

External Merchandise Trade Statistics for December 2018

The Census and Statistics Department (C&SD) released today (January 28) the external merchandise trade statistics for December 2018. In December 2018, the values of Hong Kong's total exports and imports of goods both recorded year-on-year decreases, at 5.8% and 7.0% respectively.

In December 2018, the value of total exports of goods decreased by 5.8% over a year earlier to \$339.9 billion, after a year-on-year decrease of 0.8% in November 2018. Concurrently, the value of imports of goods decreased by 7.0% over a year earlier to \$391.2 billion in December 2018, after a year-on-year increase of 0.5% in November 2018. A visible trade deficit of \$51.2 billion, equivalent to 13.1% of the value of imports of goods, was recorded in December 2018.

For 2018 as a whole, the value of total exports of goods rose by 7.3% over 2017. Concurrently, the value of imports of goods increased by 8.4%. A visible trade deficit of \$563.3 billion, equivalent to 11.9% of the value of imports of goods, was recorded in 2018.

Comparing the fourth quarter of 2018 with the preceding quarter on a seasonally adjusted basis, the value of total exports of goods decreased by 3.2%. Meanwhile, the value of imports of goods decreased by 5.1%.

Analysis by country/territory

Comparing December 2018 with December 2017, total exports to Asia as a whole dropped by 7.8%. In this region, decreases were registered in the values of total exports to some major destinations, in particular India (-35.9%), Vietnam (-15.7%), the mainland of China (the Mainland) (-8.7%), Korea (-4.5%) and Japan (-3.6%). On the other hand, increases were recorded in the values of total exports to Singapore (+29.9%) and Thailand (+9.9%).

Apart from destinations in Asia, decreases were registered in the values of total exports to some major destinations in other regions, in particular Germany (-10.9%), the United Kingdom (-3.6%) and the USA (-0.7%).

Over the same period of comparison, decreases were registered in the values of imports from some major suppliers, in particular Taiwan (-29.6%), Korea (-25.4%), India (-24.3%), the Philippines (-19.2%), Japan (-12.7%), Thailand (-8.0%) and the Mainland (-4.2%). Concurrently, an increase was recorded in the value of imports from Malaysia (+14.3%).

For 2018 as a whole, year-on-year increases were registered in the values of total exports to most major destinations, in particular Singapore (+13.3%), Thailand (+11.9%), the Netherlands (+11.5%), the Mainland (+8.6%), the USA (+8.1%) and Vietnam (+4.5%). However, a year-on-year decrease was registered in the value of total exports to India (-15.3%).

Over the same period of comparison, year-on-year increases were registered in the values of imports from most major suppliers, in particular Malaysia (+64.6%), Korea (+10.4%), Singapore (+9.0%), the USA (+8.1%), the Mainland (+7.7%) and Thailand (+2.8%). On the other hand, a year-on-year decrease was registered in the value of imports from India (-14.0%).

Analysis by major commodity

Comparing December 2018 with December 2017, decreases were registered in the values of total exports of some principal commodity divisions, in particular "non-metallic mineral manufactures" (by \$8.7 billion or -41.0%), "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$7.3 billion or -5.7%) and "office machines and automatic data processing machines" (by \$2.2 billion or -5.3%). However, an increase was registered in the value of total exports of "power generating machinery and equipment" (by \$2.0 billion or 48.5%).

Over the same period of comparison, decreases were registered in the values of imports of some principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$20.2 billion or -13.0%), "telecommunications and sound recording and reproducing apparatus and equipment" (by \$8.2 billion or -11.3%) and "non-metallic mineral manufactures" (by \$2.2 billion or -13.0%). However, an increase was registered in the value of imports of "office machines and automatic data processing machines" (by \$3.2 billion or 9.0%).

For 2018 as a whole, year-on-year increases were registered in the values of total exports of some principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$198.0 billion or 14.3%), "office machines and automatic data processing machines" (by \$44.2 billion or 10.9%) and "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$28.1 billion or 13.6%). However, a year-on-year decrease was registered in the value of total exports of "non-metallic mineral manufactures" (by \$28.3 billion or -14.0%).

Over the same period of comparison, year-on-year increases were registered in the values of imports of most principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$179.7 billion or 11.4%), "office machines and automatic data processing machines" (by \$68.6 billion or 19.4%) and "petroleum, petroleum products and related materials" (by \$24.4 billion or 33.0%).

Commentary

A Government spokesman noted that the value of merchandise exports showed an enlarged year-on-year decline in December 2018, as the moderation in global economic growth and the US-Mainland trade tensions increasingly weighed on the exports of many Asian economies. Nonetheless, thanks to the strong performance in the earlier part of the year, the value of merchandise exports rose notably by 7.3% for 2018 as a whole.

The near-term outlook for merchandise trade is challenging amid moderating global economic growth and the uncertainty surrounding the US-Mainland trade relations. The Government will continue to monitor the situation closely.

Further information

Table 1 at the annex presents the analysis of external merchandise trade statistics for December 2018. Table 2 presents the original monthly trade statistics from January 2015 to December 2018, and Table 3 gives the seasonally adjusted series for the same period.

The values of total exports of goods to 10 main destinations for December 2018 are shown in Table 4, whereas the values of imports of goods from 10 main suppliers are given in Table 5.

Tables 6 and 7 show the values of total exports and imports of 10 principal commodity divisions for December 2018.

All the merchandise trade statistics described here are measured at current prices and no account has been taken of changes in prices between the periods of comparison. A separate analysis of the volume and price movements of external merchandise trade for December 2018 will be released in mid-February 2019.

The December 2018 issue of "Hong Kong External Merchandise Trade" contains detailed analysis on the performance of Hong Kong's external merchandise trade in December 2018 and will be available in mid-February 2019. Users can download the publication free of charge at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp230.jsp).

Enquiries on merchandise trade statistics may be directed to the Trade Analysis Section (2) of the C&SD (Tel: 2582 5042).