

## **Electricity Consumption and GDP Growth in Hong Kong**

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Electricity is a necessity that firms and households use every day, while GDP (Gross Domestic Product) is a measure of the standard of living of an economy. For last decades in Hong Kong, it was generally observed that the electricity consumption and GDP growth grow hand in hand. Therefore, in this article, we investigate the relationship between electricity consumption and GDP growth in Hong Kong using econometric models with time-series data for the period of 1970 to 2012. We also investigate whether a long-run relationship exists between electricity consumption and GDP growth.

Keywords: cointegration test, econometric model, unit root test