

External merchandise trade statistics for July 2018

The Census and Statistics Department (C&SD) released today (August 27) the external merchandise trade statistics for July 2018. In July 2018, the values of Hong Kong's total exports and imports of goods both recorded year-on-year increases, at 10.0% and 14.0% respectively.

In July 2018, the value of total exports of goods increased by 10.0% over a year earlier to \$359.1 billion, after a year-on-year increase of 3.3% in June 2018. Concurrently, the value of imports of goods increased by 14.0% over a year earlier to \$406.2 billion in July 2018, after a year-on-year increase of 4.4% in June 2018. A visible trade deficit of \$47.1 billion, equivalent to 11.6% of the value of imports of goods, was recorded in July 2018.

For the first seven months of 2018 as a whole, the value of total exports of goods rose by 9.4% over the same period in 2017. Concurrently, the value of imports of goods increased by 11.1%. A visible trade deficit of \$321.5 billion, equivalent to 12.2% of the value of imports of goods, was recorded in the first seven months of 2018.

Comparing the three-month period ending July 2018 with the preceding three months on a seasonally adjusted basis, the value of total exports of goods increased by 0.5%. Meanwhile, the value of imports of goods increased by 0.4%.

Analysis by country/territory

Comparing July 2018 with July 2017, total exports to Asia as a whole grew by 10.6%. In this region, increases were registered in the values of total exports to some major destinations, in particular Malaysia (+44.0%), Vietnam (+23.3%), the mainland of China (the Mainland) (+12.8%), India (+11.2%) and Korea (+6.8%). On the other hand, decreases were recorded in the values of total exports to Taiwan (-15.6%) and Japan (-7.5%).

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 (+10.1%) and Germany (+1.8%). Concurrently, a decrease was registered in the value of total exports to the United Kingdom (-3.6%).

Over the same period of comparison, increases were registered in the values of imports from most major suppliers, in particular Malaysia (+111.5%), Korea (+26.4%), the USA (+15.1%), the Mainland (+10.2%), Japan (+10.1%), India (+9.7%) and the Philippines (+9.1%).

For the first seven months of 2018 as a whole, year-on-year increases were registered in the values of total exports to most major destinations, in particular the Mainland (+12.1%), Singapore (+11.6%), Germany (+11.0%), the

Netherlands (+10.0%), the USA (+9.3%) and Thailand (+8.6%). However, a year-on-year decrease was registered in the value of total exports to India (-17.8%).

Over the same period of comparison, year-on-year increases were registered in the values of imports from most major suppliers, in particular Malaysia (+92.2%), Korea (+21.7%), Taiwan (+14.0%), the Philippines (+9.6%), the Mainland (+8.9%) and Singapore (+8.0%). On the other hand, a year-on-year decrease was registered in the value of imports from India (-17.8%).

Analysis by major commodity

Comparing July 2018 with July 2017, 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 \$21.9 billion or 18.4%), "office machines and automatic data processing machines" (by \$5.4 billion or 16.3%) and "power generating machinery and equipment" (by \$1.7 billion or 39.4%). However, a 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, 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 \$23.9 billion or 18.0%), "office machines and automatic data processing machines" (by \$7.6 billion or 26.3%) and "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$4.5 billion or 23.1%). However, a decrease was registered in the value of imports of "telecommunications and sound recording and reproducing apparatus and equipment" (by \$0.1 billion or -0.1%).

For the first seven months of 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 \$137.7 billion or 18.4%), "office machines and automatic data processing machines" (by \$39.8 billion or 18.4%) and "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$19.6 billion or 17.3%). However, a year-on-year decrease was registered in the value of total exports of "non-metallic mineral manufactures" (by \$16.1 billion or -13.8%).

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 \$147.6 billion or 17.3%), "office machines and automatic data processing machines" (by \$46.7 billion or 25.0%) and "petroleum, petroleum products and related materials" (by \$14.3 billion or 36.0%). However, a year-on-year decrease was registered in the value of imports of "telecommunications and sound recording and reproducing apparatus and equipment" (by \$7.1 billion or -1.8%).

Commentary

A Government spokesman noted that the value of merchandise exports registered double-digit year-on-year growth in July, supported by the still-solid global economy and buoyant regional production and trading activities. Exports to many major markets, including the Mainland and the US, attained visible gains.

The spokesman commented further that, looking ahead, downside risks in the external trading environment have increased markedly in recent months. While the impacts of the US-Mainland trade conflicts on Hong Kong's export performance appeared to be limited so far, they could become more apparent later this year. Global economic growth will also be affected if the trade conflicts are to persist or escalate further. 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 July 2018. Table 2 presents the original monthly trade statistics from January 2015 to July 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 July 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 July 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 July 2018 will be released in mid-September 2018.

The July 2018 issue of "Hong Kong External Merchandise Trade" contains detailed analysis on the performance of Hong Kong's external merchandise trade in July 2018 and will be available in mid-September 2018. 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).