CHAPTER 7 : PRICES

***Summary***

* *Underlying consumer price inflation was mild in 2024. Food prices as a whole saw modest increases alongside narrowing increases in prices of meals out and takeaway food over the course of the year. Prices of electricity fell visibly. Private housing rentals showed tepid increases. Price pressures on other major components remained broadly in check. The underlying Composite Consumer Price Index (Composite CPI)(1), which nets out the effects of the Government’s one-off relief measures, rose by 1.1% in 2024 compared to 1.7% in 2023.*
* *Headline Composite CPI inflation was 1.7% in 2024, compared to 2.1% in 2023. The higher headline inflation rate than its underlying counterpart in 2024 was due to the lower rates concession and smaller electricity charges subsidy provided by the Government in the year.*
* *Domestic business cost pressures remained contained in 2024. Nominal wages recorded growth, while commercial rentals declined.*
* *Overall external price pressures eased in 2024 against the broad trend of receding inflation in many major economies(2). Import prices of most end‑use categories recorded moderate increases, while those of fuels fell.*

**Consumer prices**

7.1 Underlying consumer price inflation was mild in 2024. Food prices as a whole saw modest increases, alongside narrowing increases in prices of meals out and takeaway food over the course of the year. Prices of electricity fell visibly. Private housing rentals showed tepid increases.Price pressures on other major components remained broadly in check. Domestic business cost pressures remained contained. Nominal wages recorded growth, while commercial rentals declined. Overall external price pressures eased during the year.



Note : The year-on-year rates of change of the CPIs from the fourth quarter of 2020 onwards are computed from the new 2019/20-based series, and those before are from the old 2014/15‑based series.

7.2 Underlying consumer price inflation, in terms of the year-on-year rate of change in the underlying Composite CPI which nets out the effects of the Government’s one-off relief measures, eased to 1.1% in 2024 from 1.7% in 2023, with quarterly figures moving within a narrow range between 1.0% and 1.2%. Meanwhile, the headline Composite CPI inflation was 1.7% in 2024, compared to 2.1% in 2023. The headline inflation rate was higher than its underlying counterpart in 2024 mainly due to lower rates concessions and, to a lesser extent, smaller electricity charges subsidy provided by the Government in the year.

**Table 7.1 : Consumer Price Indices**

**(year-on-year rate of change (%))**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | Composite CPI | | CPI(A) | CPI(B) | CPI(C) |
|  |  | Underlying(a) | Headline |  |  |  |
|  |  |  |  |  |  |  |
| 2023 | Annual | 1.7 | 2.1 | 2.3 | 2.0 | 2.0 |
|  | H1 | 1.8 | 2.0 | 2.1 | 1.9 | 2.0 |
|  | H2 | 1.6 | 2.2 | 2.5 | 2.1 | 2.1 |
|  |  |  |  |  |  |  |
|  | Q1 | 1.9 | 1.9 | 2.0 | 1.8 | 2.0 |
|  | Q2 | 1.7 | 2.0 | 2.2 | 1.9 | 2.0 |
|  | Q3 | 1.6 | 1.9 | 1.9 | 1.8 | 1.9 |
|  | Q4 | 1.6 | 2.6 | 3.0 | 2.4 | 2.3 |
|  |  |  |  |  |  |  |
| 2024 | Annual | 1.1 | 1.7 | 2.1 | 1.6 | 1.5 |
|  | H1 | 1.0 | 1.6 | 1.8 | 1.5 | 1.5 |
|  | H2 | 1.2 | 1.9 | 2.4 | 1.7 | 1.5 |
|  |  |  |  |  |  |  |
|  | Q1 | 1.0 | 1.9 | 2.2 | 1.8 | 1.8 |
|  | Q2 | 1.0 | 1.2 | 1.4 | 1.2 | 1.2 |
|  | Q3 | 1.1 | 2.4 | 3.1 | 2.1 | 1.9 |
|  | Q4 | 1.2 | 1.4 | 1.7 | 1.3 | 1.2 |
|  |  |  |  |  |  |  |
| **(seasonally adjusted quarter-to-quarter rate of change (%))** | | | | | | |
|  |  |  |  |  |  |  |
| 2023 | Q1 | 0.6 | 0.6 | 0.7 | 0.5 | 0.7 |
|  | Q2 | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 |
|  | Q3 | 0.2 | 0.3 | 0.4 | 0.3 | 0.4 |
|  | Q4 | 0.3 | 1.3 | 1.7 | 1.2 | 0.9 |
|  |  |  |  |  |  |  |
| 2024 | Q1 | \* | \* | -0.1 | \* | 0.1 |
|  | Q2 | 0.4 | -0.4 | -0.6 | -0.3 | -0.1 |
|  | Q3 | 0.4 | 1.5 | 2.1 | 1.3 | 1.0 |
|  | Q4 | 0.5 | 0.3 | 0.3 | 0.3 | 0.3 |

Notes : (a) Underlying consumer price inflation is calculated by netting out the effects of all Government’s one-off relief measures introduced since 2007, including the waiver and Government’s payment of public housing rentals, rates concession, suspension and subsequent abolition of Employees Retraining Levy, subsidies for household electricity charges, and waiver of examination fees.

(\*) Change within ±0.05%.

7.3 Analysed by major component of the underlying Composite CPI, food prices as a whole increased modestly by 1.5% in 2024. Within food prices, prices of meals out and takeaway food rose moderately by 2.6%, with narrowing increases over the course of the year. Prices of basic food edged down by 0.3%. Prices of electricity, gas and water declined, led by prices of electricity, but the quarterly rate of decrease moderated towards the end of the year alongside a lower base of comparison. Prices of clothing and footwear and those of durable goods recorded slight declines. Meanwhile, prices of alcoholic drinks and tobacco surged alongside the duty rate hike on tobacco which took effect in late February 2024. Moderate increases were seen in transport, miscellaneous goods and miscellaneous services. As for housing, private housing rentals showed tepid increases of 0.5% on the back of a gradual feed through of rising fresh‑letting residential rentals.



Note : The year-on-year rates of change of the CPI from the fourth quarter of 2020 onwards are computed from the new 2019/20-based series, and those before are from the old 2014/15‑based series.





Notes : Energy-related items include electricity, town gas, liquefied petroleum gas and other fuel, and motor fuel.

The year-on-year rates of change of the CPIs from the fourth quarter of 2020 onwards are computed from the new 2019/20-based series, and those before are from the old 2014/15‑based series.

Table 7.2 : Underlying Composite CPI by component

**(year‑on‑year rate of change (%))**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | 2023 | 2024 | | | | |
| Expenditure component | Weighting (%)^ | Annual | Annual | Q1 | Q2 | Q3 | Q4 |
|  |  |  |  |  |  |  |  |
| Food | 26.49 | 2.7 | 1.5 | 1.7 | 1.8 | 1.6 | 0.9 |
|  |  |  |  |  |  |  |  |
| *Meals out and takeaway food* | *17.39* | *4.0* | *2.6* | *3.4* | *3.0* | *2.3* | *1.7* |
| *Basic food* | *9.10* | *0.5* | *-0.3* | *-1.0* | *\** | *0.3* | *-0.4* |
|  |  |  |  |  |  |  |  |
| Housing(a) | 38.48 | 0.1 | 0.9 | 0.5 | 0.7 | 0.8 | 1.4 |
|  |  | (1.0) | (2.1) | (3.0) | (1.1) | (3.3) | (0.9) |
|  |  |  |  |  |  |  |  |
| *Private housing rent* | *33.58* | *-0.4* | *0.5* | *0.2* | *0.4* | *0.6* | *0.6* |
|  |  | *(0.5)* | *(1.4)* | *(2.0)* | *(0.5)* | *(2.4)* | *(0.6)* |
|  |  |  |  |  |  |  |  |
| *Public housing rent* | *1.97* | *1.1* | *2.9* | *0.3* | *0.4* | *0.4* | *10.5* |
|  |  | *(4.4)* | *(7.2)* | *(13.5)* | *(1.2)* | *(13.6)* | *(1.3)* |
|  |  |  |  |  |  |  |  |
| Electricity, gas and water | 3.07 | 8.1 | -5.2 | -6.9 | -8.4 | -4.8 | -0.5 |
|  |  | (9.6) | (-0.3) | (-8.0) | (-6.7) | (4.5) | (9.9) |
|  |  |  |  |  |  |  |  |
| Alcoholic drinks and tobacco | 0.52 | 17.0 | 19.6 | 14.3 | 21.0 | 21.4 | 21.4 |
|  |  |  |  |  |  |  |  |
| Clothing and footwear | 2.74 | 5.8 | -0.5 | 1.6 | 0.4 | -1.5 | -2.3 |
|  |  |  |  |  |  |  |  |
| Durable goods | 4.30 | -2.4 | -1.0 | -1.4 | -0.8 | -0.7 | -0.9 |
|  |  |  |  |  |  |  |  |
| Miscellaneous goods | 3.38 | 1.7 | 1.2 | 1.3 | 1.0 | 1.0 | 1.3 |
|  |  |  |  |  |  |  |  |
| Transport | 7.28 | 1.9 | 2.0 | 2.1 | 1.9 | 2.2 | 1.7 |
|  |  |  |  |  |  |  |  |
| Miscellaneous services | 13.74 | 2.6 | 2.4 | 2.9 | 2.3 | 2.3 | 2.0 |
|  |  | (2.6) | (2.4) | (2.9) | (2.2) | (2.3) | (2.0) |
|  |  |  |  |  |  |  |  |
| All items | 100.00 | 1.7 | 1.1 | 1.0 | 1.0 | 1.1 | 1.2 |
|  |  | (2.1) | (1.7) | (1.9) | (1.2) | (2.4) | (1.4) |

Notes : (a) The housing component covers rents, rates, Government rent, management fees and other housing charges. Its sub‑components on private and public housing rents as presented here, however, cover rents, rates and Government rent only. Hence, the combined weighting of private and public housing rents is slightly less than the weighting of the entire housing component.

( ) Figures in brackets represent the headline rates of change before netting out the effects of Government’s one-off relief measures.

(^) These are expenditure weights of the reference period 2023, which are used for the compilation of CPIs since the reference month of April 2024. CPIs prior to this are compiled based on expenditure weights of the reference period 2019/20.

(\*) Change within ±0.05%.

**Costs of factor inputs and import prices**

7.4 Domestic business cost pressures remained contained in 2024. Nominal wages recorded growth. Meanwhile, commercial rentals faced by businesses declined. As a proxy, the eight‑quarter moving averages of office rentals and shop rentals fell by 2.2% and 0.5% respectively in 2024.



7.5 Overall external price pressures eased in 2024 against the broad trend of receding inflation in many major economies. Prices of overall merchandise imports rose by 3.2% in 2024, compared to 3.9% in the preceding year. For consumption related items, import prices of foodstuffs were largely unchanged from the preceding year, while those of consumer goods recorded moderate increases of 3.9%. Import prices of capital goods and raw materials and semi-manufactures saw increases of 4.4% and 2.7% respectively. Meanwhile, import prices of fuels fell by 7.1%.

**Table 7.3 : Prices of imports by end-use category**

**(year-on-year rate of change (%))**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Foodstuffs | Consumer  goods | Raw materials  and  semi-manufactures | Fuels | Capital  goods | All |
|  |  |  |  |  |  |  |
| 2023 Annual | 3.6 | 4.0 | 4.4 | -16.2 | 4.9 | 3.9 |
|  |  |  |  |  |  |  |
| H1 | 4.0 | 4.1 | 3.6 | -12.4 | 5.3 | 3.8 |
| H2 | 3.1 | 3.9 | 4.9 | -19.5 | 4.1 | 3.9 |
|  |  |  |  |  |  |  |
| Q1 | 3.6 | 4.0 | 2.9 | 5.4 | 5.4 | 3.9 |
| Q2 | 4.3 | 4.2 | 4.1 | -26.7 | 5.3 | 3.7 |
| Q3 | 3.5 | 3.8 | 4.3 | -21.7 | 4.3 | 3.5 |
| Q4 | 2.7 | 4.1 | 5.4 | -16.7 | 3.9 | 4.1 |
|  |  |  |  |  |  |  |
| 2024 Annual | \* | 3.9 | 2.7 | -7.1 | 4.4 | 3.2 |
|  |  |  |  |  |  |  |
| H1 | 0.7 | 3.5 | 4.4 | -5.9 | 4.1 | 3.8 |
| H2 | -0.8 | 4.4 | 1.3 | -8.3 | 4.7 | 2.6 |
|  |  |  |  |  |  |  |
| Q1 | 1.6 | 3.4 | 6.1 | -12.0 | 4.5 | 4.6 |
| Q2 | -0.3 | 3.6 | 2.9 | -0.1 | 3.7 | 3.1 |
| Q3 | -0.5 | 4.3 | 1.8 | -9.1 | 4.1 | 2.6 |
| Q4 | -1.0 | 4.5 | 0.9 | -7.7 | 5.3 | 2.6 |
|  |  |  |  |  |  |  |

Note: (\*) Change within ±0.05%.





**Output prices**

7.6 Output prices, as measured by the *Producer Price Indices*(3), recorded mixed performance across industry groups in the first three quarters of 2024. Output prices for the manufacturing sector continued to post moderate year-on-year increases for the first three quarters combined. Among the selected service sectors, output prices for water transport reverted to visible increases, and those for courier services and land transport rose further. Output prices for air transport recorded substantially narrowed declines, as output prices reverted to increases since the second quarter. Output prices for accommodation services declined slightly after registering strong increases in the past two years. Meanwhile, output prices for telecommunications services continued their secular downtrend.

**Table 7.4 : Producer Price Indices for the manufacturing sector**

and selected service sectors

(year-on-year rate of change (%))

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2023 | | | | | 2024 | | | | |
| Industry group | Annual | Q1 | Q2 | Q3 | Q4 | | Q1-Q3 | Q1 | Q2 | Q3 |
| Manufacturing | 1.6 | 0.9 | -0.2 | 3.0 | 2.7 | | 2.5 | 1.2 | 3.1 | 3.2 |
| Selected service sectors |  |  |  |  |  | |  |  |  |  |
| Accommodation services | 26.2 | 21.1 | 29.7 | 22.5 | 31.5 | | -1.3 | 12.3 | -6.1 | -8.4 |
| Land transport | \* | 4.4 | -2.3 | -1.5 | -0.2 | | 1.8 | 2.8 | 1.8 | 0.8 |
| Water transport | -40.0 | -38.7 | -42.2 | -40.7 | -38.2 | | 12.3 | -5.6 | 7.2 | 37.6 |
| Air transport | -23.4 | -28.9 | -30.0 | -23.3 | -8.6 | | -0.6 | -7.9 | 1.7 | 5.0 |
| Telecommunications | -1.0 | -1.1 | -1.3 | -1.2 | -0.5 | | -1.3 | -1.5 | -1.5 | -1.1 |
| Courier services | 4.2 | 1.4 | 4.1 | 5.5 | 6.1 | | 3.5 | 5.6 | 3.8 | 1.1 |

Note : (\*) Change within ±0.05%.

**GDP deflator**

7.7 As a broad measure of the overall change in prices in the economy, the increase in the *GDP deflator*(4) picked up to 3.8% in 2024 from 2.9% in 2023. The *terms of trade*(5) turned to a mild increase of 0.8% in 2024, following a 0.4% decline in the preceding year. Taking out the external trade components, the domestic demand deflator increased by 2.3% in 2024, after rising by 3.7% in the preceding year.



**Table 7.5 : GDP deflator and the main expenditure component deflators**

**(year-on-year rate of change (%))**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2023 | | | | | 2024 | | | | |
|  | Annual# | Q1# | Q2# | Q3# | Q4# | Annual# | Q1# | Q2# | Q3# | Q4# |
| Private consumption expenditure | 4.9 | 4.6 | 4.3 | 5.4 | 5.2 | 3.1 | 3.7 | 3.4 | 3.2 | 2.2 |
| Government consumption expenditure | 2.6 | 2.7 | 3.2 | 2.5 | 2.2 | 1.7 | 1.7 | 1.3 | 1.8 | 2.0 |
| Gross domestic fixed  capital formation | 0.5 | -0.6 | 1.5 | 0.8 | 0.3 | -0.5 | 0.7 | -2.4 | 0.1 | -0.5 |
| Total exports of goods& | 4.2 | 3.7 | 3.7 | 3.7 | 5.1 | 4.2 | 4.6 | 4.4 | 4.2 | 4.0 |
| Imports of goods& | 4.3 | 3.6 | 4.3 | 4.1 | 4.9 | 4.0 | 4.8 | 3.7 | 3.6 | 3.9 |
| Exports of services& | -2.0 | -2.2 | -4.7 | -1.6 | 0.4 | 6.2 | 5.7 | 5.9 | 7.6 | 5.5 |
| Imports of services& | -0.6 | 0.3 | -2.7 | 1.0 | -0.9 | 2.1 | 1.3 | 1.6 | 3.9 | 1.8 |
| **Gross Domestic Product** | **2.9** | **2.2**  **<0.9>** | **2.8**  **<0.8>** | **2.5**  **<0.9>** | **4.0**  **<1.4>** | **3.8** | **3.7**  **<0.7>** | **4.3**  **<1.3>** | **4.6**  **<1.0>** | **2.9**  **<**\***>** |
| Total final demand& | 3.4 | 2.8 | 3.1 | 3.3 | 4.3 | 3.7 | 4.1 | 3.7 | 4.0 | 3.3 |
| Domestic demand | 3.7 | 2.8 | 3.9 | 4.2 | 3.9 | 2.3 | 2.9 | 2.1 | 2.6 | 1.8 |
| Terms of trade in goods and services& | -0.4 | -0.2 | -0.9 | -0.8 | 0.1 | 0.8 | 0.4 | 1.2 | 1.1 | 0.6 |

Notes : Figures are derived based on the series of chain volume measures of GDP. They are subject to revision later on as more data become available.

(&) Figures are compiled based on the change of ownership principle in recording goods sent abroad for processing and merchanting under the standards stipulated in the *System of National Accounts 2008*.

(#) Revised figures.

< > Seasonally adjusted quarter-to-quarter rate of change.

(\*) Change within ±0.05%.

**Notes :**

(1) The Consumer Price Indices (A), (B) and (C) are compiled with reference to the average expenditure patterns for different groups of households as obtained from the Household Expenditure Survey. Then, by aggregating the expenditure patterns of all the households covered by the above three indices, a Composite CPI is compiled.

In May 2021, the Census and Statistics Department updated the base period for compiling the CPIs. CPI figures quoted in this report refer to the 2019/20-based series unless otherwise stated. In May 2024, the Census and Statistics Department updated the expenditure weights for compiling the CPIs. The expenditure weights of the reference period 2023 are used to compile the CPI figures since the reference month of April 2024, CPIs prior to this are compiled based on expenditure weights of the reference period 2019/20.

The expenditure ranges of the households covered in the 2019/20-based CPIs are shown below:

|  |  |  |
| --- | --- | --- |
|  | Approximate proportion of  households covered | Average monthly expenditure range (adjusted to 2024 prices) |
|  | (%) | ($) |
| CPI(A) | 50 | 6,900 to 29,500 |
| CPI(B) | 30 | 29,500 to 51,000 |
| CPI(C) | 10 | 51,000 to 97,000 |

The expenditure weights of the reference period 2023 are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Expenditure  component | Composite CPI | CPI(A) | CPI(B) | CPI(C) |
|  | (%) | (%) | (%) | (%) |
| Food | 26.49 | 31.58 | 26.09 | 20.98 |
| *Meals out and takeaway food* | *17.39* | *19.33* | *17.71* | *14.63* |
| *Basic food* | *9.10* | *12.25* | *8.38* | *6.35* |
| Housing | 38.48 | 39.54 | 38.67 | 36.94 |
| *Private housing rent* | *33.58* | *32.27* | *34.99* | *33.18* |
| *Public housing rent* | *1.97* | *5.17* | *0.66* | *--* |
| *Management fees and other housing charges* | *2.93* | *2.10* | *3.02* | *3.76* |
| Electricity, gas and water | 3.07 | 4.21 | 2.82 | 2.07 |
| Alcoholic drinks and tobacco | 0.52 | 0.84 | 0.44 | 0.27 |
| Clothing and footwear | 2.74 | 2.00 | 2.85 | 3.46 |
| Durable goods | 4.30 | 3.53 | 4.26 | 5.29 |
| Miscellaneous goods | 3.38 | 3.27 | 3.51 | 3.32 |
| Transport | 7.28 | 5.29 | 7.52 | 9.31 |
| Miscellaneous services | 13.74 | 9.74 | 13.84 | 18.36 |
| All items | 100.00 | 100.00 | 100.00 | 100.00 |

(2) The table below presents the year-on-year rates (%) of consumer price inflation in selected economies.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2023 | | | | | 2024 | | | | |
|  | Annual | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 |
| Selected developed economies |  |  |  |  |  |  |  |  |  |  |
| US | 4.1 | 5.8 | 4.0 | 3.5 | 3.2 | 2.9 | 3.2 | 3.2 | 2.6 | 2.7 |
| Canada | 3.9 | 5.1 | 3.5 | 3.7 | 3.2 | 2.4 | 2.8 | 2.7 | 2.0 | 1.9 |
| EU | 6.4 | 9.4 | 7.2 | 5.7 | 3.4 | 2.6 | 2.8 | 2.6 | 2.4 | 2.5 |
| Japan | 3.2 | 3.6 | 3.4 | 3.1 | 2.9 | 2.7 | 2.5 | 2.7 | 2.8 | 2.9 |
|  |  |  |  |  |  |  |  |  |  |  |
| Selected major emerging economies |  |  |  |  |  |  |  |  |  |  |
| Mainland China | 0.2 | 1.3 | 0.1 | -0.1 | -0.3 | 0.2 | 0.0 | 0.3 | 0.5 | 0.2 |
| Russia | 5.9 | 8.6 | 2.7 | 5.2 | 7.2 | 8.5 | 7.6 | 8.3 | 8.9 | 9.0 |
| India | 5.7 | 6.2 | 4.6 | 6.4 | 5.4 | 4.9 | 5.0 | 4.9 | 4.2 | 5.6 |
| Brazil | 4.6 | 5.3 | 3.8 | 4.6 | 4.7 | 4.4 | 4.3 | 3.9 | 4.4 | 4.8 |
|  |  |  |  |  |  |  |  |  |  |  |
| Selected Asian economies |  |  |  |  |  |  |  |  |  |  |
| Hong Kong | 2.1 | 1.9 | 2.0 | 1.9 | 2.6 | 1.7 | 1.9 | 1.2 | 2.4 | 1.4 |
| Singapore | 4.8 | 6.1 | 5.1 | 4.1 | 4.0 | 2.4 | 3.0 | 2.8 | 2.2 | 1.6 |
| Taiwan | 2.5 | 2.6 | 2.0 | 2.4 | 2.9 | 2.2 | 2.3 | 2.2 | 2.2 | 2.0 |
| Korea | 3.6 | 4.6 | 3.3 | 3.1 | 3.4 | 2.3 | 3.0 | 2.7 | 2.1 | 1.6 |
| Malaysia | 2.5 | 3.6 | 2.8 | 2.0 | 1.6 | 1.8 | 1.7 | 1.9 | 1.9 | 1.8 |
| Thailand | 1.2 | 3.9 | 1.1 | 0.5 | -0.5 | 0.4 | -0.8 | 0.8 | 0.6 | 1.0 |
| Indonesia | 3.7 | 5.2 | 3.9 | 2.9 | 2.7 | 2.3 | 2.8 | 2.8 | 2.0 | 1.6 |
| Philippines | 6.0 | 8.3 | 6.0 | 5.4 | 4.3 | 3.2 | 3.3 | 3.8 | 3.2 | 2.6 |
| Vietnam | 3.3 | 4.2 | 2.4 | 2.9 | 3.5 | 3.6 | 3.8 | 4.4 | 3.5 | 2.9 |
| Macao | 0.9 | 0.8 | 0.8 | 0.9 | 1.2 | 0.7 | 1.2 | 0.8 | 0.7 | 0.3 |

(3) The Producer Price Indices are designed to reflect changes in the prices of goods and services received by local producers. Producer prices refer to the transacted prices, net of any discounts or rebates allowed to the buyers.

(4) The implicit price deflators of GDP and its main expenditure components are derived by dividing GDP at current prices by the corresponding chained-dollar figures. The rate of change in the GDP deflator may differ substantially from that in the Composite CPI over the same time span. The Composite CPI covers consumer price inflation in particular. Yet the GDP deflator is a much broader measure of inflation for the entire economy, and takes into account all the price changes related to consumption, investment, exports and imports. Also, the rate of change in the GDP deflator may differ appreciably from that in the total final demand deflator, depending on the movement in the prices of final demand and imports. Likewise, the rate of change in the GDP deflator may differ appreciably from that in the domestic demand deflator, depending on the movement in the prices of imports and exports.

(5) The terms of trade is defined as the ratio of the prices of total exports to the prices of total imports.