

Results of monthly survey on business situation of small and medium-sized enterprises for October 2023

The Census and Statistics Department (C&SD) released today (November 9) the results of the Monthly Survey on Business Situation of Small and Medium-sized Enterprises (SMEs) for October 2023.

The current diffusion index (DI) on business receipts amongst SMEs decreased from 45.5 in September 2023 in the contractionary zone to 44.8 in October 2023, whereas the one-month's ahead (i.e. November 2023) outlook DI on business receipts was 48.3. Analysed by sector, the current DIs on business receipts for some surveyed sectors dropped in October 2023 as compared with previous month, particularly for the import and export trades (from 48.0 to 45.0) and wholesale trade (from 44.9 to 42.7).

The current DI on new orders for the import and export trades decreased from 48.0 in September 2023 to 45.6 in October 2023, whereas the outlook DI on new orders in one month's time (i.e. November 2023) was 46.9.

Commentary

A Government spokesman said that overall business sentiment among SMEs eased slightly in October. Expectations on the business situation in one month's time also softened. Nonetheless, the overall employment situation saw some improvement.

Looking forward, the spokesman said that while business sentiment will continue to be dampened by the challenging external environment and tight financial conditions, the continued revival of consumption- and tourism-related activities and the Government's various support measures should provide some support. The Government will monitor the situation closely.

Further information

The Monthly Survey on Business Situation of Small and Medium-sized Enterprises aims to provide a quick reference, with minimum time lag, for assessing the short-term business situation faced by SMEs. SMEs covered in this survey refer to establishments with fewer than 50 persons engaged. Respondents were asked to exclude seasonal fluctuations in reporting their views. Based on the views collected from the survey, a set of diffusion indices (including current and outlook diffusion indices) is compiled. A reading above 50 indicates that the business condition is generally favourable, whereas that below 50 indicates otherwise. As for statistics on the business prospects of prominent establishments in Hong Kong, users may refer to the publication entitled "Report on Quarterly Business Tendency Survey" released by the C&SD.

The results of the survey should be interpreted with care. The survey solicits feedback from a panel sample of about 600 SMEs each month and the survey findings are thus subject to sample size constraint. Views collected from the survey refer only to those of respondents on their own establishments rather than those on the respective sectors they are engaged in. Besides, in this type of opinion survey on expected business situation, the views collected in the survey are affected by the events in the community occurring around the time of enumeration, and it is difficult to establish precisely the extent to which respondents' perception of the business situation accords with the underlying trends. For this survey, main bulk of the data were collected around the last week of the reference month.

More detailed statistics are given in the "Report on Monthly Survey on the Business Situation of Small and Medium-sized Enterprises". Users can browse and download the publication at the website of the C&SD (www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1080015&scode=300).

Users who have enquiries about the survey results may contact Industrial Production Statistics Section of the C&SD (Tel: 3903 7246; email: sme-survey@censtatd.gov.hk).

[Volume and price statistics of external merchandise trade in September 2023](#)

Further to the external merchandise trade statistics in value terms for September 2023 released earlier on, the Census and Statistics Department (C&SD) released today (November 9) the volume and price statistics of external merchandise trade for that month.

In September 2023, the volume of Hong Kong's total exports of goods and imports of goods decreased by 9.2% and 4.0% respectively over September 2022.

Comparing the first nine months of 2023 with the same period in 2022, the volume of Hong Kong's total exports of goods and imports of goods decreased by 15.6% and 12.9% respectively.

Comparing the third quarter of 2023 with the preceding quarter on a seasonally adjusted basis, the volume of total exports of goods and imports of goods increased by 1.6% and 1.4% respectively.

Changes in volume of external merchandise trade are derived from changes in external merchandise trade value with the effect of price changes discounted.

Comparing September 2023 with September 2022, the prices of total exports of goods and imports of goods increased by 4.3% and 3.5% respectively.

As regards price changes in the first nine months of 2023 over the same period in 2022, the prices of total exports of goods and imports of goods increased by 4.2% and 3.8% respectively.

Price changes in external merchandise trade are reflected by changes in unit value indices of external merchandise trade, which are compiled based on average unit values or, for certain commodities, specific price data.

The terms of trade index is derived from the ratio of price index of total exports of goods to that of imports of goods. Compared with the same periods in 2022, the index increased by 0.8% in September 2023 and 0.4% in the first nine months of 2023.

Changes in the unit value and volume of total exports of goods by main destination are shown in Table 1.

Comparing September 2023 with September 2022, declines were recorded for the total export volume to the mainland of China (the Mainland) (-14.1%) and India (-6.1%). On the other hand, the total export volume to the USA (2.0%), Vietnam (2.3%) and Taiwan (12.0%) increased.

Over the same period of comparison, the total export prices to all main destinations increased: India (10.0%), Vietnam (5.0%), the Mainland (4.9%), Taiwan (4.0%) and the USA (2.6%).

Changes in the unit value and volume of imports of goods by main supplier are shown in Table 2.

Comparing September 2023 with September 2022, declines were recorded for the import volume from all main suppliers: Korea (-29.7%), Singapore (-6.8%), Japan (-5.0%), the Mainland (-3.0%) and Taiwan (-0.1%).

Over the same period of comparison, the import prices from all main suppliers increased: Taiwan (5.7%), Singapore (5.1%), the Mainland (4.3%), Japan (3.1%) and Korea (1.1%).

Further information

Details of the above statistics are published in the September 2023 issue of "Hong Kong Merchandise Trade Index Numbers". Users can browse and download the report at the website of the C&SD (www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1020006&scode=230).

Enquiries on merchandise trade indices may be directed to the Trade Analysis Section of the C&SD (Tel: 2582 4918).

Communications Authority press release

The following is issued on behalf of the Communications Authority:

This press release summarises the decisions of the Communications Authority (CA) following its 129th meeting held in November 2023.

Joint request by China Mobile Hong Kong Company Limited (CMHK), Genius Brand Limited (GBL), Hong Kong Telecommunications (HKT) Limited (HKT) and Hutchison Telephone Company Limited (HTCL) to swap and transfer part of their assigned frequency spectrum in the 2.5/2.6 GHz band

The CA approved the joint request from CMHK, GBL, HKT and HTCL (collectively referred to as the Parties) to:

(a) swap the following 2 x 5 MHz of spectrum each in the 2.5/2.6 GHz between GBL and CMHK from March 31, 2024, until the expiry of their existing assignments on May 31, 2028 (Proposed Swap):

(i) 2515 – 2520 MHz paired with 2635 – 2640 MHz currently assigned to GBL; and

(ii) 2530 – 2535 MHz paired with 2650 – 2655 MHz currently assigned to CMHK.

(b) transfer equal amounts of 2 x 5 MHz of spectrum in the 2.5/2.6 GHz band from each of HTCL and HKT to GBL (Proposed Transfer) whereby:

(i) 2540 – 2545 MHz paired with 2660 – 2665 MHz will be transferred from HTCL to GBL for 15 years from March 31, 2024, until the expiry of its next assignment on March 30, 2039;

(ii) 2535 – 2540 MHz paired with 2655 – 2660 MHz will be transferred from HKT to GBL for four years from March 31, 2024, to March 30, 2028; and

(iii) 2545 – 2550 MHz paired with 2665 – 2670 MHz will be transferred from HKT to GBL for 11 years from March 31, 2028, until the expiry of its next assignment on March 30, 2039.

The Parties submitted the joint request for the Proposed Swap and Proposed Transfer to the CA in order to remove the fragmentation in the 2.5/2.6 GHz band after the reassignment of 2 x 45 MHz of spectrum on March 31, 2024, with a view to achieving the technical benefits including increased spectral efficiency and therefore also improved service quality.

Having considered the detailed assessment of the Office of the Communications Authority (OFCA), the CA is of the view that the Proposed Swap and Proposed Transfer will result in more efficient use of the radio spectrum which is a scarce public resource and consumers will also benefit from improved service quality. The CA therefore decided to grant its approval subject to a number of conditions imposed. For details, please refer to the [CA's Statement](#) which is published on the CA's website today (November 9).

Financial penalty imposed on Hong Kong Broadband Network Limited (HKBN) for its billing errors

Between January and April 2023, there were three incidents of billing error involving HKBN's fixed and mobile telecommunications service users. The three incidents affected over 10 000 customers while the erroneous charges involved amounted to a total of about \$990,000. The OFCA conducted an investigation into the three incidents. Having considered the OFCA's assessment and HKBN's representations, the CA concluded that HKBN had breached Special Condition (SC) 9.1 of its Unified Carrier Licence (Licence No. 045) and SC 5.1 of its Services-based Operator Licence (Licence No. 094), both of which require that the licensee shall take all reasonable steps to ensure that the billing system used in connection with the service is accurate and reliable. The CA decided to impose a financial penalty of \$80,000 on HKBN. For details, please refer to the [CA's Decision](#) published on the CA's website.

Application for "other licensable television programme service" licence

The CA approved the application by Rediffusion Technology Services Limited for an "other licensable television programme service" licence for the provision of television programme services to hotel rooms in Hong Kong. The period of validity of the licence is 12 years, from November 14, 2023, to November 13, 2035 (both dates inclusive).

Following the issue of the above licence, there are 21 "other licensable television programme service" licensees providing television programme services to about 60 hotels in Hong Kong.

Broadcast complaint

The CA considered a complaint case about the radio programme "Brunch with Noreen" broadcast on April 21, 2023, on Radio 3 Channel of Radio Television Hong Kong (RTHK). The CA decided that RTHK should be advised to observe more closely the relevant provision of the Radio Code of Practice on Programme Standards. Details of the case are in [Appendix](#).

[Secretary for Health meets Zhongshan Municipal People's Government delegation \(with photos\)](#)

The Secretary for Health, Professor Lo Chung-mau, met with a delegation

of the Zhongshan Municipal People's Government led by Vice Mayor Mr Ye Hongguang today (November 9) to exchange views on healthcare policies in Hong Kong, including primary healthcare and elderly healthcare services.

At the meeting, Professor Lo introduced to the delegation the current situation and the vision of primary healthcare in Hong Kong, as well as the enhanced measures on healthcare services taken to cope with the challenges brought about by an ageing population and the prevalence of chronic diseases.

Professor Lo said, "Zhongshan is a popular location for Hong Kong elderly persons to retire. By stepping up the communication with Mainland cities, it will help us in providing better support to the healthcare needs of those elderly who reside in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA).

"The Chief Executive stated in his 2023 Policy Address the strengthening of medical collaboration with the Mainland for making contributions to the national strategy of 'Healthy China'. With the construction and development of the GBA, the connectivity of Hong Kong and other cities in the GBA has been greatly enhanced with a growing cross-boundary people flow and deepening co-operation to press ahead the high-quality development of the GBA. In regard to medical collaboration, there is also ample room for further co-operation between the Mainland and Hong Kong for improving the healthcare services offered to people of both places. Under the principles of complementarity and mutual benefits, as well as on the premise of benefiting healthcare development on the Mainland and in Hong Kong, the Hong Kong Special Administrative Region Government will continue to propel medical innovation and collaboration between the two places, in particular with Mainland cities in the GBA, with a view to enhancing the quality of healthcare services of the two places."

Deputy Secretary for Health Mr Eddie Lee; the Commissioner for Primary Healthcare of the Health Bureau, Dr Pang Fei-chau; and the Acting Assistant Director of Health (Elderly Health), Dr Yonnie Lam, also attended the meeting today.



Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Thursday, November 9, 2023 is 106.1 (up 0.1 against yesterday's index).