

# Chain volume measures of Gross Domestic Product by economic activity for the fourth quarter of 2019 and the whole year of 2019

The Census and Statistics Department (C&SD) released today (March 30) the preliminary figures of chain volume measures of Gross Domestic Product (GDP) by economic activity for the fourth quarter of 2019 and the whole year of 2019.

GDP figures by economic activity show the value of production in respect of individual economic activities. The value of production is measured by net output or value added, which is calculated by deducting intermediate input consumed in the process of production from the gross value of output. Volume measures of GDP by economic activity, expressed in terms of chain volume measures net of the effect of price changes, enable analysis of the output growth profiles of individual economic sectors in real terms.

According to the preliminary figures, overall GDP decreased by 2.9% in real terms in the fourth quarter of 2019 from a year earlier, similar to the decrease of 2.8% in the third quarter of 2019. For 2019 as a whole, GDP decreased by 1.2% in real terms from 2018.

Analysed by constituent services sector and on a year-on-year comparison, net output in respect of all the services activities taken together decreased by 2.2% in real terms in the fourth quarter of 2019 from a year earlier, compared with the decrease of 1.7% in the third quarter. For 2019 as a whole, the net output decreased by 0.3% in real terms for all the services sectors taken together.

Net output in the import and export, wholesale and retail trades sector dropped by 8.3% in real terms in the fourth quarter of 2019 from a year earlier, after the decrease of 10.0% in the third quarter. For 2019 as a whole, net output in this sector saw a decrease of 6.2% in real teams, as against the 4.2% growth in 2018. The global economic slowdown and US-Mainland trade tensions dampened trade and investment worldwide and the sharp fall in visitor arrivals in the second half of 2019 took a heavy toll on retail business, leading to a fall in net output of this sector during the year.

Net output in the financing and insurance sector increased by 2.7% in real terms in the fourth quarter of 2019 over a year earlier, compared with the 3.3% rise in the third quarter. For 2019 as a whole, net output in this sector rose by 2.9% in real teams, compared with the 4.0% growth in 2018. Trading activities in the stock market were active in early 2019 but quietened down over the course of the year, resulting in a smaller growth compared to the preceding year.

Net output in the accommodation services (covering hotels, guesthouses, boarding houses and other establishments providing short term accommodation) and food services sector plunged by 23.0% in real terms in the fourth quarter of 2019 from a year earlier, after the decrease of 13.8% in the third quarter. For 2019 as a whole, net output in this sector decreased by 9.0% in real terms.

Net output in the transportation, storage, postal and courier services sector decreased further by 7.7% in real terms in the fourth quarter of 2019 from a year earlier, following the decline of 2.2% in the third quarter. For 2019 as a whole, net output in this sector recorded a decrease of 1.6% in real terms.

Net output in the information and communications sector increased by 2.9% in real terms in the fourth quarter of 2019 over a year earlier, compared with the growth of 5.5% in the third quarter. For 2019 as a whole, net output in this sector rose by 4.7% in real terms.

Net output in the real estate, professional and business services sector remained virtually unchanged in real terms in the fourth quarter of 2019 over a year earlier, compared with the increase of 0.4% in the third quarter. For 2019 as a whole, net output in this sector increased by 1.1% in real terms.

Net output in the public administration, social and personal services sector rose by 2.5% in real terms in the fourth quarter of 2019 over a year earlier, compared with the growth of 2.0% in the third quarter. For 2019 as a whole, net output in this sector increased by 2.9% in real terms.

As for sectors other than the services sectors, net output in the local manufacturing sector dropped by 0.5% in real terms in the fourth quarter of 2019 from a year earlier, as against the increase of 0.5% in the third quarter. For 2019 as a whole, net output in this sector rose by 0.4% in real terms.

Net output in the electricity, gas and water supply, and waste management sector decreased by 1.2% in real terms in the fourth quarter of 2019 from a year earlier, as against the increase of 1.7% in the third quarter. For 2019 as a whole, net output in this sector registered a marginal decrease of 0.2% in real terms.

Net output in the construction sector decreased by 6.0% in real terms in the fourth quarter of 2019 from a year earlier, after the decrease of 3.1% in the third quarter. For 2019 as a whole, net output in this sector decreased by 5.8% in real terms.

#### Further information

The year-on-year percentage changes of GDP by economic activity in real terms from the fourth quarter of 2018 to the fourth quarter of 2019 are shown in Table 1. For enquiries about statistics on GDP by economic activity,

please call the National Income Branch (2) of the C&SD at telephone number 3903 7005.

Figures of chain volume measures of GDP by economic activity for the fourth quarter of 2019 and the whole year of 2019 are only preliminary at this stage. When more data become available, the preliminary figures will be revised accordingly. More detailed figures can also be found at the Hong Kong Statistics section of the C&SD website ([www.censtatd.gov.hk](http://www.censtatd.gov.hk)).