

External merchandise trade statistics for June 2019

The Census and Statistics Department (C&SD) released today (July 25) the external merchandise trade statistics for June 2019. In June 2019, the values of Hong Kong's total exports and imports of goods both recorded year-on-year decreases, at 9.0% and 7.5% respectively.

In June 2019, the value of total exports of goods decreased by 9.0% over a year earlier to \$309.6 billion, after a year-on-year decrease of 2.4% in May 2019. Concurrently, the value of imports of goods decreased by 7.5% over a year earlier to \$364.8 billion in June 2019, after a year-on-year decrease of 4.3% in May 2019. A visible trade deficit of \$55.2 billion, equivalent to 15.1% of the value of imports of goods, was recorded in June 2019.

For the first half of 2019 as a whole, the value of total exports of goods dropped by 3.6% over the same period in 2018. Concurrently, the value of imports of goods decreased by 4.5%. A visible trade deficit of \$244.2 billion, equivalent to 11.4% of the value of imports of goods, was recorded in the first half of 2019.

Comparing the second quarter of 2019 with the preceding quarter on a seasonally adjusted basis, the value of total exports of goods decreased by 0.3%. Meanwhile, the value of imports of goods decreased by 0.5%.

Analysis by country/territory

Comparing June 2019 with June 2018, total exports to Asia as a whole went down by 8.4%. In this region, decreases were registered in the values of total exports to most major destinations, in particular Thailand (-13.6%), the mainland of China (the Mainland) (-10.6%), Korea (-8.4%), Malaysia (-7.8%) and Japan (-6.5%). On the other hand, increases were recorded in the values of total exports to the Philippines (+33.2%) and Taiwan (+13.9%).

Apart from destinations in Asia, decreases were registered in the values of total exports to some major destinations in other regions, in particular Germany (-14.4%) and the USA (-6.6%). Concurrently, an increase was registered in the value of total exports to the United Kingdom (+28.6%).

Over the same period of comparison, decreases were registered in the values of imports from most major suppliers, in particular Korea (-20.7%), Singapore (-20.0%), Malaysia (-18.7%), Thailand (-14.7%), Switzerland (-12.2%), India (-9.7%) and the Mainland (-6.3%).

For the first half of 2019 as a whole, year-on-year decreases were registered in the values of total exports to some major destinations, in particular India (-16.8%), the USA (-11.1%), Taiwan (-8.3%), Germany (-6.6%) and the Mainland (-6.0%). However, year-on-year increases were registered

in the values of total exports to Singapore (+11.1%) and Korea (+5.9%).

Over the same period of comparison, year-on-year decreases were registered in the values of imports from most major suppliers, in particular Korea (-25.7%), India (-17.4%), Taiwan (-10.8%), Malaysia (-9.0%) and Thailand (-8.2%). The value of imports from the Mainland also decreased by 2.3%. On the other hand, a year-on-year increase was registered in the value of imports from Switzerland (+2.4%).

Analysis by major commodity

Comparing June 2019 with June 2018, 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 \$11.7 billion or -8.9%), "telecommunications and sound recording and reproducing apparatus and equipment" (by \$8.1 billion or -13.2%) and "office machines and automatic data processing machines" (by \$7.9 billion or -21.2%). However, an increase was registered in the value of total exports of "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$1.5 billion or 7.7%).

Over the same period of comparison, decreases were registered in the values of imports of some principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$8.5 billion or -5.6%), "telecommunications and sound recording and reproducing apparatus and equipment" (by \$8.3 billion or -14.7%) and "office machines and automatic data processing machines" (by \$6.3 billion or -17.5%). However, an increase was registered in the value of imports of "power generating machinery and equipment" (by \$1.8 billion or 27.8%).

For the first half of 2019 as a whole, year-on-year decreases were registered in the values of total exports of some principal commodity divisions, in particular "office machines and automatic data processing machines" (by \$30.0 billion or -13.8%), "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$27.4 billion or -3.7%) and "non-metallic mineral manufactures" (by \$3.6 billion or -4.2%). However, a year-on-year increase was registered in the value of total exports of "power generating machinery and equipment" (by \$5.8 billion or 22.3%).

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 \$58.1 billion or -6.9%), "office machines and automatic data processing machines" (by \$23.5 billion or -12.0%) and "telecommunications and sound recording and reproducing apparatus and equipment" (by \$8.1 billion or -2.5%). However, a year-on-year increase was registered in the value of imports of "power generating machinery and equipment" (by \$7.6 billion or 21.2%).

Commentary

A Government spokesman said that the year-on-year decrease in the value of merchandise exports enlarged to 9.0% in June, as the soft global economic environment and continued US-Mainland trade tensions put further strains on manufacturing activities and trade flows in Asia. Exports to most major markets recorded declines of varying degrees.

Looking ahead, the near-term performance of Hong Kong's merchandise exports will remain constrained by the softening global economy and uncertainties arising from US-Mainland trade tensions and other external developments. The Government will stay vigilant.

Further information

Table 1 at the annex presents the analysis of external merchandise trade statistics for June 2019. Table 2 presents the original monthly trade statistics from January 2016 to June 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 June 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 June 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 June 2019 will be released in mid-August 2019.

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