

External merchandise trade statistics for June 2018

The Census and Statistics Department (C&SD) released today (July 26) the external merchandise trade statistics for June 2018. In June 2018, the values of Hong Kong's total exports and imports of goods both recorded year-on-year increases, at 3.3% and 4.4% respectively.

In June 2018, the value of total exports of goods increased by 3.3% over a year earlier to \$340.3 billion, after a year-on-year increase of 15.9% in May 2018. Concurrently, the value of imports of goods increased by 4.4% over a year earlier to \$394.5 billion in June 2018, after a year-on-year increase of 16.5% in May 2018. A visible trade deficit of \$54.1 billion, equivalent to 13.7% of the value of imports of goods, was recorded in June 2018.

For the first half of 2018 as a whole, the value of total exports of goods rose by 9.3% over the same period in 2017. Concurrently, the value of imports of goods increased by 10.5%. A visible trade deficit of \$273.7 billion, equivalent to 12.2% of the value of imports of goods, was recorded in the first half of 2018.

Comparing the second quarter of 2018 with the preceding quarter on a seasonally adjusted basis, the value of total exports of goods increased by 1.5%. Meanwhile, the value of imports of goods increased by 1.7%.

Analysis by country/territory

Comparing June 2018 with June 2017, total exports to Asia as a whole grew by 1.1%. In this region, increases were registered in the values of total exports to some major destinations, in particular Vietnam (+19.4%), Thailand (+19.3%), Malaysia (+14.9%), the Philippines (+8.1%), Japan (+4.9%) and the mainland of China (the Mainland) (+2.9%). On the other hand, decreases were recorded in the values of total exports to Taiwan (-25.0%) and India (-23.7%).

Apart from destinations in Asia, increases were registered in the values of total exports to some major destinations in other regions, in particular Germany (+12.7%) and the USA (+10.3%). Concurrently, a decrease was registered in the value of total exports to the United Kingdom (-23.6%).

Over the same period of comparison, increases were registered in the values of imports from most major suppliers, in particular Malaysia (+77.5%), Korea (+17.3%), Singapore (+12.2%), the Philippines (+6.1%), Thailand (+5.4%), the USA (+2.0%) and the Mainland (+1.2%). Concurrently, a decrease was registered in the value of imports from India (-15.9%).

For the first half of 2018 as a whole, year-on-year increases were registered in the values of total exports to most major destinations, in

particular Singapore (+13.2%), Germany (+12.8%), the Mainland (+11.9%), the USA (+9.5%), Thailand (+9.1%) and the Netherlands (+8.6%). However, a year-on-year decrease was registered in the value of total exports to India (-21.4%).

Over the same period of comparison, year-on-year increases were registered in the values of imports from most major suppliers, in particular Malaysia (+88.7%), Korea (+20.9%), Taiwan (+14.9%), the Philippines (+9.7%), Singapore (+9.1%) and the Mainland (+8.6%). On the other hand, a year-on-year decrease was registered in the value of imports from India (-20.5%).

Analysis by major commodity

Comparing June 2018 with June 2017, 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 \$13.6 billion or 11.5%), "office machines and automatic data processing machines" (by \$2.0 billion or 5.6%) and "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$1.3 billion or 7.3%). However, a decrease was registered in the value of total exports of "non-metallic mineral manufactures" (by \$3.5 billion or -19.8%).

Over the same period of comparison, increases were registered in the values of imports of some principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$13.4 billion or 9.7%), "petroleum, petroleum products and related materials" (by \$5.0 billion or 99.6%) and "office machines and automatic data processing machines" (by \$3.9 billion or 12.1%). However, a decrease was registered in the value of imports of "telecommunications and sound recording and reproducing apparatus and equipment" (by \$4.8 billion or -7.9%).

For the first half 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 \$115.9 billion or 18.4%), "office machines and automatic data processing machines" (by \$34.6 billion or 18.9%) and "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$19.3 billion or 20.1%). However, a year-on-year decrease was registered in the value of total exports of "non-metallic mineral manufactures" (by \$17.1 billion or -16.5%).

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 \$123.4 billion or 17.1%), "office machines and automatic data processing machines" (by \$39.0 billion or 24.8%) and "petroleum, petroleum products and related materials" (by \$13.1 billion or 38.1%). 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 -2.1%).

Commentary

The value of merchandise exports grew further over a year earlier in June, albeit at a decelerated pace against a high base of comparison. Exports to many major markets registered growth of varying degree.

Looking ahead, while growth momentum of the global economy has been sustained so far this year, rising trade conflicts between the US and other major economies could weigh on global economic sentiment and trade expansion going forward, posing downside risks to Hong Kong's export outlook. 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 June 2018. Table 2 presents the original monthly trade statistics from January 2015 to June 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 June 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 June 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 June 2018 will be released in mid-August 2018.

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