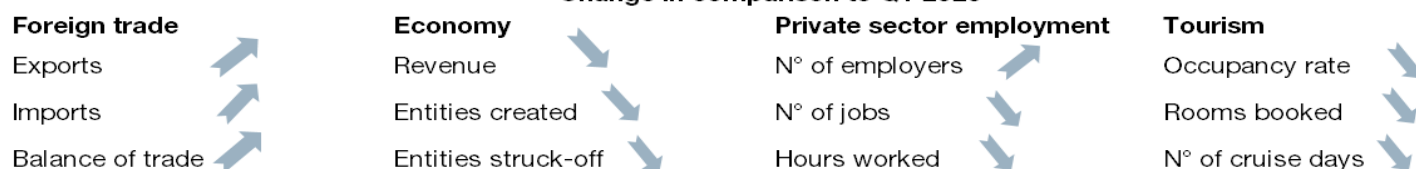


The first quarter of 2021 continued to be affected by the pandemic. Health measures as well as state assistance to help with economic recovery or support employment remained in place throughout the period, which also saw the start of the vaccination campaign. Unlike some of its European neighbours, and although teleworking has been encouraged, the Principality did not go back into lockdown, and all areas of the economy stayed open, subject to conditions. It is also important to remember that the first quarter of 2020 included two and half months of normal activity, and two weeks of full lockdown. The indicators published in this Bulletin should be understood in this context, which continues to be unprecedented.

Change in comparison to Q1 2020



Total trade, excluding France, increased quite substantially (+13.2%) but remains much lower than the levels seen in 2018 and 2019, though considerably higher than in 2017.

In the first quarter of 2021, the Principality's revenue, excluding financial and insurance activities, stood at €3.22 billion, a decline of €259 million (-7.4%) compared with 2020. Only four major economic sectors (MES) saw an increase in revenue.

Employment in the private sector fell during the first quarter.

Slightly fewer new businesses were started (188 compared

with 208 in 2020). There was also a decrease in the number of businesses closed (118 compared with 130 in 2020).

The main hotel industry figures remain significantly depressed, with only March seeing an increase in the occupancy rate. Cruise activity remains at a halt following the closure of territorial waters.

The real estate market is down compared with the first quarter of 2020.

The number of new vehicles registered increased by 18.2%. Use of public car parks fell slightly (-6.0%). Air traffic continues to be extremely hard hit.

FOREIGN TRADE EXCLUDING FRANCE

The Principality's foreign trade has recovered well compared with the first quarter of 2020. Total trade, excluding France, amounted to €625 million, an increase of 13.2%. There was a modest rise in imports (+4.8%), but it was exports that benefited the most from the resumption in international activity (+26.7%). The more marked increase in exports compared with imports produced an automatic reduction in the trade deficit (-€91 million) and the coverage ratio (exports/imports) recovered to reach 74.7% in 2021, compared with 61.8% in 2020. Nonetheless, this growth should be put into perspective: total trade remains significantly lower than in 2018 and 2019.

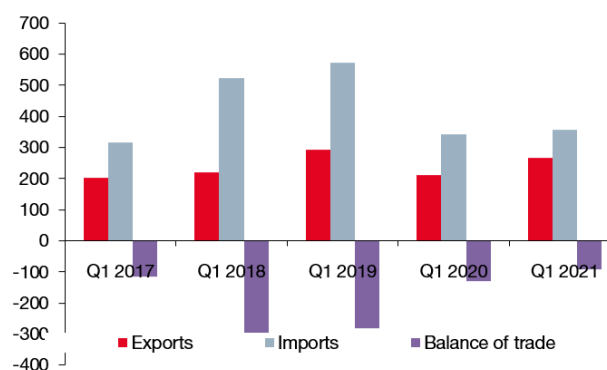
Transactions with the European Union (EU) fell slightly (-1.8%) while those with countries outside the EU increased substantially (+35.4%). The share of trade with the EU declined from 59.7% in the first quarter of 2020 to 51.8%.

Exports to Italy went up by more than 30% to reach their highest ever level of €43 million in the first quarter. This was primarily due to the manufacture of apparel.

Overall, the most traded goods (imports + exports) were produced by the other manufacturing sector (mainly jewellery and related articles, musical instruments), ahead of the manufacturing of motor vehicles, trailers and semi-trailers sector.

Change in foreign trade excluding France

	Q1 2020	Q1 2021	Variation	Weight
Supplies + Exports	211.0	267.3	26.7%	
EU Supplies	132.2	149.5	13.1%	55.9%
Including Italy	33.0	43.1	30.8%	16.1%
Including Germany	34.6	32.9	-5.1%	12.3%
Including Belgium	12.4	15.5	24.6%	5.8%
Exports	78.9	117.9	49.4%	44.1%
Including Switzerland	19.0	35.0	84.2%	13.1%
Acquisitions + Imports	341.6	358.0	4.8%	
Acquisitions UE	197.8	174.5	-11.8%	48.7%
Including Italy	106.8	88.0	-17.6%	24.6%
Including Germany	42.9	41.1	-4.4%	11.5%
Including Belgium	12.0	14.9	24.6%	4.2%
Imports	143.7	183.5	27.7%	51.3%
Including Switzerland	15.3	29.1	89.9%	8.1%
Balance of trade	-130.5	-90.7	-30.5%	



Unit: million of 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 31/03/2021)

REVENUE⁽¹⁾

As of 31 March 2021, the Principality's revenue, excluding financial and insurance activities, stood at €3.22 billion, a decline of €259 million (-7.4%) compared with 2020. Only four major economic sectors (MES) saw an increase in revenue during the first quarter of 2021.

The substantial increase in revenue in the retail sales sector (+€66 million or +21.1%) is principally due to the increases in sales of motor vehicles, jewellery and other sundry specialised retail sales (art galleries, etc.).

The growth in revenue from the manufacture of rubber and plastic products and from the manufacture of basic pharmaceutical products and pharmaceutical preparations boosted the manufacturing sector (+€14 million or +7.7%).

There was a more modest rise in revenue for the information and communication sector (+€5 million or +3.3%), thanks to computer programming, consultancy and related activities.

The construction sector is stable (+0.1%) but with a level of revenue never previously achieved during the first quarter.

Scientific and technical activities, administrative and support services activities recorded the biggest fall in revenue in nominal terms (-€108 million or -16.2%), having been hit hard by the sharp decline in travel agency activities and the leasing of intellectual property. Employment activities, on the other hand, saw a significant increase (+12.1%).

The buying and selling of own real estate and, to a lesser extent, real estate agencies pulled the real estate activities sector down by €96 million (-41.3%).

The decline in wholesale trade (-€78 million or -7.4%) can be explained largely by the reduced trade in oil products.

Accommodation and food service activities continue to suffer as a result of the health situation. Revenue in the accommodation sector has almost halved, while that of food service activities has dropped by nearly 27%.

Revenue has also fallen in the transportation and storage sector, though more moderately (-€10 million or -8.5%). This was due to the decline in warehousing and support activities for transportation, and water transport.

The decline in other service activities (-€3 million or -1.7%) was mitigated by good performance from sports activities and amusement and recreation activities.

⁽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

FINANCE

Change in financial indicators

	Q1 2020	Q1 2021	Variation
Monegasque Investment Funds			
Number of funds	53	53	-
Net total assets	3,934	4,400	11.8%
Asset Management companies			
Number of companies	61	60	-
Banks and Financial Institutions			
Number of Banks	30	30	-
Number of financial services companies	4	4	-
Total Value of Assets:			
Deposits & Marketable securities	119,817	135,392	13.0%
Total Value of Deposits & Commercial Paper	51,348	49,296	-4.0%
Total Value of Loans	26,370	27,818	5.5%

Unit: million euros

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

IMSEE

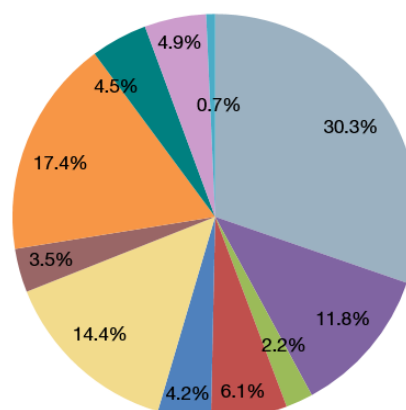
Change in revenue by sector

	Q1 2020	Q1 2021	Variation
1 Financial and insurance activities	638.6	388.6	-39.1%
2 Wholesale trade	1,054.0	976.2	-7.4%
3 Retail trade	314.5	380.7	21.1%
4 Accommodation and food service activities	117.1	70.1	-40.1%
5 Manufacturing, mining and quarrying, and others industries	181.6	195.6	7.7%
6 Real Estate activities	232.5	136.6	-41.3%
7 Construction	464.0	464.5	0.1%
8 Transportation and storage	122.8	112.4	-8.5%
9 Scientific and technical activities, administrative and support service activities	668.9	560.8	-16.2%
10 Other service activities	147.9	145.4	-1.7%
11 Information and communication	153.4	158.4	3.3%
12 Public administration, education, human health and social work activities	25.8	22.9	-11.1%
Total⁽²⁾	3,482.5	3,223.7	-7.4%

Unit: million euros

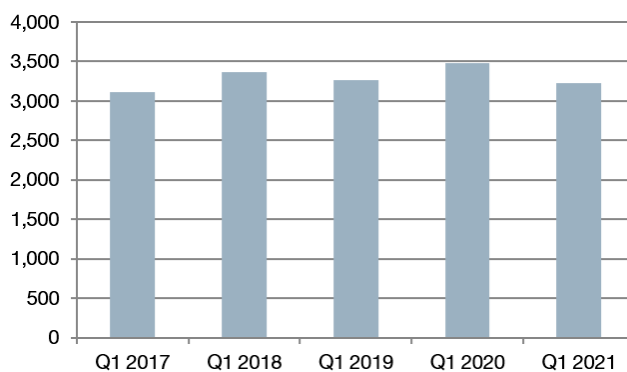
Sources: Department of Tax Services, Monaco Statistics

Distribution in revenue as at 31st March 2021⁽²⁾



Sources: Department of Tax Services, Monaco Statistics

Change in revenue⁽²⁾



Unit: million euros

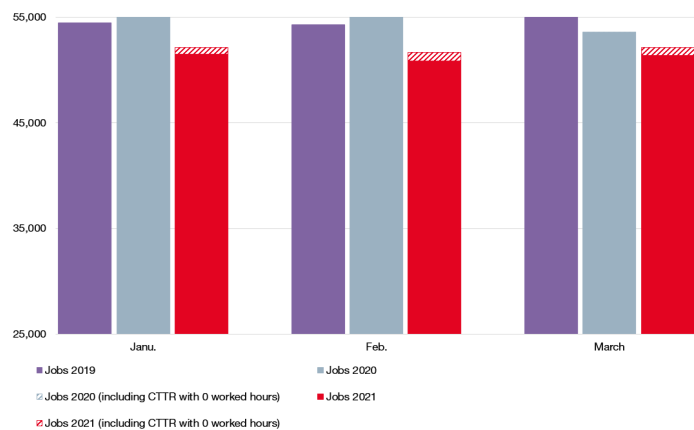
Sources: Department of Tax Services, Monaco Statistics

There has been an extremely positive trend in banks' total assets over the last 12 months (+13.0%). The amount of loans issued continued to increase (+5.5%), while deposits fell slightly (-4.0%).

During the first quarter of 2021, a collection of EUR 1.3 billion, combined with the positive impact of market and foreign exchange effects, resulted in an increase in the value of managed assets over the period (+4.9%).

PRIVATE SECTOR EMPLOYMENT

Monthly change in number of jobs : légende « hour »



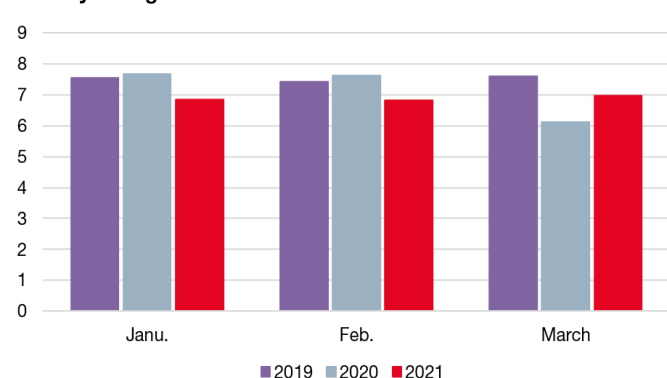
Sources: Social Services Compensation Fund, Monaco Statistics

Evolution of the number of active jobs by MES

	Q1 2020	Q1 2021	Variation
1 Financial and insurance activities	4,065	4,075	0.2%
2 Wholesale trade	2,678	2,583	-3.5%
3 Retail trade	2,990	2,861	-4.3%
4 Accommodation and food service activities	7,478	5,741	-23.2%
5 Manufacturing, mining and quarrying, and others industries	2,629	2,562	-2.5%
6 Real Estate activities	1,731	1,739	0.5%
7 Construction	5,296	5,545	4.7%
8 Transportation and storage	2,035	1,882	-7.5%
9 Scientific and technical activities, administrative and support service activities	12,130	12,162	0.3%
10 Other service activities	6,858	6,634	-3.3%
11 Information and communication	1,400	1,385	-1.1%
12 Public administration, education, human health and social work activities	4,164	4,221	1.4%
Total	53,454	51,390	-3.9%

Sources: Social Services Compensation Fund, Monaco Statistics

Monthly change in number of hours worked



Unit: million hours

Sources: Social Services Compensation Fund, Monaco Statistics

BUSINESSES

A total of 188 businesses were started, a decrease of 10.6% relative to the first quarter of 2020 when 208 new businesses were created. There was a slight decrease in the number of businesses closed (118 compared with 130 in Q1 2020). This produced a slight reduction in the balance (+70 compared with +78 last year).

In Q1 2021, the balance between businesses started and permanent closures was broadly positive in the scientific and technical activities, administrative and support services sector (boosted by the dynamic trend in consultancy activities). On the other hand, the balance was negative in 3 MES: real estate activities (where the various regulations introduced to limit the number of buying and selling of own real estate and real estate agencies has led to a decline in the number of new businesses, with just 5 in Q1 2021, including four rentals of premises), financial and insurance activities, and construction.

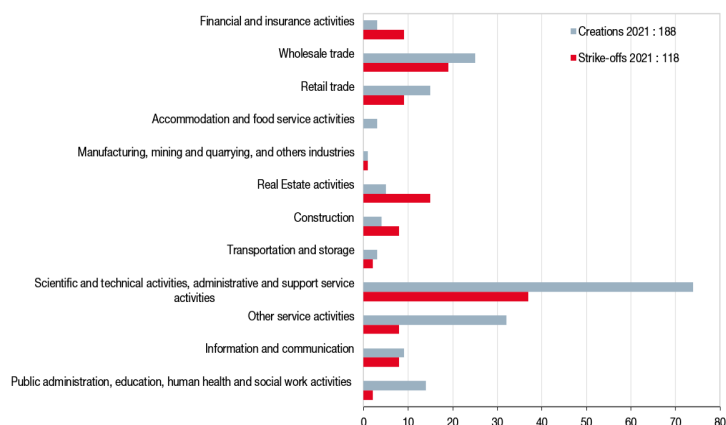
Having concluded 2020 on an upward trend, private-sector employment fell starting in January 2021, before stabilising in March. At the end of the first quarter, 51,390 jobs (where at least one hour was worked) were recorded in the Principality's private sector: this figure remains 3.9% below the level in Q1 2020. As a reminder, March 2020 saw the introduction of the strengthened provisions for total temporary layoff (CTTR), as well as the lockdown, which took effect on 17 March. These factors had only a partial impact on the results for the month and indeed the first quarter of 2020, which initially saw a significant increase. In March 2021, 750 jobs continued to be supported by full CTTR, bringing the total number of jobs to 52,154 (including CTTR for zero hours worked during the month).

It was once again the construction sector that saw the rosiest private-sector employment figures, with a nearly 5% increase in active employment compared with the first quarter of 2020, which corresponds to nearly 300 additional jobs over the period. This development also produced a 15.0% increase in the total number of hours worked between January and March in the MES. At the same time, accommodation and food service activities saw the biggest loss of jobs compared with the previous year, in both real and nominal terms (-23.2%, representing 1,737 fewer jobs). The same applies to the cumulative hours worked during the first quarter, which fell by 41.3% in this sector (1.2 million lost hours). More than 300 jobs in the MES continue to be maintained by full CTTR, accounting for nearly half of all the jobs supported. The transportation and storage sector was the second hardest hit in terms of a reduction in the number of jobs (-7.5%) and cumulative hours worked (-8.2%) in March 2021.

The total number of hours worked in the private sector, which amounted to more than 20.6 million over the first three months of the year, a 3.8% decrease compared with the first quarter of 2020, representing more than 800,000 lost hours. For March alone, however, the number of hours worked was up in 2021, reaching 7 million compared with 6.1 million in March 2020.

There were 6,163 employers in the private sector in March 2021, a relatively stable figure compared with the year (+0.7%, or 44 additional employers). The accommodation and food service activities sector saw the most significant loss of employers in real terms (-6.5% compared with 2020).

Creations and strike-offs of establishments by GSA



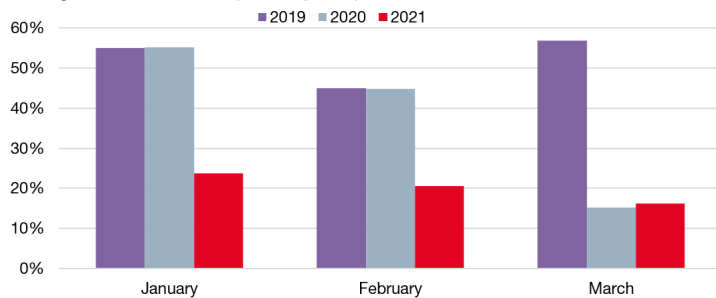
Sources: Business Development Agency, Monaco Statistics

HOTEL AND CRUISE INDUSTRY

Changes in hotel industry indicators

	Q1 2020	Q1 2021	Variation
Occupancy rate	38.2%	20.2%	-18.0%
Rooms occupied (N° of nights)	84,525	42,236	-50.0%
Arrivals	50,751	28,688	-43.5%
% Arrivals from EU including Monaco	78.1%	91.1%	12.9%
Average length of a stay (in days)	2.3	2.1	-10.0%

Changes of the monthly occupancy rate between 2019 and 2021



Sources: Tourist and Convention Authority, Monaco Statistics

REAL ESTATE

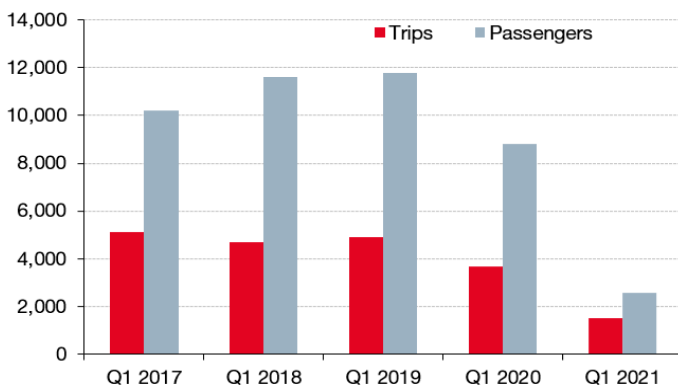
With just a single transaction, the new real estate market remains at a very low level, but one which is comparable to that seen in the last four years.

The resale market was slightly down in terms of the number of transactions (-4.0%), with a more significant dip in terms of the value of transactions (-27.0%). This decline was largely due to the results achieved in January, with the first month of the year recording a substantial decrease (-43.3% in terms of number of transactions and -69.0% in terms of value). February's figures were down slightly on those of 2019 (-5.4% in terms of number of transactions and -15.9% in terms of value). However, the market experienced a clear recovery in March, with a 32.4% increase in transaction numbers and a 4.3% increase in value.

TRANSPORT

Change in helicopter traffic

	Q1 2020	Q1 2021	Variation
Number of trips	3,681	1,518	-58.8%
Number of passengers	8,796	2,576	-70.7%



Sources: Civil Aviation Authority, Monaco Statistics

Change in vehicle registration and car parks attendance

	Q1 2020	Q1 2021	Variation
Number of new vehicle registrations	637	753	18.2%
Number of times a car entered a public car park	3,227,535	3,034,375	-6.0%

Sources: Driver and Vehicle Licensing Office, Monaco Statistics



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The pandemic continued to affect tourism figures, which remain at a very low level.

The number of check-ins fell (-22,063), as did the average duration of stay. The number of occupied rooms declined by half compared with 2020, resulting in an automatic drop in the occupancy rate, which fell to 20.2% this quarter (compared with 52.3% in 2019 and 38.2% in 2020).

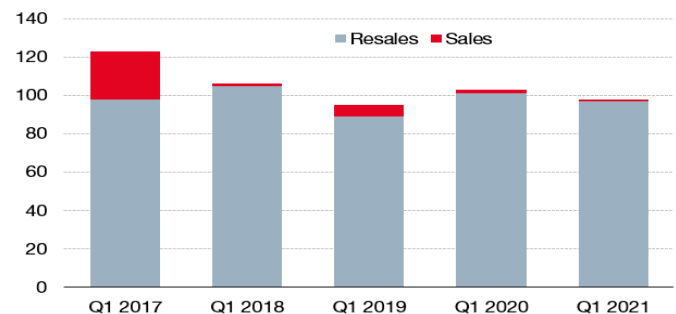
Monthly occupation rates were significantly down in January and February 2021, although they followed the same trend in the two previous years. In 2019, the occupancy rate in March was nearly 57%, while it failed to reach 20% in 2020 and 2021.

Due to the restrictions on air traffic, Europeans continue to make up the vast majority of visitors (91.1%).

With Monegasque ports having been closed due to the COVID-19 epidemic since March 2020, cruises have still not resumed.

Evolution of the number of real estate transactions

	Q1 2020	Q1 2021	Variation
Apartment Sales (new)	2	1	-50.0%
Apartment Sales (second hand)	101	97	-4.0%



Sources: Department of Tax Services, Monaco Statistics

Air traffic figures continue to be in freefall with a 58.8% decline in flight numbers and a 70.7% drop in passenger numbers, equivalent to 2,163 fewer journeys and 6,220 fewer passengers in 2021 than in 2020.

The number of passengers has been falling for three years, and has this year reached its lowest ever point, having declined from nearly 12,000 in 2019 to less than 2,600 in 2021, a loss of more than 100 passengers per day.

There was a decline in all types of flight compared with 2020. Commercial flights experienced the sharpest decrease (-75.0%) in terms of journeys, followed by local flights (-30.2%) and training flights (-15.9%).

There was an 18.2% increase in the number of new vehicles registered compared with 2020. A third of the new vehicles registered were electric or rechargeable hybrid vehicles.

Use of public car parks fell by 6.0% this quarter. There was a decrease in all types of use, with the exception of day and night users (1.6%), but use by non-season ticket holders experienced the sharpest fall (-11.0%). There were similar declines in use by commuters (-5.5%) and hourly users (-3.1%) compared with the first quarter of 2020.