

HONG KONG

ECONOMY

JANUARY EXPORTS IN 33.6% RISE TO THREE-YEAR BEST

Government spokesman warns fourth straight month of growth jumped from very low base of comparison and on heels of Lunar New Year break

Ambrose Li
ambrose.li@scmp.com

Exports rose 33.6 per cent year on year in January, the best monthly performance in three years, with the government citing seasonal effects such as the Lunar New Year as factors for the increase.

Growth was primarily driven by strong demand in Asia, the Census and Statistics Department said yesterday.

Exports jumped to HK\$388.7 billion, marking the fourth straight month of growth and the best monthly performance since January 2021, according to the department.

Imports rose by 21.7 per cent year on year in January to HK\$385.1 billion, creating a trade surplus of HK\$3.6 billion, equivalent to 0.9 per cent of imports for the month.

A government spokesman cautioned that the value of merchandise exports jumped against a very low base of comparison a year ago, which was partly due to the timing of the Lunar New Year holiday.

He said it would be more meaningful to examine the figures for January and February combined, when available, to assess the underlying situation.

Exports to the mainland, Hong Kong's largest market, soared by 54.2 per cent in January.

Those to the United States rose by 11.5 per cent, while those to the European Union fell.

Exports to Asia surged 45.7



The value of the city's exports, including those through Kwai Chung, increased to HK\$388.7 billion in January, figures show. Photo: Jelly Tse

per cent year on year in the month.

"Looking ahead, slow global economic growth and geopolitical factors will continue to affect Hong Kong's export performance in the near term," the spokesman said.

The sectors that saw the most significant year-on-year increase in exports were "electrical machinery, apparatus and appliances, and electrical parts", rising 42.8 per cent or HK\$55.7 billion and "telecommunications and

sound recording and reproducing apparatus and equipment", increasing by HK\$10.2 billion, or 25.1 per cent higher than a year ago.

In the three months between November and January, total exports jumped 16.4 per cent to HK\$1.16 trillion year on year.

Weak global demand cast a shadow on Hong Kong's post-pandemic economic recovery, which rebounded by a less-than-expected 3.2 per cent growth last year from a contraction in 2022.

Economist Andy Kwan Cheuk-chiu cautioned that exports were still weak globally and the leap in one month was not representative as the base was low, adding that figures across one to two quarters would give a better indication of the situation.

"Given the performance of exports and imports was bad in 2021, 2022 and 2023, the base is very low," he said. "So when the performance has suddenly improved a little, it will come across as a significant jump."

Kwan added the economy in many Asian regions and countries was relatively healthy due to the stock market and asset prices, which fuelled re-exports from the mainland via Hong Kong, and which he foresaw as a long-term trend.

"The exports from the mainland would be better off to be more focused on the Asian market as their demand grows," he said.

"The European economies are regressing and [the mainland's] relationship with the US isn't great, so the weighting of exports to Asian regions and countries is likely to grow."

Kwan said one of the reasons for the surge in exports to China was Lunar New Year falling in February and that trade would ramp up before the holidays.

Looking ahead, he said the US presidential election, the war in Gaza and the wider geopolitical situation in the Red Sea could pose challenges to global trade.

"These factors will add uncertainty to the market," he said. "If something happens that interrupts logistics at sea, that could spell trouble for imports and exports and cause prices to rise significantly."

JIMMY LAI TRIAL

Tabloid 'maintained editorial stance after founder held'

Apple Daily's overall approach stayed the same but there were some concessions, court hears

Brian Wong
brian.wong@scmp.com

The now-defunct Apple Daily tabloid maintained its editorial stance despite founder Jimmy Lai Chee-ying being remanded in custody for an alleged national security offence, but some concessions were made to avoid offending the authorities, a court has heard.

Ex-associate publisher Chan Pui-man said yesterday the newspaper's "overall approach" remained the same after Lai's prosecution under the national security law Beijing decreed in December 2020.

"Because to my understanding, we had not been directly accused of wrongdoing in our news reports, so my recollection was that apart from changing our choice of words, [nobody] had ever suggested changing our news angle," said defendant turned prosecution witness Chan.

Lai is being tried on two conspiracy charges of collusion with foreign forces, as well as a third count of conspiracy to print and distribute seditious publications under colonial-era legislation.

Prosecutors accused Lai, 76, of using Apple Daily to instigate public hatred towards the authorities and attract hostile actions from foreign governments.

West Kowloon Court heard the tabloid had become more cautious in covering sensitive topics in the days leading up to its shutdown in June 2021.

On April 18 that year, editor-

in-chief Ryan Law Wai-kwong decided Apple Daily would stop calling Covid-19 the "Wuhan pneumonia". The compromise came just one day after Law told Chan in a private message he felt the expression was acceptable.

Law stood by the paper's decision to use "castrated" to describe the new electoral system which only permitted those deemed "patriotic" to take part in polls.

He dismissed recommendations to use terms such as "revamped" or "revised" and said the original expression was a "statement of fact".

Chan said the tabloid was keen to avoid legal risks that came with its choice of words "under the present social circumstances and new legal landscape".

She said Law also noted that then police commissioner Chris Tang Ping-keung, now secretary for security, warned of taking action against media outlets that broke the national security law.

She also referred to a text conversation she had with former Apple Daily editorial writer Yeung Ching-kee concerning the

Apart from ... our choice of words, [nobody] had ever suggested changing our news angle

CHAN PUI-MAN, EX-ASSOCIATE PUBLISHER

engagement of political commentator Sang Pu, whom Lai asked to include in the tabloid's stable of columnists in April 2021.

Yeung expressed reservations, saying in a text message to Chan: "His articles are weird and [he] has openly advocated Hong Kong independence, so we do not dare to let him write a column for us."

The court heard Chan tendered her resignation on June 21 that year, four days after she and other executives were arrested by national security police, but she nonetheless oversaw the production of Apple Daily's final edition published on June 24.

In his cross-examination, defence senior counsel Robert Pang Yiu-hung suggested that Apple Daily enjoyed editorial independence under Lai and that authority was ultimately vested in its editor-in-chief.

"That was the case if Mr Lai did not say a word," Chan said. "But in terms of actual operations, suppose there was a recommendation, or I should say order from Mr Lai for Apple Daily to engage a writer, my understanding is that Mr Ryan Law had no chance to voice his opinion or oppose that suggestion."

Pang argued Apple Daily had been actively exercising its function as the fourth estate and was "always at the forefront of possible abuses of government power".

"Would you agree with me if I say that Apple Daily did not simply criticise for the sake of criticising, but in the hope that by drawing attention to these matters, the government would change its policy?" the lawyer asked.

"You can say that," the witness said.

The trial continues today.