Fraudulent social media account and phishing instant messages related to Royal Bank of Canada

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) wishes to alert members of the public to a press release issued by Royal Bank of Canada relating to a fraudulent social media account and phishing instant messages, which have been reported to the HKMA. A hyperlink to the press release is available on the HKMA website.

The HKMA wishes to remind the public that banks will not send SMS or emails with embedded hyperlinks which direct them to the banks' websites to carry out transactions. They will not ask customers for sensitive personal information, such as login passwords or one-time password, by phone, email or SMS (including via embedded hyperlinks).

Anyone who has provided his or her personal information, or who has conducted any financial transactions, through or in response to the social media account or instant messages concerned, should contact the bank using the contact information provided in the press release, and report the matter to the Police by contacting the Crime Wing Information Centre of the Hong Kong Police Force at 2860 5012.

<u>Provisional statistics of retail sales</u> <u>for May 2024</u>

The Census and Statistics Department (C&SD) released the latest figures on retail sales today (July 2).

The value of total retail sales in May 2024, provisionally estimated at \$30.5 billion, decreased by 11.5% compared with the same month in 2023. The revised estimate of the value of total retail sales in April 2024 decreased by 14.7% compared with a year earlier. For the first 5 months of 2024 taken together, it was provisionally estimated that the value of total retail sales decreased by 6.1% compared with the same period in 2023.

Of the total retail sales value in May 2024, online sales accounted for 8.7%. The value of online retail sales in that month, provisionally estimated at \$2.6 billion, increased by 21.9% compared with the same month in 2023. The revised estimate of online retail sales in April 2024 increased by 11.5%

compared with a year earlier. For the first 5 months of 2024 taken together, it was provisionally estimated that the value of online retail sales decreased by 1.0% 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 May 2024 decreased by 12.9% compared with a year earlier. The revised estimate of the volume of total retail sales in April 2024 decreased by 16.5% compared with a year earlier. For the first 5 months of 2024 taken together, the provisional estimate of the total retail sales decreased by 7.7% 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 May 2024 with May 2023, the value of sales of commodities in supermarkets decreased by 3.4%. This was followed by sales of other consumer goods not elsewhere classified (-8.9% in value); jewellery, watches and clocks, and valuable gifts (-21.4%); wearing apparel (-18.8%); food, alcoholic drinks and tobacco (-4.1%); commodities in department stores (-21.1%); motor vehicles and parts (-29.8%); fuels (-11.6%); footwear, allied products and other clothing accessories (-11.7%); furniture and fixtures (-15.9%); Chinese drugs and herbs (-15.1%); and optical shops (-18.4%).

On the other hand, the value of sales of medicines and cosmetics increased by 2.5% in May 2024 over a year earlier. This was followed by sales of electrical goods and other consumer durable goods not elsewhere classified (+2.2% in value); and books, newspapers, stationery and gifts (+6.9%).

Based on the seasonally adjusted series, the provisional estimate of the value of total retail sales decreased by 3.7% in the three months ending May 2024 compared with the preceding three-month period, while the provisional estimate of the volume of total retail sales decreased by 4.6%.

Commentary

A government spokesman said that the value of total retail sales continued to decline notably in May from a year earlier, mainly affected by changes in the consumption patterns of visitors and residents, as well as the strength of the Hong Kong dollar. A relatively high base for comparison in the same period last year was also relevant.

Looking ahead, the spokesman added that the retail sector may still face some challenges in the near term. However, the Central Government's recently announced measures benefitting Hong Kong, including the further enhanced Individual Visit Scheme and the increase of duty-free allowance for luggage articles for Mainland resident visitors, should help stimulate retail businesses. The SAR Government's strenuous efforts to promote a mega event economy and boost market sentiment should also provide support. Rising employment earnings and the recent stabilisation of the asset markets also bode well for the sector.

The spokesman added that the value of online retail sales increased by

over 20% year-on-year in May, and its share in total retail sales value has continued to increase in recent months. This reflects that the retail sector can seize new opportunities by adapting to changing consumption patterns through changing sales mode and venturing into new businesses. The SAR Government will continue to support small and medium-sized enterprises in embracing digital transformation, including assisting the retail sector in adopting ready-to-use digital technology solutions through the Digital Transformation Support Pilot Programme.

The spokesman also added that the current overall economic situation of Hong Kong is positive. Overall investment expenditure continued to expand in the first quarter, and the values of merchandise exports posted further double-digit growth in April and May over a year earlier. The SAR Government has made good progress in actively attracting enterprises, capital and talent from around the world to Hong Kong. It will also continue to strengthen traditional sectors and accelerate the development of emerging sectors with potential. This will make Hong Kong's industrial development more enriched and diverse, adding new growth impetus and enhancing the overall competitiveness of the 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 April 2024 as well as the provisional figures for May 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 5 months of 2024 taken together are also shown.

Table 2 presents the revised figures on value of online retail sales for April 2024 as well as the provisional figures for May 2024. The provisional figures on year-on-year changes for the first 5 months of 2024 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 April 2024 as well as the provisional figures for May 2024. The provisional figures on year-on-year changes for the first 5 months of 2024 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.

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 the 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 the C&SD (Tel: 3903 7400; E-mail: mrs@censtatd.gov.hk).

Inspection of aquatic products imported from Japan

In response to the Japanese Government's plan to discharge nuclear-contaminated water at the Fukushima Nuclear Power Station, the Director of Food and Environmental Hygiene issued a Food Safety Order which prohibits all aquatic products, sea salt and seaweeds originating from the 10 metropolis/prefectures, namely Tokyo, Fukushima, Ibaraki, Miyagi, Chiba, Gunma, Tochigi, Niigata, Nagano and Saitama, from being imported into and supplied in Hong Kong.

For other Japanese aquatic products, sea salt and seaweeds that are not prohibited from being imported into Hong Kong, the Centre for Food Safety (CFS) of the Food and Environmental Hygiene Department will conduct

comprehensive radiological tests to verify that the radiation levels of these products do not exceed the guideline levels before they are allowed to be supplied in the market.

As the discharge of nuclear-contaminated water is unprecedented and will continue for 30 years or more, the Government will closely monitor and step up the testing arrangements. Should anomalies be detected, the Government does not preclude further tightening the scope of the import ban.

From noon on June 28 to noon today (July 2), the CFS conducted tests on the radiological levels of 462 food samples imported from Japan, which were of the "aquatic and related products, seaweeds and sea salt" category, in the past four days (including last Saturday and Sunday). No sample was found to have exceeded the safety limit. Details can be found on the CFS's thematic website titled "Control Measures on Foods Imported from Japan" (www.cfs.gov.hk/english/programme/programme_rafs/programme_rafs_fc_01_30_Nuclear_Event_and_Food_Safety.html).

In parallel, the Agriculture, Fisheries and Conservation Department (AFCD) has also tested 200 samples of local catch for radiological levels. All the samples passed the tests. Details can be found on the AFCD's website (www.afcd.gov.hk/english/fisheries/Radiological_testing/Radiological_Test.htm 1).

The Hong Kong Observatory (HKO) has also enhanced the environmental monitoring of the local waters. No anomaly has been detected so far. For details, please refer to the HKO's website (www.hko.gov.hk/en/radiation/monitoring/seawater.html).

From August 24 to noon today, the CFS and the AFCD have conducted tests on the radiological levels of 63 727 samples of food imported from Japan (including 41 341 samples of aquatic and related products, seaweeds and sea salt) and 15 542 samples of local catch respectively. All the samples passed the tests.

Judicial appointments

The following is issued on behalf of the Judiciary:

The Judiciary today (July 2) announced the appointment of His Honour Judge Herbert Au-Yeung Ho-wing and Her Honour Judge Winnie Tsui Wan-wah as Judges of the Court of First Instance of the High Court. The appointments will take effect from July 3, 2024.

The appointments are made by the Chief Executive on the recommendation of the Judicial Officers Recommendation Commission.

The biographical notes of the two appointees are as follows:

His Honour Judge Herbert Au-Yeung Ho-wing

His Honour Judge Herbert Au-Yeung was born in Hong Kong in 1973. He obtained an LL.B. and a P.C.LL. from the University of Hong Kong in 1996 and 1997 respectively. He was called to the Bar in Hong Kong in 1997. He was in private practice from 1998 to 2012. He was appointed as District Judge in 2012.

Her Honour Judge Winnie Tsui Wan-wah

Her Honour Judge Winnie Tsui was born in Hong Kong in 1973. She obtained a Bachelor of Arts Degree in Jurisprudence from the University of Oxford, the United Kingdom, in 1995 and a Postgraduate Diploma in Legal Practice from the College of Law, the United Kingdom, in 1996. She was admitted as Solicitor in England and Wales and in Hong Kong in 1998 and 1999 respectively. She was called to the Hong Kong Bar in 2005. She was in private practice and employed as in-house counsel between 1999 and 2014. She was appointed as District Judge in 2017.

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Tuesday, July 2, 2024 is 106.9 (up 0.1 against last Saturday's index).

The effective exchange rate index for the Hong Kong dollar on Saturday, June 29, 2024 was 106.8 (down 0.1 against last Friday's index).