

Provisional statistics of retail sales for December 2018 and for whole year of 2018

The Census and Statistics Department (C&SD) released the latest figures on retail sales today (January 30).

The value of total retail sales in December 2018, provisionally estimated at \$44.9 billion, edged up by 0.1% over the same month in 2017. The revised estimate of the value of total retail sales in November 2018 increased by 1.4% over a year earlier.

After netting out the effect of price changes over the same period, the provisional estimate of the volume of total retail sales in December 2018 edged up by 0.2% over a year earlier. The revised estimate of the volume of total retail sales in November 2018 increased by 1.2% over a year earlier.

Analysed by broad type of retail outlet in descending order of the provisional estimate of the value of sales and comparing December 2018 with December 2017, the value of sales of commodities in department stores increased by 4.9%. This was followed by sales of commodities in supermarkets (+2.4% in value); medicines and cosmetics (+6.9%); food, alcoholic drinks and tobacco (+1.0%); other consumer goods, not elsewhere classified (+9.4%); motor vehicles and parts (+8.9%); footwear, allied products and other clothing accessories (+5.8%); fuels (+1.0%); furniture and fixtures (+2.5%); books, newspapers, stationery and gifts (+6.7%); Chinese drugs and herbs (+10.5%); and optical shops (+6.2%).

On the other hand, the value of sales of jewellery, watches and clocks, and valuable gifts decreased by 4.9% in December 2018 compared with a year earlier. This was followed by sales of wearing apparel (-0.3% in value); and electrical goods and other consumer durable goods, not elsewhere classified (-15.2%).

Based on the seasonally adjusted series, the provisional estimate of the value of total retail sales decreased by 1.8% in the fourth quarter of 2018 compared with the preceding quarter, while the provisional estimate of the volume of total retail sales decreased by 1.1%.

For 2018 as a whole, the value of total retail sales was provisionally estimated at \$485.2 billion, increased by 8.8% in value and 7.6% in volume over 2017.

Analysed by broad type of retail outlet in descending order of the provisional estimate of the value of sales and comparing the whole year of 2018 with the whole year of 2017, the value of sales of jewellery, watches and clocks, and valuable gifts increased by 13.7%. This was followed by sales of commodities in department stores (+9.6% in value); commodities in

supermarkets (+1.2%); wearing apparel (+6.0%); medicines and cosmetics (+14.3%); electrical goods and other consumer durable goods, not elsewhere classified (+7.3%); food, alcoholic drinks and tobacco (+4.7%); other consumer goods, not elsewhere classified (+15.7%); motor vehicles and parts (+7.6%); fuels (+8.6%); footwear, allied products and other clothing accessories (+10.5%); furniture and fixtures (+4.6%); books, newspapers, stationery and gifts (+2.5%); Chinese drugs and herbs (+5.3%); and optical shops (+5.1%).

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. They 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.

Commentary

A government spokesman indicated that the value of retail sales in December 2018 slackened further to record little change from a year earlier, reflecting the cautious consumption sentiment. Thanks to the robust growth in the first half of 2018, retail sales value rose by 8.8% for the year as a whole.

The spokesman commented further that, retail sales performance would continue to be affected by the cautious consumption sentiment amid moderating global economic growth and the uncertainty stemming from the US-Mainland tensions in the near term, though the full employment situation and sustained expansion in visitor arrivals should provide some support. The Government will closely 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 November 2018 as well as the provisional figures for December 2018. 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 whole year of 2018 are also shown.

Table 2 presents the revised figures on volume index of retail sales for all retail outlets and by broad type of retail outlet for November 2018 as well as the provisional figures for December 2018. The provisional figures on year-on-year changes for the whole year of 2018 are also shown.

Table 3 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.

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

(www.censtatd.gov.hk/hkstat/sub/sp320.jsp?productCode=B1080003).

Alternatively, the historical series of retail sales statistics can be downloaded in the form of a statistical table at the website of the C&SD

(www.censtatd.gov.hk/hkstat/sub/sp320.jsp?productCode=D5600089).

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).