



High Frequency Macroeconomic Forecasts: First Quarter 2006

**APEC Study Centre
The University of Hong Kong**

January 4, 2006

<http://www.hku.hk/apec/>

High Frequency Macroeconomic Forecasts

APEC Study Center

The University of Hong Kong

Current Quarter Model Forecast

(Percentage)

	2005					2006
	Q1	Q2	Q3	Q4 (forecast)	Annual (forecast)	Q1 (forecast)
Gross Domestic Product	6.2	7.3	8.2	6.6	7.1	6.2
Private Consumption Expenditure	4.4	2.7	4.6	4.8	4.1	4.4
Government Consumption Expenditure	-4.8	-2.3	-1.8	0.5	-2.1	0.5
Total Export of Goods & Services	8.9	10.7	12.0	9.5	10.3	9.8
Total Import of Goods & Services	3.9	6.4	10.4	10.3	7.9	9.7
Gross Fixed Capital Formation	0.4	4.5	2.4	3.2	2.6	2.1
CPI (Composite) Inflation Rate	0.4	0.8	1.4	1.7	1.1	2.0
Unemployment Rate	6.1	5.7	5.5	5.2	5.7	5.0
Date of Forecast: December 23, 2005						

High Frequency Macroeconomic Forecasts
APEC Study Center
The University of Hong Kong

Current Quarter Model Forecast
Contribution to total GDP Growth (Percentage Points)

	2005					2006
	Q1	Q2	Q3	Q4 (forecast)	Annual (forecast)	Q1 (forecast)
Gross Domestic Product	6.2	7.3	8.2	6.6	7.1	6.2
Private Consumption Expenditure	2.5	1.6	2.5	2.6	2.3	2.5
Government Consumption Expenditure	-0.5	-0.2	-0.1	0.0	-0.2	0.0
Net Export of Goods & Services	8.4	8.0	4.5	0.5	5.2	1.5
Gross Fixed Capital Formation	0.1	1.1	0.6	0.7	0.6	0.5
Changes in Inventories	-4.3	-3.2	0.8	2.7	-0.8	1.7

Date of Forecast: December 23, 2005

2006 Hong Kong Economy Outlook

APEC Study Center

The University of Hong Kong

(Year-on-Year Percentage Change)

	2003	2004	2005 (forecast)	2006 (forecast)
Gross Domestic Product	3.1	8.2	7.1	5.0
Private Consumption Expenditure	-1.0	6.8	4.1	2.0
Government Consumption Expenditure	1.9	0.7	-2.1	1.0
Total Export of Goods & Services	13.1	15.3	10.3	9.0
Total Import of Goods & Services	11.5	13.8	7.9	8.4
Gross Fixed Capital Formation	0.9	4.1	2.6	2.4
CPI (Composite) Inflation Rate	-2.6	-0.4	1.1	2.5
Unemployment Rate	7.9	6.9	5.6	4.8

Date of Forecast: December 23, 2005

2006 Hong Kong Economic Outlook

APEC Study Center

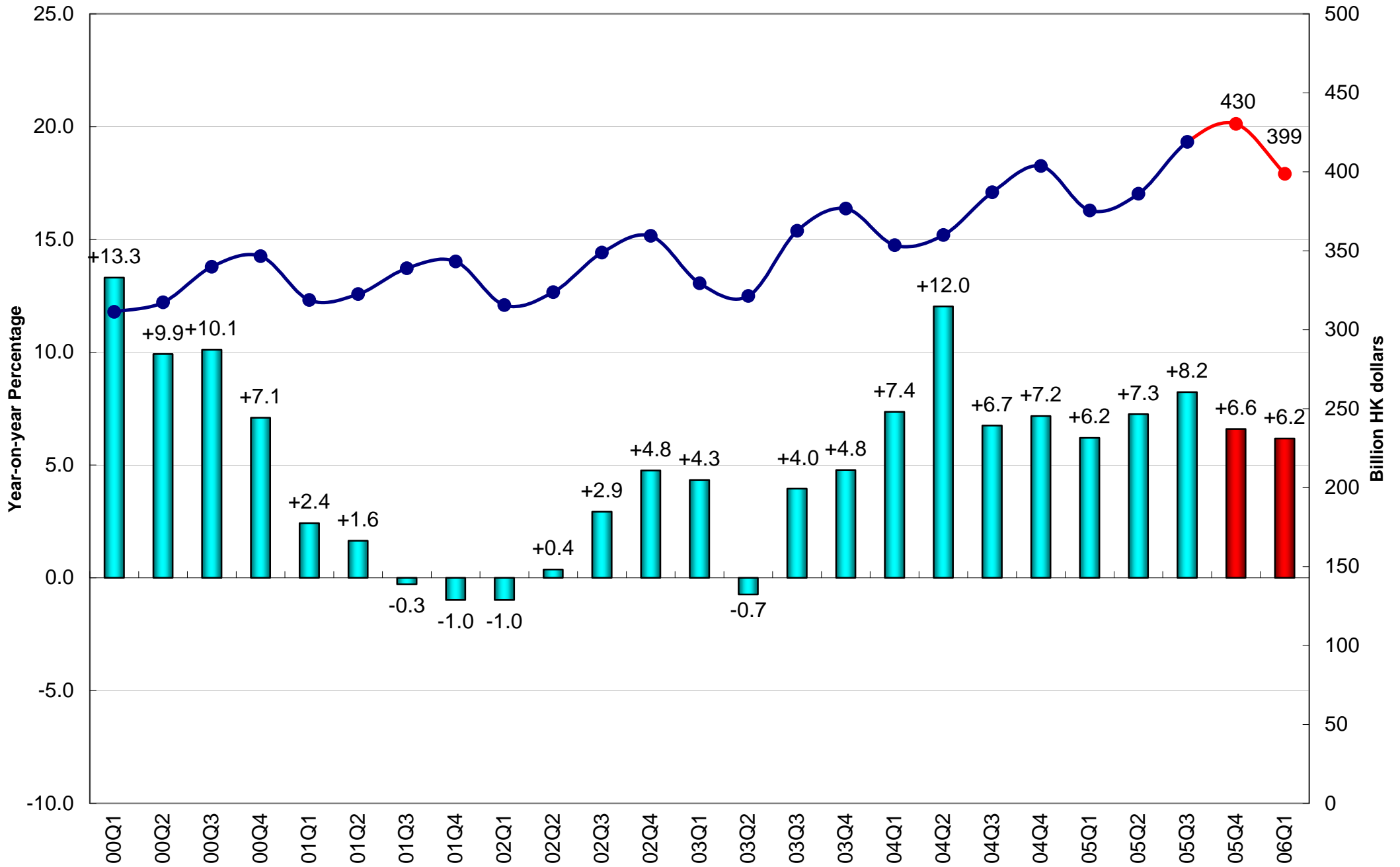
The University of Hong Kong

(Contribution to GDP growth %)

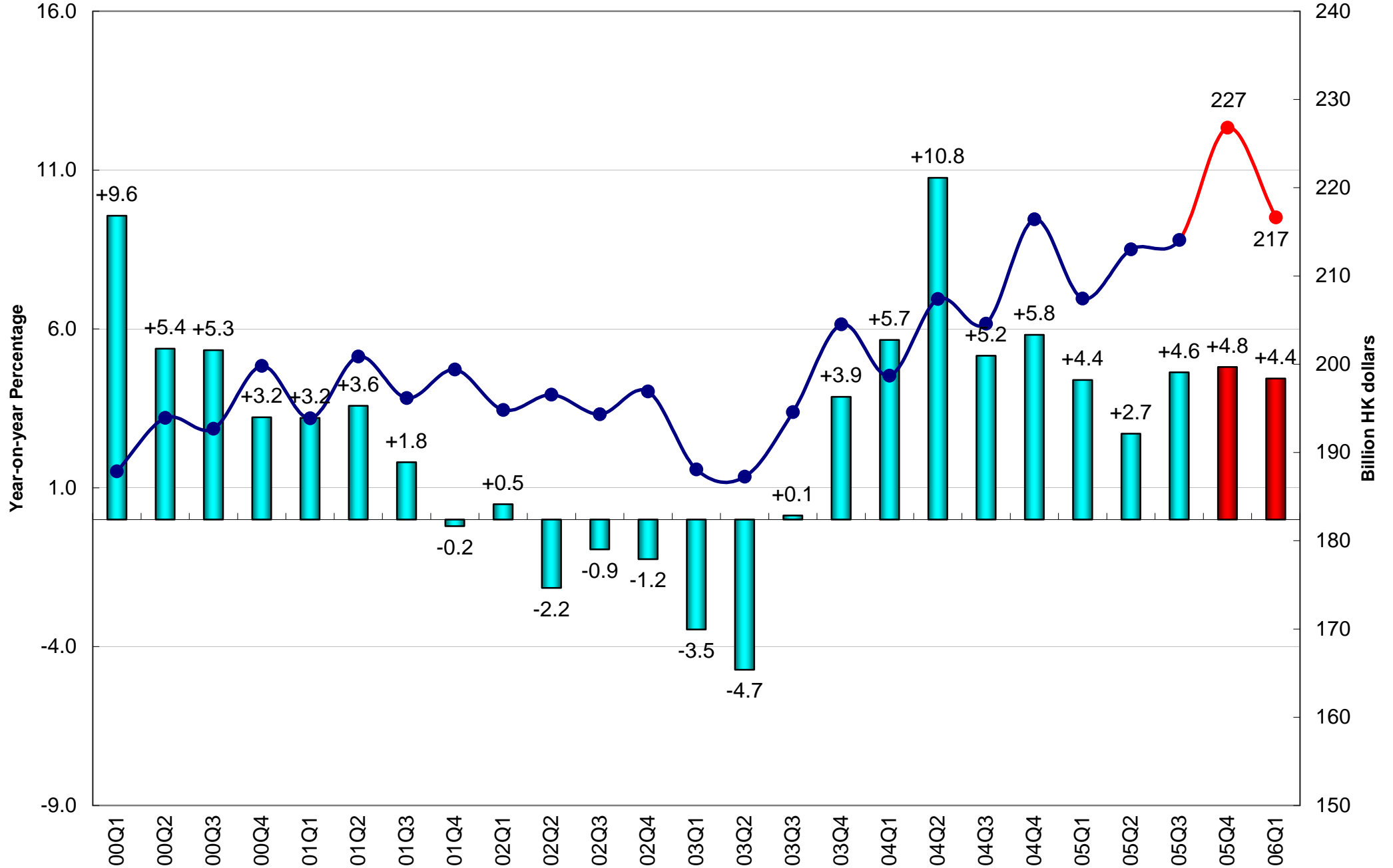
	2003 (Actual)	2004 (Actual)	2005 (Forecast)	2006 (Forecast)
Gross Domestic Product	3.1	8.2	7.1	5.0
Private Consumption Expenditure	-0.6	3.8	2.3	1.1
Government Consumption Expenditure	0.2	0.1	-0.2	0.1
Net Export of Goods & Services	3.1	3.7	5.2	2.4
Gross Fixed Capital Formation	0.2	1.0	0.6	0.6
Changes in Inventories	0.3	-0.4	-0.8	0.9

Date of Forecast: December 23, 2005

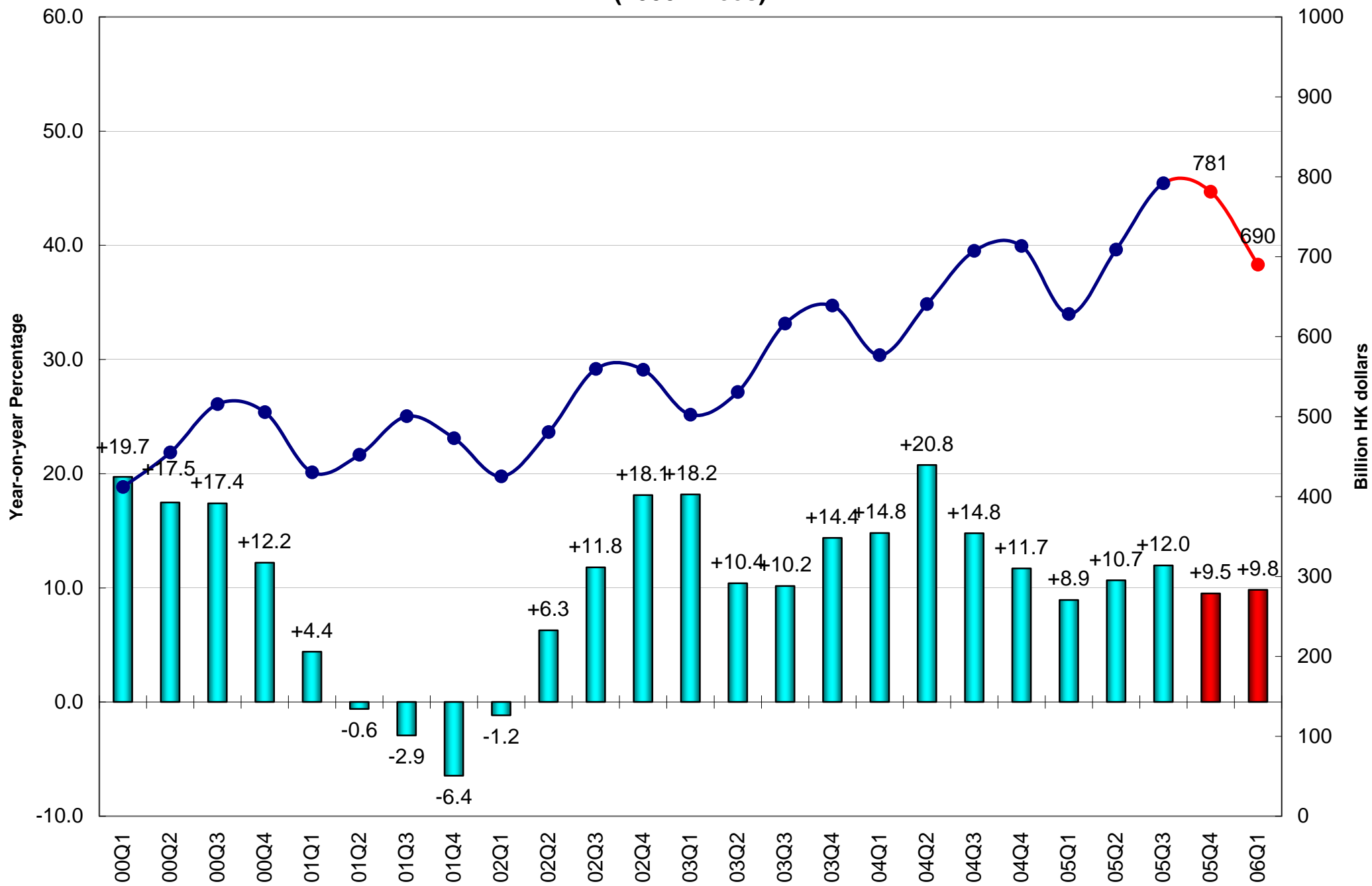
Real Gross Domestic Product (2000 Prices)



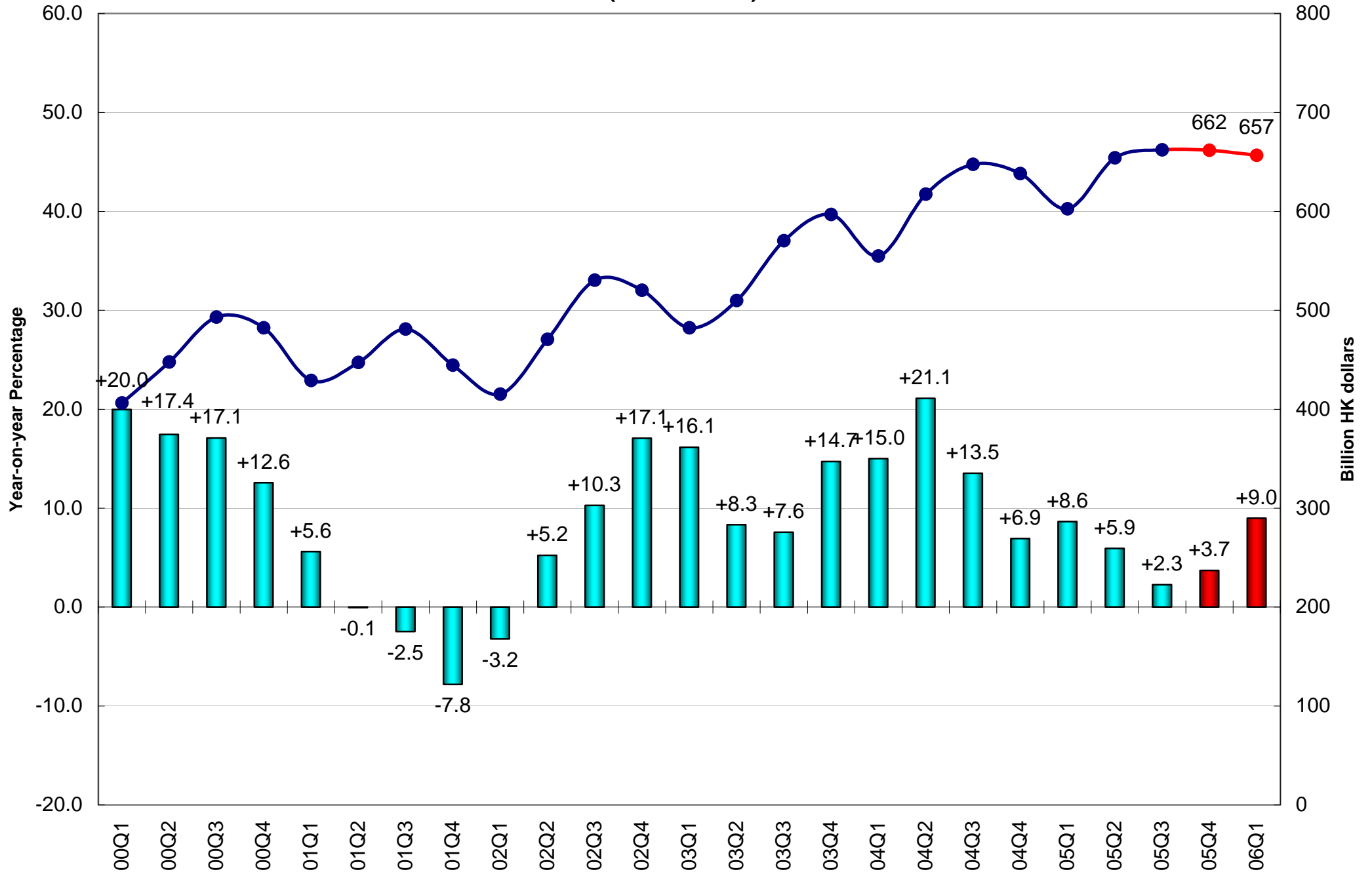
Private Consumption Expenditure (2000 Prices)



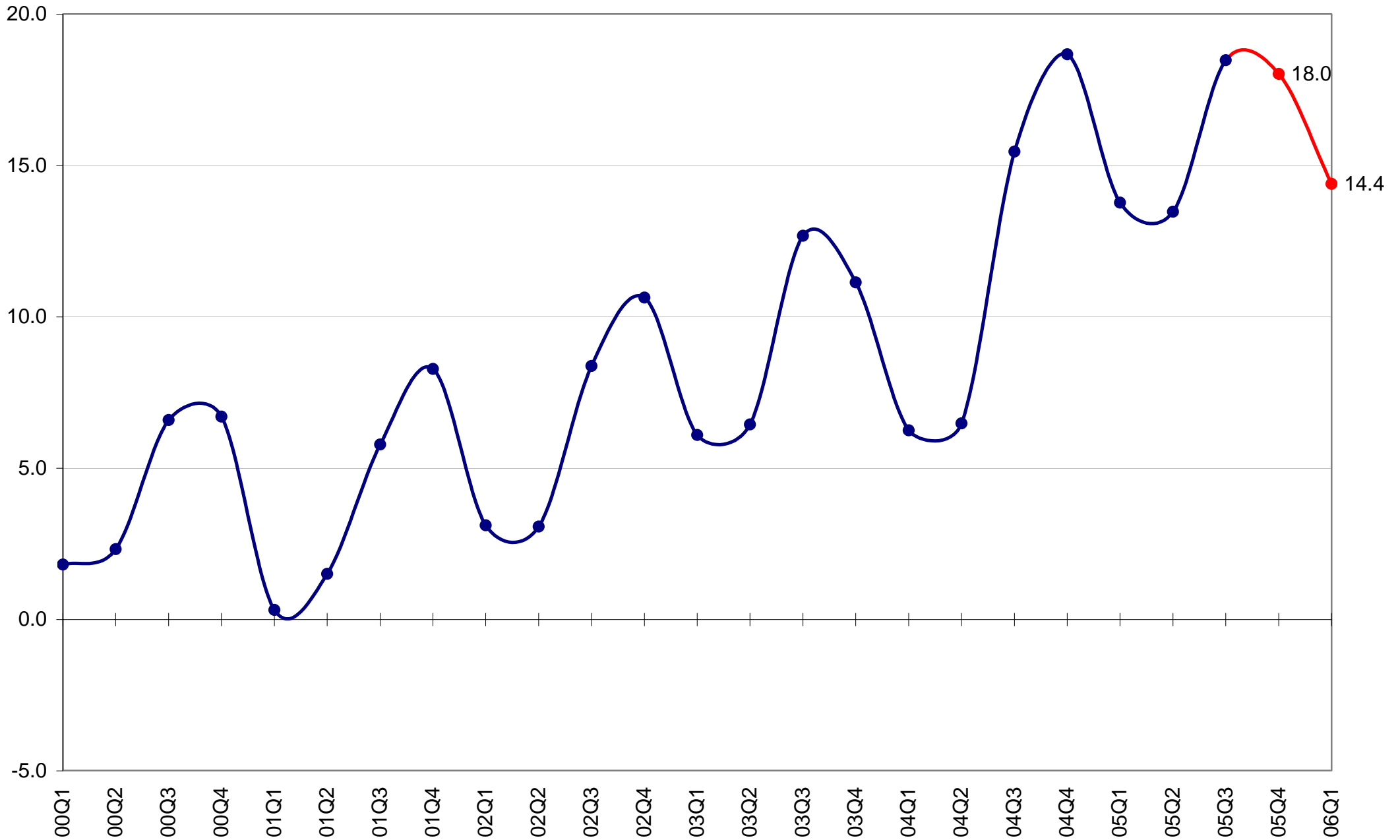
Total Export of Goods & Services (2000 Prices)



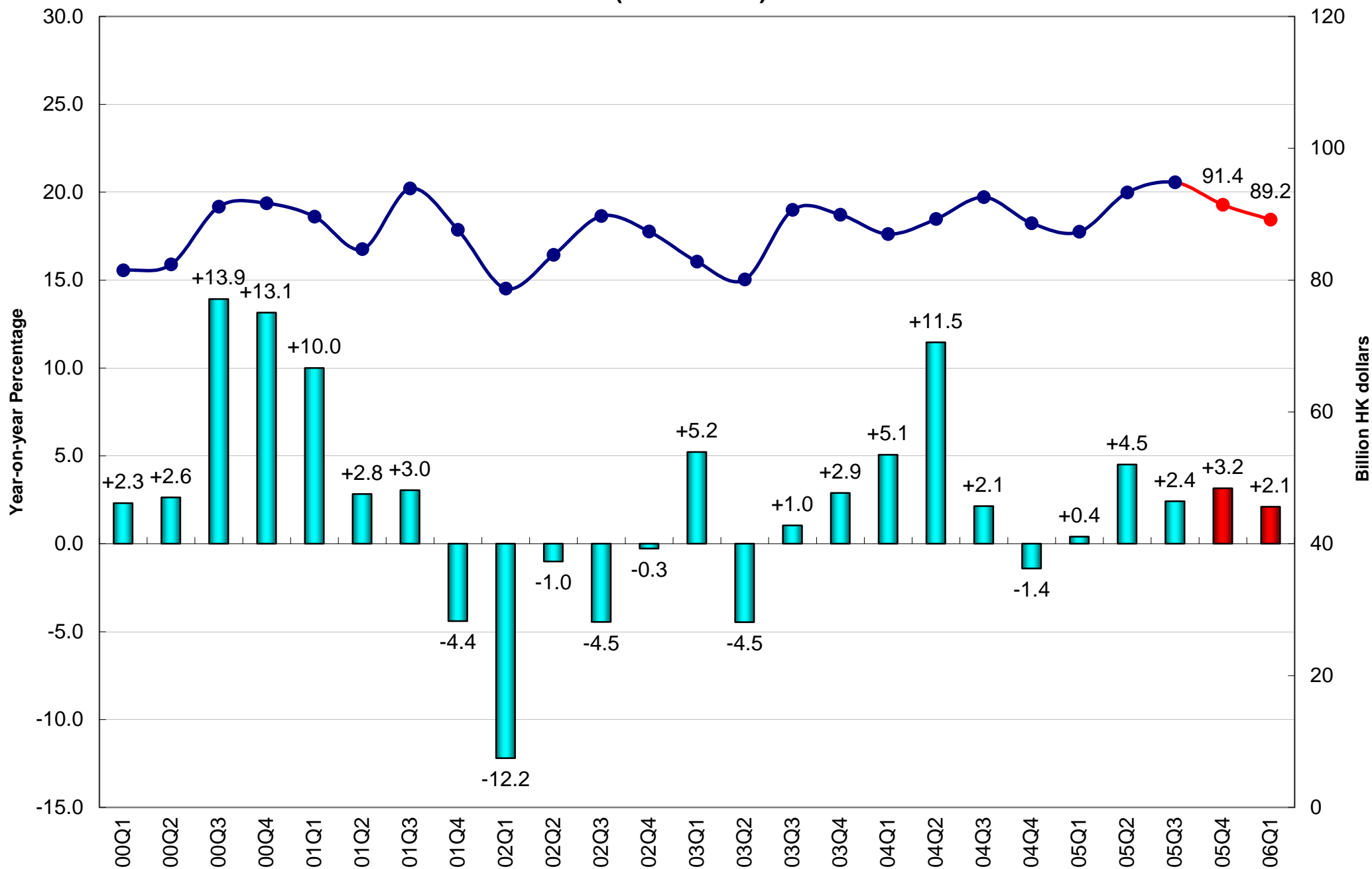
Total Import of Goods & Services (2000 Prices)



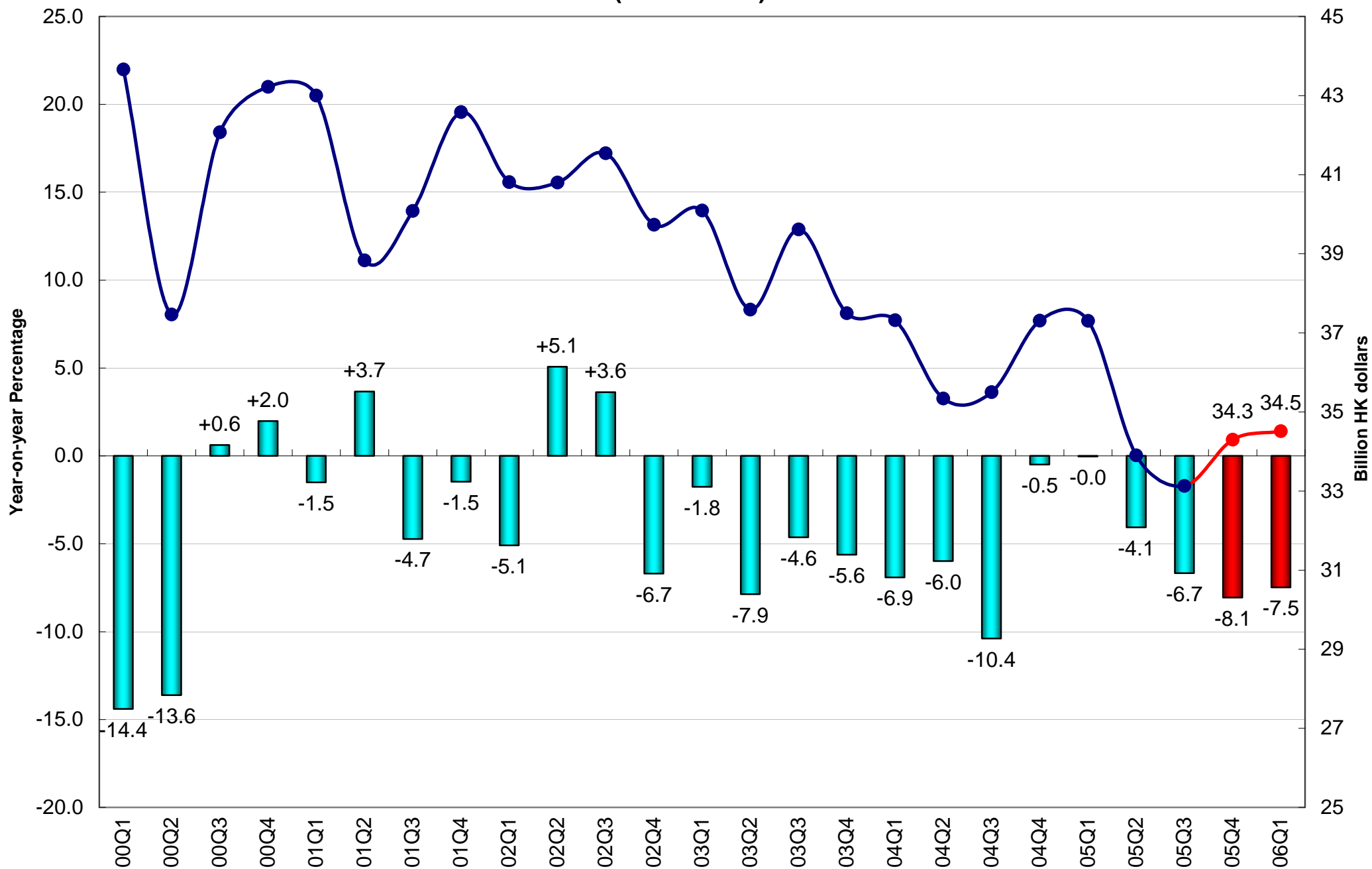
External Trade Balance of Goods and Services (Percentage of GDP, 2000 HK Dollars)



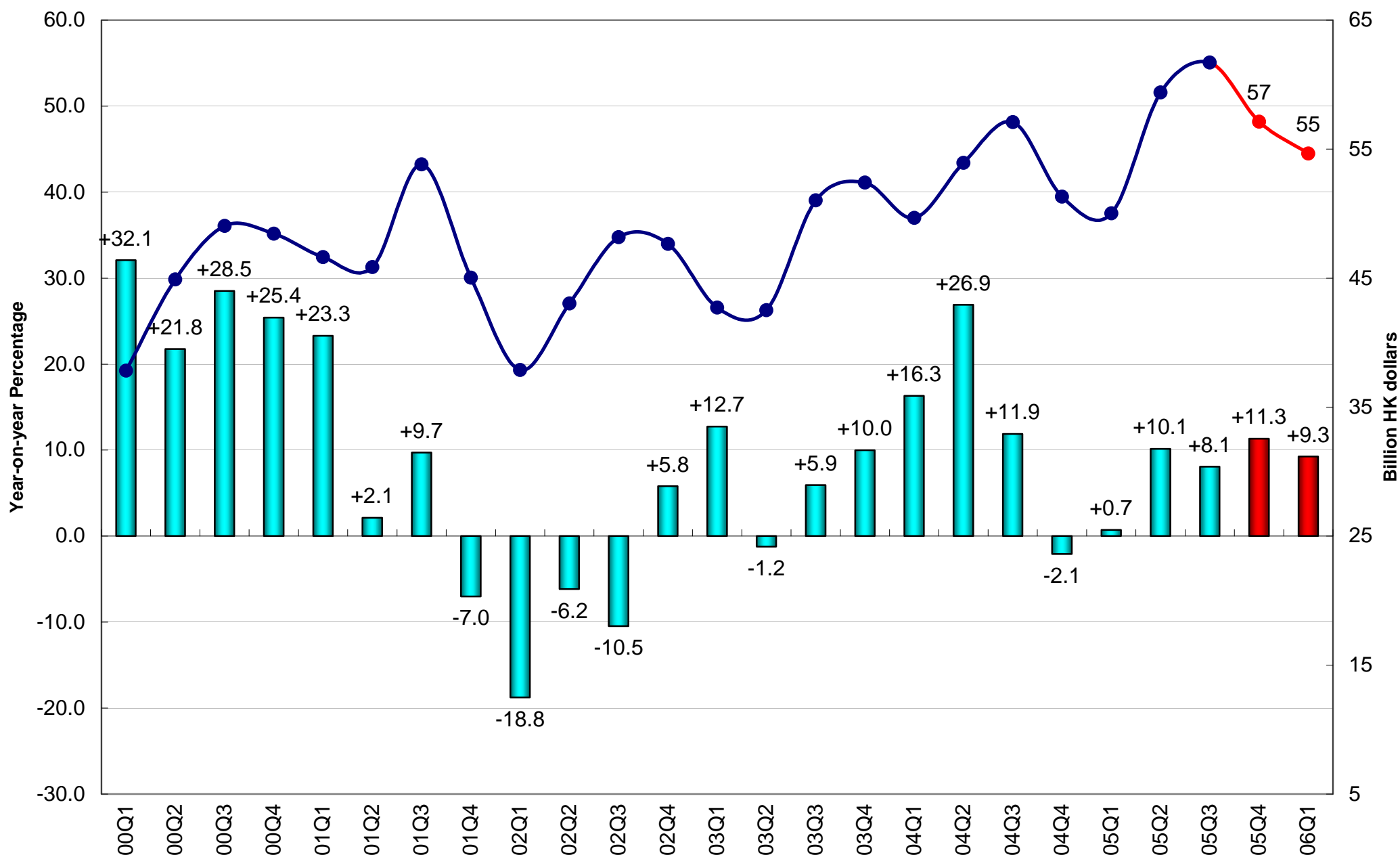
Gross Domestic Fixed Capital Formation (2000 Prices)



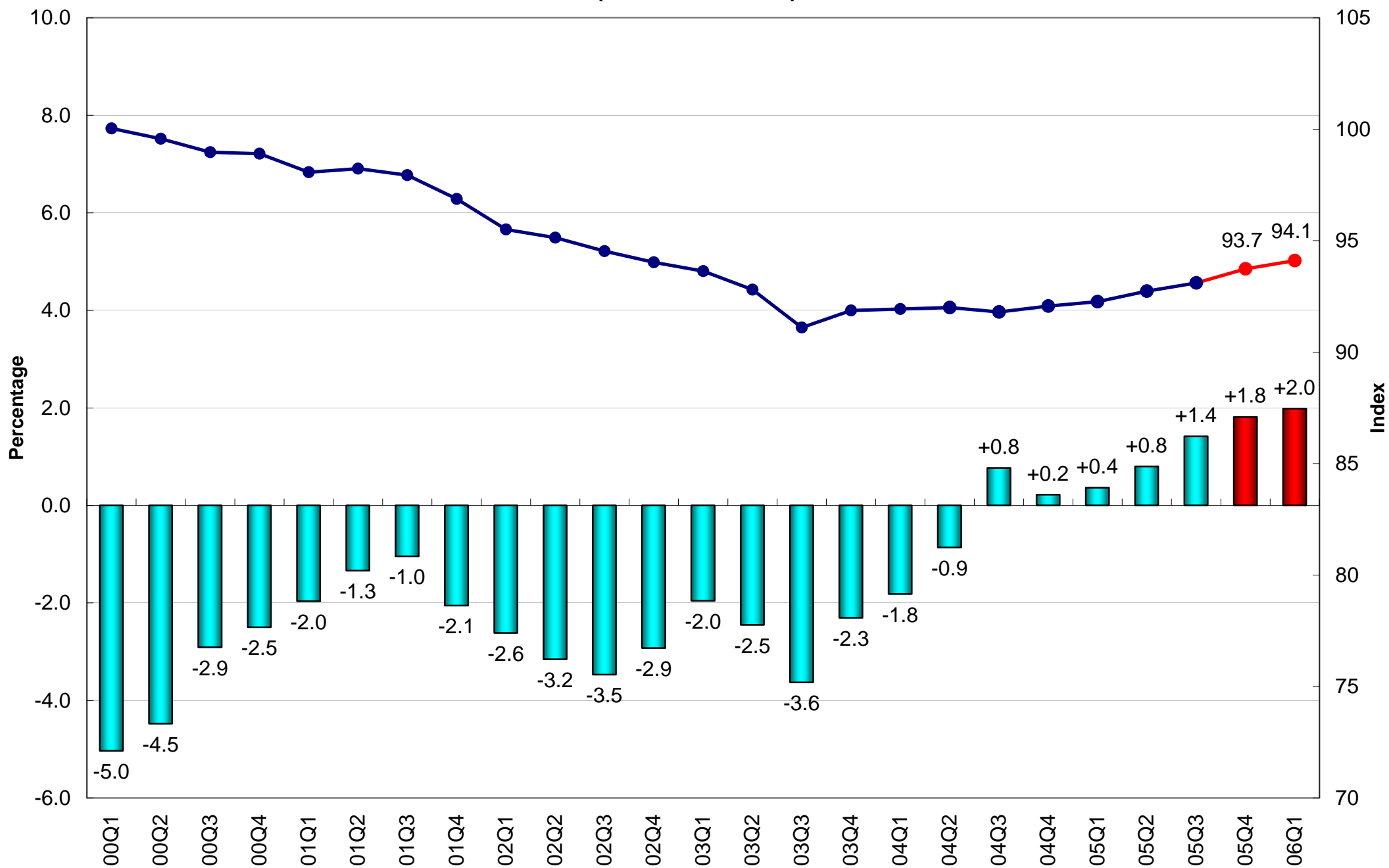
Investment in Land and Constuction (2000 Prices)



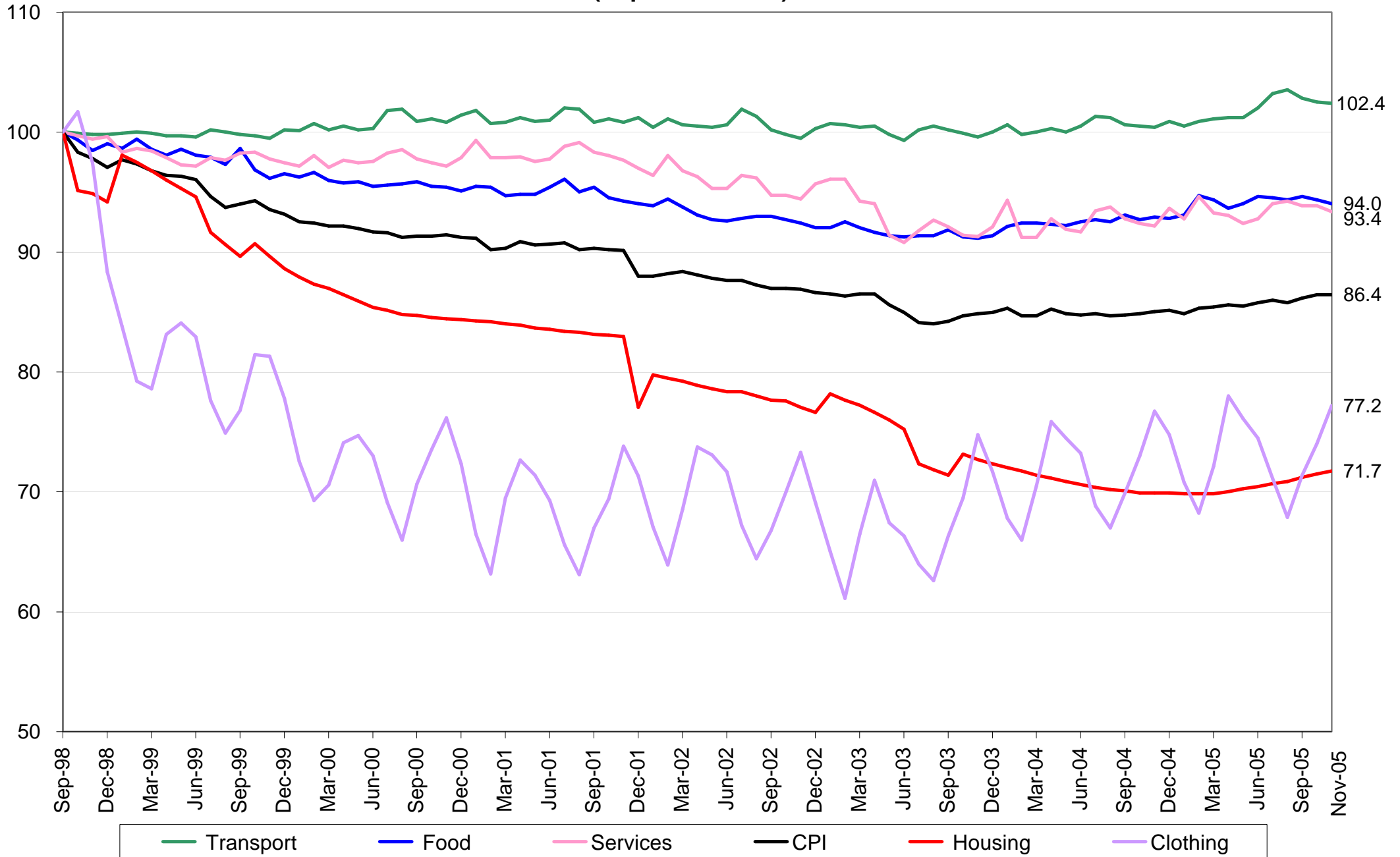
Investment in Machinery, Equipment & Computer Software (2000 Prices)



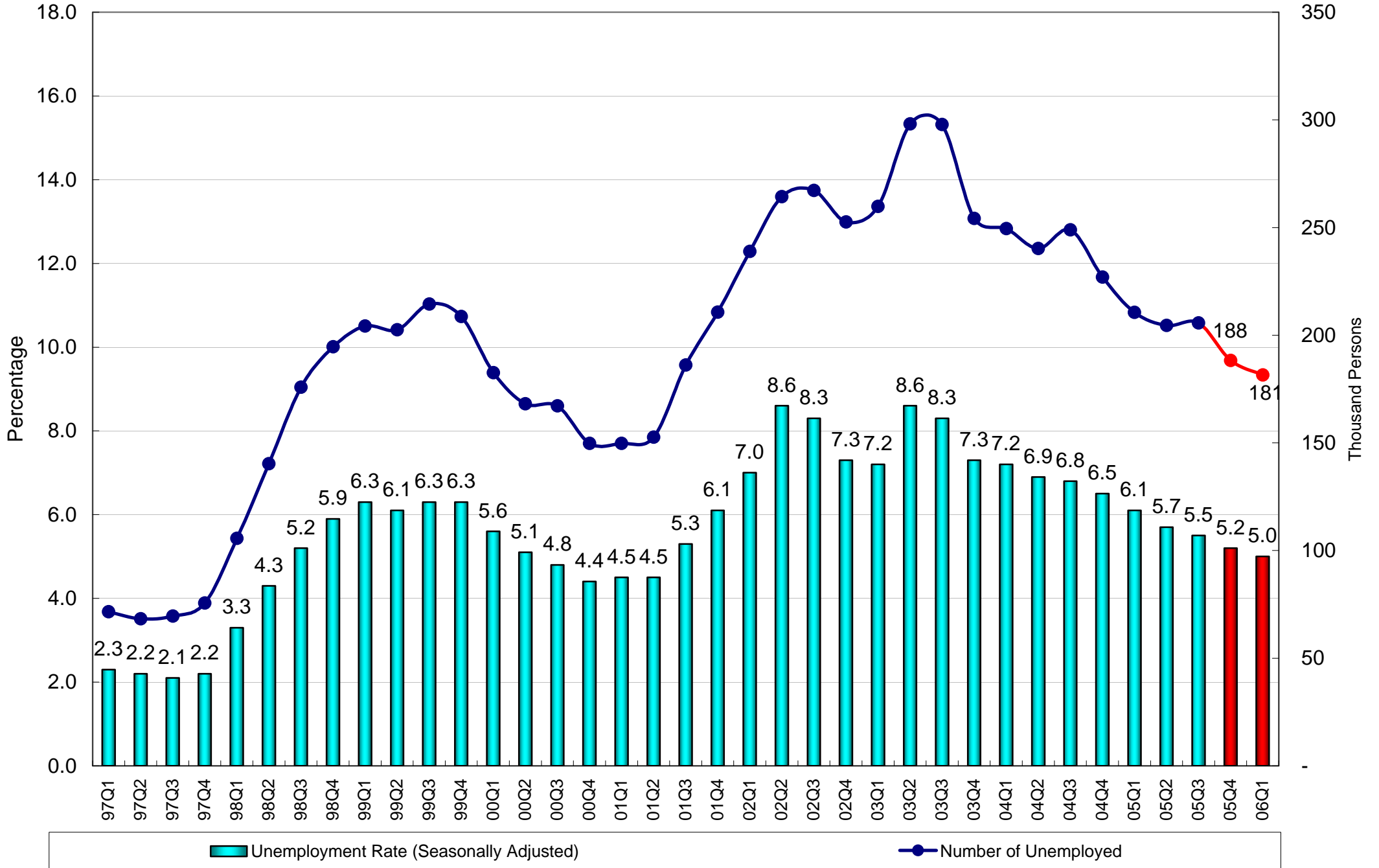
Consumer Price Index (10/99-09/00=100)



Composite Consumer Price Index (Sept 1998 = 100)



Unemployment



Workers Vs Jobs (in millions)

