

Statistics on trade involving outward processing in the mainland of China, first quarter 2021

In the first quarter of 2021, 20.4% of Hong Kong's total exports to the mainland of China (the Mainland) were for outward processing in the Mainland. On the other hand, 32.5% of Hong Kong's imports from the Mainland were related to outward processing in the Mainland, according to statistics released today (June 11) by the Census and Statistics Department (C&SD). Over the same period, 59.8% of Hong Kong's re-exports of Mainland origin to other places were produced through outward processing in the Mainland.

In the first quarter of 2020, the corresponding proportions were 24.1% for total exports to the Mainland, 36.5% for imports from the Mainland and 64.0% for re-exports of Mainland origin to other places.

In value terms, \$134.6 billion of Hong Kong's total exports to the Mainland in the first quarter of 2021 were for outward processing in the Mainland, representing an increase of 18.4% compared with the first quarter of 2020. On the other hand, the value of imports from the Mainland related to outward processing in the Mainland increased by 16.0% compared with the first quarter of 2020 to \$165.7 billion. Meanwhile, \$190.2 billion of Hong Kong's re-exports of Mainland origin to other places were produced through outward processing in the Mainland, representing an increase of 18.5% compared with the first quarter of 2020.

The statistics for the first quarter of 2021 are given in the attached tables.

Information on trade involving outward processing in the Mainland is collected in a sample survey conducted by the C&SD. For the purpose of the survey, exports to the Mainland for outward processing refer to raw materials or semi-manufactures exported from or through Hong Kong to the Mainland for processing with a contractual arrangement for subsequent re-importation of the processed goods into Hong Kong.

Imports from the Mainland related to outward processing refer to processed goods imported from the Mainland, of which all or part of the raw materials or semi-manufactures have been under contractual arrangement exported from or through Hong Kong to the Mainland for processing.

Re-exports of Mainland origin to other places involving outward processing in the Mainland refer to processed goods re-exported through Hong Kong, of which all or part of the raw materials or semi-manufactures have been exported from or through Hong Kong to the Mainland for processing with a contractual arrangement for subsequent re-importation of the processed goods into Hong Kong.

In interpreting the statistics, it should be noted that all imports and exports of goods (not including transshipments and goods-in-transit) are recorded as external trade, irrespective of whether the goods are associated with outward processing or not. Moreover, the value and proportion of imports from the Mainland and re-exports of Mainland origin to other places involving outward processing in the Mainland refer to those of the entire goods instead of just the value added contributed by outward processing in the Mainland.

A sample of import/export declarations in respect of Hong Kong's trade with the Mainland and Hong Kong's re-exports originated in the Mainland to other places is selected for enumeration to obtain the required information from the establishments concerned. The findings of the survey facilitate a more informed analysis of the nature of Hong Kong's trade with the Mainland. In this respect, the survey results are a useful supplement to the regular trade statistics.

The above survey results will be included in the June 2021 issue of the "Hong Kong External Merchandise Trade". The publication will be available in August 2021. Users can download this publication from the website of the C&SD (www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1020005&scode=230).

Enquiries on the survey results may be directed to the Outward Processing and Shipping Statistics Section of the C&SD (Tel: 2582 2126 or email: ops@censtatd.gov.hk).

[Construction output for first quarter of 2021](#)

The total gross value of construction works (GVCW) performed by main contractors in the first quarter of 2021 slightly decreased by 0.6% in nominal terms over a year earlier to \$55.5 billion, according to the provisional results of the Quarterly Survey of Construction Output released today (June 11) by the Census and Statistics Department (C&SD).

After discounting the effect of price changes, the provisional results showed that the total GVCW performed by main contractors slightly increased by 0.2% in real terms over the same period. GVCW in real terms is derived by deflating the corresponding nominal value with an appropriate price index to the price level in the base period of 2000.

Analysed by type of construction works, the GVCW performed at private sector sites totalled \$15.2 billion in the first quarter of 2021, down by 2.9% in nominal terms over a year earlier. In real terms, it decreased by 1.1%. The GVCW performed at public sector sites increased by 10.9% in nominal terms over a year earlier to \$17.8 billion in the first quarter of 2021. In real terms, it increased by 11.9%.

The GVCW performed by main contractors at locations other than construction sites amounted to \$22.5 billion in the first quarter of 2021, down by 6.8% in nominal terms compared with a year earlier. In real terms, it decreased by 7.3%. Construction works at locations other than construction sites included minor new construction activities and decoration, repair and maintenance for buildings; and electrical equipment installation and maintenance works at locations other than construction sites.

Analysed by major end-use group, the GVCW performed at construction sites in respect of residential buildings projects amounted to \$12.8 billion in the first quarter of 2021, up by 4.6% in nominal terms over a year earlier. Over the same period, the GVCW performed at construction sites in respect of transport projects up by 22.7% in nominal terms to \$9.1 billion in the first quarter of 2021.

On a seasonally adjusted quarter-to-quarter basis, the GVCW performed by main contractors decreased by 2.7% in nominal terms and decreased by 3.9% in real terms in the first quarter of 2021 compared with the fourth quarter of 2020.

Table 1 shows the provisional figures on the GVCW performed by main contractors in the first quarter of 2021. Tables 2 and 3 show the revised figures for the whole year of 2020 and the fourth quarter of 2020 respectively.

Owing to the widespread sub-contracting practices in the construction industry, a construction establishment can be a main contractor for one contract and a sub-contractor for another contract at the same time. The GVCW performed by main contractors covers only those projects in which the construction establishment takes the role of a main contractor, but not projects in which it takes only the role of a sub-contractor. However, sub-contractors' contribution to projects should have been included in the GVCW performed by main contractors for whom they worked.

The classification of construction establishments 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 "Report on the Quarterly Survey of Construction Output, 1st Quarter 2021". Users can download this publication at the website of the C&SD (www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1090002&scode=330).

For enquiries about the survey results, please contact the Construction and Miscellaneous Services Statistics Section of the C&SD (Tel: 3903 6965; email: building@censtatd.gov.hk).

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 11) the progress made in its handling of banking complaints received as at end-May 2021. Banking complaints include cases concerning general banking services and conduct-related issues.

In May 2021, 258 cases were received and the handling of 214 cases was completed. As at end-May, the handling of 690 cases was in progress.

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

Analytical Accounts of Exchange Fund

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

The Hong Kong Monetary Authority (HKMA) released today (June 11) the key analytical accounts of the Exchange Fund at the end of May 2021.

Foreign assets, representing the external assets of the Exchange Fund, increased during the month by HK\$27.5 billion to HK\$4,036.1 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\$2,110.5 billion.

Claims on the private sector in Hong Kong amounted to HK\$235.9 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 2021, the scheduled dates for issuing the press releases are as follows:

June 7 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
June 11	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

[Service arrangements of DH's elderly health centres](#)

In view of the development of the COVID-19 epidemic situation, the Department of Health (DH) today (June 11) announced that starting from June 15, all 18 Elderly Health Centres of the DH will increase the number of service days from three to four days a week, and the walk-in consultation service currently suspended will gradually resume as normal.

For enquiries, please contact the centres concerned during service hours. Details are also available at www.elderly.gov.hk/eindex.html.

Meanwhile, the DH will continue to implement stringent infection control measures at service units, of which, all attending clients and visitors must put on masks and have their body temperature checked.