

Hong Kong's trade in services statistics for 2018

The Census and Statistics Department (C&SD) released today (February 11) the Hong Kong's trade in services (TIS) statistics for 2018, with detailed breakdowns by service component and by main destination/source.

Comparing 2018 with 2017, the value of total exports of services increased by 9.3% to \$886.9 billion, and that of total imports of services increased by 5.6% to \$639.9 billion. An invisible trade surplus at \$246.9 billion, equivalent to 38.6% of the value of total imports of services, was recorded in 2018. This was greater than the corresponding surplus of \$205.4 billion in 2017, equivalent to 33.9% of the value of total imports of services in 2017.

Analysis by service component

Analysed by service component, travel was the largest component in exports of services, accounting for 32.6% of the value of total exports of services in 2018. This was followed by transport (29.2%), financial services (19.6%) and other business services (13.2%).

As for imports of services, travel accounted for 32.4% of the value of total imports of services in 2018, followed by transport (22.7%), other business services (15.3%) and manufacturing services (14.6%).

Amongst various service components, the net exports of financial services contributed most significantly to the overall invisible trade surplus, at \$125.5 billion in 2018. This was followed by transport (\$113.6 billion) and travel (\$81.7 billion).

On the other hand, manufacturing services imported by Hong Kong in outward processing were substantial, resulting in a deficit of \$93.2 billion in 2018. This was followed by charges for the use of intellectual property (\$9.8 billion).

Analysis by main destination/source

The mainland of China (the Mainland) and the United States of America (the USA) were the top two main destinations of exports of services of Hong Kong, accounting for 40.4% and 14.2% respectively of the value of total exports of services in 2018. They were followed by the United Kingdom (the UK) (8.2%), Japan (4.2%) and Singapore (4.1%).

The Mainland and the USA were also the top two main sources of imports of services, accounting for 37.9% and 11.1% respectively of the value of total imports of services in 2018. They were followed by Japan (8.3%), the UK (6.0%) and Singapore (4.3%).

Analysed by region, Asia was the most important destination of the exports of services of Hong Kong, accounting for 61.1% of the value of total exports of services in 2018, followed by Western Europe (18.0%) and North America (15.4%).

For imports of services, Asia was also the most important source, accounting for 64.7% of the value of total imports of services in 2018, followed by Western Europe (14.4%) and North America (13.1%).

Commentary

A Government spokesman noted that for 2018 as a whole, the value of exports of services grew notably amid a largely favourable global economic environment, with discernible increases in exports of travel, transport and financial services. Major markets such as the Mainland, the US and the UK saw visible growth. The total value of services trade amounted to a sizeable 54% of GDP in 2018, signifying the status of Hong Kong as an international financial and business hub. In 2018, the Mainland continued to be the most prominent destination for Hong Kong's exports of services, accounting for around 40% of the total.

The spokesman further pointed out that while services trade worsened visibly in 2019, and is currently confronted with a difficult external environment and the threat of the novel coronavirus infection, Hong Kong's services sector with its strong competitive edges is well-positioned to capitalise on the opportunities brought about by the vibrant development of the Mainland and other developing Asian economies in the medium- to long-term. In particular, the Belt and Road Initiative and the development of the Guangdong-Hong Kong-Macao Greater Bay Area will provide strong growth impetus. The Government will continue to play its role of "facilitator" and "promoter" in a proactive manner and further strengthen Hong Kong's economic ties with the Mainland and other trading partners, with a view to creating a favourable environment for our services trade to thrive.

Further information

Table 1 presents exports, imports and net exports of services by service component in 2017 and 2018.

Table 2 presents exports of services by main destination and imports of services by main source in 2017 and 2018.

Table 3 presents exports, imports and net exports of services by region of destination/source in 2017 and 2018.

More detailed TIS statistics will be given in the report "Hong Kong Trade in Services Statistics in 2018". Users can download this report (in PDF format) free of charge at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp240.jsp?productCode=B1020011) as from early-March 2020.

The TIS statistics have incorporated the latest international recommendations given in the Manual on Statistics of International Trade in Services 2010. For details, please refer to the website of C&SD (www.censtatd.gov.hk/hkstat/sub/so240.jsp). They are compiled mainly based on data obtained from the Annual Survey of Imports and Exports of Services conducted by the C&SD, supplemented by data from other relevant sources. The TIS statistics for 2018 are subject to minor revision when more data from supplementary sources become available.

Enquiries about trade in services statistics can be directed to the Trade in Services Statistics Section of the C&SD (Tel: 3903 7415; email: tis@censtatd.gov.hk).