

Update on dengue fever

The Centre for Health Protection (CHP) of the Department of Health today (May 17) reported the latest number of dengue fever (DF) cases, and urged the public to maintain strict environmental hygiene, mosquito control and personal protective measures both locally and during travel.

From May 10 to yesterday (May 16), the CHP recorded two imported DF cases. The patients had been to Indonesia and the Maldives during the incubation period.

As of yesterday, 23 cases of DF, including 22 imported cases and one local case, had been recorded in 2024. In 2023, 62 imported cases of DF were recorded.

According to the World Health Organization, the global incidence of DF has markedly increased over the past two decades, posing a substantial public health challenge. In 2023, ongoing transmission, combined with an unexpected spike in DF cases, had resulted in close to a historic high of over 5 million cases and more than 5 000 dengue-related deaths reported in over 80 countries/territories. The latest surveillance data shows that there is an increase in DF cases noted in some places in Asia (such as Indonesia, Malaysia, Singapore and Thailand) compared to the same period last year. Since the beginning of 2024, the Americas, including Brazil, Argentina and Peru, have recorded over 6 million cases, a record number. Detailed information on the latest DF situation in Hong Kong, as well as neighbouring and overseas countries and areas, has been uploaded to the CHP website (www.chp.gov.hk/files/pdf/df_imported_cases_and_overseas_figures_eng.pdf).

"Apart from general measures, travellers returning from areas affected by DF should apply insect repellent for 14 days upon arrival in Hong Kong. If feeling unwell, seek medical advice promptly and provide travel details to a doctor," a spokesman for the CHP said.

The public should take heed of the following advice on mosquito control:

- Thoroughly check all gully traps, roof gutters, surface channels and drains to prevent blockage;
- Scrub and clean drains and surface channels with an alkaline detergent compound at least once a week to remove any deposited mosquito eggs;
- Properly dispose of refuse, such as soft drink cans, empty bottles and boxes, in covered litter containers;
- Completely change the water of flowers and plants at least once a week. The use of saucers should be avoided if possible;
- Level irregular ground surfaces before the rainy season;
- Avoid staying in shrubby areas; and
- Take personal protective measures such as wearing light-coloured long-sleeved clothes and trousers and apply insect repellent containing DEET to clothing or uncovered areas of the body when doing outdoor

activities.

DEET-containing insect repellents are effective and the public should take heed of the tips below:

- Read the label instructions carefully first;
- Apply right before entering an area with risk of mosquito bites;
- Apply on exposed skin and clothing;
- Use DEET of up to 30 per cent for pregnant women and up to 10 per cent for children*;
- Apply sunscreen first, then insect repellent; and
- Reapply only when needed and follow the instructions.

* For children who travel to countries or areas where mosquito-borne diseases are endemic or epidemic and where exposure is likely, those aged 2 months or above can use DEET-containing insect repellents with a DEET concentration of up to 30 per cent.

The public should call 1823 in case of mosquito problems and may visit the following pages for more information: the DF page of the [CHP](#) and the [Travel Health Service](#), the latest [Travel Health News](#), [tips for using insect repellents](#), and the CHP [Facebook Page](#) and [YouTube Channel](#).

[Update on cluster of Methicillin-resistant Staphylococcus aureus cases in Tuen Mun Hospital](#)

The following is issued on behalf of the Hospital Authority:

Regarding an earlier announcement on a cluster of Methicillin-resistant Staphylococcus aureus (MRSA) carriers in the Neonatal Intensive Care Unit, the spokesperson for Tuen Mun Hospital made the following updates today (May 17):

In accordance with the prevailing infection control guidelines, the hospital has performed enhanced surveillance, and one more patient, a 4-month-old baby boy, was confirmed as an MRSA carrier without any symptoms of infection. The patient is being treated in isolation with stable condition.

The hospital has performed enhanced medical surveillance and screening of the patients in the ward concerned. The following infection control measures have been stepped up according to established guidelines:

1. Thorough cleaning and disinfection of the ward concerned, including the environment, incubators, equipment and instruments;
2. Enhanced medical surveillance of the patients and environmental screening procedures in the ward concerned; and
3. Applied stringent contact precautions and enhanced hand hygiene of staff. Family members are reminded that infection control measures must be implemented before visiting their babies.

The case has been reported to the Hospital Authority Head Office and the Centre for Health Protection for follow-up.

Grading of beach water quality released

The Environmental Protection Department (EPD) today (May 17) released the latest grading of water quality for 39 gazetted beaches (see Note 1) and one non-gazetted beach (see Note 2).

Twenty beaches were rated as Good (Grade 1), 13 as Fair (Grade 2) and seven as Poor (Grade 3).

Grade 1 beaches are:

Big Wave Bay Beach*	Lower Cheung Sha Beach
Cheung Chau Tung Wan Beach*	Middle Bay Beach
Chung Hom Kok Beach	Repulse Bay Beach*
Clear Water Bay Second Beach*	Silver Mine Bay Beach*
Deep Water Bay Beach*	South Bay Beach*
Hap Mun Bay Beach*	St. Stephen's Beach
Hung Shing Yeh Beach*	Stanley Main Beach*
Kiu Tsui Beach	Tong Fuk Beach
Kwun Yam Beach	Turtle Cove Beach
Lo So Shing Beach	Upper Cheung Sha Beach

Grade 2 beaches are:

Butterfly Beach*	Kadoorie Beach*
Cafeteria New Beach	Pui O Beach*
Cafeteria Old Beach	Shek O Beach*
Casam Beach*	Silverstrand Beach*

Clear Water Bay First Beach
Discovery Bay Tai Pak Beach
Golden Beach*

Tai Po Lung Mei Beach*
Trio Beach

Grade 3 beaches are:

Anglers' Beach*
Approach Beach
Castle Peak Beach
Hoi Mei Wan Beach

Lido Beach*
Ma Wan Tung Wan Beach*
Ting Kau Beach*

Compared with the grading released last week, Repulse Bay Beach and Silver Mine Bay Beach have been upgraded from Grade 2 to Grade 1, and Casam Beach from Grade 3 to Grade 2. Clear Water Bay First Beach, Pui O Beach and Tai Po Lung Mei Beach have been changed from Grade 1 to Grade 2, and Castle Peak Beach from Grade 2 to Grade 3.

"The changes are generally within the normal range of fluctuation of the bacteriological water quality of the beaches," an EPD spokesman said.

Under the present grading system, beaches are classified into four grades, namely Good (Grade 1), Fair (Grade 2), Poor (Grade 3) and Very Poor (Grade 4), according to the level of E. coli in the water. Grades are calculated on the basis of the geometric mean of the E. coli counts on the five most recent sampling occasions.

While the ratings represent the general water quality at the beaches, the EPD spokesman reminded members of the public that water quality could be temporarily affected during and after periods of heavy rain. Bathers should avoid swimming at beaches for up to three days after a tropical cyclone or heavy rainfall.

A summary of beach grades is published weekly before the weekend. The latest beach grades based on the most current data may be obtained from the EPD's website on Beach Water Quality (www.epd.gov.hk/epd/beach) or the beach hotline, 2511 6666. Members of the public can also obtain the latest daily water quality forecast information for all beaches that are open for swimming through the Beach Water Quality Forecast mobile application (available for download from: www.epd.gov.hk/en/BWQApp) or the dedicated beach water quality forecast page (www.epd.gov.hk/en/BWQForecast) on the EPD's beach thematic website.

Note 1: Lifesaving services are provided by the Leisure and Cultural Services Department at 22 gazetted beaches, marked with an asterisk (*) above, from April 1. Due to the damage caused to the footpaths leading to Chung Hom Kok Beach by landslides, the beach is temporarily closed until further notice. For details, please refer to the Leisure and Cultural Services Department's Special Announcement (www.lcsd.gov.hk/en/beach/index.html).

Note 2: This refers to Discovery Bay Tai Pak Beach which is a non-gazetted beach that has no lifesaving service.

Economic situation in first quarter of 2024 and latest GDP and price forecasts for 2024

The Government released today (May 17) the First Quarter Economic Report 2024, together with the revised figures on Gross Domestic Product (GDP) for the first quarter of 2024.

The Government Economist, Mr Adolph Leung, gave an account of the economic situation in the first quarter of 2024 and the latest GDP and price forecasts for 2024.

Main points

¼ The Hong Kong economy recorded moderate growth in the first quarter of 2024. Exports of services remained as an important driver of growth, while total exports of goods improved further. Private consumption and overall investment expenditures continued to expand. Real GDP grew by 2.7% year-on-year, having increased by 4.3% in the preceding quarter. On a seasonally adjusted quarter-to-quarter comparison, real GDP increased by 2.3%.

¼ Exports of services continued to grow notably by 8.4% year-on-year in real terms in the first quarter. Exports of travel services jumped further thanks to the continued revival of visitor arrivals. Exports of transport services continued to rise, and exports of business and other services showed modest growth. Yet, exports of financial services declined further. Meanwhile, total exports of goods rose by 6.8% as external demand turned slightly more favourable, though a very low base of comparison also contributed. Exports to the Mainland surged. Exports to the United States (US) declined marginally. Exports to the European Union (EU) recorded a double-digit fall. Exports to other major Asian markets showed mixed performance.

¼ Domestically, private consumption expenditure rose mildly by 1.0% year-on-year in real terms in the first quarter, supported by the continued increase in employment earnings and the Government's various initiatives to boost sentiment. Overall investment expenditure increased slightly by 0.3% alongside the economic expansion.

¼ The labour market remained tight in the first quarter. The seasonally

adjusted unemployment rate stayed low at 3.0%. The underemployment rate was also low at 1.1%. The unemployment rates of the various major sectors stayed low in general. Employment earnings continued to grow solidly.

¼ The local stock market remained under pressure in the first quarter. Dampened by heightened geopolitical tensions and tempered expectations for US interest rate cuts, the Hang Seng Index (HSI) headed down on entering 2024. The HSI closed the quarter at 16 541, down by 3.0% from end-2023. After staying quiet in the first two months of the year, the residential property market turned active in March as market sentiment improved after the cancellation of all demand-side management measures (DSMMs) for residential properties and the adjustments of macroprudential measures. Flat prices showed signs of stabilisation towards the end of the quarter.

¼ Consumer price inflation was modest in the first quarter. The underlying Composite Consumer Price Index (Composite CPI) rose by 1.0% year-on-year, compared with a 1.6% increase in the preceding quarter. While prices of meals out and takeaway food continued to rise relatively fast, prices of electricity dropped notably against a high base of comparison. Private housing rentals were largely steady. Price pressures on other major components were broadly in check.

¼ Looking ahead, the Hong Kong economy should record further growth in the rest of the year. 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. Exports of goods should improve further if external demand holds up, though geopolitical tensions will bring uncertainties. Domestically, rising employment earnings and the Government's initiatives to boost sentiment should help private consumption, but residents' changing consumption pattern may pose challenges. Continued economic growth should lend support to fixed asset investment. However, a longer period of tight financial conditions may affect local economic confidence and activities.

¼ Taking into account the actual outturn in the first quarter and the latest developments of the global and local situation, the real GDP growth forecast for 2024 as a whole is maintained at 2.5% – 3.5%, the same as that announced in the Budget. The Government will continue to closely monitor the situation.

¼ On the inflation outlook, overall inflation should stay contained in the near term. Domestic costs may face some upward pressures as the Hong Kong economy continues to grow. External price pressures should remain on a broad downward trend, though heightened geopolitical tensions will bring uncertainties. Taking into account the inflation situation in the first quarter and factors mentioned above, the forecast rates of underlying and headline consumer price inflation for 2024 are maintained at 1.7% and 2.4% respectively, the same as those announced in the Budget.

Details

GDP

According to the revised figures released today by the Census and Statistics Department, real GDP grew by 2.7% year-on-year in the first quarter of 2024 (same as the advance estimate), having increased by 4.3% in the preceding quarter. On a seasonally adjusted quarter-to-quarter comparison, real GDP increased by 2.3% (same as the advance estimate), after a 0.2% increase in the preceding quarter (Chart).

The latest figures on GDP and its major expenditure components up to the first quarter of 2024 are presented in Table 1. Developments in different segments of the economy in the first quarter are described below.

External trade

After growing by 2.8% year-on-year in real terms in the preceding quarter, total exports of goods rose by 6.8% in the first quarter of 2024 as external demand turned slightly more favourable, though a very low base of comparison also contributed. Analysed by major market and by reference to external merchandise trade statistics, exports to the Mainland surged against a very low base of comparison. Exports to the US declined marginally. Exports to the EU recorded a double-digit fall. Exports to other major Asian markets showed mixed performance. On a seasonally adjusted quarter-to-quarter basis, total exports of goods increased by 4.0% in the first quarter, further to a 3.0% increase in the preceding quarter.

Exports of services continued to grow notably by 8.4% year-on-year in real terms in the first quarter, after expanding by 21.2% in the preceding quarter. Exports of travel services jumped further by 40.4% and recovered to 53% of the level in the same quarter in 2018, thanks to the continued revival of visitor arrivals. Exports of transport services continued to rise. Exports of business and other services showed modest growth amid the complicated external environment. Meanwhile, exports of financial services declined further as cross-border financial and fundraising activities remained weak amid tight financial conditions. On a seasonally adjusted quarter-to-quarter basis, exports of services declined by 1.1% in the first quarter, having increased by 1.9% in the preceding quarter.

Domestic sector

Consumption activities showed mild expansion in the first quarter of 2024. The continued increase in employment earnings and the Government's various initiatives to boost sentiment rendered support. The hosting of more mega events also helped. After increasing by 3.5% year-on-year in real terms in the preceding quarter, private consumption expenditure rose by 1.0% in the first quarter. On a seasonally adjusted quarter to quarter basis, private consumption expenditure decreased by 0.9%, following a decrease of 0.7% in the preceding quarter. Meanwhile, government consumption expenditure declined by 3.0% year-on-year in the first quarter, after a 5.2% decrease in the preceding quarter.

Overall investment spending in terms of gross domestic fixed capital

formation increased slightly by 0.3% in real terms in the first quarter over a year earlier alongside the economic expansion, further to a 17.5% increase in the preceding quarter. Expenditure on building and construction rose by 11.3%, with private sector spending increasing sharply and public sector spending recording modest gain. Expenditure on acquisitions of machinery, equipment and intellectual property products fell back by 15.0% amid tight financial conditions. Separately, the costs of ownership transfer fell as property transactions shrank.

The labour sector

The labour market remained tight in the first quarter of 2024. The seasonally adjusted unemployment rate stayed low at 3.0%, slightly higher than the 2.9% in the preceding quarter. The underemployment rate was also low at 1.1%, though edging up from 1.0%. The unemployment rates of various major sectors stayed low in general. The median monthly employment earnings continued to grow solidly by 5.4% year-on-year in the first quarter.

The asset markets

The local stock market remained under pressure in the first quarter of 2024. Dampened by heightened geopolitical tensions and tempered expectations for US interest rate cuts, the HSI slid to 14 961 on January 22. It then recouped some of the lost ground as market sentiment improved alongside the accelerated growth of the Mainland economy. The HSI closed the quarter at 16 541, down by 3.0% from end-2023. On May 16, the HSI closed at 19 377.

After staying quiet in the first two months of the year, the residential property market turned active in March as market sentiment improved after the cancellation of all DSMMs for residential properties and the adjustments of macroprudential measures as announced in the Budget. The number of transactions, in terms of the total number of sale and purchase agreements for residential property received by the Land Registry, rebounded by 29% from a low base in the preceding quarter to 9 823 for the first quarter, but the level was still 30% lower than a year earlier. Overall flat prices fell further by 3% during the first two months of the year, but then rose back by 1% in March, culminating in a 2% decline during the first quarter. The index of home purchase affordability declined further to around 65% in the first quarter, but remained above the long-term average of 54% over 2004 2023. Meanwhile, overall flat rentals were little changed during the first quarter. The non-residential property market stayed lacklustre in the first quarter. Trading activities for all major market segments declined further, while prices and rentals stayed soft.

Prices

Underlying consumer price inflation was modest in the first quarter of 2024. While prices of meals out and takeaway food continued to rise relatively fast over a year earlier, prices of electricity dropped notably against a high base of comparison. Private housing rentals were largely steady. Price pressures on other major components were broadly in check.

Netting out the effects of the Government's one-off relief measures, underlying Composite CPI rose by 1.0% year-on-year in the first quarter, compared with a 1.6% increase in the preceding quarter. Domestic business cost pressures stayed generally contained. Nominal wages continued to record moderate growth, while commercial rentals remained soft. External price pressures on consumption-related items moderated. Meanwhile, headline Composite CPI increased by 1.9% in the first quarter, compared with a 2.6% increase in the preceding quarter. The headline inflation rate was higher than its underlying counterpart in the first quarter as the provision of rates concession by the Government in the same quarter last year resulted in a low base of comparison.

Latest GDP and price forecasts for 2024

Looking ahead, the Hong Kong economy should record further growth in the rest of the year. 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. Exports of goods should improve further if external demand holds up, though geopolitical tensions will bring uncertainties. Domestically, rising employment earnings and the Government's initiatives to boost sentiment should help private consumption, but residents' changing consumption pattern may pose challenges. Continued economic growth should lend support to fixed asset investment. However, a longer period of tight financial conditions may affect local economic confidence and activities.

Taking into account the actual outturn in the first quarter and the latest developments of the global and local situation, the real GDP growth forecast for 2024 as a whole is maintained at 2.5% – 3.5%, the same as that announced in the Budget (Table 2). The Government will continue to closely monitor the situation. For reference, the latest growth forecasts by private sector analysts range from 2.0% to 3.5%, averaging around 2.8%.

On the inflation outlook, overall inflation should stay contained in the near term. Domestic costs may face some upward pressures as the Hong Kong economy continues to grow. External price pressures should remain on a broad downward trend, though heightened geopolitical tensions will bring uncertainties. Taking into account the inflation situation in the first quarter and factors mentioned above, the forecast rates of underlying and headline consumer price inflation for 2024 are maintained at 1.7% and 2.4% respectively, the same as those announced in the Budget (Table 2).

The First Quarter Economic Report 2024 is now available for online download, free of charge at www.hkeconomy.gov.hk/en/situation/index.htm. The Report of the Gross Domestic Product by Expenditure Component, which contains the GDP figures up to the first quarter of 2024, is also available for browse and download, free of charge on the homepage of the Census and Statistics Department, www.censtatd.gov.hk.

Senior Appointment at Hong Kong Monetary Authority

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) announced today (May 17) that the Financial Secretary, on the advice of the Governance Sub-Committee of the Exchange Fund Advisory Committee, has approved the extension of Mr Arthur Yuen's appointment as Deputy Chief Executive for two years beyond the normal retirement age, effective August 2024. Mr Yuen will continue to be in charge of the full range of banking policy, supervision, conduct and enforcement issues at the HKMA.