

Provisional statistics of retail sales for July 2021

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

The value of total retail sales in July 2021, provisionally estimated at \$27.2 billion, increased by 2.9% compared with the same month in 2020. The revised estimate of the value of total retail sales in June 2021 increased by 5.8% compared with a year earlier. For the first seven months of 2021 taken together, it was provisionally estimated that the value of total retail sales increased by 7.6% compared with the same period in 2020.

Of the total retail sales value in July 2021, online sales accounted for 7.5%. The value of online retail sales in that month, provisionally estimated at \$2.1 billion, increased by 29.0% compared with the same month in 2020. The revised estimate of online retail sales in June 2021 increased by 64.0% compared with a year earlier. For the first seven months of 2021 taken together, it was provisionally estimated that the value of online retail sales increased by 50.6% compared with the same period in 2020.

After netting out the effect of price changes over the same period, the provisional estimate of the volume of total retail sales in July 2021 increased by 0.9% compared with a year earlier. The revised estimate of the volume of total retail sales in June 2021 increased by 2.9% compared with a year earlier. For the first seven months of 2021 taken together, the provisional estimate of the total retail sales increased by 6.2% in volume compared with the same period in 2020.

Analysed by broad type of retail outlet in descending order of the provisional estimate of the value of sales and comparing July 2021 with July 2020, the value of sales of jewellery, watches and clocks, and valuable gifts increased by 27.1%. This was followed by sales of other consumer goods, not elsewhere classified (+15.8% in value); wearing apparel (+30.7%); medicines and cosmetics (+0.5%); motor vehicles and parts (+25.0%); fuels (+12.8%); furniture and fixtures (+0.6%); books, newspapers, stationery and gifts (+9.8%); footwear, allied products and other clothing accessories (+30.5%); and optical shops (+8.9%).

On the other hand, the value of sales of commodities in supermarkets decreased by 19.4% in July 2021 over a year earlier. This was followed by sales of commodities in department stores (-9.6% in value); food, alcoholic drinks and tobacco (-5.7%); electrical goods and other consumer durable goods, not elsewhere classified (-2.5%); and Chinese drugs and herbs (-2.3%).

Based on the seasonally adjusted series, the provisional estimate of the value of total retail sales increased by 4.0% in the three months ending July 2021 compared with the preceding three-month period, while the provisional estimate of the volume of total retail sales increased by 4.2%.

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. Starting from January 2020, data on online retail sales have been collected in MRS. The relevant results were first published in the January 2021 issue of the "Report on Monthly Survey of Retail Sales".

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 continued to increase in July over a year earlier as the local epidemic remained stable and labour market situations improved further, although the growth pace moderated somewhat as compared to the preceding month.

Looking ahead, the spokesman pointed out that the electronic consumption vouchers that the Government began to disburse in August have helped stimulate consumption sentiment and will render support to the retail business in the rest of the year. Yet, it is essential for the community to keep the epidemic under control and strive towards more widespread vaccination, so as to strengthen the foundation for continued recovery of the retail sector and the overall economy.

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 June 2021 as well as the provisional figures for July 2021. 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 seven months of 2021 taken together are also shown.

Table 2 presents the revised figures on value of online retail sales for

June 2021 as well as the provisional figures for July 2021. The provisional figures on year-on-year changes for the first seven months of 2021 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 June 2021 as well as the provisional figures for July 2021. The provisional figures on year-on-year changes for the first seven months of 2021 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.

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/en/EIndexbySubject.html?pcode=B1080003&scode=530). 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/en/EIndexbySubject.html?pcode=D5600089&scode=530).

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).