

Provisional statistics of retail sales for March 2021

The Census and Statistics Department (C&SD) released the latest figures on retail sales today (May 4).

The value of total retail sales in March 2021, provisionally estimated at \$27.6 billion, increased by 20.1% compared with the same month in 2020. The revised estimate of the combined value of total retail sales in January and February 2021 increased by 2.7% compared with the same period a year earlier. For the first quarter of 2021, it was provisionally estimated that the value of total retail sales increased by 7.5% compared with the same period in 2020.

Of the total retail sales value in March 2021, online sales accounted for 7.7%. The value of online retail sales in that month, provisionally estimated at \$2.1 billion, increased by 43.3% compared with the same month in 2020. The revised estimate of the combined value of online retail sales in January and February 2021 increased by 74.6% compared with the same period a year earlier. For the first quarter of 2021, it was provisionally estimated that the value of online retail sales increased by 62.6% 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 March 2021 increased by 19.8% compared with a year earlier. The revised estimate of the combined volume of total retail sales in January and February 2021 increased by 2.5% compared with the same period a year earlier. For the first quarter of 2021, the provisional estimate of the total retail sales increased by 7.2% 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 March 2021 with March 2020, the value of sales of other consumer goods, not elsewhere classified increased by 35.2%. This was followed by sales of electrical goods and other consumer durable goods, not elsewhere classified (+44.8% in value); jewellery, watches and clocks, and valuable gifts (+81.0%); wearing apparel (+77.4%); commodities in department stores (+2.2%); medicines and cosmetics (+18.0%); motor vehicles and parts (+23.1%); fuels (+18.8%); furniture and fixtures (+12.5%); footwear, allied products and other clothing accessories (+64.1%); books, newspapers, stationery and gifts (+19.2%); Chinese drugs and herbs (+27.7%); and optical shops (+29.1%).

On the other hand, the value of sales of commodities in supermarkets decreased by 16.1% in March 2021 over a year earlier. This was followed by sales of food, alcoholic drinks and tobacco (-1.8% in value).

Based on the seasonally adjusted series, the provisional estimates of the value and volume of total retail sales both decreased by 2.2% in the

first quarter of 2021 compared with the preceding quarter.

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 registered a notable year-on-year increase in March, mainly due to an exceptionally low base of comparison last year. For the first quarter as a whole, retail sales volume rose by 7.2% over a year earlier, but was still far below that in the first quarter of 2019 by 32.5%.

Looking ahead, the spokesman pointed out that while local consumption sentiment saw some improvement following the gradual relaxation of social distancing measures since mid-February, the near-term outlook for the retail trade is still challenging as inbound tourism remains in the doldrums. To attain a stronger revival of the retail trade and a broader-based economic recovery, it is essential for the community to work together to keep the epidemic under control and to actively participate in the COVID-19 Vaccination Programme.

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 February 2021 as well as the provisional figures for March 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 quarter of 2021 are also shown.

Table 2 presents the revised figures on value of online retail sales for February 2021 as well as the provisional figures for March 2021. The provisional figures on year-on-year changes for the first quarter of 2021 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 February 2021 as well as the provisional figures for March 2021. The provisional figures on year-on-year changes for the first quarter of 2021 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 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).