

Hong Kong Apparel Import from India Increased



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Source: Apparel India

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Hong Kong has a free market economy highly dependent on international trade and finance. Its open economy left it exposed to the global economic slowdown, but its increasing integration with China, through trade, tourism and financial links, helped it recover more quickly than many observers anticipated. Hong Kong's GDP fell in 2009, as a result of the global financial crisis, but a recovery began in the third quarter of 2009, and the economy grew nearly 6.8 per cent in 2010.

Detailed macro-economic indicator of Japan is given in Table 1

Table1: Key Macro-Economic Indicators of Hong Kong		
Details	Year	Figures
Population	(2010 est.)	7,122,508
Population Growth Rate	(2010 est.)	0.448%
GDP (Purchasing Power Parity - PPP)	(2010 est.)	\$325.8 billion
Annual Rate of Inflation	(2010 est.)	4.5%
GDP Per Capita (PPP)	(2010 est.)	\$45,900
Industry	(2010 est.)	7.6%
Major Ports	Hong Kong	



In 2010, the total export of Hong Kong stood at US\$ 58,328 million, which declined by -82.7 per cent from 2009, while the total import were to the tune of US\$ 4,80,044 million almost 36.5 per cent higher than 2009. Hong Kong accounted for 0.4 per cent share in the world's total export and in the last four years it grew negatively with -5 per cent per annum. On the other hand, Hong Kong's import from the world accounted for 3.2 per cent share and grew positively in the last four years with five per cent per annum. The RMG export accounted for 4.1 per cent in 2010, which was 6.6 per cent in 2009. RMG exports have declined by a huge margin in 2010. RMG import in 2010, was to the tune of US\$ 8,202 million, which is 44 per cent lower than the previous year.



Table2: Hong Kong Import of RMG								
Category	Import from World, US\$ Mn.				Import From India, US\$ Mn.			
	2008	2009	2010	% Change 2010/2009	2008	2009	2010	% Change 2010/2009
Knit RMG (61)	9662.1	8211.6	4659.3	-43.3	13.0	16.7	17.9	7.2
Woven RMG (62)	7901.2	6494.8	3546.1	-45.4	18.0	26.0	27.9	7.2
RMG	17563.4	14706.4	8205.5	-44.2	30.9	42.7	45.8	7.2

Source:UN Comtrade, 2010



Table 2 highlights the RMG import of Hong Kong for knit and woven apparel in the last three years. It has been found that the overall import of RMG from the world has declined, while import from India has increased by 7.2 per cent from the previous year.

Hong Kong's import of knitted garment is higher than the woven garment and in the last three years share of knitted garment in total garment import has increased substantially.

Major Apparel Suppliers to Hong Kong

Table 3 shows the top ten apparel suppliers to Hong Kong, wherein China is the largest supplier with 81 per cent in total apparel import from the world in 2010. China's share in total apparel import has declined in 2010 from the previous year, while countries like Italy, France and



Japan have gained. India is the seventh largest supplier with 0.6 per cent share in the total apparel import from world. India's share in apparel import has increased by 0.4 per cent from the previous year.

Table 3: Top 10 Apparel Suppliers to Hong Kong, US\$ Mn.

Rank in 2010	Countries	2008	2009	2010	% Change 2010/2009	% Share in 2009	% Share in 2010
	World	17563.4	14706.4	8205.5	-44.2	100	100
1	China	15703.6	13101.8	6653.3	-49.2	89.1	81.1
2	Italy	591.8	528.4	703.3	33.1	3.6	8.6
3	France	212.8	142.9	227.5	59.2	1.0	2.8
4	Japan	135.1	164.0	98.4	-40.0	1.1	1.2
5	United States	88.3	55.6	55.3	-0.4	0.4	0.7
6	Germany	74.7	32.1	51.8	61.2	0.2	0.6
7	India	30.9	42.7	45.8	7.3	0.3	0.6
8	Vietnam	23.5	32.7	40.7	24.3	0.2	0.5
9	Korea, Rep.	24.9	27.6	29.2	5.6	0.2	0.4
10	Turkey	24.0	50.2	20.0	-60.1	0.3	0.2

Source: UN Comtrade, 2010



Apparel Import at HS 4 Digit

Hong Kong imports 34 products at HS 4 digit from world. Among the 34 items, there were 30 categories, where there had been a decline in import from the last year while only four categories registered increase in import. Categories, which registered increase from the previous year were 6213, 6216, 6114 and 6210. Highest growth was registered by the 6213,

import of which increased by 8.2 per cent in 2010 from 2009. Top five apparel imports from India at HS 4 digit are 6205 (men's or boy's shirts), 6109 (t-shirts or singletons & other vests, knitted garments), 6204 (women's/girl's suits, ensembles), 6206 (women/girl's blouses & shirts) and 6214 (shawls, scarves mufflers & a like). These three items accounted for 65 per cent share in India's total export to Hong Kong.

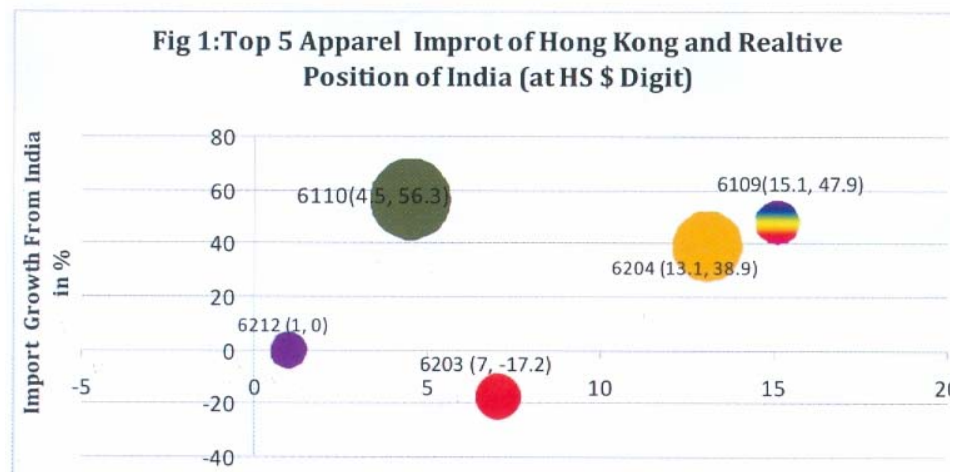
Table 4: Top 5 Apparel Import of Hong Kong, US\$ million

Rank in 2010	HS Code	Description	2010	World		India		
				% Change 2010/2009	% Share 2010	2010	% Change 2010/2009	% Share 2010
1	6110	JERSEYS, PULLOVERS, CARDIGANS, WAISTCOATS & SIMILAR ARTICLES, KNITTED/CROCHED	3503.9	-15.7	23.8	1.9	56.3	4.5
2	6204	WOMEN'S/GIRLS' SUITS, ENSEMBLES, JACKETS, DRESSES, SKIRTS, TROUSERS, BIB & BRACE OVERALS, BREECHES & SHORTS	2544.2	-17	17.3	5.6	38.9	13.1
3	6203	MEN'S OR BOYS' SUITS, ENSEMBLES, JACKETS BLAZERS, TROUSERS, BIB & BRACE OVERALLS BREECHES & SHORTS (OTHER)	1095.5	-16.4	7.4	3	-17.2	7
4	6109	T-SHIRTS, SINGLES & OTHER VESTS, KNITTED/CROCHED	1050.6	-11.7	7.1	6.5	47.9	15.1
5	6212	BROUSERS, GRADERS, CORSETS, BRACES, SUSPENDERS, GARTERS & SIMILAR ARTICLES & PARTS THEREOF, W/KNITTED/CROCHED	800.2	-12.6	5.4	0.4	NA	1

Source: UN Comtrade, 2010



Figure 1 shows the relative position of Hong Kong's top five apparel import from India at HS 4 digit.



Source: ITC, 2010: The figure shows the total import of Hong Kong in US\$ million from the world and the share in import from India and growth is given in the brackets.

Apparel import at HS 6 Digit

In 2010, Hong Kong imported 217 products at HS 6 digit amongst, which 42 products grew positively, while rest of the 175 items grew negatively. On the other hand, Hong Kong imported almost 132 items from India amongst, which 76 items grew positively, while rest of the 56 items grew negatively. Top apparel items from India are 620520, 610910, 620630, 610510 and 620342. These items accounted for almost 49 per cent in apparel

import from the India. Top 5 apparel import of Hong Kong from world is given and India's position in these items is also given.

Table Top 5: Apparel import of Hong Kong at HS 6 digit, 2010, US\$ Mn.								
Rank in 2010	HS Code	Description	World			India		
			2010	% Change 2010/2009	% Share 2010	2010	% Change 2010/2009	% Share 2010
1	611020	JERSEYS ETC OF COTTON	1782.4	-12.8	12.1	1.4	48.0	3.4
2	620462	TROUSERS, BIB AND BRACE OVERALLS, BREECHES AND SHORTS OF COTTON	1151.9	-12.5	7.8	1.2	15.6	2.7
3	611030	JERSEYS ETC OF MAN-MADE FIBRES	951.2	-10.3	6.5	0.3	124.3	0.8
4	610910	T-SHIRTS ETC OF COTTON	812.0	-13.9	5.5	5.9	51.1	13.9
5	621210	BRASSIERES	715.4	-12.1	4.9	0.4	NA	1.0

Source: UN Comtrade, 2010

Table 5 shows the competitive positions of the top four suppliers for top five items. These top five items constitute around 40 per cent share in the total apparel import of Hong Kong from the world. China has emerged as the dominant supplier followed by Italy, France and Japan. India remained at the third position for two products like 611030 and 621210 while at the second position for rest of the three products i.e. 611020,620462,610910.

Applied tariff on the apparel import is lowest among the major apparel importers.



Table 6: Major Export Competitors of India in Hong Kong, US\$ Mn.

Rank in 2010	Hs Code	Description	Import from World, US\$ Mn., 2010	Share of Top 4 Suppliers in %, 2010	Import from India, 2010, US\$ Mn.	India's share in total import in %, 2010
1	611020	JERSEYS ETC OF COTTON	812.0	China (95.2), France (0.2), Italy (0.1), Japan (1.0)	1.4	0.8
2	620462	TROUSERS, BIB AND BRACE OVERALLS, BREECHES AND SHORTS OF COTTON	1782.4	China (93.7), France (0.1), Italy (0.1), Japan (0.8)	1.2	1.6
3	611030	JERSEYS ETC OF MAN-MADE FIBRES	951.2	China (82.7), France (0.5), Italy (0.7), Japan (3.7)	5.9 ¹	5.6
4	610910	T-SHIRTS ETC OF COTTON	1151.9	China (96.2), France (0.1), Italy (0.0), Japan (0.3)	0.3	1.2
5	621210	BRASSIERES	715.4	China (97.4), France (0.2), Italy (0.1), Japan (0.4)	0.4	0.2

Originally Published in Apparel India, July-2011