

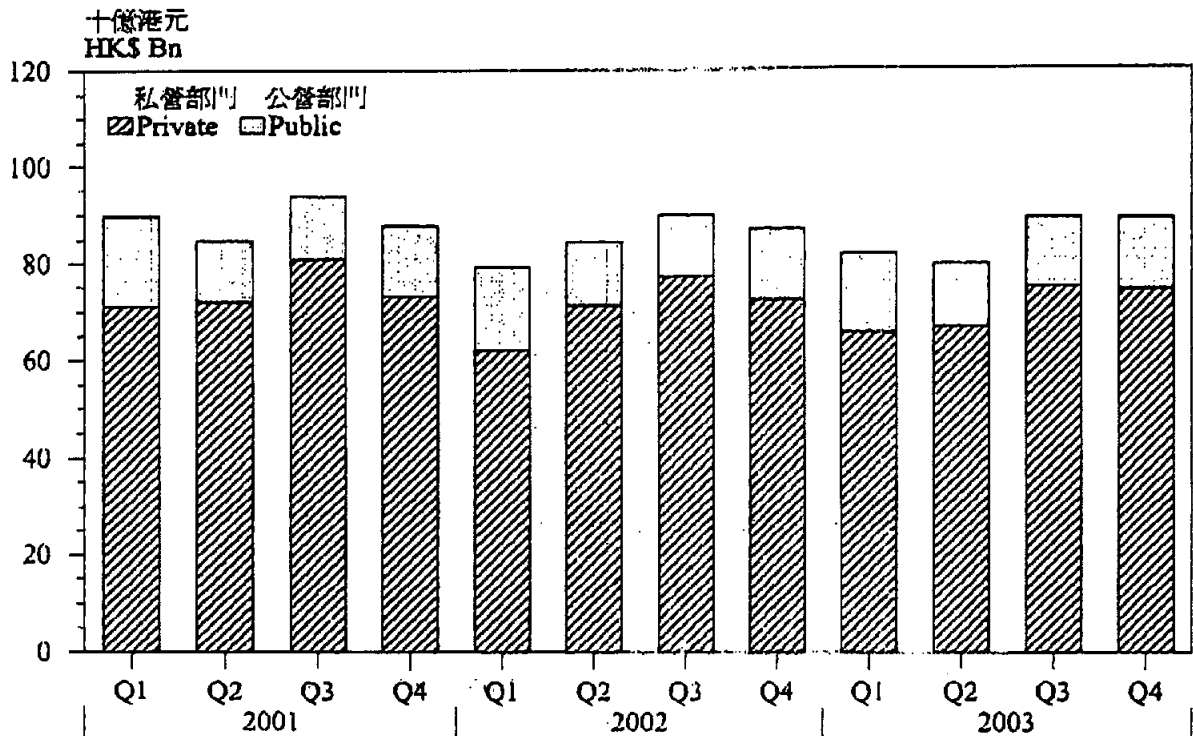
**Supplementary information on  
overall investment spending in the first quarter of 2002**

- Overall investment spending, as represented by *gross domestic fixed capital formation*, plummeted by 11.8% in real terms in the first quarter of 2002 over a year earlier, far larger than the 4.4% fall in the fourth quarter of 2001 (*Table and Chart 1*).
- The fall in investment spending in the first quarter of 2002 was mainly attributable to a distinct slackening in the intake of machinery and equipment by the private sector. This in turn was due to the much weakened corporate profits and a subdued business climate upon the slow-down in the local economy after the September 11<sup>th</sup> incident in the United States. Also relevant was an elevated base of comparison for the first quarter of 2002 brought about by the significant intake of capital goods by the private sector, including several aircraft, in the first quarter of 2001. Thus, while there was appreciable increase in machinery intake by the public sector in the first quarter of 2002, it was unable to provide a full offset to the setback in private sector investment. Also noteworthy was that the intake of machinery and equipment by the public sector accounted for only 11.6% of the total spending on machinery and equipment in the first quarter of 2002 in constant dollar terms. Taken together, *expenditure on machinery, equipment and computer software* still plunged by 19.7% in real terms in the first quarter of 2002 over a year earlier (*Chart 2*).
- As to construction activity, overall *expenditure on building and construction* fell by 3.2% in real terms in the first quarter of 2002 over a year earlier. Notwithstanding a further increase in building and construction activity in the private sector at that time, there was a pronounced dip in the volume of construction output in the public sector, due to the winding down of work on the KCR West Rail and the MTR Tseung Kwan O Extension. Also contributed was the substantial scale-back in the Public Housing Programme. In the first quarter of 2002, the public sector construction work accounted for 32.6% of the overall spending on building and construction in constant dollar terms (*Chart 3*).
- Analysed by sector, investment spending by the private sector plunged by 12.6% in real terms in the first quarter of 2002 over a year earlier, while investment spending by the public sector fell by 8.6% in real terms.

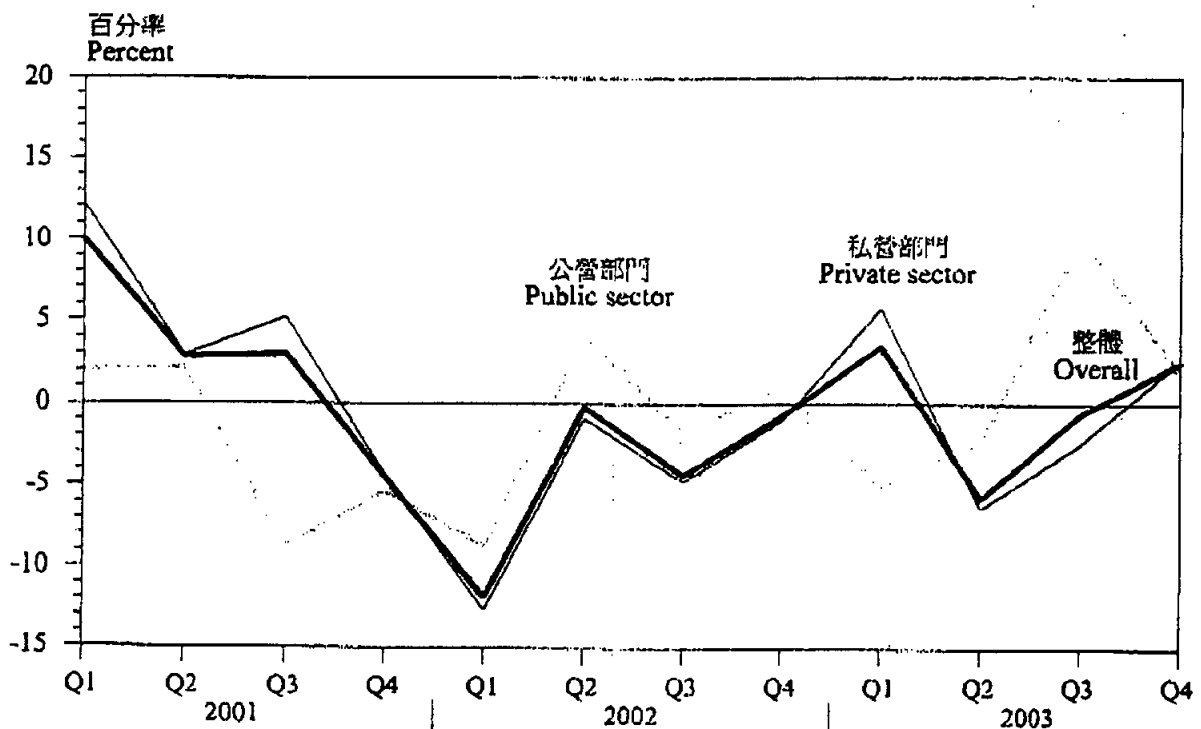
Economic Analysis Division  
Financial Services and the Treasury Bureau  
Government Secretariat  
26 March 2004

圖一：整體投資開支  
Chart 1 : Overall investment spending

(甲) 以固定(二零零零年)市價計算  
(a) At constant (2000) market prices



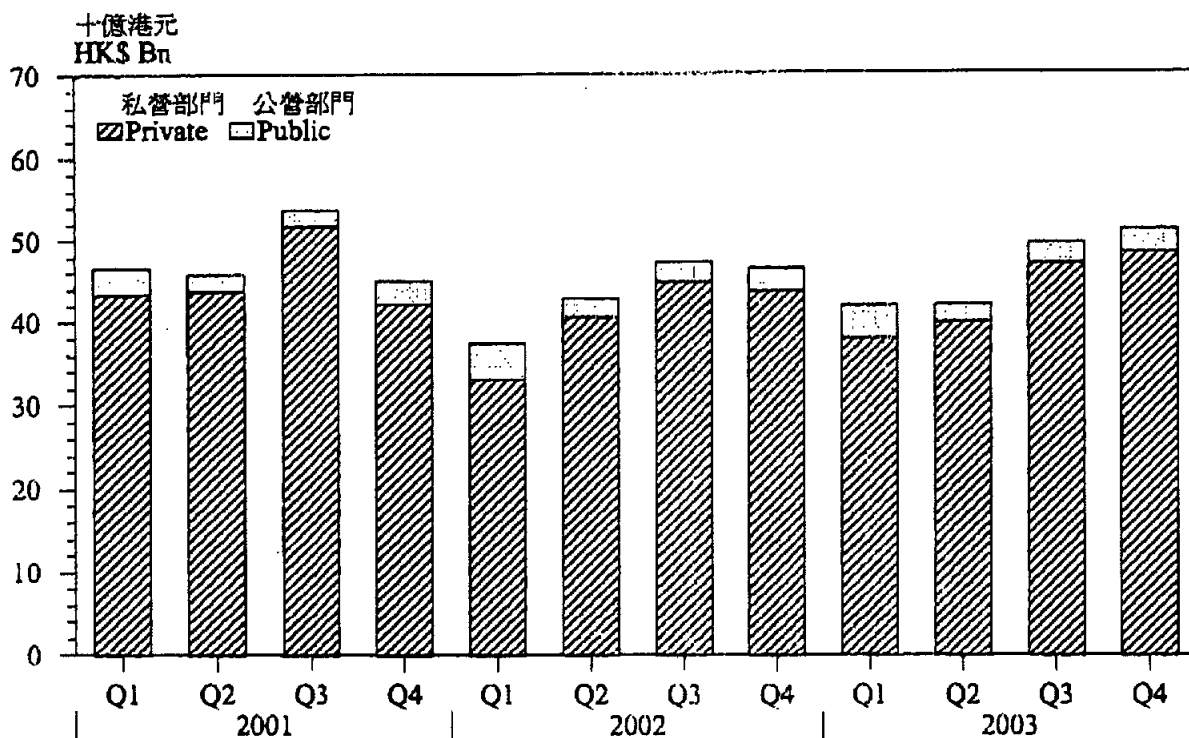
(乙) 與一年前同期比較的實質增減百分率  
(b) Year-on-year % change



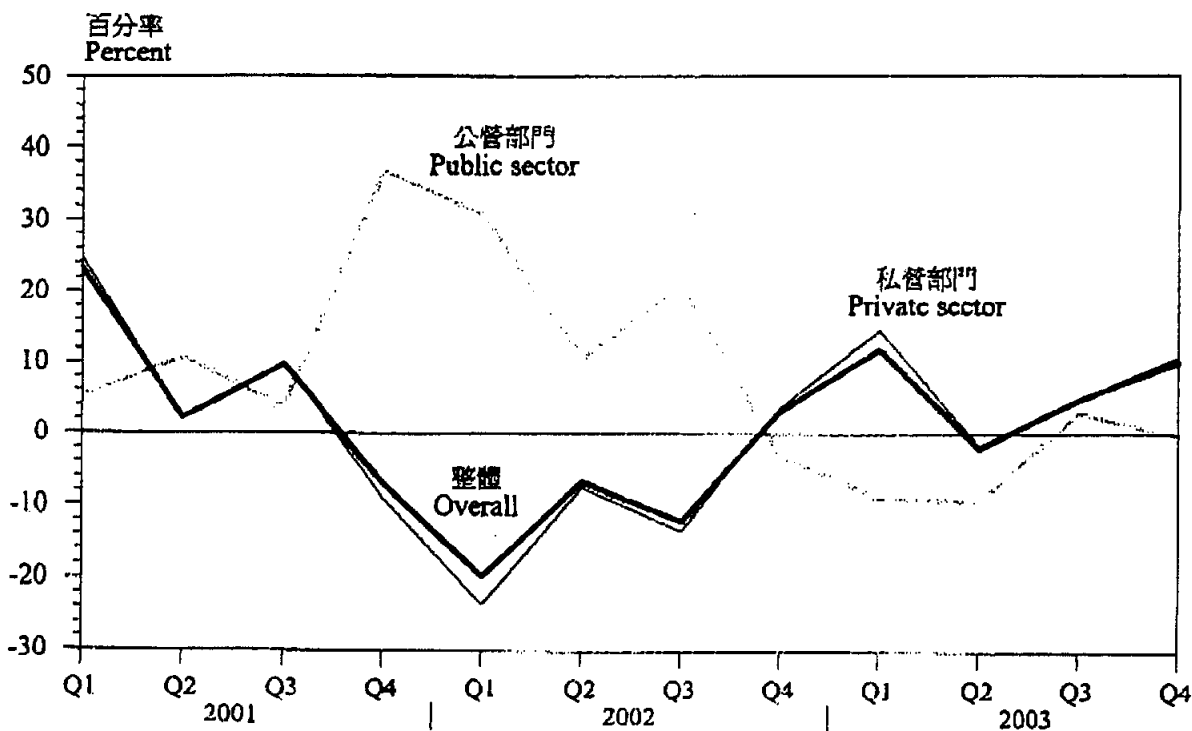
圖二：機器、設備及電腦软件的投資開支

Chart 2 : Investment spending on machinery, equipment and computer software

(甲) 以固定(二零零零年)市價計算  
 (a) At constant (2000) market prices

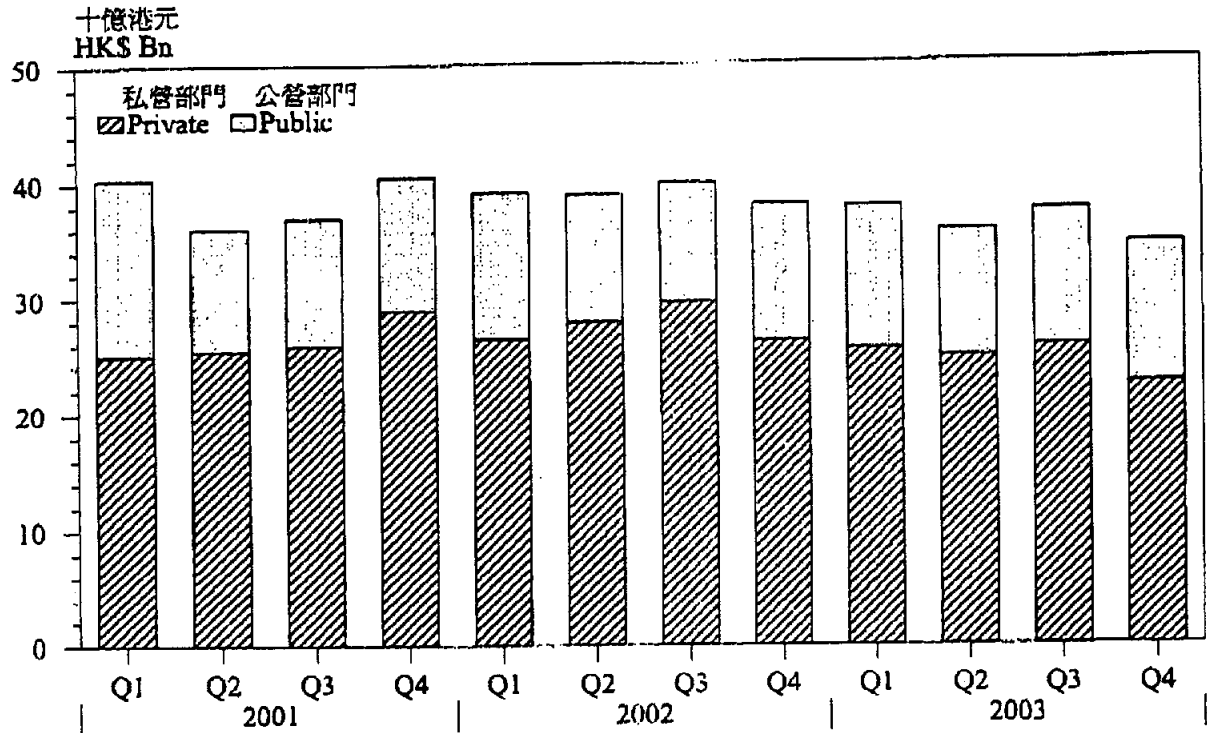


(乙) 與一年前同期比較的實質增減百分率  
 (b) Year-on-year % change



**圖三：樓宇及建造的投資開支**  
**Chart 3 : Investment spending on building and construction**

(甲) 以固定(二零零零年)市價計算  
 (a) At constant (2000) market prices



(乙) 與一年前同期比較的實質增減百分率  
 (b) Year-on-year % change

