

Hong Kong / Latvia Trade Relations

I. *Points to Note*

- Average annualised bilateral trade growth rate (2005 - 2009): +31.7%.
- In 2009, Latvia ranked 72nd among our trading partners in the world and 22nd among the European Union (EU) Member States¹.
- Reciprocally, HK ranked 21st among Latvia's trading partners outside the EU in 2008².
- Ranking in world merchandise trade in 2008³:
 - HK: 13th; Latvia : 80th
 - (if taking the EU as a single entity, HK ranked 8th, the EU ranked 1st)
- In 2009, HK\$715.0 million (US\$92.2 million) worth of goods, or 40.9%⁴ of the total trade between Latvia and the Mainland of China, was routed through HK.

II. *Summary of HK's Trade with Latvia*⁵

HK\$ million (US\$ million)

	2008	2008/2007 % change	2009	2009/2008 % change
Domestic Exports to Latvia	5.1 (0.7)	-25.7	5.0 (0.6)	-1.8
Total Re-exports to Latvia	681.6 (87.5)	+62.5 ⁶	745.4 (96.2)	+9.4
<i>Re-exports to Latvia (of which of Mainland origin)</i>	629.8 (80.9)	+59.0	711.4 (91.8)	+13.0
Imports from Latvia	24.8 (3.2)	-11.3	24.8 (3.2)	+0.2
Total Trade⁷	711.5 (91.4) [0.01%]	+56.6	775.2 (100.0) [0.02%]	+9.0
Balance of Trade⁸	661.9 (85.0)	-	725.6 (93.6)	-

¹ The EU comprises 27 Member States, including: Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom.

² Source: Statistical Office of the European Communities, Eurostat.

³ Source: WTO International Trade Statistics 2009.

⁴ An estimate based on the Eurostat and HK trade statistics. The Eurostat 2009 yearly figure is projected from Jan - Jul 2009 statistics.

⁵ Source: Census and Statistics Department.

⁶ In 2008, the increase was mainly caused by a growth in the re-exports of telecommunications equipment.

⁷ Figures in brackets [] denote percentage share in HK's total trade with the world.

⁸ Positive figures denote a trade balance in favour to HK, while negative figures denote a trade balance in favour to Latvia.

III. Major Categories of Commodities Traded between HK and Latvia in 2009

Domestic Exports to Latvia	<ul style="list-style-type: none"> - Latvia was HK's 89th largest market for domestic exports in 2009. - Television receivers (91.4%); printed matter (4.3%); musical instruments and sound recordings (1.3%); and textile (1.3%).
Re-exports to Latvia	<ul style="list-style-type: none"> - Latvia was HK's 64th largest market for re-exports in 2009. - Telecommunications equipment (61.5%); clothing (7.0%); cathode valves and tubes / transistors / integrated circuits / semi-conductor devices (4.7%); television receivers (4.6%); and pumps, air compressors and fans (3.8%).
Imports from Latvia	<ul style="list-style-type: none"> - Latvia was HK's 113th largest source of imports in 2009. - Telecommunications equipment (26.6%); cotton (17.0%); plastic waste and scrap (13.9%); electrical machinery and apparatus (7.0%); and soap, cleansing and polishing preparations (6.2%).

IV. Major Economic Indicators of Latvia*

	2006	2007	2008
Population (million)	2.3	2.3	2.3
GDP (Current Price) (US\$ billion)	20	29	34
GDP per capita (Current Price) (US\$)	8,690	12,622	14,964
Real GDP growth (%)	12.2	10.0	-4.6
Inflation (%)	6.6	10.1	15.3
Exports (US\$ billion)#	6.2	8.3	10.1
Imports (US\$ billion)#	11.5	15.3	16.1

* Source: International Monetary Fund (IMF), World Economic Outlook Database, October 2009 edition, unless otherwise specified.

Source: WTO International Trade Statistics 2009.

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