

Advance estimates on Gross Domestic Product for first quarter of 2024

The Census and Statistics Department (C&SD) released today (May 2) the advance estimates on Gross Domestic Product (GDP) for the first quarter of 2024.

According to the advance estimates, GDP increased by 2.7% in real terms in the first quarter of 2024 over a year earlier, compared with the increase of 4.3% in the fourth quarter of 2023.

Analysed by major GDP component, private consumption expenditure increased by 1.0% in real terms in the first quarter of 2024 over a year earlier, after the increase of 3.5% in the fourth quarter of 2023.

Government consumption expenditure measured in national accounts terms recorded a decline of 3.0% in real terms in the first quarter of 2024 from a year earlier, compared with the decrease of 5.2% in the fourth quarter of 2023.

Gross domestic fixed capital formation increased by 0.3% in real terms in the first quarter of 2024 over a year earlier, moderated from the increase of 17.5% in the fourth quarter of 2023.

Over the same period, total exports of goods measured in national accounts terms recorded an increase of 6.7% in real terms over a year earlier, compared with the increase of 2.8% in the fourth quarter of 2023. Imports of goods measured in national accounts terms grew by 3.2% in real terms in the first quarter of 2024, compared with the increase of 3.8% in the fourth quarter of 2023.

Exports of services rose by 8.1% in real terms in the first quarter of 2024 over a year earlier, compared with the increase of 21.2% in the fourth quarter of 2023. Imports of services increased by 17.6% in real terms in the first quarter of 2024, after the increase of 26.7% in the fourth quarter of 2023.

On a seasonally adjusted quarter-to-quarter comparison basis, GDP increased by 2.3% in real terms in the first quarter of 2024 when compared with the fourth quarter of 2023.

Commentary

A Government spokesman said that the Hong Kong economy recorded moderate growth in the first quarter of 2024. According to the advance estimates, real GDP grew by 2.7% in the first quarter of 2024 over a year earlier. On a seasonally adjusted quarter-to-quarter basis, real GDP increased by 2.3%.

Analysed by major expenditure component, exports of services continued to grow notably thanks to a further increase in visitor arrivals. Total exports of goods registered visible growth as external demand turned slightly more favourable, though a very low base of comparison was also relevant. Domestically, private consumption expenditure rose mildly amid a continued increase in household income and the Government's various initiatives to boost sentiment. Overall investment expenditure also increased slightly alongside continued economic expansion.

Looking ahead, exports of services should be supported by further revival of inbound tourism alongside the continued recovery of handling capacity and the Government's efforts to promote a mega event economy. Geopolitical tensions and tight financial conditions will continue to affect exports of goods, but some slight improvement may be seen as external demand has held up relatively well so far. Domestically, rising household income and the Government's initiatives to boost sentiment should help private consumption, but the changing consumption pattern of residents may pose challenges. Continued economic growth should lend support to fixed asset investment. However, a longer period of tight financial conditions may have some dampening effects on economic confidence and activities.

The revised figures on GDP and more detailed statistics for the first quarter of 2024, as well as the revised GDP forecast for 2024, will be released on May 17, 2024.

Further information

The year-on-year percentage changes of GDP and selected major expenditure components in real terms from the first quarter of 2023 to the first quarter of 2024 are shown in Table 1.

When more data become available, the C&SD will compile revised figures on GDP. The revised figures on GDP and more detailed statistics for the first quarter of 2024 will be released at the C&SD website (www.censtatd.gov.hk/en/scode250.html) and the Gross Domestic Product by Expenditure Component report (www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1030001&scode=250) on May 17, 2024.

For enquiries about statistics on GDP by expenditure component, please contact the National Income Branch (1) of the C&SD (Tel: 2582 5077 or email: gdp-e@censtatd.gov.hk).