

Hong Kong / Latvia Trade Relations

I. *Points to Note*

- Average annual bilateral trade growth rate (2006 - 2010): +29.0%.
- In 2010, Latvia ranked 70th among our trading partners in the world and 22nd among the European Union (EU) Member States¹.
- Reciprocally, HK ranked 23rd among Latvia's trading partners outside the EU in 2009².
- Ranking in world merchandise trade in 2009³:
 - HK: 11th; Latvia : 87th
 - (if taking the EU as a single entity, HK ranked 6th, the EU ranked 1st)
- In 2010, HK\$841.6 million (US\$108.3million) worth of goods, or 35.1%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)

	2009	2009/2008 % change	2010	2010/2009 % change
Domestic Exports to Latvia	5.0 (0.6)	-1.8	6.9 (0.9)	+37.9 ⁶
Total Re-exports to Latvia	745.4 (96.2)	+9.4	943.0 (121.4)	+26.5
<i>Re-exports to Latvia (of which of Mainland origin)</i>	<i>711.4 (91.8)</i>	<i>+13.0</i>	<i>838.9 (108.0)</i>	<i>+17.9</i>
Imports from Latvia	24.8 (3.2)	+0.2	26.9 (3.5)	+8.3
Total Trade⁷	775.2 (100.0) [0.02%]	+9.0	976.8 (125.7) [0.02%]	+26.0
Balance of Trade⁸	725.6 (93.6)	-	923.0 (118.8)	-

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 2010.

⁴ An estimate based on the Eurostat and Hong Kong trade statistics. The Eurostat 2010 yearly figure is projected from January-September 2010 statistics.

⁵ Source: Census and Statistics Department.

⁶ Due to limited value of HK's exports to Latvia, small changes in absolute value led to substantial fluctuations in percentage terms. Domestic exports to Latvia increased in 2010 due to a rise in demand for plastic tubes, pipes and hoses.

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

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

III. Major Categories of Commodities Traded between HK and Latvia in 2010

Domestic Exports to Latvia	<ul style="list-style-type: none"> - Latvia was HK's 88th largest market for domestic exports in 2010. - Television receivers (59.4%); plastic tubes, pipes and hoses (24.2%); textiles (4.0%); metalworking machinery (other than machine-tools) and parts (3.4%); and plastic articles (2.6%).
Re-exports to Latvia	<ul style="list-style-type: none"> - Latvia was HK's 62nd largest market for re-exports in 2010. - Telecommunications equipment (58.1%); cathode valves and tubes/transistors/integrated circuits/semi-conductor devices (12.4%); clothing (6.0%); toys and games (3.2%); and textiles (2.7%).
Imports from Latvia	<ul style="list-style-type: none"> - Latvia was HK's 117th largest source of imports in 2010. - Birds' eggs, in shell, fresh, preserved or cooked (19.5%); telecommunications equipment (18.9%); plastic waste and scrap (17.2%); electrical machinery and apparatus (13.2%); and parts and accessories of office machines and computers (4.8%).

IV. Major Economic Indicators of Latvia*

	2007	2008	2009
Population (million)	2.3	2.3	2.3
GDP (Current Price) (US\$ billion)	29	34	26
GDP per capita (Current Price) (US\$)	12,622	14,913	11,466
Real GDP growth (%)	10.0	-4.2	-18.0
Inflation (%)	10.1	15.3	3.3 [^]
Unemployment (%)	6.2	7.8	17.3
Exports (US\$ billion)#	8.3	10.1	7.7
Imports (US\$ billion)#	15.3	16.1	9.8

* Source: International Monetary Fund (IMF), World Economic Outlook Database, October 2010 edition, unless otherwise specified.

Source: WTO International Trade Statistics 2010.

[^] Estimation by IMF.

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