

External merchandise trade statistics for September 2019

The Census and Statistics Department (C&SD) released today (October 24) the external merchandise trade statistics for September 2019. In September 2019, the values of Hong Kong's total exports and imports of goods both recorded year-on-year decreases, at 7.3% and 10.3% respectively.

In September 2019, the value of total exports of goods decreased by 7.3% over a year earlier to \$347.7 billion, after a year-on-year decrease of 6.3% in August 2019. Concurrently, the value of imports of goods decreased by 10.3% over a year earlier to \$379.3 billion in September 2019, after a year-on-year decrease of 11.1% in August 2019. A visible trade deficit of \$31.6 billion, equivalent to 8.3% of the value of imports of goods, was recorded in September 2019.

For the first nine months of 2019 as a whole, the value of total exports of goods dropped by 4.6% over the same period in 2018. Concurrently, the value of imports of goods decreased by 6.5%. A visible trade deficit of \$336.8 billion, equivalent to 10.3% of the value of imports of goods, was recorded in the first nine months of 2019.

Comparing the third quarter of 2019 with the preceding quarter on a seasonally adjusted basis, the value of total exports of goods decreased by 0.4%. Meanwhile, the value of imports of goods decreased by 2.1%.

Analysis by country/territory

Comparing September 2019 with September 2018, total exports to Asia as a whole went down by 4.5%. In this region, decreases were registered in the values of total exports to some major destinations, in particular Korea (-25.9%), Thailand (-11.1%), Singapore (-10.9%), India (-10.8%), the mainland of China (the Mainland) (-4.6%) and Japan (-4.1%). On the other hand, increases were recorded in the values of total exports to the Philippines (+21.1%) and Taiwan (+12.3%).

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 (-24.3%), Germany (-12.8%) and the United Kingdom (-6.8%).

Over the same period of comparison, decreases were registered in the values of imports from most major suppliers, in particular Korea (-26.3%), Malaysia (-25.4%), India (-24.3%), Singapore (-17.7%) and Thailand (-17.4%). The value of imports from the Mainland also decreased by 9.2%. Concurrently, increases were recorded in the values of imports from the Switzerland (+16.0%) and Taiwan (+3.1%).

For the first nine 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 (-15.2%), the USA (-12.2%), Germany (-6.6%), the Mainland (-5.8%), Japan (-4.0%) and Vietnam (-3.0%). However, year-on-year increases were registered in the values of total exports to Singapore (+6.0%) and Korea (+1.2%).

Over the same period of comparison, year-on-year decreases were registered in the values of imports from most major suppliers, in particular Korea (-25.1%), India (-19.5%), Malaysia (-16.1%), Thailand (-10.0%), Singapore (-8.7%), Taiwan (-7.3%) and the Mainland (-4.6%).

Analysis by major commodity

Comparing September 2019 with September 2018, decreases were registered in the values of total exports of most principal commodity divisions, in particular "office machines and automatic data processing machines" (by \$7.7 billion or -18.9%), "telecommunications and sound recording and reproducing apparatus and equipment" (by \$6.8 billion or -9.9%) and "non-metallic mineral manufactures" (by \$3.1 billion or -17.4%). However, an increase was registered in the value of total exports of "power generating machinery and equipment" (by \$2.7 billion or 66.3%).

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 \$10.1 billion or -6.4%), "office machines and automatic data processing machines" (by \$9.3 billion or -24.8%) and "telecommunications and sound recording and reproducing apparatus and equipment" (by \$7.6 billion or -10.7%). However, an increase was registered in the value of imports of "power generating machinery and equipment" (by \$1.3 billion or 20.7%).

For the first nine months of 2019 as a whole, year-on-year 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 \$46.2 billion or -3.9%), "office machines and automatic data processing machines" (by \$43.1 billion or -12.9%) and "telecommunications and sound recording and reproducing apparatus and equipment" (by \$13.3 billion or -2.4%). However, a year-on-year increase was registered in the value of total exports of "power generating machinery and equipment" (by \$12.5 billion or 30.0%).

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 \$95.6 billion or -7.2%), "office machines and automatic data processing machines" (by \$49.1 billion or -15.8%) and "telecommunications and sound recording and reproducing apparatus and equipment" (by \$28.7 billion or -5.5%). However, a year-on-year increase was registered in the value of imports of "power generating machinery and equipment" (by \$12.7 billion or 23.0%).

Commentary

A Government spokesman said that merchandise exports weakened further in September to show an enlarged year-on-year decline, reflecting the slack in global demand and heightened US-Mainland trade tensions in that month. Most major markets continued to show subdued performance.

Looking ahead, as the strains on global trade flows arising from a slowing global economy and various uncertainties, including the development of US-Mainland trade relations, will likely persist for some time, the near-term outlook for Hong Kong's merchandise exports remains challenging. 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 2019. Table 2 presents the original monthly trade statistics from January 2016 to September 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 September 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 September 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 September 2019 will be released in mid-November 2019.

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