

Provisional statistics of retail sales for March 2022

The Census and Statistics Department (C&SD) released the latest figures on retail sales today (May 5).

The value of total retail sales in March 2022, provisionally estimated at \$23.8 billion, decreased by 13.8% compared with the same month in 2021. The revised estimate of the combined value of total retail sales in January and February 2022 decreased by 4.9% compared with the same period a year earlier. For the first quarter of 2022, it was provisionally estimated that the value of total retail sales decreased by 7.6% compared with the same period in 2021.

Of the total retail sales value in March 2022, online sales accounted for 11.7%. The value of online retail sales in that month, provisionally estimated at \$2.8 billion, increased by 30.9% compared with the same month in 2021. The revised estimate of the combined value of online retail sales in January and February 2022 increased by 39.0% compared with the same period a year earlier. For the first quarter of 2022, it was provisionally estimated that the value of online retail sales increased by 36.3% compared with the same period in 2021.

After netting out the effect of price changes over the same period, the provisional estimate of the volume of total retail sales in March 2022 decreased by 16.8% compared with a year earlier. The revised estimate of the combined volume of total retail sales in January and February 2022 decreased by 7.6% compared with the same period a year earlier. For the first quarter of 2022, the provisional estimate of the total retail sales decreased by 10.4% in volume compared with the same period in 2021.

Analysed by broad type of retail outlet in descending order of the provisional estimate of the value of sales and comparing March 2022 with March 2021, the value of sales of other consumer goods, not elsewhere classified decreased by 1.9%. This was followed by sales of electrical goods and other consumer durable goods, not elsewhere classified (-4.5% in value); food, alcoholic drinks and tobacco (-3.3%); commodities in department stores (-16.9%); jewellery, watches and clocks, and valuable gifts (-36.8%); medicines and cosmetics (-7.0%); wearing apparel (-39.4%); motor vehicles and parts (-15.0%); fuels (-15.7%); furniture and fixtures (-23.7%); Chinese drugs and herbs (-9.2%); books, newspapers, stationery and gifts (-17.7%); footwear, allied products and other clothing accessories (-55.4%); and optical shops (-42.8%).

On the other hand, the value of sales of commodities in supermarkets increased by 2.6% in March 2022 over a year earlier.

Based on the seasonally adjusted series, the provisional estimate of the value of total retail sales decreased by 14.9% in the first quarter of 2022

compared with the preceding quarter, while the provisional estimate of the volume of total retail sales decreased by 16.3%.

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 the value of retail sales fell sharply further in March from a year earlier, as the fifth wave of local epidemic and the resultant social distancing measures continued to constrain people flow and dampen consumption sentiment.

Looking ahead, the spokesman pointed out that the improved local epidemic situation of late and thus the progressive relaxation of social distancing measures, along with the disbursement of the first batch of electronic consumption vouchers in early April, will render support to the retail sector. It is thus vital for the community to continue to work in unison with the Government to further stabilise the local epidemic 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 February 2022 as well as the provisional figures for March 2022. 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 2022 are also shown.

Table 2 presents the revised figures on value of online retail sales for February 2022 as well as the provisional figures for March 2022. The provisional figures on year-on-year changes for the first quarter of 2022 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 2022 as well as the provisional figures for March 2022. The provisional figures on year-on-year changes for the first quarter of 2022 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).