

External merchandise trade statistics for February 2021

The Census and Statistics Department (C&SD) released today (March 25) the external merchandise trade statistics for February 2021. In February 2021, the values of Hong Kong's total exports and imports of goods both recorded year-on-year increases, at 30.4% and 17.6% respectively.

As the trade flows in January and February of each year tend to show considerable volatilities due to difference in timing of the Lunar New Year holidays, it is useful to analyse the trade figures for these two months taken together.

Taking January and February as a whole to neutralise the distortion caused by the difference in timing of the Lunar New Year holidays, the value of total exports of goods increased by 37.6% over the same period in 2020. Concurrently, the value of imports of goods increased by 28.0%. A visible trade deficit of \$40.0 billion, equivalent to 5.4% of the value of imports of goods, was recorded in the first two months of 2021.

In February 2021, the value of total exports of goods increased by 30.4% over a year earlier to \$311.1 billion, after a year-on-year increase of 44.0% in January 2021. Concurrently, the value of imports of goods increased by 17.6% over a year earlier to \$325.8 billion in February 2021, after a year-on-year increase of 37.7% in January 2021. A visible trade deficit of \$14.7 billion, equivalent to 4.5% of the value of imports of goods, was recorded in February 2021.

Comparing the three-month period ending February 2021 with the preceding three months on a seasonally adjusted basis, the value of total exports of goods increased by 18.9%. Meanwhile, the value of imports of goods increased by 16.0%.

Analysis by country/territory

Comparing February 2021 with February 2020, total exports to Asia as a whole grew by 28.6%. In this region, increases were registered in the values of total exports to most major destinations, in particular Korea (+51.9%), India (+41.2%), Japan (+34.2%), the Philippines (+33.8%) and the mainland of China (the Mainland) (+31.9%). On the other hand, decreases were recorded in the values of total exports to Singapore (-7.1%) and Thailand (-6.1%).

Apart from destinations in Asia, increases were registered in the values of total exports to some major destinations in other regions, in particular the USA (+34.6%).

Over the same period of comparison, increases were registered in the values of imports from some major suppliers, in particular the Mainland (+33.9%), Taiwan (+26.7%), Singapore (+22.7%), Vietnam (+22.2%) and Korea

(+20.3%). Concurrently, decreases were recorded in the values of imports from the USA (-14.2%) and Japan (-8.3%).

For the first two months of 2021 as a whole, year-on-year increases were registered in the values of total exports to most major destinations, in particular the United Kingdom (+132.7%), the Netherlands (+54.4%), Taiwan (+48.0%), the Mainland (+45.8%) and Korea (+37.8%).

Over the same period of comparison, year-on-year increases were registered in the values of imports from most major suppliers, in particular Vietnam (+49.7%), Taiwan (+44.1%), the Mainland (+37.6%), Korea (+29.6%) and Singapore (+29.1%).

Analysis by major commodity

Comparing February 2021 with February 2020, increases were registered in the values of total exports of most principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$39.2 billion or 39.3%), "telecommunications and sound recording and reproducing apparatus and equipment" (by \$14.6 billion or 37.6%), "office machines and automatic data processing machines" (by \$6.6 billion or 27.1%) and "non-ferrous metals" (by \$5.3 billion or 249.4%). However, a decrease was registered in the value of total exports of "power generating machinery and equipment" (by \$1.9 billion or -22.1%).

Over the same period of comparison, 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 \$31.4 billion or 27.2%), "telecommunications and sound recording and reproducing apparatus and equipment" (by \$10.2 billion or 27.8%), "office machines and automatic data processing machines" (by \$4.3 billion or 23.0%) and "non-ferrous metals" (by \$3.7 billion or 160.0%). However, a decrease was registered in the value of imports of "power generating machinery and equipment" (by \$4.4 billion or -41.7%).

For the first two months of 2021 as a whole, year-on-year increases were registered in the values of total exports of most principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$96.2 billion or 46.1%), "telecommunications and sound recording and reproducing apparatus and equipment" (by \$34.8 billion or 39.9%), "office machines and automatic data processing machines" (by \$18.6 billion or 36.1%) and "non-ferrous metals" (by \$11.2 billion or 288.6%). However, a year-on-year decrease was registered in the value of total exports of "articles of apparel and clothing accessories" (by \$0.2 billion or -1.8%).

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 \$85.4 billion or 36.5%), "telecommunications and sound recording and reproducing apparatus and equipment" (by \$29.0 billion or 34.9%), "office machines and automatic data processing machines" (by \$13.6

billion or 33.9%) and "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$8.8 billion or 28.3%). However, a year-on-year decrease was registered in the value of imports of "power generating machinery and equipment" (by \$7.8 billion or -37.4%).

Commentary

A Government spokesman said that taking the first two months of 2021 together to remove the distortion caused by the difference in timing of the Lunar New Year, the value of merchandise exports increased sharply by 37.6% over a year earlier, reflecting a further pick-up in growth momentum alongside the revival of global trading and production activities.

Looking ahead, the strong growth of the Mainland economy and improved economic situation in many advanced markets should render support to Hong Kong's exports of goods in the near term. Yet, the development of global epidemic, evolving China-US relations, and geopolitical tensions continue to warrant attention. The Government will monitor the situation closely.

Further information

Table 1 at the annex presents the analysis of external merchandise trade statistics for February 2021. Table 2 presents the original monthly trade statistics from January 2018 to February 2021, and Table 3 gives the seasonally adjusted series for the same period.

The values of total exports of goods to 10 main destinations for February 2021 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 February 2021.

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 February 2021 will be released in mid-April 2021.

The February 2021 issue of "Hong Kong External Merchandise Trade" contains detailed analysis on the performance of Hong Kong's external merchandise trade in February 2021 and will be available in mid-April 2021. Users can download the publication 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).