

Although the global economic climate is tense, the Principality reports a good economic situation and continues its recovery. While some indicators have not yet returned to their pre-pandemic levels, there is consensus that almost all aggregates are growing strongly relative to 2021. The lack of containment in 2021 allows for a revaluation of the two-year analysis. Nevertheless, an indicator has been added to some of the tables to put them into perspective with 2019.

Change in comparison to Q3 2021

| 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 | ↗ |

Monaco's foreign trade continues to grow, as shown by the 20.1% increase in the overall volume of trade, excluding France.

Despite the pressure exerted by the energy crisis, the Principality's revenue, excluding Financial and insurance activities, reaches an unprecedented €13.9 billion, up by €2.4 billion (+21.0%).

Employment continues to grow in the private sector in the third quarter, driven in particular by Accommodation and food service activities.

The balance of new establishments and delistings has narrowed, due to a greater slowdown in new establishments than in strike-offs in the third quarter.

Although still lagging behind 2019, tourism figures in Monaco are clearly up compared to 2021.

The real estate market continues its record year, with new property sales in the third quarter already 4 times higher than the total for 2021 due to new construction.

Still far from its pre-crisis results, helicopter traffic is nevertheless up sharply this quarter. New vehicle registrations are lagging behind the previous year.

FOREIGN TRADE EXCLUDING FRANCE

The growth of Monegasque foreign trade, excluding France, continues in the third quarter of 2022. At €2.6 billion, the overall volume of trade is up by 20.1% compared with 2021 at the same period. However, it has still not returned to its pre-crisis level, although it is getting closer (-9.2%).

The Balance of trade deficit is stable this quarter at -€521.0 million, with imports and exports increasing equally in value. Nevertheless, the coverage rate increased by 5.4 percentage points as the relative increase in exports (+26.5%) was greater than that of imports (+16.2%).

The increase in imports is mainly driven by imports from outside the European Union, which thus predominate, while exports are mainly to the EU. Trade outside the EU is growing faster (+26.0%) than with the EU (+15.6%), which is reducing the weight of the latter (53.9% compared with 56.1% at the end of September 2021).

Italy is still by far the Principality's main trading partner. Trade with the latter represents 21.4% of the total, although imports are slightly reduced (-2.1%). Italy, Germany, the United Kingdom and Switzerland account for more than half of Monaco's transactions.

Products of Jewellery, bijouterie and musical instruments, the most traded goods, are up by 3.4% this quarter. They are followed by automotive products (+44.4%) and Plastics products (+8.6%).

Change in foreign trade excluding France

| | Q3 2021 | Q3 2022 | Var 21/22 | Weight | Var 19-22 |
|--------------------------------|----------------|----------------|--------------|--------------|-----------|
| Supplies + Exports | 824.2 | 1,042.6 | 26.5% | | ↗ |
| EU Supplies | 510.9 | 655.6 | 28.3% | 62.9% | ↗ |
| Including Italy | 153.5 | 205.9 | 34.1% | 19.8% | ↗ |
| Including Germany | 105.9 | 140.6 | 32.8% | 13.5% | ↗ |
| Including Spain | 47.8 | 79.0 | 65.5% | 7.6% | ↗ |
| Exports | 313.3 | 386.9 | 23.5% | 37.1% | ↗ |
| Including UK | 33.9 | 110.4 | 225.4% | 10.6% | ↗ |
| Acquisitions + Imports | 1,345.1 | 1,563.5 | 16.2% | | ↘ |
| Acquisitions UE | 705.5 | 750.3 | 6.3% | 48.0% | ↘ |
| Including Italy | 359.4 | 351.7 | -2.1% | 22.5% | ↘ |
| Including Germany | 129.0 | 187.8 | 45.6% | 12.0% | ↗ |
| Including Belgium | 56.3 | 58.3 | 3.6% | 3.7% | ↗ |
| Imports | 639.6 | 813.2 | 27.2% | 52.0% | ↘ |
| Including UK | 118.5 | 149.5 | 26.2% | 9.6% | ↗ |
| Overall volume of trade | 2,169.3 | 2,606.1 | 20.1% | | ↘ |
| Balance of trade | -520.9 | -521.0 | 0.0% | | ↗ |



Unit: million euros

Sources: French Directorate-General of Customs and Indirect Taxes, Monaco Statistics

The foreign trade figures are provided to Monaco Statistics by the French Directorate-General of Customs and Indirect taxes. These figures are provisional. They are updated (enhanced) on a monthly basis. Variations may be noted each quarter as a result of the late arrival of some statements; many enhancements are still expected. The date and comments should therefore be treated with caution (Trade with France is not included—Cumulative data as at 30/09/2022)

REVENUE⁽¹⁾

The Principality's revenue, excluding Financial and insurance activities, was close to €14 billion in the third quarter of 2022. This record level is due to a remarkable increase of nearly €2.4 billion (+21.0%) compared to the same period last year. This quarter, and for the first time since the health crisis, all the Major economic sectors (MESs) are not only up on 2021, but also all have a higher level than 2019.

Wholesale trade is almost €1 billion higher than in the third quarter of 2021 and thus passes the €4.5 billion mark. Fuel wholesalers performed the best (+€296.9 million, or +39.6%), and they allow the MES to maintain its position as the leading contributor to Monegasque revenue.

Business and other management consultancy activities (+€75.6 million, i.e. +34.3%) and the rebound in Travel agency activities (+€68.5 million, i.e. +169.6%) accounted for more than half of the growth in Scientific and technical activities, administrative and support services activities (+€259.0 million, i.e. +13.3%).

Accommodation and food service activities posted the highest growth in volume (+€249.1 million, i.e. +56.1%) and have now surpassed their pre-pandemic level.

The results of real estate dealers, who were the main responsible for the decline in Real Estate activities in 2021, have recovered significantly with +€195.3 million or +40.3%. This quarter, they are the main drivers of the sector's growth (+€176.6 million, or +92.5%), which has thus reached a level similar to 2020.

Thanks to the increase in Other specialised construction activities (+€186.8 million) and the Construction of residential and non-residential buildings (+€127.0 million), Construction continues its momentum (+€188.4 million, or +12.3%).

With revenue up by €148.1 million compared with the same period in 2021 (+27.7%), Other service activities are back to their 2019 level.

Retail trade grew by €147.5 million (+10.6%), mainly thanks to the automobile and clothing trade.

In the third quarter, the result of Sea and coastal freight water transport doubled (+€37.1 million, i.e. +98.3%) and led to a growth of €123.4 million (+29.5%) in Transportation and storage.

Finally, driven by the Manufacture of plastics products (+€28.8 million, i.e. +15.8%), Manufacturing, mining and quarrying, and others industries increased by €72.7 million, i.e. +12.0%.

(1) Calculated on the basis of VAT declarations during the submission period.

(2) Total revenue does not include that derived from financial and insurance activities. As revenue is less relevant an indicator than for other sectors, it is presented for indicative purpose

FINANCES

Change in financial indicators

| | Q3 2021 | Q3 2022 | Variation |
|--|---------|---------|-----------|
| Monegasque Investment Funds | | | |
| Number of funds | 50 | 46 | -8.0% |
| Net total assets | 4,467 | 3,681 | -17.6% |
| Asset Management companies | | | |
| Number of companies | 60 | 63 | 5.0% |
| Banks and Financial Institutions | | | |
| Number of Banks | 30 | 29 | -3.3% |
| Number of financial services companies | 4 | 4 | 0.0% |
| Total Value of Assets: | | | |
| Deposits & Marketable securities | 141,757 | 142,081 | 0.2% |
| Total Value of Deposits & Commercial Paper | 50,921 | 58,921 | 15.7% |
| Total Value of Loans | 29,071 | 31,177 | 7.2% |

Unit: million euros

Sources: Commission de Contrôle des Activités Financières, Department of budget and Treasury

IMSEE

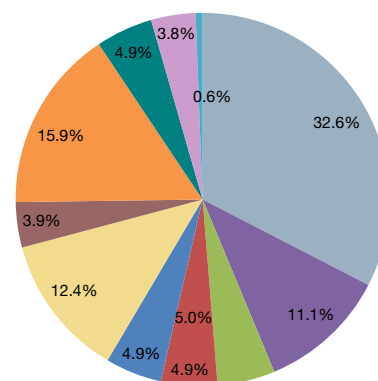
Change in revenue by sector

| | Q3 2021 | Q3 2022 | Var 21/22 | Var 19-22 |
|--|-----------------|-----------------|--------------|-----------|
| 1 Financial and insurance activities | 1,240.2 | 1,620.6 | 30.7% | ↗ |
| 2 Wholesale trade | 3,529.4 | 4,516.6 | 28.0% | ↗ |
| 3 Retail trade | 1,396.8 | 1,544.4 | 10.6% | ↗ |
| 4 Accommodation and food service activities | 443.9 | 692.9 | 56.1% | ↗ |
| 5 Manufacturing, mining and quarrying, etc. | 605.4 | 678.1 | 12.0% | ↗ |
| 6 Real Estate activities | 484.6 | 679.9 | 40.3% | ↗ |
| 7 Construction | 1,528.0 | 1,716.4 | 12.3% | ↗ |
| 8 Transportation and storage | 418.5 | 541.9 | 29.5% | ↗ |
| 9 Scientific and technical activities, administrative and support services | 1,941.9 | 2,200.8 | 13.3% | ↗ |
| 10 Other service activities | 535.1 | 683.2 | 27.7% | ↗ |
| 11 Information and communication | 497.0 | 532.7 | 7.2% | ↗ |
| 12 Public administration, education, human health and social work activities | 76.7 | 80.7 | 5.2% | ↗ |
| Total⁽²⁾ | 11,457.3 | 13,867.7 | 21.0% | ↗ |

Unit: million euros

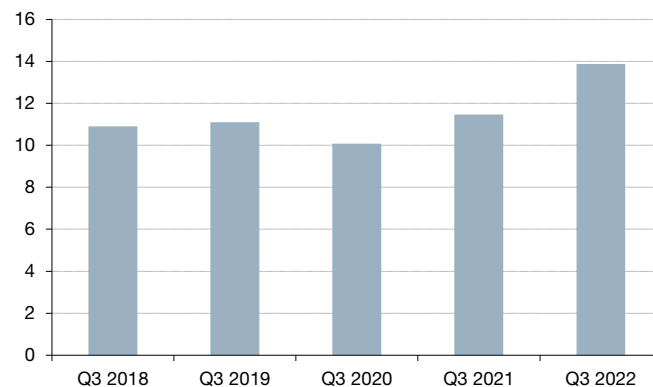
Sources: Department of Tax Services, Monaco Statistics

Distribution in revenue as at 30th September 2022⁽²⁾



Sources: Department of Tax Services, Monaco Statistics

Change in revenue⁽²⁾



Unit: billion euros

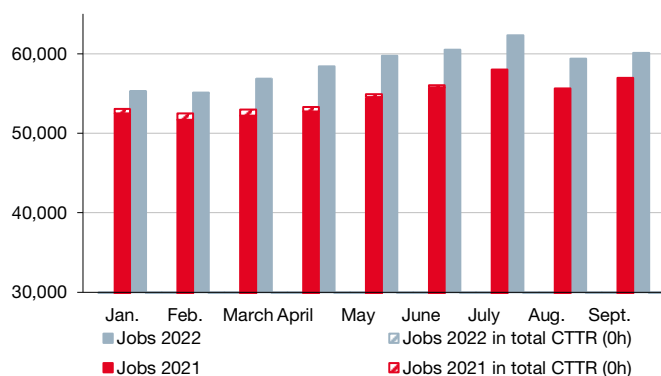
Sources: Department of Tax Services, Monaco Statistics

The evolution of the amount of banks' assets shows a very slight increase over the last twelve months (+0.2%). The amount of loans granted increased significantly (+7.2%), as did the amount of deposits (+15.7%).

In the third quarter of 2022, an inflow of around €2.2 billion enabled a slight increase in the amount of assets under management (+0.6%) over this period, despite the negative impact of market and currency effects.

PRIVATE SECTOR EMPLOYMENT

Monthly change in number of jobs



Note: the CTTR scheme ended on 31/03/2022

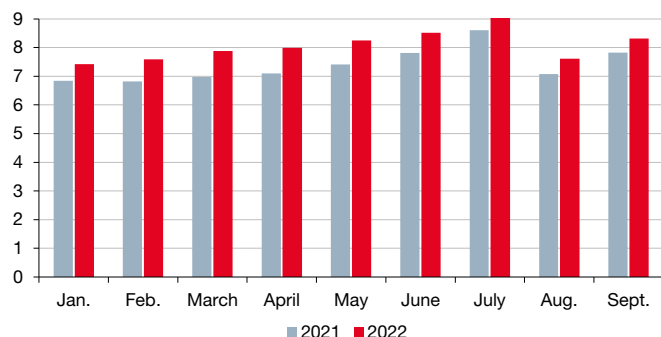
Sources: Caisses Sociales de Monaco, Monaco Statistics

Change in the number of active jobs by MES

| | Q3 2021 | Q3 2022 | Var 21/22 | Var 19-22 |
|--|---------------|---------------|-------------|-----------|
| Financial and insurance activities | 4,191 | 4,312 | 2.9% | ↗ |
| Wholesale trade | 2,592 | 2,668 | 2.9% | ↘ |
| Retail trade | 3,067 | 3,186 | 3.9% | ↗ |
| Accommodation and food service a | 8,061 | 9,224 | 14.4% | ↘ |
| Manufacturing, mining and quarryin | 2,617 | 2,672 | 2.1% | ↘ |
| Real Estate activities | 1,774 | 1,790 | 0.9% | ↗ |
| Construction | 5,621 | 6,125 | 9.0% | ↗ |
| Transportation and storage | 2,030 | 2,194 | 8.1% | ↘ |
| Scientific and technical activities, administrative and support service activities | 14,042 | 14,800 | 5.4% | ↗ |
| Other service activities | 7,254 | 7,406 | 2.1% | ↗ |
| Information and communication | 1,474 | 1,468 | -0.4% | ↗ |
| Public administration, education, human health and social work activities | 4,270 | 4,267 | -0.1% | ↗ |
| Total | 56,993 | 60,112 | 5.5% | ↗ |

Sources: Caisses Sociales de Monaco, Monaco Statistics

Monthly change in number of hours worked



Unit: million hours

Sources: Caisses Sociales de Monaco, Monaco Statistics

BUSINESSES

At the end of the third quarter of 2022, the cumulative number of new establishments was down sharply compared with the previous year (540 compared with 634, i.e. -14.8%). The number of permanent strike-offs is also down to a lesser extent (322 against 357, i.e. -9.8%). Thus, with +218 at the end of September 2022, the balance of creations—permanent strike-offs is down compared to the third quarter of 2021 (+277).

Almost half of this balance is attributable to Scientific and technical activities, administrative and support service activities (+102). It reaches +50 in Other service activities, +18 in Information and communication and +15 in Retail trade. No MES has a negative balance.

60,112 active jobs (at least one hour worked, including domestic staff) are recorded in the private sector in September 2022. This is more than 3,000 more jobs than in the third quarter of 2021, or an increase of 5.5% over one year.

With the exception of Information and communication and Public administration, education, human health and social work activities, where the workforce is relatively stable, all business sectors are on the rise at the end of the quarter.

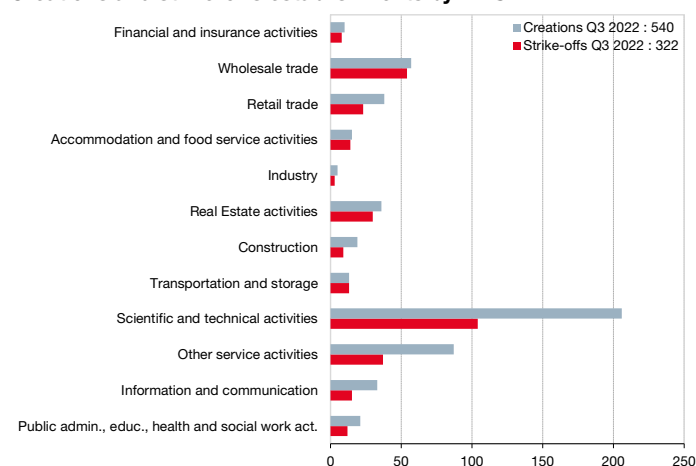
With more than 6,000 jobs, i.e. almost 500 more than a year earlier, the Construction sector is still doing well and is experiencing the second strongest growth over the period 2021-2022 (+9.0%). Scientific and technical activities, administrative and support service activities, up by 5.4%, account for over 750 additional jobs compared to the third quarter of 2021.

Accommodation and food service activities again show the largest increase in workforce in volume (+14.4%) but still fail to recover their almost 9,700 jobs from September 2019. This is also the case for Transportation and storage which, although up by more than 8%, does not reach its 2019 headcount. Together with Wholesale Trade and Industry, they form the four MESs that have still not recovered their pre-crisis level.

The number of hours worked in the private sector between January and September 2022, which is approaching 73 million in cumulative terms, continues to grow faster than employment, with +9.6% compared to 2021. With over 10 million hours alone, Accommodation and food service activities show the largest increase over the period in both value and volume (+3 million hours worked in one year, or +39.5%).

The private sector totalled 6,366 employers at the end of the third quarter, 70 entities more than a year earlier (+1.1%). Once again, only Manufacturing, mining and quarrying, and others industries show a decrease in this indicator over the period (-5). The number of employers is identical to the previous year in Accommodation and food service activities and in Public administration, education, human health and social work activities, and it is increasing in the other MESs.

Creations and strike-offs establishments by MES



Sources: Business Development Agency, Monaco Statistics

The figures for businesses started/closed cover all types of legal entity recorded in the NIS Register (SAM, SARL, sole traders, professionals, AD, NA, etc.), with the exception of non-trading companies.

HOTEL AND CRUISE INDUSTRY

Change in hotel industry indicators

| | Q3 2021 | Q3 2022 | Var 21/22 | Var 19-22 |
|-------------------------------------|---------|---------|-----------|-----------|
| Occupancy rate | 40.6% | 60.2% | 48.1% | ↘ |
| Rooms occupied (N° of nights) | 267,597 | 405,834 | 51.7% | ↘ |
| Arrivals | 154,014 | 214,257 | 39.1% | ↘ |
| % Arrivals from EU including Monaco | 75.1% | 55.1% | -26.6% | ↘ |
| Average length of a stay (in days) | 0.2 | 0.4 | 80.3% | ↗ |

Sources: Tourist and Convention Authority, Monaco Statistics

Change in cruise indicators

| | Q3 2021 | Q3 2022 | Var 21/22 | Var 19-22 |
|----------------------------|---------|---------|-----------|-----------|
| Number of days of stopover | 0 | 87 | n.a. | ↘ |
| Number of cruise days | 0 | 41,787 | n.a. | ↘ |

Sources: Tourist and Convention Authority, Monaco Statistics

The increase observed since the beginning of the year in the main tourism indicators persists compared to the previous year. The number of person arrivals is increasing, as is the average length of stay. The number of occupied rooms is almost 140,000 nights higher than in the same period in 2021. As a result, the occupancy rate also increases, reaching 60.2%. However, it remains lower than in 2019 (70.2%).

With almost 45% at the end of September, the share of tourists from outside the European Union exceeds that of previous years (39.2% in Q3 2019).

Finally, cruises have not returned to their pre-pandemic level with 87 days of stopovers and 41,787 passengers (compared to 120 and 148,659 respectively in 2019).

REAL ESTATE

With an exceptional third quarter, the year 2022 already represents a record for the new housing market, which has exceeded one billion euros with 82 transactions since January. In 9 months, 4 times more new properties (including off-plan sales) have been sold than in the whole of 2021, which still corresponded to the 2006-2021 average.

The resale market recorded 326 transactions (23 more than in the same period in 2021) for €1.7 billion, i.e. almost €380 million more than in 2021 (+28.5%).

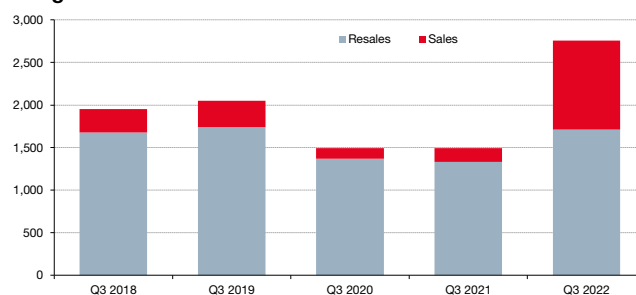
Compared to 2019, the real estate market (new and old) increases by 25.5% in volume and 34.6% in value.

Change in the number of real estate transactions

| | Q3 2021 | Q3 2022 | Var 21/22 |
|---------------------------------|---------|---------|-----------|
| Apartment Sales (new) | 12 | 82 | 583.3% |
| Apartment Resales (second hand) | 303 | 326 | 7.6% |

Sources: Department of Tax Services, Monaco Statistics

Change in the amount of real estate transactions



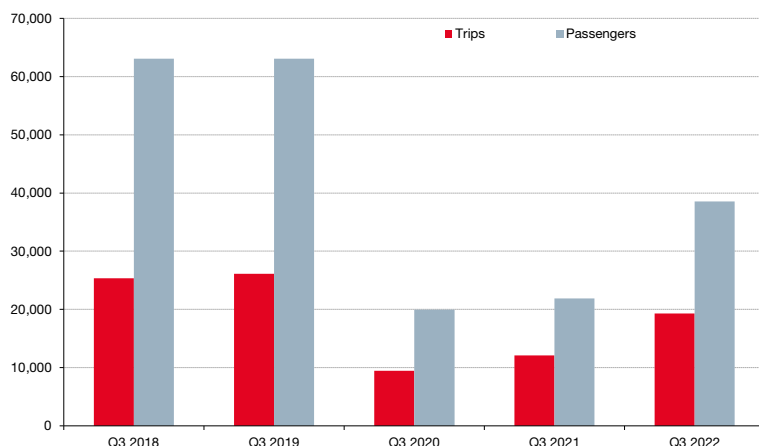
Unit: million euros

Sources: Department of Tax Services, Monaco Statistics

TRANSPORT

Change in helicopter traffic

| | Q3 2021 | Q3 2022 | Var 21/22 | Var 19-22 |
|----------------------|---------|---------|-----------|-----------|
| Number of trips | 12,107 | 19,300 | 59.4% | ↘ |
| Number of passengers | 21,901 | 38,549 | 76.0% | ↘ |



Sources: Civil Aviation Authority, Monaco Statistics

Change in vehicle registrations and public car park attendance

| | Q3 2021 | Q3 2022 | Var 21/22 | Var 19-22 |
|--|-----------|------------|-----------|-----------|
| Number of new vehicle registrations ⁽¹⁾ | 2,282 | 1,966 | -13.8% | ↘ |
| Number of times a car entered a public car park | 9,882,454 | 11,019,406 | 11.5% | ↘ |

Sources: Driver and Vehicle Licensing Office, Public Car Parks Office, Monaco Statistics

(1) Private cars only

Compared to the same period in 2021, helicopter traffic increased by 59.4% for movements and 76.0% for passengers. This is equivalent to +7,193 movements and +16,648 passengers. Despite this growth, traffic has not returned to its 2018-2019 level, where in the third quarter there were between 25,000 and 26,000 movements and over 63,000 passengers.

The positive trend in helicopter traffic is still driven by commercial flights, which have increased by 68.4% for movements and 84.5% for passengers since the beginning of the year. Local flights are also growing with +59.4% for movements and +70.8% for passengers.

At the end of the third quarter of 2022, new vehicle registrations are down (-13.8%) due to the sharp decline observed in the second quarter. Nevertheless, the number of vehicles registered between July and September is similar to 2021. Petrol vehicles still represent the majority of registrations (42.1%). They are followed by electric vehicles (19.1%) and plug-in hybrids (16.8%), which account for more than a third of the vehicles registered.

The number of trips to public car parks increased by 11.5%. Ticketed car parks had the highest increase (+17.8%).



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