

External merchandise trade statistics for July 2020

The Census and Statistics Department (C&SD) released today (August 26) the external merchandise trade statistics for July 2020. In July 2020, the values of Hong Kong's total exports and imports of goods both recorded year-on-year decreases, at 3.0% and 3.4% respectively.

In July 2020, the value of total exports of goods decreased by 3.0% over a year earlier to \$328.5 billion, after a year-on-year decrease of 1.3% in June 2020. Concurrently, the value of imports of goods decreased by 3.4% over a year earlier to \$358.3 billion in July 2020, after a year-on-year decrease of 7.1% in June 2020. A visible trade deficit of \$29.8 billion, equivalent to 8.3% of the value of imports of goods, was recorded in July 2020.

For the first seven months of 2020 as a whole, the value of total exports of goods decreased by 6.3% over the same period in 2019. Concurrently, the value of imports of goods decreased by 8.5%. A visible trade deficit of \$205.3 billion, equivalent to 8.9% of the value of imports of goods, was recorded in the first seven months of 2020.

Comparing the three-month period ending July 2020 with the preceding three months on a seasonally adjusted basis, the value of total exports of goods increased by 1.7%. Meanwhile, the value of imports of goods increased by 0.9%.

Analysis by country/territory

Comparing July 2020 with July 2019, total exports to Asia as a whole grew by 0.6%. In this region, increases were registered in the values of total exports to some major destinations, in particular the mainland of China (the Mainland) (+5.2%), Vietnam (+4.4%) and Taiwan (+0.4%). On the other hand, decreases were recorded in the values of total exports to the Philippines (-21.3%), India (-20.5%), Korea (-20.0%), Thailand (-15.3%) and Japan (-15.2%).

Apart from destinations in Asia, decreases were registered in the values of total exports to some major destinations in other regions, in particular the USA (-20.2%), the United Kingdom (-19.9%) and Germany (-16.5%).

Over the same period of comparison, decreases were registered in the values of imports from some major suppliers, in particular the USA (-22.4%), Japan (-18.3%) and the Mainland (-8.1%). Concurrently, increases were recorded in the values of imports from Taiwan (+45.0%), Vietnam (+35.2%), Malaysia (+21.1%), Singapore (+13.8%) and Korea (+13.8%).

For the first seven months of 2020 as a whole, year-on-year decreases were registered in the values of total exports to most major destinations, in

particular India (-25.1%), the USA (-23.3%), Germany (â€‘20.7%), Singapore (-18.3%), Korea (-13.6%) and Japan (-11.8%). However, year-on-year increases were registered in the values of total exports to Taiwan (+9.0%) and the Mainland (+2.8%).

Over the same period of comparison, year-on-year decreases were registered in the values of imports from some major suppliers, in particular the USA (-20.9%), the Mainland (â€‘12.7%) and Japan (-7.4%). However, year-on-year increases were registered in the values of imports from Vietnam (+46.0%), Taiwan (+20.3%), Korea (+8.3%) and Singapore (+5.5%).

Analysis by major commodity

Comparing July 2020 with July 2019, decreases were registered in the values of total exports of some principal commodity divisions, in particular "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$4.6 billion or -23.0%), "telecommunications and sound recording and reproducing apparatus and equipment" (by \$4.2 billion or -6.9%), "articles of apparel and clothing accessories" (by \$3.9 billion or -40.0%) and "power generating machinery and equipment" (by \$3.1 billion or -34.1%). However, increases were registered in the values of total exports of "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$14.5 billion or 11.1%) and "office machines and automatic data processing machines" (by \$1.6 billion or 4.5%).

Over the same period of comparison, decreases were registered in the values of imports of some principal commodity divisions, in particular "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$4.1 billion or -17.7%), "non-metallic mineral manufactures" (by \$3.9 billion or â€‘29.0%) and "articles of apparel and clothing accessories" (by \$3.3 billion or -37.3%). However, increases were registered in the values of imports of "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$11.4 billion or 8.1%) and "essential oils and resinoids and perfume materials; toilet, polishing and cleansing preparations" (by \$1.5 billion or 36.8%).

For the first seven months of 2020 as a whole, year-on-year decreases were registered in the values of total exports of some principal commodity divisions, in particular "telecommunications and sound recording and reproducing apparatus and equipment" (by \$65.4 billion or -16.0%), "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$36.5 billion or -27.7%) and "non-metallic mineral manufactures" (by \$34.8 billion or -36.9%). However, year-on-year increases were registered in the values of total exports of "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$51.1 billion or 6.0%) and "office machines and automatic data processing machines" (by \$15.4 billion or 6.9%).

Over the same period of comparison, year-on-year decreases were registered in the values of imports of some principal commodity divisions, in particular "non-metallic mineral manufactures" (by \$46.4 billion or -42.2%),

"telecommunications and sound recording and reproducing apparatus and equipment" (by \$43.3 billion or -11.6%) and "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$34.3 billion or -22.4%). However, year-on-year increases were registered in the values of imports of "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$34.3 billion or 3.7%) and "power generating machinery and equipment" (by \$10.9 billion or 21.5%).

Commentary

A Government spokesman said that merchandise exports remained weak in July, declining by 3.0% from a year earlier in value terms. Exports to the US, the EU and many other major Asian markets fell further on a year-on-year basis amid subdued external demand. Meanwhile, exports to the Mainland sustained moderate growth alongside the solid economic recovery there.

Looking ahead, the threat of COVID-19 will remain until an effective vaccine or treatment is widely available. The weak global economy, together with the tense China-US relations, will continue to cloud the outlook for Hong Kong's merchandise exports in the near term. The Government will monitor relevant developments closely.

Further information

Table 1 at the annex presents the analysis of external merchandise trade statistics for July 2020. Table 2 presents the original monthly trade statistics from January 2017 to July 2020, 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 2020 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 2020.

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 2020 will be released in mid-September 2020.

The July 2020 issue of "Hong Kong External Merchandise Trade" contains detailed analysis on the performance of Hong Kong's external merchandise trade in July 2020 and will be available in mid-September 2020. 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).