

## Hong Kong / United Kingdom (UK) Trade Relations

### I. *Points to Note*

- Average annual bilateral trade growth rate (2006 - 2010): -1.1%.
- In 2010, the UK ranked 11<sup>th</sup> among our trading partners in the world and 2<sup>nd</sup> among the European Union (EU) Member States<sup>1</sup>.
- Reciprocally, HK ranked 11<sup>th</sup> among the UK's trading partners outside the EU in 2009<sup>2</sup>.
- Ranking in world merchandise trade in 2009<sup>3</sup>:
  - HK : 11<sup>th</sup>; UK : 7<sup>th</sup>
  - (if taking the EU as a single entity, HK ranked 6<sup>th</sup>, the EU ranked 1<sup>st</sup>)
- In 2010, HK\$64.0 billion (US\$8.2 billion) worth of goods, or 15.3%<sup>4</sup> of the total trade between the UK and the Mainland of China, was routed through HK.

### II. *Summary of HK's Trade with the UK*<sup>5</sup>

HK\$ million (US\$ million)

	2009	2009/2008 % change	2010	2010/2009 % change
<b>Domestic Exports to the UK</b>	1,239.4 (159.9)	-54.5 <sup>6</sup>	1,553.8 (200.0)	+25.4
<b>Total Re-exports to the UK</b>	58,432.0 (7,537.7)	-19.6	59,226.1 (7,623.4)	+1.4
<i>Re-exports to the UK (of which of Mainland origin)</i>	54,652.1 (7,050.1)	-19.4	55,593.8 (7,155.8)	+1.7
<b>Imports from the UK</b>	36,175.5 (4,666.6)	-4.9	39,814.7 (5,124.8)	+10.1
<b>Total Trade</b> <sup>7</sup>	95,846.9 (12,364.2) [1.9%]	-15.5	100,594.6 (12,948.2) [1.6%]	+5.0
<b>Balance of Trade</b> <sup>8</sup>	23,495.9 (3,030.9)	-	20,965.2 (2,698.6)	-

<sup>1</sup> 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 UK.

<sup>2</sup> Source: Statistical Office of the European Communities, Eurostat.

<sup>3</sup> Source: WTO International Trade Statistics 2010.

<sup>4</sup> An estimate based on the Eurostat and HK trade statistics. The Eurostat 2010 yearly figure is projected from January-June 2010 statistics.

<sup>5</sup> Source: Census and Statistics Department.

<sup>6</sup> The substantial decrease in domestic exports to the UK in 2009 was attributed to the decline in exports of clothing, jewellery, and telecommunications equipment.

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

<sup>8</sup> Positive figures denote a trade balance in favour to HK, while negative figures denote a trade balance in favour to the UK.

### III. Major Categories of Commodities Traded between HK and the UK in 2010

<b>Domestic Exports to the UK</b>	<ul style="list-style-type: none"> <li>- The UK was HK's 8<sup>th</sup> largest market for domestic exports in 2010.</li> <li>- Jewellery (26.0%); telecommunications equipment (21.7%); clothing (10.7%); parts and accessories of office machines and computers (10.2%); and edible products and preparations (9.5%).</li> </ul>
<b>Re-exports to the UK</b>	<ul style="list-style-type: none"> <li>- The UK was HK's 7<sup>th</sup> largest market for re-exports in 2010.</li> <li>- Clothing (30.2%); telecommunications equipment (9.8%); toys and games (8.9%); silver and platinum (4.1%); and jewellery (3.8%).</li> </ul>
<b>Imports from the UK</b>	<ul style="list-style-type: none"> <li>- The UK was HK's 12<sup>th</sup> largest source of imports in 2010.</li> <li>- Non-electric engines and motors (19.9%); telecommunications equipment (16.0%); passenger motor cars (5.0%); and alcoholic beverages (4.7%).</li> </ul>

### IV. Major Economic Indicators of the UK\*

	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Population (million)</b>	61.0	61.4 <sup>^</sup>	61.8 <sup>^</sup>
<b>GDP (Current Price) (US\$ billion)</b>	2,812	2,679	2,179
<b>GDP per capita (Current Price) (US\$)</b>	46,118	43,652 <sup>^</sup>	35,257 <sup>^</sup>
<b>Real GDP growth (%)</b>	2.7	-0.07	-4.9
<b>Inflation (%)</b>	2.3	3.6	2.1
<b>Unemployment (%)</b>	5.4	5.6	7.5
<b>Exports (US\$ billion)#</b>	439	460	352
<b>Imports (US\$ billion)#</b>	623	633	482

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

# Source: WTO International Trade Statistics 2010.

<sup>^</sup> Estimation by IMF.

Europe Division  
Trade and Industry Department

2 February 2011