

Provisional statistics of retail sales for September 2018

The Census and Statistics Department (C&SD) released the latest figures on retail sales today (November 1).

The value of total retail sales in September 2018, provisionally estimated at \$36.6 billion, increased by 2.4% over the same month in 2017. The revised estimate of the value of total retail sales in August 2018 increased by 9.4% over a year earlier. For the first nine months of 2018, it was provisionally estimated that the value of total retail sales increased by 11.1% over the same period in 2017.

After netting out the effect of price changes over the same period, the provisional estimate of the volume of total retail sales in September 2018 increased by 1.4% over a year earlier. The revised estimate of the volume of total retail sales in August 2018 increased by 7.9% over a year earlier. For the first nine months of 2018, the provisional estimate of the total retail sales increased by 9.6% in volume over the same period in 2017.

Analysed by broad type of retail outlet in descending order of the provisional estimate of the value of sales and comparing September 2018 with September 2017, the value of sales of jewellery, watches and clocks, and valuable gifts increased by 2.2%. This was followed by sales of commodities in supermarkets (+3.6% in value); food, alcoholic drinks and tobacco (+3.2%); commodities in department stores (+2.0%); electrical goods and other consumer durable goods, not elsewhere classified (+4.9%); medicines and cosmetics (+4.9%); other consumer goods, not elsewhere classified (+8.7%); fuels (+6.7%); furniture and fixtures (+1.4%); books, newspapers, stationery and gifts (+8.2%); footwear, allied products and other clothing accessories (+3.4%); and Chinese drugs and herbs (+3.4%).

On the other hand, the value of sales of wearing apparel decreased by 3.8% in September 2018 compared with a year earlier. This was followed by sales of motor vehicles and parts (-12.4% in value); and optical shops (-6.7%).

Based on the seasonally adjusted series, the provisional estimate of the value of total retail sales decreased by 2.9% in the third quarter of 2018 compared with the preceding quarter, while the provisional estimate of the volume of total retail sales decreased by 3.0%.

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. They 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 indicated that retail sales grew at a decelerated pace in September, partly due to the temporary drag on inbound tourism by typhoon Mangkhut. Local consumer spending may also have been dampened by worries about the US-Mainland trade conflicts and stock market corrections.

The spokesman commented further that, looking forward, favourable labour market conditions and buoyant inbound tourism should continue to support the retail sector in the near term. Yet, external uncertainties and weaker asset markets may increasingly affect consumer sentiment. The Government will closely 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 August 2018 as well as the provisional figures for September 2018. 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 nine months of 2018 taken together are also shown.

Table 2 presents the revised figures on volume index of retail sales for all retail outlets and by broad type of retail outlet for August 2018 as well as the provisional figures for September 2018. The provisional figures on year-on-year changes for the first nine months of 2018 taken together are also shown.

Table 3 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 free of charge at the website of the C&SD

(www.censtatd.gov.hk/hkstat/sub/sp320.jsp?productCode=B1080003).

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/hkstat/sub/sp320.jsp?productCode=D5600089).

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).

Test results of seasonal food surveillance project on hairy crabs all satisfactory

The Centre for Food Safety (CFS) of the Food and Environmental Hygiene Department (FEHD) today (November 1) announced the test results of the seasonal food surveillance project on hairy crabs. All samples passed the tests.

The tests included veterinary drug residues (such as nitrofurans and malachite green), metallic contaminants (such as cadmium and mercury), synthetic hormones, colouring matters (such as Sudan dyes) and pesticide residues, as well as dioxins and dioxin-like polychlorinated biphenyls (PCBs).

A spokesman for the CFS said, "The CFS collected 33 hairy crab samples originating from Japan and the Mainland at the import and retail levels for chemical tests and the test results were all satisfactory. The CFS advises people to observe the 'Five Keys to Food Safety' in purchasing, storing, preparing and cooking hairy crabs to prevent food-borne illnesses and enjoy the seasonal food safely."

The "Five Keys to Food Safety" for consumers are:

Choose wisely

- * Buy hairy crabs from reliable and hygienic shops with relevant permits; and
- * Buy crabs with intact, shiny shells and without a foul smell.

Keep clean

- * Brush and wash the crab shells and claws before cooking; and
- * Wash hands thoroughly with running water and soap before consumption.

Separate raw and cooked food

* Put the raw crabs in a container with a cover and store them separately from other foods in the refrigerator to avoid cross-contamination.

Cook thoroughly

* Avoid eating raw crabs. Cook thoroughly and remove internal organs completely before consumption. Condiments such as salt, vinegar, wine and wasabi cannot kill bacteria or parasites that may be present.

Safe temperature

* Cooked crabs should be consumed as soon as possible. Leftovers should be cooled promptly and stored in the refrigerator within two hours.

Traders should have obtained relevant permits or written permission granted by the FEHD for selling hairy crabs, and the hairy crabs being sold must be accompanied with health certificates issued by the relevant authorities of the exporting economies. They should source hairy crabs from reliable suppliers and comply with the relevant regulatory requirements. Moreover, hairy crabs for sale must be kept in a refrigerator.

SFST to attend 2018 HK Fintech Week Shenzhen Day

The Secretary for Financial Services and the Treasury, Mr James Lau, will depart for Shenzhen tomorrow (November 2) to take part in 2018 Hong Kong Fintech Week Shenzhen Day, an unprecedented cross-boundary Fintech event.

Mr Lau will take a high-speed train to Futian, Shenzhen, to attend the gala luncheon co-organised by Invest Hong Kong and the Office of Financial Development Service of the Shenzhen Municipal Government. He will speak about future development and collaboration on Fintech in the Guangdong-Hong Kong-Macao Greater Bay Area, and join participants for a visit to the headquarters of Tencent.

Mr Lau will return to Hong Kong in the evening on the same day. During his absence, the Under Secretary for Financial Services and the Treasury, Mr Joseph Chan, will be the Secretary for Financial Services and the Treasury.

Speech by CE at “Hong Kong Week 2018 – Greater Bay Area Showcase” in Tokyo (English only)

Following is the speech by the Chief Executive, Mrs Carrie Lam, at "Hong Kong Week 2018 – Greater Bay Area Showcase" in Tokyo today (November 1):

Ms Zeng (Director of the Tourism Administration of Guangdong Province, Ms Zeng Yingru), Helena (Director of the Macao Government Tourism Office, Ms Marie Helena de Senna Fernandes), Kikuma-san (Vice Chairman of the Japan Association of Travel Agents, Mr Jungo Kikuma), Peter (Chairman of the Hong Kong Tourism Board, Dr Peter Lam), distinguished guests, ladies and gentlemen,

Good afternoon. It is with great pleasure that I join you here in Tokyo, at this important event organised by the Hong Kong Tourism Board.

For decades, Hong Kong and Japan have been enjoying a close relationship in various areas, and tourism is certainly no exception.

With visa-free arrangement and frequent flight connections between Hong Kong and 13 cities in Japan, Hong Kong and Japan are each other's fourth largest source market of tourists.

I am confident that the number of visitors will continue to grow, for 2019 has been designated as Hong Kong-Japan Tourism Year with a series of promotion activities to be launched.

There are now new reasons to visit Hong Kong, or stay a bit longer in Hong Kong. With the opening of the 26-kilometre Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong high speed train in September and the Hong Kong-Zhuhai-Macao Bridge last week, you will find making short day trips to the neighbouring cities so much more convenient.

With travelling time significantly shortened, visitors will be able to sample the charm of Macao's heritage and her world-class resorts and entertainment facilities, as well as the cultural and entertainment attractions, scenic historical spots, and tasty Cantonese cuisine offered by the Greater Bay Area Mainland cities.

For those who love art and culture, the West Kowloon Cultural District, one of the world's largest cultural quarters in the making, is something not to be missed. By end of this year, the Xiqu Centre, the Cultural District's dedicated Chinese opera house, will open. This will be followed by two world-class museums, namely the M+ museum for contemporary arts and the Hong Kong Palace Museum, which will feature the artefacts of Chinese art and culture from the imperial collection of the Beijing Palace Museum.

For today's Greater Bay Area Showcase, I would like to thank our friends from the Guangdong Provincial Tourism Administration and the Macao Government Tourism Office for joining us in showcasing the many attractions of the Greater Bay Area.

For our Japanese friends, please come to visit these three diverse and yet captivating destinations to enjoy a vacation that is three times as thrilling, three times as enticing, and three times as memorable!

I look forward to welcoming you all in Hong Kong and the Greater Bay Area. Thank you very much.

[Effective Exchange Rate Index](#)

The effective exchange rate index for the Hong Kong dollar on Thursday, November 1, 2018 is 106 (down 0.1 against yesterday's index).