

IMF-recommended framework. The authorities have, since May 2014, regularly reported FSIs to STA for dissemination on the IMF website.

External sector statistics. The AMCM compiles and disseminates annual balance of payments (BOP) statistics. IIP statistics are not available. Since 2012, the BOP of Macao SAR has been compiled following the methodology and classification of the sixth edition of the *Balance of Payments and International Investment Position Manual (BPM6)*. BOP data for 2002–11 were originally compiled under the format of the fifth edition of the *Balance of Payments Manual (BPM5)* and converted to the *BPM6* format. Although, external sector statistics are not yet compiled on a quarterly basis, Macao SAR participates in major Fund Statistical Initiatives, such as the General Data Dissemination System (GDDS), the Coordinated Portfolio Investment Survey (CPIS), and the Coordinated Direct Investment Survey (CDIS). Direct investment abroad by Macao SAR household sector is not covered in external sector statistics. Household financial investment abroad (portfolio and other investments, except deposits abroad that can be collected from the BIS data) only covers those transactions going through local authorized financial institutions, and hence, transactions outside the local financial channel are not recorded. In addition, compensation of Macao SAR employees earned abroad is not covered in the BOP. Due to the implementation of the *BPM6* methodology in 2012, personal effects, financial assets, and liabilities of persons changing residence are no longer covered by a capital transfer in the capital account.

Macao SAR: Table of Common Indicators Required for Surveillance

(As of May 13, 2014)

	Date of Latest Observation	Date Received	Frequency of Data⁵	Frequency of Reporting⁵	Frequency of Publication⁵
Exchange rates	May-2014	May-2014	D	D	D
International reserve assets and reserve liabilities of the monetary authorities ¹	Mar-2014	Apr-2014	M	M	M
Reserve/base money	Mar-2014	Apr-2014	M	M	M
Broad money	Mar-2014	Apr-2014	M	M	M
Central bank balance sheet	Mar-2014	Apr-2014	M	M	M
Consolidated balance sheet of the banking system	Mar-2014	Apr-2014	M	M	M
Interest rates ²	Apr-2014	Apr-2014	D	D	D
Consumer price index	Mar-2014	Apr-2014	M	M	M
Revenue, expenditure, balance and composition of financing—general government	Q3/13	Apr-2014	Q	Q	Q
Stocks of central government and central government-guaranteed debt ³
External current account balance	2012	Jan-2014	A	A	A
Exports and imports of goods and services ⁴	Mar-2014	May-2014	M	M	M
GDP/GNP	Q4/13	Mar-2014	Q	Q	Q
Gross external debt	NA	NA	NA	NA	NA
International investment position	NA	NA	NA	NA	NA

¹ Any reserve assets that are pledged or otherwise encumbered should be specified separately. Also, data should comprise short-term liabilities linked to a foreign currency but settled by other means as well as the notional values of financial derivatives to pay and to receive foreign currency, including those linked to a foreign currency but settled by other means.

² Both market-based and officially-determined, including discount rates, money market rates, rates on monetary bills.

³ Macao SAR has no government debt.

⁴ Goods trade data are provided monthly. Services trade data are released annually with the current account statistics.

⁵ Daily (D), Weekly (W), Monthly (M), Quarterly (Q), Annually (A); Irregular (I); Not Available (NA).

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IMF Executive Board Concludes 2014 Article IV Consultation with the People's Republic of China—Macao Special Administrative Region

On July 16, 2014, the Executive Board of the International Monetary Fund (IMF) concluded the Article IV Consultation¹ with Macao Special Administrative Region (SAR). The Consultation took place for the first time since the handover of Macao SAR from Portugal to China in 1999.

Prudent macroeconomic management has underpinned rapid development in the territory, which is now the world's largest gaming center and has one of the highest levels of per capita GDP in the world. The policy framework—anchored by the combination of a currency board pegged to the Hong Kong dollar (and indirectly the U.S. dollar), flexible markets, and a commitment to safeguarding fiscal discipline and financial stability—has served Macao SAR well in maintaining financial stability and a strong external position, while successfully weathering several external shocks, including the recent global crisis. As a small, open and tourism-dependent economy, Macao SAR currently also benefits from loose global monetary conditions and a Mainland-related boom.

Growth rose to 11.9 percent in 2013 from 9.1 percent the previous year, driven by a pick-up in gaming exports. This enabled a large fiscal surplus of 23.3 percent of GDP and another current account surplus estimated at around 44 percent of GDP. Robust activity and historically low unemployment kept inflation relatively elevated at 5.5 percent. Notwithstanding some measures taken by the government that have slowed transactions and nonresident inflows, property prices increased by nearly 40 percent again last year, and credit growth remained brisk, up by over 30 percent. Given limited domestic lending opportunities, banks also continued to increase their foreign assets. Meanwhile, the health of the banking system strengthened further, with the average capital adequacy ratio rising to nearly 15 percent and the non-performing loan (NPL) ratio ticking down to only 0.1 percent.

¹ Under Article IV of the IMF's Articles of Agreement, the IMF holds bilateral discussions with members, usually every year. A staff team visits the country, collects economic and financial information, and discusses with officials the country's economic developments and policies. On return to headquarters, the staff prepares a report, which forms the basis for discussion by the Executive Board.