\$)	202,928	240,339	231,621
Per capita GNP (HK\$)	203,170	252,278	237,741
	(+4.8)	(+5.3)	(-5.8)

Notes: Gross National Product (GNP) is a measure of the total income earned by residents of a country or territory from engaging in various economic activities, irrespective of whether the economic activities are carried out within the economic territory or outside. GNP is obtained by adding net external factor income flows (i.e. external factor income inflow *minus* external factor income outflow) to GDP of the same year.

(1) A technical feature of the chain volume measures was that for earlier years, the sum of net external factor income flows and GDP might not be equal to GNP.

Balance of Payments Account⁽¹⁾

	<i>HK\$ billion</i>		
	2005	2008	2009
Current Account Balance⁽²⁾	156.9	229.5*	139.6
Balance on goods	-59.3	-180.1	-208.2
Balance on services	231.2	352.1*	329.5
Net income flow	1.6	83.3	42.9
Net flow in current transfers	-16.5	-25.9	-24.6
Capital and Financial Account Balance⁽²⁾	-182.4	-231.2	-155.4
Net flow in capital transfers	-4.9	16.4	36.2
Net change in financial non-reserve assets ⁽³⁾	-166.8	16.3	357.7
Direct investment	50.0	70.4	-89.9
Portfolio investment	-245.0	-295.1	-332.4
Financial derivatives	30.5	63.3	24.6
Other investment	-2.3	177.7	755.4
Net change in reserve assets ⁽³⁾	-10.7	-263.9	-549.3
Net Errors and Omissions⁽⁴⁾	25.5	1.7*	15.8
Overall Balance of Payments	10.7	263.9	549.3
		(in surplus)	(in surplus)
		(in surplus)	(in surplus)

- Notes:** (1) A Balance of Payments (BoP) account is a statistical statement that systematically summarises, for a specific time period, the economic transactions of an economy with the rest of the world. A complete BoP account comprises (a) current account; and (b) capital and financial account.
- (2) In accordance with the BoP accounting rules, a positive value for the balance figure in the current account represents a surplus whereas a negative value represents a deficit. For the capital and financial account, a positive value indicates a net capital and financial inflow and a negative value indicates a net outflow. As increases in external assets are debit entries and decreases are credit entries, a negative value for the net change in reserve assets represents a net increase and a positive value represents a net decrease.
- (3) The estimates of net changes in reserve and non-reserve assets under the BoP framework are transaction figures. Effects of valuation changes (including price changes and exchange rate changes) and reclassifications are excluded.
- (4) In principle, the net sum of credit entries and debit entries is zero. In practice, discrepancies between the credit and debit entries may however occur for various reasons as the data are collected from different sources. Equality between the sum of credit entries and debit entries is brought about by the inclusion of a balancing item which reflects "net errors and omissions".

International Investment Position⁽¹⁾ by Broad Component (Position as at End of Period)

Broad component	HK\$ billion		
	2005	2008	2009
Assets	11,588.3	17,521.3	19,811.5
Direct investment abroad	3,653.9	5,906.2	6,453.7
Portfolio investment	3,384.7	4,318.2	6,293.4
Financial derivatives	133.3	675.3	379.2
Other investment	3,452.8	5,206.8	4,701.5
Reserve assets	963.6	1,414.7	1,983.6
Liabilities	8,182.2	12,694.6	14,227.1
Direct investment in Hong Kong	4,056.3	6,325.8	7,262.1
Portfolio investment	1,383.3	1,781.9	2,643.2
Financial derivatives	132.6	572.6	310.5
Other investment	2,610.0	4,014.2	4,011.4
Net International Investment Position⁽²⁾	3,406.1	4,826.7	5,584.4
Direct investment	-402.4	-419.7	-808.3
Portfolio investment	2,001.4	2,536.3	3,650.3
Financial derivatives	0.7	102.7	68.7
Other investment	842.8	1,192.6	690.1
Reserve assets	963.6	1,414.7	1,983.6

Notes: (1) The international investment position statistics show the balance sheet of the stock of Hong Kong's external financial assets and liabilities at a particular point in time.

(2) Net international investment position is the difference between total external financial assets and total external financial liabilities.

General Notes

1. Figures in brackets refer to percentage changes over the same period in preceding year and are calculated based on unrounded figures.
2. There may be a slight discrepancy between the sum of individual items and the total as shown in the tables owing to rounding.

Special Notes

- △ A revised version of Hong Kong Standard Industrial Classification (HSIC), i.e. HSIC Version 2.0, was released in October 2008 to replace HSIC Version 1.1. Statistics by economic activities are compiled based on HSIC Version 2.0 starting from the reference period of 2009. Backcasted series of those statistics under HSIC Version 2.0 are also made available as appropriate. Figures compiled based on HSIC Version 2.0 are presented in this booklet. Please refer to the feature article entitled "Revision of Hong Kong Standard Industrial Classification" published in the November 2008 issue of the *Hong Kong Monthly Digest of Statistics* for details on the revision of HSIC.
- ** The statistics are compiled based on data collected in the General Household Survey from January to December of the year concerned as well as the mid-year population estimates by District Council district compiled jointly by the Census and Statistics Department and an inter-departmental Working Group on Population Distribution Projections.

Symbols

The following symbols are used throughout the booklet :

- # Provisional figures/estimates
- @ Figures are subject to revision later on
- * Revised figures
- Not applicable
- N.A. Not yet available