

External merchandise trade statistics for September 2018

The Census and Statistics Department (C&SD) released today (October 25) the external merchandise trade statistics for September 2018. In September 2018, the values of Hong Kong's total exports and imports of goods both recorded year-on-year increases, at 4.5% and 4.8% respectively.

In September 2018, the value of total exports of goods increased by 4.5% over a year earlier to \$375.0 billion, after a year-on-year increase of 13.1% in August 2018. Concurrently, the value of imports of goods increased by 4.8% over a year earlier to \$422.7 billion in September 2018, after a year-on-year increase of 16.4% in August 2018. A visible trade deficit of \$47.7 billion, equivalent to 11.3% of the value of imports of goods, was recorded in September 2018.

For the first nine months of 2018 as a whole, the value of total exports of goods rose by 9.2% over the same period in 2017. Concurrently, the value of imports of goods increased by 10.9%. A visible trade deficit of \$421.7 billion, equivalent to 12.1% of the value of imports of goods, was recorded in the first nine months of 2018.

Comparing the third 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 2.5%.

Analysis by country/territory

Comparing September 2018 with September 2017, total exports to Asia as a whole grew by 5.4%. In this region, increases were registered in the values of total exports to most major destinations, in particular Thailand (+23.2%), Korea (+9.9%), Malaysia (+9.4%), the Philippines (+7.6%) and the mainland of China (the Mainland) (+7.0%). On the other hand, decreases were recorded in the values of total exports to Japan (-13.9%) and Taiwan (-9.5%).

Apart from destinations in Asia, decreases were registered in the values of total exports to some major destinations in other regions, in particular Germany (-15.5%) and the United Kingdom (-6.9%). Concurrently, an increase was registered in the value of total exports to the USA (+5.6%).

Over the same period of comparison, increases were registered in the values of imports from some major suppliers, in particular Malaysia (+51.4%), Singapore (+18.8%), Korea (+9.8%), the USA (+2.8%) and the Mainland (+2.8%). Concurrently, decreases were recorded in the values of imports from India (-15.2%) and the Philippines (-4.5%).

For the first nine 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 (+11.6%), Thailand (+10.2%), Singapore (+10.0%), the

USA (+9.6%), the Netherlands (+8.2%) and Vietnam (+7.8%). However, a year-on-year decrease was registered in the value of total exports to India (-11.7%).

Over the same period of comparison, year-on-year increases were registered in the values of imports from most major suppliers, in particular Malaysia (+84.9%), Korea (+20.0%), Taiwan (+10.6%), the Mainland (+8.9%), Singapore (+8.6%) and the USA (+8.6%). On the other hand, a year-on-year decrease was registered in the value of imports from India (-14.2%).

Analysis by major commodity

Comparing September 2018 with September 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 \$16.8 billion or 12.8%), "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$2.2 billion or 11.2%) and "office machines and automatic data processing machines" (by \$1.9 billion or 5.0%). However, a decrease was registered in the value of total exports of "professional, scientific and controlling instruments and apparatus" (by \$0.6 billion or -7.0%).

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 \$12.1 billion or 8.3%), "office machines and automatic data processing machines" (by \$3.6 billion or 10.7%) and "petroleum, petroleum products and related materials" (by \$3.2 billion or 47.7%). However, a decrease was registered in the value of imports of "professional, scientific and controlling instruments and apparatus" (by \$0.6 billion or -7.2%).

For the first nine 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 \$180.9 billion or 18.0%), "office machines and automatic data processing machines" (by \$44.4 billion or 15.3%) and "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$26.0 billion or 17.4%). However, a year-on-year decrease was registered in the value of total exports of "non-metallic mineral manufactures" (by \$15.8 billion or -10.7%).

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 \$184.7 billion or 16.2%), "office machines and automatic data processing machines" (by \$60.2 billion or 24.0%) and "petroleum, petroleum products and related materials" (by \$19.5 billion or 37.3%).

Commentary

A Government spokesman noted that merchandise exports grew further over a year earlier in September, but at a much decelerated pace. While the slower

growth was partly due to the impacts of the US-Mainland trade conflicts, the disruption to trading activities by typhoon Mangkhut also contributed.

Looking forward, the impacts of the US-Mainland trade conflicts on Hong Kong's exports will likely turn more visible in the coming months, particularly so if the trade conflicts are to 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 September 2018. Table 2 presents the original monthly trade statistics from January 2015 to September 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 September 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 September 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 September 2018 will be released in mid-November 2018.

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