

# Construction output for third quarter of 2024

The total gross value of construction works (GVCW) performed by main contractors in the third quarter of 2024 increased by 4.8% in nominal terms over a year earlier to \$73.1 billion, according to the provisional results of the Quarterly Survey of Construction Output released today (December 10) by the Census and Statistics Department (C&SD).

After discounting the effect of price changes, the provisional results showed that the total GVCW performed by main contractors increased by 3.8% in real terms over the same period. GVCW in real terms is derived by deflating the corresponding nominal value with an appropriate price index to the price level in the base period of 2000.

Analysed by type of construction works, the GVCW performed at private sector sites totalled \$20.2 billion in the third quarter of 2024, down by 9.2% in nominal terms over a year earlier. In real terms, it decreased by 11.2%. The GVCW performed at public sector sites increased by 29.8% in nominal terms over a year earlier to \$30.4 billion in the third quarter of 2024. In real terms, it increased by 30.8%.

The GVCW performed by main contractors at locations other than construction sites amounted to \$22.5 billion in the third quarter of 2024, down by 6.6% in nominal terms compared with a year earlier. In real terms, it decreased by 7.0%. Construction works at locations other than construction sites included minor new construction activities and decoration, repair and maintenance for buildings; and electrical equipment installation and maintenance works at locations other than construction sites.

Analysed by major end-use group, the GVCW performed at construction sites in respect of residential buildings projects amounted to \$19.9 billion in the third quarter of 2024, up by 5.1% in nominal terms over a year earlier. Over the same period, the GVCW performed at construction sites in respect of transport projects up by 10.5% in nominal terms to \$10.8 billion in the third quarter of 2024.

On a seasonally adjusted quarter-to-quarter basis, the GVCW performed by main contractors increased by 2.3% in nominal terms and 1.8% in real terms in the third quarter of 2024 compared with the second quarter of 2024.

Table 1 shows the provisional figures on the GVCW performed by main contractors in the third quarter of 2024. Table 2 shows the revised figures for the second quarter of 2024.

Owing to the widespread sub-contracting practices in the construction industry, a construction establishment can be a main contractor for one contract and a sub-contractor for another contract at the same time. The GVCW

performed by main contractors covers only those projects in which the construction establishment takes the role of a main contractor, but not projects in which it takes only the role of a sub-contractor. However, sub-contractors' contribution to projects should have been included in the GVCW performed by main contractors for whom they worked.

The classification of construction establishments follows the Hong Kong Standard Industrial Classification Version 2.0, which is used in various economic surveys for classifying economic units into different industry classes.

More detailed statistics are given in the "Report on the Quarterly Survey of Construction Output". Users can browse and download this publication at the website of the C&SD ([www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1090002&scode=330](http://www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1090002&scode=330)).

For enquiries about the survey results, please contact the Construction and Miscellaneous Services Statistics Section of the C&SD (Tel: 3903 6965; email: [building@censtatd.gov.hk](mailto:building@censtatd.gov.hk)).

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## **Results of monthly survey on business situation of small and medium-sized enterprises for November 2024**

The Census and Statistics Department (C&SD) released today (December 10) the results of the Monthly Survey on Business Situation of Small and Medium-sized Enterprises (SMEs) for November 2024.

The current diffusion index (DI) on business receipts amongst SMEs decreased from 42.3 in October 2024 in the contractionary zone to 41.9 in November 2024, whereas the one-month's ahead (i.e. December 2024) outlook DI on business receipts was 46.6. Analysed by sector, the current DIs on business receipts for some surveyed sectors dropped in November 2024 as compared with previous month, including the business services (from 50.0 to 45.9), restaurants (from 37.4 to 34.9), and retail trade (from 39.8 to 37.7).

The current DI on new orders for the import and export trades increased from 44.7 in October 2024 to 45.1 in November 2024, whereas the outlook DI on new orders in one month's time (i.e. December 2024) was 47.4.

### Commentary

A Government spokesman said that overall business sentiment among SMEs and their expectations on the business situation in one month's time softened

slightly in November, but the situation for different sectors varied. The overall employment situation remained generally stable.

The spokesman added that increased global economic uncertainties and escalation of trade conflicts would pose pressures on business prospects. Yet, the Central Government's recent introduction of various measures to boost the Mainland economy as well as its various measures benefitting Hong Kong should bode well for business sentiment. The Government will monitor the situation closely.

#### Further information

The Monthly Survey on Business Situation of Small and Medium-sized Enterprises aims to provide a quick reference, with minimum time lag, for assessing the short-term business situation faced by SMEs. SMEs covered in this survey refer to establishments with fewer than 50 persons engaged. Respondents were asked to exclude seasonal fluctuations in reporting their views. Based on the views collected from the survey, a set of diffusion indices (including current and outlook diffusion indices) is compiled. A reading above 50 indicates that the business condition is generally favourable, whereas that below 50 indicates otherwise. As for statistics on the business prospects of prominent establishments in Hong Kong, users may refer to the publication entitled "Report on Quarterly Business Tendency Survey" released by the C&SD.

The results of the survey should be interpreted with care. The survey solicits feedback from a panel sample of about 600 SMEs each month and the survey findings are thus subject to sample size constraint. Views collected from the survey refer only to those of respondents on their own establishments rather than those on the respective sectors they are engaged in. Besides, in this type of opinion survey on expected business situation, the views collected in the survey are affected by the events in the community occurring around the time of enumeration, and it is difficult to establish precisely the extent to which respondents' perception of the business situation accords with the underlying trends. For this survey, main bulk of the data were collected around the last week of the reference month.

More detailed statistics are given in the "Report on Monthly Survey on the Business Situation of Small and Medium-sized Enterprises". Users can browse and download the publication at the website of the C&SD ([www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1080015&scode=300](http://www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1080015&scode=300)).

Users who have enquiries about the survey results may contact Industrial Production Statistics Section of the C&SD (Tel: 3903 7246; email: [sme-survey@censtatd.gov.hk](mailto:sme-survey@censtatd.gov.hk)).

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# Exchange Fund Bills tender results

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

Exchange Fund Bills tender results:

Tender date : December 10, 2024  
Paper on offer : EF Bills  
Issue number : Q2450  
Issue date : December 11, 2024  
Maturity date : March 12, 2025  
Amount applied : HK\$159,602 MN  
Amount allotted : HK\$61,537 MN  
Average yield accepted : 3.99 PCT  
Highest yield accepted : 4.02 PCT  
Pro rata ratio\* : About 61 PCT  
Average tender yield : 4.13 PCT

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Tender date : December 10, 2024  
Paper on offer : EF Bills  
Issue number : H2479  
Issue date : December 11, 2024  
Maturity date : June 11, 2025  
Amount applied : HK\$48,120 MN  
Amount allotted : HK\$14,000 MN  
Average yield accepted : 3.72 PCT  
Highest yield accepted : 3.76 PCT  
Pro rata ratio\* : About 19 PCT  
Average tender yield : 3.79 PCT

\*"Pro rata ratio" refers to the average percentage of allotment with respect to each tender participant's tendered amount at the "highest yield accepted" level.

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Hong Kong Monetary Authority tenders to be held in the week beginning December 16, 2024:

Tender date : December 17, 2024  
Paper on offer : EF Bills  
Issue number : Q2451

Issue date : December 18, 2024  
Maturity date : March 19, 2025  
Tenor : 91 Days  
Amount on offer : HK\$60,824 MN

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Tender date : December 17, 2024  
Paper on offer : EF Bills  
Issue number : H2480  
Issue date : December 18, 2024  
Maturity date : June 18, 2025  
Tenor : 182 Days  
Amount on offer : HK\$13,000 MN

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Tender date : December 17, 2024  
Paper on offer : EF Bills  
Issue number : Y2498  
Issue date : December 18, 2024  
Maturity date : December 17, 2025  
Tenor : 364 Days  
Amount on offer : HK\$2,100 MN

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## [Effective Exchange Rate Index](#)

The effective exchange rate index for the Hong Kong dollar on Tuesday, December 10, 2024 is 106.4 (down 0.3 against yesterday's index).

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## [Philippine Kho family establishes family office in Hong Kong \(with photo\)](#)

Invest Hong Kong (InvestHK) announced today (December 10) that the Kho family from the Philippines, who established The Kho Group (TKG), has set up a family office in Hong Kong. This demonstrates Hong Kong's position as the leading hub for family offices.

The Global Head of Family Office at InvestHK, Mr Jason Fong, warmly welcomed their opening in Hong Kong and said, "The establishment of the Kho's

family office reaffirms Hong Kong's pivotal role within the global financial ecosystem. We are confident that this initiative will attract increased international capital inflows, further strengthening Hong Kong's position as a leading global hub for asset and wealth management. Additionally, we will continue to welcome families from around the world to establish their family offices in Hong Kong."

The Executive Vice President of the Kho Group, Mr James Fok, said: "In response to the Hong Kong Special Administrative Region Government's supportive measures to promote the development of the family office sector, we are delighted to announce the establishment of the Kho family office in Hong Kong. This move reflects our unwavering confidence in Hong Kong's status as a leading international financial centre. Through this new platform, we aim to effectively integrate resources, foster closer collaborations with family offices, and drive business growth and innovation. Together, we aspire to create new opportunities and pave the way for a dynamic and prosperous future."

Since its establishment by the Kho family in 1983, TKG has accumulated more than 40 years of diversified investment experience in Mainland China and Southeast Asia and has become one of the early overseas Chinese companies to make overseas investments. TKG mainly covers five businesses, namely the supply of natural resources, shipping business, land and property development, high-end retail, and investment management.

