

Advance estimates on Gross Domestic Product for second quarter of 2024

The Census and Statistics Department (C&SD) released today (July 31) the advance estimates on Gross Domestic Product (GDP) for the second quarter of 2024.

According to the advance estimates, GDP increased by 3.3% in real terms in the second quarter of 2024 over a year earlier, compared with the increase of 2.8% in the first quarter.

Analysed by major GDP component, private consumption expenditure decreased by 1.6% in real terms in the second quarter of 2024 from a year earlier, as against the increase of 1.2% in the first quarter.

Government consumption expenditure measured in national accounts terms recorded an increase of 2.0% in real terms in the second quarter of 2024 over a year earlier, as against the decrease of 2.2% in the first quarter.

Gross domestic fixed capital formation grew by 6.0% in real terms in the second quarter of 2024 over a year earlier, following the increase of 0.1% in the first quarter.

Over the same period, total exports of goods measured in national accounts terms recorded an increase of 7.6% in real terms over a year earlier, compared with the increase of 6.8% in the first quarter. Imports of goods measured in national accounts terms grew by 3.4% in real terms in the second quarter of 2024, compared with the increase of 3.3% in the first quarter.

Exports of services rose by 1.3% in real terms in the second quarter of 2024 over a year earlier, moderated from the increase of 9.4% in the first quarter. Imports of services increased by 12.4% in real terms in the second quarter of 2024, after the increase of 18.0% in the first quarter.

On a seasonally adjusted quarter-to-quarter comparison basis, GDP increased by 0.4% in real terms in the second quarter of 2024 when compared with the first quarter.

Commentary

A Government spokesman said that the Hong Kong economy continued to record moderate growth in the second quarter of 2024. According to the advance estimates, real GDP grew by 3.3% in the second quarter of 2024 over a year earlier. On a seasonally adjusted quarter-to-quarter basis, real GDP increased by 0.4%.

Analysed by major expenditure component, total exports of goods continued to register strong growth, supported by the sustained external

demand for goods. Overall investment expenditure rose further alongside the overall economic growth. However, exports of services saw moderated growth while private consumption expenditure turned to a slight decline, affected by the changes in consumption patterns of visitors and residents as well as the strength of the Hong Kong dollar.

Looking ahead, the economy should continue to grow in the remainder of the year, but performance of the different economic segments may vary amid uncertainties on various fronts. Exports of goods should sustain a positive performance if external demand holds up. Continued economic expansion should lend support to fixed asset investment. Meanwhile, heightened geopolitical tensions, escalating trade conflicts, and US interest rate trajectory remaining not entirely clear may add uncertainties to economic sentiment and activities. As regards inbound tourism and private consumption, the Central Government's various measures benefitting Hong Kong, our strenuous efforts to boost market sentiment and improving employment earnings would provide support, but the changes in the consumption patterns of visitors and residents and the relatively strong Hong Kong dollar may continue to pose challenges.

The revised figures on GDP and more detailed statistics for the second quarter of 2024, as well as the revised GDP forecast for 2024, will be released on August 16, 2024.

Further information

The year-on-year percentage changes of GDP and selected major expenditure components in real terms from the second quarter of 2023 to the second 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 second 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 August 16, 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).