

External merchandise trade statistics for July 2019

The Census and Statistics Department (C&SD) released today (August 26) the external merchandise trade statistics for July 2019. In July 2019, the values of Hong Kong's total exports and imports of goods both recorded year-on-year decreases, at 5.7% and 8.7% respectively.

In July 2019, the value of total exports of goods decreased by 5.7% over a year earlier to \$338.6 billion, after a year-on-year decrease of 9.0% in June 2019. Concurrently, the value of imports of goods decreased by 8.7% over a year earlier to \$370.8 billion in July 2019, after a year-on-year decrease of 7.5% in June 2019. A visible trade deficit of \$32.2 billion, equivalent to 8.7% of the value of imports of goods, was recorded in July 2019.

For the first seven months of 2019 as a whole, the value of total exports of goods dropped by 3.9% over the same period in 2018. Concurrently, the value of imports of goods decreased by 5.1%. A visible trade deficit of \$276.8 billion, equivalent to 11.0% of the value of imports of goods, was recorded in the first seven months of 2019.

Comparing the three-month period ending July 2019 with the preceding three months on a seasonally adjusted basis, the value of total exports of goods decreased by 0.8%. Meanwhile, the value of imports of goods decreased by 1.3%.

Analysis by country/territory

Comparing July 2019 with July 2018, total exports to Asia as a whole went down by 5.5%. In this region, decreases were registered in the values of total exports to some major destinations, in particular Malaysia (-14.7%), Vietnam (-8.6%), the mainland of China (the Mainland) (-7.1%), Thailand (-7.0%) and India (-5.6%). On the other hand, increases were recorded in the values of total exports to the Philippines (+26.0%) and Taiwan (+21.1%).

Apart from destinations in Asia, decreases were registered in the values of total exports to some major destinations in other regions, in particular Germany (-13.0%) and the USA (-10.3%). Concurrently, an increase was registered in the value of total exports to the United Kingdom (+4.1%).

Over the same period of comparison, decreases were registered in the values of imports from most major suppliers, in particular Malaysia (-30.9%), Korea (-29.3%), Singapore (-20.7%), Switzerland (-11.7%), India (-11.6%) and the USA (-10.7%). The value of imports from the Mainland also decreased by 4.0%.

For the first seven months of 2019 as a whole, year-on-year decreases were registered in the values of total exports to some major destinations, in

particular India (-15.1%), the USA (-10.9%), Germany (-7.6%), the Mainland (-6.1%) and Taiwan (-4.6%). However, year-on-year increases were registered in the values of total exports to Singapore (+9.8%) and Korea (+4.4%).

Over the same period of comparison, year-on-year decreases were registered in the values of imports from most major suppliers, in particular Korea (-26.2%), India (-16.7%), Malaysia (-12.7%), Taiwan (-9.9%) and Thailand (-8.5%). The value of imports from the Mainland also decreased by 2.5%.

Analysis by major commodity

Comparing July 2019 with July 2018, decreases 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 \$9.7 billion or -6.9%), "office machines and automatic data processing machines" (by \$3.3 billion or -8.7%) and "telecommunications and sound recording and reproducing apparatus and equipment" (by \$2.8 billion or -4.5%). However, an increase was registered in the value of total exports of "power generating machinery and equipment" (by \$3.1 billion or 50.5%).

Over the same period of comparison, decreases were registered in the values of imports of most principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$15.0 billion or -9.6%), "office machines and automatic data processing machines" (by \$5.2 billion or -14.2%) and "non-metallic mineral manufactures" (by \$3.5 billion or -20.5%). However, an increase was registered in the value of imports of "power generating machinery and equipment" (by \$0.4 billion or 5.4%).

For the first seven months of 2019 as a whole, year-on-year decreases 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 \$37.1 billion or -4.2%), "office machines and automatic data processing machines" (by \$33.3 billion or -13.0%) and "non-metallic mineral manufactures" (by \$6.4 billion or -6.4%). However, a year-on-year increase was registered in the value of total exports of "power generating machinery and equipment" (by \$8.8 billion or 27.5%).

Over the same period of comparison, year-on-year decreases were registered in the values of imports of most principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$73.2 billion or -7.3%), "office machines and automatic data processing machines" (by \$28.7 billion or -12.3%) and "telecommunications and sound recording and reproducing apparatus and equipment" (by \$10.3 billion or -2.7%). However, a year-on-year increase was registered in the value of imports of "power generating machinery and equipment" (by \$8.0 billion or 18.7%).

Commentary

A Government spokesman said that the value of merchandise exports fell further by 5.7% year-on-year in July, affected by softening global economic growth and US-Mainland trade tensions. These unfavourable external developments also continued to pose a drag on manufacturing and trading activities in many Asian economies. Against this background, merchandise exports to many major markets registered declines of varying degrees in July.

Looking forward, in the face of the difficult external environment and the further escalation of US-Mainland trade tensions in September, Hong Kong's near-term export performance should remain sluggish or may even weaken 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 2019. Table 2 presents the original monthly trade statistics from January 2016 to July 2019, 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 2019 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 2019.

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 2019 will be released in mid-September 2019.

The July 2019 issue of "Hong Kong External Merchandise Trade" contains detailed analysis on the performance of Hong Kong's external merchandise trade in July 2019 and will be available in mid-September 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).