

Provisional statistics on index of industrial production and producer price index for industrial sector for first quarter of 2020

According to the provisional results of a survey released today (June 12) by the Census and Statistics Department (C&SD), the index of industrial production for manufacturing industries as a whole decreased by 4.6% in the first quarter of 2020 compared with a year earlier, following a year-on-year decrease of 0.5% in the fourth quarter of 2019. The corresponding producer price index increased by 1.3% in the first quarter of 2020 compared with a year earlier, following a year-on-year increase of 1.1% in the fourth quarter of 2019.

The index of industrial production for sewerage, waste management and remediation activities increased by 1.1% in the first quarter of 2020 compared with a year earlier, as against a year-on-year decrease of 1.0% in the fourth quarter of 2019. The corresponding producer price index decreased by 3.6% in the first quarter of 2020 compared with a year earlier, following a year-on-year decrease of 4.3% in the fourth quarter of 2019.

Indices of industrial production reflect changes in the volume of local industrial output after discounting the effect of price changes. The price changes are measured by the producer price indices compiled from data on producer prices of selected industrial goods/services collected in the same survey.

Comparing the industrial production in respect of major manufacturing industries in the first quarter of 2020 with that a year earlier, decreases in output volume were recorded mainly in the food, beverages and tobacco industry (-10.1%), the paper products, printing and reproduction of recorded media industry (-4.2%); and the metal, computer, electronic and optical products, machinery and equipment industry (-2.5%). On the other hand, slight increase in output volume was recorded in the textiles and wearing apparel industry (+0.8%).

On a seasonally adjusted basis, the index of industrial production for manufacturing industries as a whole decreased by 3.5% in the first quarter of 2020 compared with the fourth quarter of 2019.

Producer price indices reflect changes in the prices of local output. They measure changes in the actual prices (net of any discounts or rebates allowed to buyers, plus any surcharges) received by producers for their output. Transportation and other incidental charges are not included.

Comparing the first quarter of 2020 with a year earlier, increases in

producer prices were recorded for all major manufacturing industries. The metal, computer, electronic and optical products, machinery and equipment industry had the largest increase in producer prices (+1.4%); followed by the food, beverages and tobacco industry (+1.0%); and the paper products, printing and reproduction of recorded media industry (+1.0%).

Table 1 shows the year-on-year percentage changes in the indices of industrial production by selected industry grouping. Table 2 shows the year-on-year percentage changes in the producer price indices for the industrial sector by selected industry grouping.

The revised figures on indices of industrial production and producer price indices for the industrial sector for the first quarter of 2020 will be released at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/bbs.jsp) and relevant publications of the department starting from July 20, 2020.

Users can download the reports "Quarterly Index of Industrial Production, 1st Quarter 2020" (www.censtatd.gov.hk/hkstat/sub/sp310.jsp?productCode=B1070002) and "Quarterly Producer Price Index for Industrial Sector, 1st Quarter 2020" (www.censtatd.gov.hk/hkstat/sub/sp280.jsp?productCode=B1070003) free of charge at the website of the C&SD.

Readers who have enquiries about the survey results may contact the Industrial Production Statistics Section of the C&SD (Tel.: 3903 7247; fax: 2123 1048; email: ind-production@censtatd.gov.hk).

[Analytical Accounts of the Exchange Fund](#)

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

The Hong Kong Monetary Authority (HKMA) released today (June 12) the key analytical accounts of the Exchange Fund at the end of May 2020.

Foreign assets, representing the external assets of the Exchange Fund, increased during the month by HK\$9.3 billion to HK\$3,617.9 billion.

The Monetary Base, comprising Certificates of Indebtedness, Government-issued currency notes and coins in circulation, the balance of the banking system and Exchange Fund Bills and Notes issued, amounted to HK\$1,709.5 billion.

Claims on the private sector in Hong Kong amounted to HK\$231.0 billion.

The analytical accounts of the Exchange Fund are released in accordance with the International Monetary Fund's Special Data Dissemination Standard (SDDS) and are referred to as the Analytical Accounts of the Central Bank under SDDS (Annex).

At present, four press releases relating to the Exchange Fund's data are issued by the HKMA each month. Three of these releases are issued to disseminate monetary data in accordance with the International Monetary Fund's Special Data Dissemination Standard (SDDS). The fourth press release, on the Exchange Fund's Abridged Balance Sheet and Currency Board Account, is made in accordance with the HKMA's policy of maintaining a high level of transparency. For the month of June 2020, the scheduled dates for issuing the press releases are as follows:

June 5 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
June 12	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)
June 30	SDDS Template on International Reserves and Foreign Currency Liquidity
June 30	Exchange Fund Abridged Balance Sheet and Currency Board Account

[Progress in handling of banking complaints by HKMA](#)

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

The Hong Kong Monetary Authority (HKMA) announced today (June 12) the progress made in its handling of banking complaints received as at end-May 2020. Banking complaints include cases concerning general banking services and conduct-related issues.

In May 2020, 251 cases were received and the handling of 231 cases was completed. As at end- May, the handling of 538 cases was in progress.

A table summarising the progress made in the handling of banking complaints by the HKMA is attached.

Government calls on social welfare practitioners to ensure services and users' interests are not affected

Regarding the appeal by organisations to hold a so-called "referendum on strike" on June 14, a spokesman for the Government today (June 12) called on all social welfare practitioners to display professionalism to ensure that services and users' interests will not be affected by any strike.

Social welfare services have been seriously disrupted since January this year when coronavirus disease 2019 (COVID-19) began to strike the community. The Government has been providing financial support and supplies to social welfare service units, and has worked closely with non-governmental organisations (NGOs) to maintain welfare services as far as practicable to ensure that people in need are taken care of.

Of late, in the light of the latest epidemic situation, most social welfare services have resumed or will soon resume, but some will need to continue operation in a reduced mode until a further relaxation of social distancing.

The Government is appreciative of the social welfare sector's dedication and perseverance in maintaining services. Such efforts notwithstanding, both NGOs and service users have reflected that more effort needs to be made because of the continued reduced availability of some services, and because some service users, such as elderly persons and persons with disabilities, need to re-learn skills that have been lost due to reduced training and exercises in the last few months. There has also been an increased demand for various services because of economic and social stresses such as heightened family tensions brought about by the continuing epidemic. Thus, any action that will reduce the supply of services will deprive the rights of the needy to receive such services.

The Government looks to the social welfare sector to display professionalism to ensure that services and users' interests will not be affected during this trying period when the community is still fighting against the COVID-19 virus and having a high demand for social welfare

services.

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Friday, June 12, 2020 is 107.7 (up 0.1 against yesterday's index).