

Provisional Statistics of Retail Sales for March 2024

The Census and Statistics Department (C&SD) released the latest figures on retail sales today (May 3).

The value of total retail sales in March 2024, provisionally estimated at \$31.2 billion, decreased by 7.0% compared with the same month in 2023. The revised estimate of the combined value of total retail sales in January and February 2024 increased by 1.4% compared with the same period a year earlier. For the first quarter of 2024, it was provisionally estimated that the value of total retail sales decreased by 1.3% compared with the same period in 2023.

Of the total retail sales value in March 2024, online sales accounted for 7.8%. The value of online retail sales in that month, provisionally estimated at \$2.4 billion, decreased by 4.7% compared with the same month in 2023. The revised estimate of the combined value of online retail sales in January and February 2024 decreased by 13.4% compared with the same period a year earlier. For the first quarter of 2024, it was provisionally estimated that the value of online retail sales decreased by 10.7% compared with the same period in 2023.

After netting out the effect of price changes over the same period, the provisional estimate of the volume of total retail sales in March 2024 decreased by 8.6% compared with a year earlier. The revised estimate of the combined volume of total retail sales in January and February 2024 decreased by 0.4% compared with the same period a year earlier. For the first quarter of 2024, the provisional estimate of the total retail sales decreased by 3.1% in volume compared with the same period in 2023.

Analysed by broad type of retail outlet in descending order of the provisional estimate of the value of sales and comparing March 2024 with March 2023, the value of sales of jewellery, watches and clocks, and valuable gifts decreased by 17.7%. This was followed by sales of commodities in supermarkets (-3.4% in value); wearing apparel (-17.5%); food, alcoholic drinks and tobacco (-11.3%); commodities in department stores (-14.1%); electrical goods and other consumer durable goods not elsewhere classified (-15.5%); fuels (-14.5%); furniture and fixtures (-3.3%); footwear, allied products and other clothing accessories (-10.7%); Chinese drugs and herbs (-5.8%); and optical shops (-10.1%).

On the other hand, the value of sales of other consumer goods not elsewhere classified increased by 8.7% in March 2024 over a year earlier. This was followed by sales of medicines and cosmetics (+8.9% in value); motor vehicles and parts (+7.6%); and books, newspapers, stationery and gifts (+6.8%).

Based on the seasonally adjusted series, the provisional estimate of the value of total retail sales increased by 0.3% in the first quarter of 2024 compared with the preceding quarter, while the provisional estimate of the volume of total retail sales increased by 0.7%.

Commentary

A government spokesman said that the value of total retail sales turned to a fall in March, partly due to a high base of comparison for visitor spending and the Easter holidays. For the first quarter as a whole, total retail sales value saw a mild decrease of 1.3% from a year earlier. On a seasonally adjusted quarter-to-quarter basis, the value of total retail sales increased by 0.3%.

Looking ahead, the spokesman added that further revival of inbound tourism and rising household income should remain supportive to the retail sector. The Government's efforts to promote a mega event economy and boost sentiment should also help. Yet, the changing consumption patterns of visitors and residents may continue to pose challenges. The Government will continue to 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 February 2024 as well as the provisional figures for March 2024. 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 2024 are also shown.

Table 2 presents the revised figures on value of online retail sales for February 2024 as well as the provisional figures for March 2024. The provisional figures on year-on-year changes for the first quarter of 2024 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 2024 as well as the provisional figures for March 2024. The provisional figures on year-on-year changes for the first quarter of 2024 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.

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.

More detailed statistics are given in the "Report on Monthly Survey of Retail Sales". Users can browse and download this publication at the website of the C&SD (www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1080003&scode=530).

Users who have enquiries about the survey results may contact the Distribution Services Statistics Section of C&SD (Tel. : 3903 7400; E-mail : mrs@censtatd.gov.hk).