

Quarterly Survey of Employment and Vacancies for June 2018 starts

The Census and Statistics Department has commenced a new round of the Quarterly Survey of Employment and Vacancies to collect data on employment and vacancies in major industry sections of the economy in respect of June 2018. This survey is conducted quarterly. The survey results are useful in serving as short-term economic indicators and providing information on the latest changes in the labour market.

This round of the survey covers about 30 000 establishments which are drawn from various industry sections including industrial sections (such as mining and quarrying; manufacturing; and electricity, gas and waste management) and the services sections (such as import/export, wholesale and retail trades; accommodation and food services; transportation, storage, postal and courier services; information and communications; financing and insurance; real estate; professional and business services; and social and personal services). Information on the number of persons engaged and vacancies, together with the characteristics of job vacancies, as at June 29, 2018, will be sought from each selected establishment.

Questionnaires are being sent by mail or by fax to selected establishments. In accordance with the Census and Statistics Ordinance, these establishments are required to complete and return the questionnaires to the department within the specified period. If individual establishments have any difficulties in completing the questionnaires, they may contact the department for assistance at 2234 3800.

Analytical Accounts of Exchange Fund

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) released today (June 14) the key analytical accounts of the Exchange Fund at the end of May 2018.

Foreign assets, representing the external assets of the Exchange Fund, decreased during the month by HK\$18.6 billion to HK\$3,540.0 billion.

The Monetary Base, comprising Certificates of Indebtedness, Government-issued currency notes and coins in circulation, the balance of the banking system and Exchange Fund Bills and Notes issued, amounted to HK\$1,644.1 billion.

Claims on the private sector in Hong Kong amounted to HK\$218.2 billion.

Foreign liabilities, representing fees payable to the Exchange Fund's external managers, amounted to HK\$0.5 billion.

The analytical accounts of the Exchange Fund are released in accordance with the International Monetary Fund's Special Data Dissemination Standard (SDDS) and are referred to as the Analytical Accounts of the Central Bank under SDDS (Annex).

At present, four press releases relating to the Exchange Fund's data are issued by the HKMA each month. Three of these releases are issued to disseminate monetary data in accordance with the SDDS. The fourth press release, on the Exchange Fund's Abridged Balance Sheet and Currency Board Account, is made in accordance with the HKMA's policy of maintaining a high level of transparency. For the month of June 2018, the scheduled dates for issuing the press releases are as follows:

June 7 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
June 14	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)
June 29	SDDS Template on International Reserves and Foreign Currency Liquidity
June 29	Exchange Fund Abridged Balance Sheet and Currency Board Account

Volume and Price Statistics of External Merchandise Trade in April 2018

Further to the external merchandise trade statistics in value terms for April 2018 released earlier on, the Census and Statistics Department (C&SD) released today (June 14) the volume and price statistics of external merchandise trade for that month.

In April 2018, the volume of Hong Kong's total exports of goods increased by 5.4% over April 2017. Concurrently, the volume of imports of goods increased by 8.3%.

Comparing the first four months of 2018 with the same period in 2017, the volume of Hong Kong's total exports of goods increased by 6.8%. Concurrently, the volume of imports of goods increased by 8.2%.

Comparing the three-month period ending April 2018 with the preceding three months on a seasonally adjusted basis, the volume of total exports of goods increased by 1.8%. Concurrently, the volume of imports of goods increased by 4.0%.

Changes in volume of external merchandise trade are derived from changes in external merchandise trade value with the effect of price changes discounted.

Comparing April 2018 with April 2017, the prices of total exports of goods increased by 2.6%. Concurrently, the prices of imports of goods increased by 2.7%.

As regards price changes in the first four months of 2018 over the same period in 2017, the prices of total exports of goods increased by 2.4%. Concurrently, the prices of imports of goods increased by 2.4%.

Price changes in external merchandise trade are reflected by changes in unit value indices of external merchandise trade, which are compiled based on average unit values or, for certain commodities, specific price data.

The terms of trade index is derived from the ratio of price index of total exports of goods to that of imports of goods. Compared with the same periods in 2017, the index decreased by 0.1% in April 2018, whereas it remained virtually unchanged in the first four months of 2018.

Changes in the unit value and volume of total exports of goods by main destination are shown in Table 1.

Comparing April 2018 with April 2017, the total export volume to Taiwan increased significantly, by 24.9%. Concurrently, the total export volume to the mainland of China (the Mainland) and the USA increased by 9.3% and 8.7% respectively. On the other hand, the total export volume to Japan and India decreased by 3.7% and 48.9% respectively.

Over the same period of comparison, the total export prices to Japan, the Mainland, the USA and Taiwan increased by 3.4%, 3.3%, 2.7% and 1.9% respectively. On the other hand, the total export prices to India decreased by 1.8%.

Changes in the unit value and volume of imports of goods by main supplier are shown in Table 2.

Comparing April 2018 with April 2017, double-digit increases were recorded for the import volume from Taiwan (+21.5%) and Korea (+16.9%). Concurrently, the import volume from Japan and the Mainland increased by 8.8% and 7.4% respectively. On the other hand, the import volume from Singapore decreased by 4.2%

Over the same period of comparison, the import prices from all main suppliers increased: Korea (+7.9%), the Mainland (+2.2%), Taiwan (+2.2%), Singapore (+2.0%) and Japan (+1.7%).

Further information

Details of the above statistics are published in the April 2018 issue of "Hong Kong Merchandise Trade Index Numbers". Users can download the publication free of charge at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp230.jsp?productCode=B1020006).

Enquiries on merchandise trade indices may be directed to the Trade Analysis Section (1) of the C&SD (Tel: 2582 4918).

[Provisional statistics on index of industrial production and producer price index for industrial sector for first quarter of 2018](#)

According to the provisional results of a survey released today (June 14) by the Census and Statistics Department (C&SD), the index of industrial production for manufacturing industries as a whole increased by 1.1% in the first quarter of 2018 compared with a year earlier, following a year-on-year increase of 0.8% in the fourth quarter of 2017. The corresponding producer price index also increased by 3.8% in the first quarter of 2018 compared with a year earlier, following a year-on-year increase of 3.5% in the fourth quarter of 2017.

The index of industrial production for sewerage, waste management and remediation activities increased by 1.6% in the first quarter of 2018 compared with a year earlier, following a year-on-year increase of 2.6% in the fourth quarter of 2017. The corresponding producer price index also increased by 5.9% in the first quarter of 2018 compared with a year earlier, following a year-on-year increase of 4.1% in the fourth quarter of 2017.

Indices of industrial production reflect changes in the volume of local industrial output after discounting the effect of price changes. The price

changes are measured by the producer price indices compiled from data on producer prices of selected industrial goods/services collected in the same survey.

Comparing the industrial production in respect of major manufacturing industries in the first quarter of 2018 with that a year earlier, an increase in output volume was recorded mainly in the food, beverages and tobacco industry (+2.4%). On the other hand, a slight decrease in output volume was recorded in the metal, computer, electronic and optical products, machinery and equipment industry (-0.8%).

On a seasonally adjusted basis, the index of industrial production for manufacturing industries as a whole increased by 1.3% in the first quarter of 2018 compared with the fourth quarter of 2017.

Producer price indices reflect changes in the prices of local output. They measure changes in the actual prices (net of any discounts or rebates allowed to buyers, plus any surcharges) received by producers for their output. Transportation and other incidental charges are not included.

Comparing the first quarter of 2018 with a year earlier, increases in producer prices were recorded mainly in the metal, computer, electronic and optical products, machinery and equipment industry (+5.9%); the food, beverages and tobacco industry (+1.9%); and the paper products, printing and reproduction of recorded media industry (+1.2%). On the other hand, a slight decrease in producer price was recorded in the textiles and wearing apparel industry (-0.3%).

Table 1 shows the year-on-year percentage changes in the indices of industrial production by selected industry grouping. Table 2 shows the year-on-year percentage changes in the producer price indices for the industrial sector by selected industry grouping.

The revised figures on indices of industrial production and producer price indices for the industrial sector for the first quarter of 2018 will be released at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/bbs.jsp) and relevant publications of the Department starting from July 20, 2018.

Users can download the reports "Quarterly Index of Industrial Production, 1st Quarter 2018" (www.censtatd.gov.hk/hkstat/sub/sp310.jsp?productCode=B1070002) and "Quarterly Producer Price Index for Industrial Sector, 1st Quarter 2018" (www.censtatd.gov.hk/hkstat/sub/sp280.jsp?productCode=B1070003) free of charge at the website of the C&SD.

Readers who have enquiries about the survey results may contact the Industrial Production Statistics Section of the C&SD (Tel: 3903 7247; fax: 2123 1048; email: ind-production@censtatd.gov.hk).

Hong Kong's Gross National Income and external primary income flows for first quarter of 2018

The Census and Statistics Department (C&SD) released today (June 14) the preliminary statistics on Hong Kong's Gross National Income (GNI) and external primary income flows (EPIF) for the first quarter of 2018.

Hong Kong's GNI in the first quarter of 2018 increased by 9.4% over a year earlier to \$712.1 billion at current market prices. The Gross Domestic Product (GDP), preliminarily estimated at \$688.0 billion at current market prices in the same quarter, recorded a 9.1% increase over the same period. Measured at current market prices, the value of GNI was larger than GDP by \$24.2 billion in the first quarter of 2018, representing a net external primary income inflow of the same amount, and equivalent to 3.5% of GDP in that quarter.

After netting out the effect of price changes over the same period, Hong Kong's GNI increased by 5.5% in real terms in the first quarter of 2018 over a year earlier. The corresponding GDP in the same quarter increased by 4.7% in real terms.

Total primary income inflow into Hong Kong, estimated at \$349.6 billion in the first quarter of 2018 and equivalent to 50.8% of GDP in that quarter, increased by 18.8% over a year earlier. Meanwhile, total primary income outflow, estimated at \$325.4 billion in the first quarter of 2018 and equivalent to 47.3% of GDP in that quarter, increased by 18.6% over a year earlier. Taking the inflow and outflow together, a net external primary income inflow of \$24.2 billion was recorded in the first quarter of 2018.

As for the major components of total primary income inflow, direct investment income (DII) increased by 12.1% over a year earlier, mainly due to the increase in earnings of some prominent local enterprises from their direct investment abroad. Portfolio investment income (PII) increased by 19.8% over a year earlier, mainly attributable to the increase in interest income received by resident investors from their holdings of non-resident long-term debt securities and the increase in dividend income received by resident investors from their holdings of non-resident equity securities. Other investment income (OII) increased by 82.7%, largely caused by the increase in interest income from external assets of the local banking sector. Income on reserve assets increased by 51.0%, as a result of the increase in investment earnings from foreign currency reserves.

Regarding the major components of total primary income outflow, DII increased by 13.8% over a year earlier, mainly due to the increase in earnings of some prominent multinational enterprises from their direct investment in Hong Kong. PII increased by 11.6%, mainly attributable to the increase in interest payout to non-resident investors from their holdings of

resident long-term debt securities. OII increased by 93.6%, largely caused by the increase in the interest rates.

Analysed by country/territory, the mainland of China continued to be the largest source of Hong Kong's total external primary income inflow in the first quarter of 2018, accounting for 34.7%. This was followed by the British Virgin Islands (BVI), with a share of 25.4%. Regarding total external primary income outflow, the BVI and the mainland of China remained the most important destinations in the first quarter of 2018, accounting for 28.0% and 25.3% respectively.

Further Information

GDP and GNI are closely related indicators for measuring economic performance. GDP is a measure of the total value of production of all resident producing units of an economy. GNI denotes the total income earned by residents of an economy from engaging in various economic activities, irrespective of whether the economic activities are carried out within the economic territory of the economy or outside. In other words, GNI is obtained by adding to GDP the primary income earned by residents from outside the economic territory and deducting primary income earned by non-residents from within the economic territory. Primary income comprises investment income and compensation of employees.

Figures of EPIF presented above are compiled based on data obtained from the Survey of External Claims, Liabilities and Income conducted quarterly by the C&SD, supplemented by data from other sources.

Figures of GNI and EPIF analysed by income component from the second quarter of 2016 to the first quarter of 2018 are presented in Table A, while selected major country/territory breakdowns of external primary income inflow and external primary income outflow for the same quarters are presented in Tables B(1) and B(2) respectively.

Statistics on GDP and GNI from 2016 onwards and EPIF from 2017 onwards are subject to revision when more data become available.

Enquiries about GNI and EPIF statistics may be directed to the Balance of Payments Branch (2) of the C&SD at 3903 7017.