

Change in comparison to Q4 2017

Foreign trade	Economy	Private sector employment	Tourism
Exports	Revenue	N° of employers	Occupancy rate
Imports	Entities Created	N° of jobs	Rooms booked
Balance of trade	Entities Struck off	Hours worked	N° of cruise days

The total volume of trade increased and came close to hitting 3 billion euros. Imports increased more than exports: the trade deficit worsened.

In the 4th quarter of 2018, the Principality's revenue excluding the finance and insurance sector increased (+€402.4 M, that is, +2.9 %). This increase can be attributed to good results in three sectors: scientific and technical activities, administrative and support services (+€157.6 M), real estate activities (+€151.8 M) and miscellaneous services (+€33.6 M).

Private sector employment increased at the end of 2018. The private sector now comprises 55 427 jobs, that is, more than 2 000 extra jobs compared to December 2017. These results are yet again strongly supported by interim job numbers.

The number of entities created decreased but the balance

(created — struck off) remained positive (+299).

With regard to the tourism sector, the number of nights booked in hotels increased and, for the first time, exceeded 570 000 rooms booked. The increase in the number of rooms available due to the partial reopening of the Hotel de Paris resulted in a slight decline in the occupancy rate. The number of stopovers and cruise passengers increased, in particular thanks to luxury cruise liners.

The real estate market is on the rise. Both the sales of new and second hand properties increased.

The number of vehicle registrations strongly decreased in the 4th quarter and wiped out the good performance that had been observed since the beginning of the year.

Public car park usage also decreased. The number of regular helicopter trips fell despite a rise in the number of passengers.

FOREIGN TRADE EXCLUDING FRANCE

The total volume of trade has continued to increase year after year. It is now approaching the 3 billion euro mark (+20.9 %) due to the increase in exports (+€70.3 M) and especially due to the increase in imports (+€445.5 M). For the first time, there is a trade deficit of more than 1 billion euros.

The exports/imports ratio has declined and is now below 50 %: the total value of goods imported is worth more than twice the total value of goods exported.

The total value of transactions made outside the European Union increased significantly more (+49.3 %) than transactions made within the European Union excluding France, (+3.8 %).

Pharmaceutical products are the largest exports. They account for 11.6 % of the Principality's sales.

Jewellery and musical instruments are the most imported products. They account for 20.8 % of the Principality's purchases.

Italy remains the Principality's largest supplier, accounting for more than a quarter of its total purchases (26.0 %).

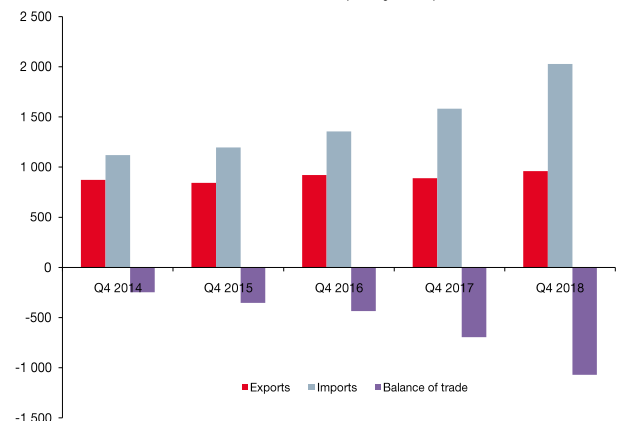
Italy has also become Monaco's biggest customer, accounting for 13.6 % of the Principality's sales.

The European Union, excluding France, remains the Principality's main economic partner, accounting for 59.7 % of sales and 50.9 % of purchases.

Change in foreign trade excluding France

	Q4 2017	Q4 2018	Variation	Weight
Supplies + Exports	888.9	959.2	7.9%	
EU Supplies	561.0	572.5	2.0%	59.7%
Including Italy	111.7	130.8	17.1%	13.6%
Including Germany	136.0	124.7	-8.3%	13.0%
Including United Kingdom	79.1	83.3	5.3%	8.7%
Exports	327.9	386.7	17.9%	40.3%
Including Switzerland	88.8	117.8	32.7%	12.3%
Acquisitions + Imports	1 583.0	2 028.5	28.1%	
EU Acquisitions	984.7	1 032.3	4.8%	50.9%
Including Italy	449.8	527.0	17.2%	26.0%
Including Germany	183.2	197.5	7.8%	9.7%
Including United Kingdom	101.4	87.1	-14.1%	4.3%
Imports	598.3	996.2	66.5%	49.1%
Including Switzerland	177.3	398.8	124.9%	19.7%
Balance of trade	-694.1	-1 069.3		

Unit: million euros
Sources: Direction Générale des Douanes (françaises) et Droits Indirects, IMSEE



Unit: million euros
Sources: Direction Générale des Douanes (françaises) et Droits Indirects, IMSEE

The quantitative data on Foreign Trade is sent to the IMSEE by the Direction Générale des Douanes (françaises) et Droits Indirects. These figures are provisional. Indeed, the figures are updated (completed) monthly. Changes may be observed every quarter due to the late arrival of some returns. Some additional information has yet to come in. This data and these observations must therefore be considered with caution. (Exchanges with France not included - Aggregate data as at 31/12/2018)

REVENUE⁽¹⁾

In the fourth quarter of 2018, the Principality's revenue, excluding the finance and insurance sector, increased (+€402.4 M, that is, +2.9 %) in comparison with 2017.

This increase can be attributed to good results in three sectors: scientific and technical, administrative and support services (+€157.6 M), real estate activities (+€151.8 M) and miscellaneous activities and services (+€133.6 M).

Revenue increased in nearly all subsectors (engineering, management consulting, employment-related activities etc.) in the scientific and technical, administrative and supporting activities sector.

The increase in revenue in the real estate sector (+€152 M) is essentially a result of the increase in revenue experienced by property traders (+€144 M).

Good performances in the sports, recreational activities and leisure sector (+24.2 %) brought about an increase in revenue in the miscellaneous activities and services sector.

The growth in revenue in the accommodation and catering sector that had been observed since the beginning of the year continued.

The increase in retail sector revenue (+€48 M) is due essentially to the increased revenue of specialised retailers of watches and jewellery (+€24 M). Automotive sector revenue is stable (+0.8 %).

The industrial sector finished the year on a positive note (+1.6 %) thanks to the chemical industry.

Revenue in the wholesale and construction sectors was stable (respectively +0.8 % and -0.1 %).

The fall in revenue in the auxiliary transport services sector (-€98 M) resulted in a fall in revenue for the entire transport and storage sector (-€101 M).

Similarly, the fall in revenue in the video editing and distribution industry penalised the information and communication sector.

⁽¹⁾ Calculation based upon VAT returns during the filing period

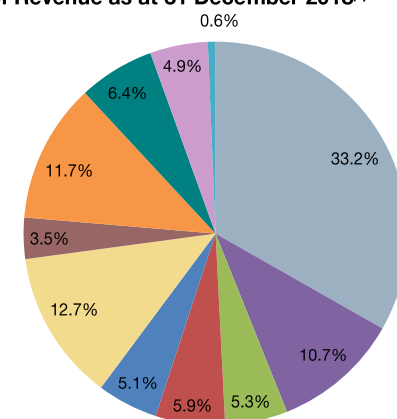
⁽²⁾ Total revenue does not include revenue in the finance and insurance sector. Since revenue is not as relevant an indicator as it is for other sectors, it is given as a guide.

Change in revenue by sector

	Q4 2017	Q4 2018	Variation
1 Finance and Insurance	1 693.4	1 718.7	1.5%
2 Wholesale	4 663.5	4 698.7	0.8%
3 Retail	1 466.0	1 514.2	3.3%
4 Accommodation and catering	666.9	744.3	11.6%
5 Manuf., extrac. and other industries	815.3	828.1	1.6%
6 Real Estate	573.2	724.9	26.5%
7 Construction	1 797.0	1 795.1	-0.1%
8 Transport and storage	591.3	490.3	-17.1%
9 Scientific and tech. activities, admin. and support services	1 503.9	1 661.5	10.5%
10 Miscellaneous activities and services	770.2	903.8	17.3%
11 Information and communication	804.0	688.3	-14.4%
12 Admin., educ., health and other social services	87.1	91.6	5.1%
Total⁽²⁾	13 738.4	14 140.8	2.9%

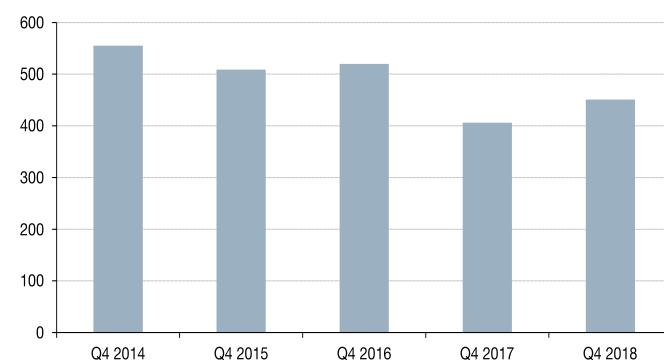
Unit: million euros
Sources : Department of Tax Services, IMSEE

Distribution of Revenue as at 31 December 2018⁽²⁾



Sources: Department of Tax Services, IMSEE

Change in Revenue⁽²⁾



Unit: million euros
Sources: Department of Tax Services, IMSEE

FINANCE

Changes in financial indicators

	Q4 2017	Q4 2018	Variation
Monegasque Investment Funds			
Number of funds	56	54	-
Net total assets	4 573	4 251	-7.0%
Asset Management companies			
Number of companies	60	58	-
Banks and Financial Institutions			
Number of Banks	31	31	0.0%
Number of financial services companies	4	4	0.0%
Total Value of Assets: Deposits and Securities	113 798	114 312	0.5%
Total Value of Deposits	41 398	43 780	5.8%
Total Value of Loans	23 356	24 959	6.9%

Unit: million euros
Sources: Commission de Contrôle des Activités Financières, Department of Budget and Treasury

Bank assets increased over the last twelve months, especially owing to a clear increase in deposits (+5,8 %). Loans also increased significantly (+6,9 %).

Despite a positive net asset flow of €570 M, there was a decrease in the value of assets under management over the last quarter due to negative market effects.

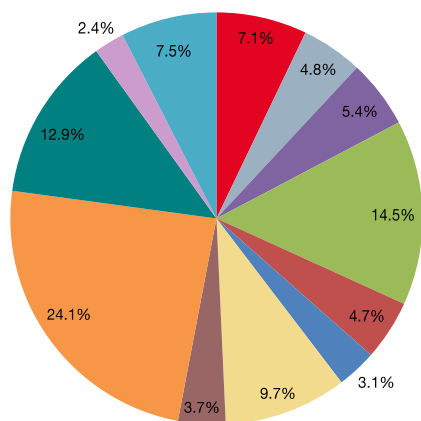
EMPLOYMENT - PRIVATE SECTOR

Change in the number of jobs per sector

	Q4 2017	Q4 2018	Variation
1 Finance and Insurance	3 898	3 942	1.1%
2 Wholesale	2 623	2 671	1.8%
3 Retail	2 845	2 967	4.3%
4 Accommodation and catering	7 938	8 044	1.3%
5 Manuf., extrac. and other industries	2 668	2 618	-1.9%
6 Real Estate	1 722	1 723	0.1%
7 Construction	5 108	5 350	4.7%
8 Transport and storage	2 025	2 060	1.7%
9 Scientific and tech. activities, admin. and support services	12 231	13 385	9.4%
10 Miscellaneous activities and services	7 015	7 172	2.2%
11 Information and communication	1 215	1 323	8.9%
12 Admin., educ., health and other social services	4 015	4 172	3.9%
Total	53 303	55 427	4.0%

Sources: Caisses Sociales de Monaco, IMSEE

Distribution of the total number of jobs by sector as at 31 December 2018



Sources: Caisses Sociales de Monaco, IMSEE

Change in the number of employers per sector

	Q4 2017	Q4 2018	Variation
1 Finance and Insurance	219	232	5.9%
2 Wholesale	388	386	-0.5%
3 Retail	453	466	2.9%
4 Accommodation and catering	189	195	3.2%
5 Manuf., extrac. and other industries	116	118	1.7%
6 Real Estate	440	443	0.7%
7 Construction	335	336	0.3%
8 Transport and storage	124	119	-4.0%
9 Scientific and tech. activities, admin. and support services	654	681	4.1%
10 Miscellaneous activities and services	2 829	2 917	3.1%
11 Information and communication	124	128	3.2%
12 Admin., educ., health and other social services	87	91	4.6%
Total	5 958	6 112	2.6%

Sources: Caisses Sociales de Monaco, IMSEE

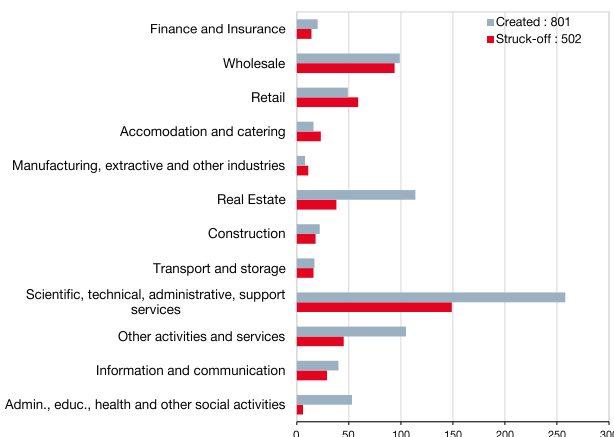
ENTITIES

There were 801 entities created in 2018, considerably less than in 2017 (-112). The number of companies struck off rose (502 in 2018 vs. 463 in 2017). The balance (created – struck off) decreased but remained positive (+299).

The scientific and technical, administrative and support services sector accounted for 32 % of entities created and 30 % of entities struck off. In 2017, this sector had a net balance (created – struck off) of 184. In 2018, it was down to 109 entities. However, this still accounted for 36 % of the total net balance (41 % in 2017).

The number of entities fell in three sectors: retail (-10), accommodation and catering (-7) and manufacturing, extractive and other industries (-3).

Entities created/struck-off by sector



Sources: Business Development Agency, IMSEE

Private sector employment* indicators improved at the end of 2018: 55 427 jobs were counted in December 2018, that is, 2 124 jobs more than in December 2017 (+4 %).

The number of employers also increased in the last quarter. There were 6 112 entities registered (154 more than at the same period the previous year).

The number of hours worked also increased with more than 91 million hours worked in total during the year 2018. This indicator has evolved in the same way over the last quarters observed.

The increase in the number of jobs in the 4th quarter of 2018 was mostly supported by the scientific and technical, administrative and support services sector and, more specifically, “employment-related activities”, which account for around half of the jobs in the sector. Temporary work agencies created jobs throughout the year: at the end of 2018, there were more than 700 extra interim jobs compared to the end of 2017 (accounting for approximately a third of total job creations).

The information and communication sector also experienced growth over the last quarter with an 8.9 % increase in the number of jobs especially in IT consulting.

The fall in the number of jobs in manufacturing, extractive and other industries, which had already been observed in the 3rd quarter of 2018, continued but seemed to slow down in December.

Moreover, we noticed an increase in the number of employers in the sector. In the transport and storage sector, the number of employers fell significantly (-4 %). The largest variation in the number of employers as compared with the end of 2017 was observed in the finance and insurance sector (+5.9 %).

* Domestic staff employed by households included

HOTELS AND CRUISES

Change in hotel industry indicators

	Q4 2017	Q4 2018	Variation
Occupancy rate	67.3%	66.6%	-0.7%
Rooms occupied (N° of nights)	559 878	575 811	2.8%
Arrivals	367 817	369 579	0.5%
% Arrivals from EU including Monaco	54.9%	54.4%	-0.5%
Average length of a stay (in days)	2.45	2.46	0.1%

Sources: Tourist and Convention Authority, IMSEE

Change in cruise industry indicators

	Q4 2017	Q4 2018	Variation
Number of stopover days	176	187	6.3%
Number of days cruise passengers spent in Monaco	176 053	179 725	2.1%

Source: Tourist and Convention Authority

REAL ESTATE

2018 was the year with the most new apartments sold (72) since 2006. This strong increase (+44 %) is due to the completion of the 4 apartment blocks of the Stella project (89 apartments). This project was mostly composed of two-room apartments. The number of transactions therefore increased but the market did not recover its 2015 and 2016 levels during which there were numerous transactions involving apartments of 5 or more rooms ⁽¹⁾.

The real estate market for second hand property also increased. The number of transactions increased and the apartments involved were larger: the average price increased (+14 %).

⁽¹⁾ See 2018 Real Estate Observatory

The partial reopening of the Hôtel de Paris in 2018 resulted in a clear increase in the number of hotel rooms offered (+4.0 % in total and +23.0 % in the 5* category). For the first time, the number of nights booked exceeded 570 000. The number of occupied rooms also increased but in a lesser proportion (+2.8 %) thereby bringing the occupancy rate down (-0.7 %).

The fall in the number of arrivals from the EU was more than compensated by the increase in arrivals from outside the EU. The average length of a stay is relatively stable (+0.1 %).

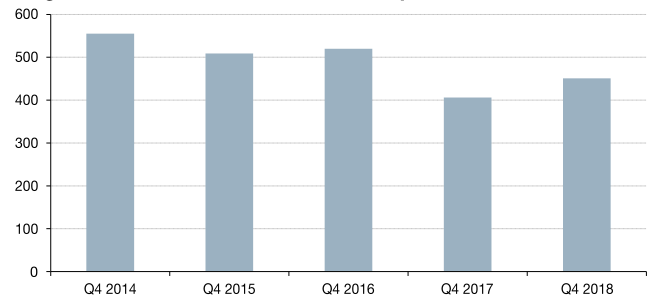
The number of cruise ship stopover days increased (+6.3 %), especially for stopovers made by luxury liners (+7.6 %). The number of cruise days also increased (+2.1 %), thanks to the momentum of the North American market.

Change in the number of apartments sold

	Q4 2017	Q4 2018	Variation
Apartments sold (new)	50	72	44.0%
Apartments sold (second hand property)	406	451	11.1%

Sources: Department of tax services, IMSEE

Change in the number of second-hand apartments sold



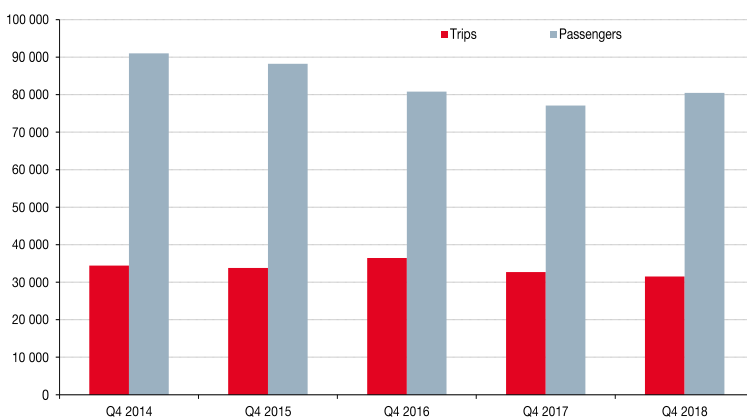
Sources: Department of Tax Services, IMSEE

TRANSPORT

Change in helicopter traffic

	Q4 2017	Q4 2018	Variation
Number of trips	32 718	31 512	-3.7%
Number of passengers	77 107	80 499	4.4%

Sources: Civil Aviation Authority, IMSEE



Sources: Civil Aviation Authority, IMSEE

Vehicle registrations and car park usage

	Q4 2017	Q4 2018	Variation
Number of new vehicle registrations	3 322	3 198	-3.7%
Number of times a car used a public car park	15 796 339	15 678 408	-0.7%

Sources: Driver and Vehicle Licensing Office, Public Car Parks Office, IMSEE

The number of flights fell (-1 206) despite an increase in the number of passengers (+3 476).

The number of scheduled flights headed to Nice (regular trip) decreased and fell below 20 000 for the first time since 1996.

The number of private flights also decreased. "Panoramic flights" is the only category that displayed a strong increase in flight numbers (+52.3 %).

The number of passengers increased in all flight categories.

The number of vehicle registrations decreased considerably in the 4th quarter and thereby wiped out the good performance that had been observed since the beginning of the year.

Public car park usage declined slightly (-0.7 %) despite an increase in the number of times users with "work" subscriptions used public car parks (+1 %).



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ISSN-L 2311-5696