

Hong Kong's trade in services statistics for 2019

The Census and Statistics Department (C&SD) released today (February 26) the Hong Kong's trade in services (TIS) statistics for 2019, with detailed breakdowns by service component and by main destination/source.

Comparing 2019 with 2018, the value of total exports of services decreased by 9.9% to \$798.9 billion, and that of total imports of services decreased by 0.9% to \$634.2 billion. An invisible trade surplus at \$164.7 billion, equivalent to 26.0% of the value of total imports of services, was recorded in 2019. This was smaller than the corresponding surplus of \$246.9 billion in 2018, equivalent to 38.6% of the value of total imports of services in 2018.

Analysis by service component

Analysed by service component, transport was the largest component in exports of services, accounting for 30.9% of the value of total exports of services in 2019. This was followed by travel (28.4%), financial services (21.2%) and other business services (13.6%).

As for imports of services, travel accounted for 33.2% of the value of total imports of services in 2019, followed by transport (22.7%), other business services (14.7%) and manufacturing services (13.9%).

Amongst various service components, the net exports of financial services contributed most significantly to the overall invisible trade surplus, at \$118.6 billion in 2019. This was followed by transport (\$103.1 billion), travel (\$15.9 billion) and other business services (\$15.2 billion).

On the other hand, manufacturing services imported by Hong Kong in outward processing were substantial, resulting in a deficit of \$88.1 billion in 2019. This was followed by charges for the use of intellectual property (\$9.6 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 37.7% and 14.9% respectively of the value of total exports of services in 2019. They were followed by the United Kingdom (the UK) (8.9%), Japan (4.4%) and Singapore (4.2%).

The Mainland and the USA were also the top two main sources of imports of services, accounting for 37.8% and 11.0% respectively of the value of total imports of services in 2019. They were followed by Japan (8.2%), the UK

(6.3%) and Singapore (4.4%).

Analysed by region, Asia was the most important destination of the exports of services of Hong Kong, accounting for 58.7% of the value of total exports of services in 2019, followed by Western Europe (19.4%) and North America (16.2%).

For imports of services, Asia was also the most important source, accounting for 64.6% of the value of total imports of services in 2019, followed by Western Europe (14.8%) and North America (13.0%).

Commentary

A Government spokesman noted that the value of exports of services turned to a visible decline in 2019, primarily dragged by the plunge in exports of travel services as the local incidents involving violence severely disrupted inbound tourism-related activities in the second half of the year. Other services exports also generally weakened amid the global economic slowdown. Nonetheless, the total value of services trade still amounted to half of GDP in 2019, signifying the status of Hong Kong as a global centre for finance and business. In 2019, the Mainland continued to be the most prominent destination for Hong Kong's exports of services, accounting for around 38% of the total.

The spokesman further pointed out that while services trade posted a record decline in 2020 due to the fallout from the COVID-19 pandemic, and the near-term outlook is still clouded by the global epidemic development, Hong Kong's services sector with our unique advantages under "One Country, Two Systems" and strong competitive edges is well positioned to leverage on the continuous Eastward shift of the global economic gravity and integrate proactively into the new pattern of the national development to seize enormous business opportunities in the medium- to long-term. The Government is committed to playing the role of a "facilitator" and "promoter" in developing the economy, and will join hands with enterprises to explore new market opportunities and assist professional service providers to go beyond Hong Kong.

Further information

Table 1 presents exports, imports and net exports of services by service component in 2018 and 2019.

Table 2 presents exports of services by main destination and imports of services by main source in 2018 and 2019.

Table 3 presents exports, imports and net exports of services by region of destination/source in 2018 and 2019.

More detailed TIS statistics are given in the report "Hong Kong Trade in Services Statistics in 2019". Users can download this report at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp240.jsp?productCode=B1020011).

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 the 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 2019 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).