

Hong Kong's trade in services statistics for 2020

The Census and Statistics Department (C&SD) released today (February 15) the Hong Kong's trade in services (TIS) statistics for 2020, with detailed breakdowns by service component and by main destination/source.

Comparing 2020 with 2019, the value of total exports of services decreased by 35.0% to \$518.9 billion, and that of total imports of services decreased by 32.8% to \$426.3 billion. An invisible trade surplus at \$92.7 billion, equivalent to 21.7% of the value of total imports of services, was recorded in 2020. This was smaller than the corresponding surplus of \$164.7 billion in 2019, equivalent to 26.0% of the value of total imports of services in 2019.

Analysis by service component

Analysed by service component, transport was the largest component in exports of services, accounting for 35.8% of the value of total exports of services in 2020. This was followed by financial services (32.5%) and other business services (18.7%).

As for imports of services, transport accounted for 27.0% of the value of total imports of services in 2020, followed by other business services (19.8%), manufacturing services (18.5%) and financial services (13.1%).

Amongst various service components, the net exports of financial services contributed most significantly to the overall invisible trade surplus, at \$112.5 billion in 2020. This was followed by transport (\$70.6 billion), other business services (\$12.7 billion) and telecommunications, computer and information services (\$7.9 billion).

On the other hand, manufacturing services imported by Hong Kong in outward processing were substantial, resulting in a deficit of \$79.0 billion in 2020. This was followed by travel (\$20.6 billion) and charges for the use of intellectual property (\$8.2 billion).

Analysis by main destination/source

The United States of America (the USA) and the mainland of China (the Mainland) were the top two main destinations of exports of services of Hong Kong, accounting for 22.7% and 19.8% respectively of the value of total exports of services in 2020. They were followed by the United Kingdom (the UK) (12.4%), Singapore (5.8%) and Germany (4.6%).

The Mainland and the USA were also the top two main sources of imports of services, accounting for 38.7% and 16.3% respectively of the value of total imports of services in 2020. They were followed by the UK (7.9%),

Singapore (6.1%) and Japan (4.6%).

Analysed by region, Asia was the most important destination of the exports of services of Hong Kong, accounting for 41.9% of the value of total exports of services in 2020, followed by Western Europe (26.5%) and North America (24.5%).

For imports of services, Asia was also the most important source, accounting for 59.3% of the value of total imports of services in 2020, followed by North America (17.7%) and Western Europe (16.4%).

Commentary

A Government spokesman noted that the value of exports of services posted a record annual decline in 2020, dragged by frozen inbound tourism since February 2020 and generally weak cross-boundary transport and business services amid the COVID-19 pandemic. Nevertheless, the total value of services trade still amounted to more than one-third of GDP, signifying the status of Hong Kong as an international financial, transportation and trade centre as well as a major services hub in the region. The US and the Mainland were the two most prominent destinations for Hong Kong's exports of services in 2020, together accounting for around 42% of the total. Services trade continued to register a surplus, albeit smaller than that in the preceding year.

The spokesman further pointed out that while services trade resumed growth in overall terms in 2021 alongside improved global economic conditions, its recovery remained uneven. In particular, travel and cross-boundary passenger transport services remained in the doldrums as tourism was at a standstill throughout the year. Despite the short term challenges, with our unique advantages under "one country, two systems" and strong competitive edges, Hong Kong's services sector is well positioned to take advantage of the opportunities presented by the national development and the Eastward shift of global economic gravity. The Government also continues to act as a "facilitator" and "promoter" in economic development, enhance our institutional strengths, foster innovation and technology and other areas of growth potentials, and assist the private sector and professional service providers to explore new market opportunities.

Further information

Table 1 presents exports, imports and net exports of services by service component in 2019 and 2020.

Table 2 presents exports of services by main destination and imports of services by main source in 2019 and 2020.

Table 3 presents exports, imports and net exports of services by region of destination/source in 2019 and 2020.

More detailed TIS statistics will be given in the report "Hong Kong

Trade in Services Statistics in 2020". Users can download this report at the website of the C&SD (www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1020011&scode=240) as from end-February 2022.

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/en/scode240.html). 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 2020 are subject to minor revision when more data from supplementary sources become available.

For enquiries about trade in services statistics, please contact the Trade in Services Statistics Section of the C&SD (Tel: 3903 7415; email: tis@censtatd.gov.hk).