

Provisional statistics of retail sales for April 2024

The Census and Statistics Department (C&SD) released the latest figures on retail sales today (May 31).

The value of total retail sales in April 2024, provisionally estimated at \$29.6 billion, decreased by 14.7% compared with the same month in 2023. The revised estimate of the value of total retail sales in March 2024 decreased by 7.0% compared with a year earlier. For the first 4 months of 2024 taken together, it was provisionally estimated that the value of total retail sales decreased by 4.7% compared with the same period in 2023.

Of the total retail sales value in April 2024, online sales accounted for 8.2%. The value of online retail sales in that month, provisionally estimated at \$2.4 billion, increased by 11.4% compared with the same month in 2023. The revised estimate of online retail sales in March 2024 decreased by 4.0% compared with a year earlier. For the first 4 months of 2024 taken together, it was provisionally estimated that the value of online retail sales decreased by 5.8% compared with the same period in 2023.

After netting out the effect of price changes over the same period, the provisional estimate of the volume of total retail sales in April 2024 decreased by 16.5% compared with a year earlier. The revised estimate of the volume of total retail sales in March 2024 decreased by 8.7% compared with a year earlier. For the first 4 months of 2024 taken together, the provisional estimate of the total retail sales decreased by 6.4% in volume compared with the same period in 2023.

Analysed by broad type of retail outlet in descending order of the provisional estimate of the value of sales and comparing April 2024 with April 2023, the value of sales of commodities in supermarkets decreased by 3.0%. This was followed by sales of other consumer goods not elsewhere classified (-13.2% in value); jewellery, watches and clocks, and valuable gifts (-28.7%); wearing apparel (-23.6%); medicines and cosmetics (-7.1%); food, alcoholic drinks and tobacco (-12.2%); electrical goods and other consumer durable goods not elsewhere classified (-26.5%); commodities in department stores (-21.5%); fuels (-9.6%); furniture and fixtures (-23.0%); footwear, allied products and other clothing accessories (-26.3%); books, newspapers, stationery and gifts (-4.5%); Chinese drugs and herbs (-25.1%); and optical shops (-23.1%).

On the other hand, the value of sales of motor vehicles and parts increased by 58.5% in April 2024 over a year earlier.

Based on the seasonally adjusted series, the provisional estimate of the value of total retail sales increased by 0.2% in the three months ending April 2024 compared with the preceding three-month period, while the

provisional estimate of the volume of total retail sales decreased by 0.3%.

Commentary

A government spokesman said that the value of total retail sales declined notably in April from a year earlier, partly because the Easter holidays rendered the effects of the changing consumption pattern of residents more visible. A large number of residents made outbound trips during the Easter holidays. This not only affected their local consumption during their time away but also could have reduced consumption in the days before and after the trips. Besides, the unstable weather conditions in April this year, with higher-than-usual rainfall, also had some impact. The relatively high base of comparison, attributable to buoyant consumer sentiment in the same period last year supported by the return to normalcy after the pandemic and the Consumption Voucher Scheme, was also relevant.

Looking ahead, the spokesman added that the changing consumption patterns of visitors and residents would continue to present challenges to the retail sector. Nevertheless, the revival of inbound tourism, rising employment earnings, and the recent stabilisation of asset markets would provide support. The Government's strenuous efforts to promote a mega event economy and boost market sentiment would also help. The Government will continue to monitor the situation.

Further information

Table 1 presents the revised figures on value index and value of retail sales for all retail outlets and by broad type of retail outlet for March 2024 as well as the provisional figures for April 2024. The provisional figures on the value of retail sales for all retail outlets and by broad type of retail outlet as well as the corresponding year-on-year changes for the first 4 months of 2024 taken together are also shown.

Table 2 presents the revised figures on value of online retail sales for March 2024 as well as the provisional figures for April 2024. The provisional figures on year-on-year changes for the first 4 months of 2024 taken together are also shown.

Table 3 presents the revised figures on volume index of retail sales for all retail outlets and by broad type of retail outlet for March 2024 as well as the provisional figures for April 2024. The provisional figures on year-on-year changes for the first 4 months of 2024 taken together are also shown.

Table 4 shows the movements of the value and volume of total retail sales in terms of the year-on-year rate of change for a month compared with the same month in the preceding year based on the original series, and in terms of the rate of change for a three-month period compared with the preceding three-month period based on the seasonally adjusted series.

The classification of retail establishments follows the Hong Kong Standard Industrial Classification (HSIC) Version 2.0, which is used in

various economic surveys for classifying economic units into different industry classes.

These retail sales statistics measure the sales receipts in respect of goods sold by local retail establishments and are primarily intended for gauging the short-term business performance of the local retail sector. Data on retail sales are collected from local retail establishments through the Monthly Survey of Retail Sales (MRS). Local retail establishments with and without physical shops are covered in MRS and their sales, both through conventional shops and online channels, are included in the retail sales statistics.

The retail sales statistics cover consumer spending on goods but not on services (such as those on housing, catering, medical care and health services, transport and communication, financial services, education and entertainment) which account for over 50% of the overall consumer spending. Moreover, they include spending on goods in Hong Kong by visitors but exclude spending outside Hong Kong by Hong Kong residents. Hence they should not be regarded as indicators for measuring overall consumer spending.

Users interested in the trend of overall consumer spending should refer to the data series of private consumption expenditure (PCE), which is a major component of the Gross Domestic Product published at quarterly intervals. Compiled from a wide range of data sources, PCE covers consumer spending on both goods (including goods purchased from all channels) and services by Hong Kong residents whether locally or abroad. Please refer to the C&SD publication "Gross Domestic Product (Quarterly)" for more details.

More detailed statistics are given in the "Report on Monthly Survey of Retail Sales". Users can browse and download this publication at the website of the C&SD

(www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1080003&scode=530).

Users who have enquiries about the survey results may contact the Distribution Services Statistics Section of C&SD (Tel: 3903 7400; email : mrs@censtatd.gov.hk).