

Quarterly business receipts indices for service industries for fourth quarter of 2020 and whole year of 2020

Business receipts in value terms of many major service industries showed decreases of different magnitudes in the fourth quarter of 2020 when compared with the fourth quarter of 2019, according to the provisional figures of business receipts indices released today (March 9) by the Census and Statistics Department (C&SD).

Comparing the fourth quarter of 2020 with the fourth quarter of 2019, larger decreases were recorded in business receipts of the accommodation services (-33.3%), administrative and support services (-26.0%), food services (-25.1%), banking (-12.2%), retail (-9.0%) and transportation (-6.5%) industries.

On the other hand, double-digit increases were recorded in business receipts of the courier (+36.2%), real estate (+27.4%), warehousing and storage (+27.0%), financing (except banking) (+17.6%) and insurance (+10.1%) industries during the same period.

Analysed by service domain, business receipts of the tourism, convention and exhibition services domain decreased by 85.7% year-on-year during the same period, whereas those of the computer and information technology services domain increased by 1.7% year-on-year.

On a seasonally adjusted quarter-to-quarter comparison, business receipts in value terms of most major service industries recorded increases of different magnitudes in the fourth quarter of 2020 when compared with the third quarter of 2020. In particular, double-digit increases were recorded in business receipts of the transportation (+17.4%), real estate (+16.9%) and food services (+13.3%) industries. On the other hand, the banking industry registered a decrease of 6.8% in business receipts during the same period.

Comparing the fourth quarter of 2020 with the third quarter of 2020 and on a seasonally adjusted basis, business receipts of the tourism, convention and exhibition services domain increased by 10.2%, while those of the computer and information technology services domain also increased by 3.0%.

For 2020 as a whole, many major service industries recorded year-on-year decreases in business receipts. Double-digit decreases were recorded in business receipts of the accommodation services (-59.2%), food services (-29.4%), administrative and support services (-25.4%), retail (-24.3%) and transportation (-19.6%) industries. On the other hand, double-digit increases were recorded in business receipts of the courier (+28.4%), financing (except banking) (+12.2%) and warehousing and storage (+11.5%) industries.

Analysed by service domain, business receipts of the tourism, convention and exhibition services domain decreased by 87.1%, while those of the computer and information technology services domain also decreased by 3.4% during the same period.

Commentary

A Government spokesman said that the service industries showed a mixed performance in the fourth quarter of 2020, with some industries improving further while others still facing notable pressures amid the threat of the epidemic.

Specifically, on a year-on-year comparison, business receipts of import/export trade turned to an increase, while those of warehousing and storage, courier, financing (except banking), insurance, and real estate continued to record notable growth. However, business receipts of other service industries continued to decline by varying degrees, and the declines for industries related to consumption and tourism remained visible.

The spokesman further pointed out that the business environment, particularly for the consumer-facing service industries, is likely to remain challenging in the near term as the epidemic is yet to be fully contained and inbound tourism remains frozen. With the launch of the COVID-19 Vaccination Programme, the threat of the epidemic would be mitigated, providing the necessary conditions for a more solid and broad-based revival of economic activities in the second half of 2021. The Government will continue to monitor the developments closely.

Further information

Table 1 presents the business receipts indices and their corresponding year-on-year rates of change in respect of selected service industries and service domains for the recent five quarters and the whole year of 2020, while Table 2 shows the corresponding quarter-to-quarter rates of change in the business receipts indices for the recent five quarters based on the seasonally adjusted series.

The revised figures of business receipts indices for the fourth quarter and the whole year of 2020 will be released at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp70.jsp?subjectID=7&tableID=093&ID=0&productType=8) and relevant publications of the C&SD starting from April 20, 2021.

Data for compiling the business receipts indices are mainly based on the Quarterly Survey of Service Industries conducted by the C&SD, supplemented by relevant data provided by the Hong Kong Monetary Authority and the Hong Kong Tourism Board.

A service domain differs from a service industry in that it comprises those economic activities which straddle different industries but are somehow related to a common theme. It may include all activities carried out by all establishments in a service industry that is closely related to the domain.

For a service industry that is less closely related, however, only a portion of the establishments in the industry or even only part of the economic activities of the establishments is related to the domain. Taking the tourism, convention and exhibition services domain as an example, it includes all services of hotels and travel agents, and some (those involving visitors as customers) but not all of the services of restaurants, retailers and transport operators.

The classification of service industries 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 "Quarterly Business Receipts Indices for Service Industries, Fourth Quarter 2020". Users can download this publication at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp70.jsp?productCode=B1080006).

Members of the public who have enquiries about the business receipts indices may contact the Business Services Statistics Section of the C&SD (Tel: 3903 7267 or email: business-receipts@censtatd.gov.hk).