

Provisional statistics of retail sales for December 2020 and for the whole year of 2020

The Census and Statistics Department (C&SD) released the latest figures on retail sales today (February 2).

The value of total retail sales in December 2020, provisionally estimated at \$31.4 billion, decreased by 13.2% compared with the same month in 2019. The revised estimate of the value of total retail sales in November 2020 decreased by 4.1% compared with 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 2020 decreased by 14.0% compared with a year earlier. The revised estimate of the volume of total retail sales in November 2020 decreased by 4.7% compared with 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 2020 with December 2019, the value of sales of food, alcoholic drinks and tobacco decreased by 14.3%. This was followed by sales of commodities in department stores (-18.3% in value); jewellery, watches and clocks, and valuable gifts (-40.8%); wearing apparel (-27.8%); medicines and cosmetics (-40.9%); fuels (-9.9%); footwear, allied products and other clothing accessories (-36.7%); Chinese drugs and herbs (-15.1%); books, newspapers, stationery and gifts (-20.0%); and optical shops (-31.3%).

On the other hand, the value of sales of commodities in supermarkets increased by 11.7% in December 2020 over a year earlier. This was followed by sales of electrical goods and other consumer durable goods, not elsewhere classified (+21.7% in value); other consumer goods, not elsewhere classified (+5.8%); motor vehicles and parts (+10.5%); and furniture and fixtures (+6.3%).

Based on the seasonally adjusted series, the provisional estimates of both the value and the volume of total retail sales increased by 3.2% in the fourth quarter of 2020 compared with the preceding quarter.

For 2020 as a whole, the value of total retail sales was provisionally estimated at \$326.5 billion, decreased by 24.3% in value and 25.5% in volume compared with 2019.

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 2020 with the whole year of 2019, the value of sales of food, alcoholic drinks and tobacco decreased by 12.7%. This was followed by sales of commodities in department stores (-22.5% in value); electrical goods and

other consumer durable goods, not elsewhere classified (-12.9%); other consumer goods, not elsewhere classified (-10.0%); jewellery, watches and clocks, and valuable gifts (-54.0%); wearing apparel (-41.3%); medicines and cosmetics (-50.0%); motor vehicles and parts (-7.9%); fuels (-2.4%); footwear, allied products and other clothing accessories (-39.7%); books, newspapers, stationery and gifts (-29.9%); Chinese drugs and herbs (-26.1%); and optical shops (-32.8%).

On the other hand, the value of sales of commodities in supermarkets increased by 9.7% in 2020 compared with 2019. This was followed by sales of furniture and fixtures (+0.4% in value).

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.

Commentary

A government spokesman said that retail sales saw a widened decline in December amid the fourth wave of the local epidemic and the resultant social distancing measures. For 2020 as a whole, retail sales volume fell by 25.5%, the largest annual decline on record, reflecting the severe blow to consumption-related activities caused by the epidemic.

Looking ahead, the spokesman pointed out that the business environment of the retail trade will remain challenging in the near term amid frozen inbound tourism and the ongoing local epidemic. It would thus be pivotal for the community as a whole to spare no effort to fight the virus and keep the epidemic under control at the soonest possible in order to foster the revival of retail business in particular and the overall economy at large.

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 2020 as well as the provisional figures for December 2020. 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 2020 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 2020 as well as the provisional figures for December 2020. The provisional figures on year-on-year changes for the whole year of 2020 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 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 the C&SD (Tel: 3903 7400; Email: mrs@censtatd.gov.hk).