



37th International Footwear Conference Report of Hong Kong Footwear Industry



**香港鞋業商會
HONG KONG FOOTWEAR ASSOCIATION
13 Sept 2018**

2018 Mid-Year Export Review: Potential Growth Overshadowed by Looming Trade Disputes

Summary of Hong Kong's External Trade

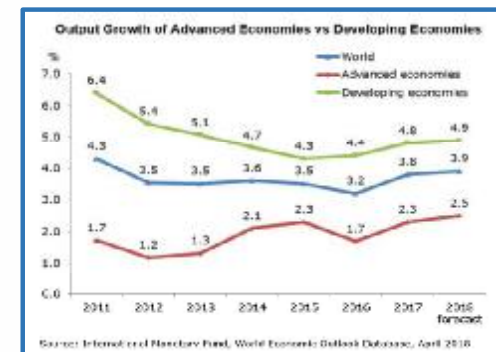
	2016		2017		Jan-Apr 2018	
	HK\$ mn	Growth %	HK\$ mn	Growth %	HK\$ mn	Growth %
Total exports	3,588,247	-0.5	3,875,898	+8.0	1,273,048	+9.3
Domestic exports	42,875	-8.5	43,455	+1.4	13,694	+1.5
Re-exports	3,545,372	-0.4	3,832,443	+8.1	1,259,355	+9.4
Imports	4,008,384	-0.9	4,357,004	+8.7	1,449,838	+10.7
Total trade	7,596,631	-0.7	8,232,902	+8.4	2,722,886	+10.0
Trade balance	-420,137		-481,106		-176,789	

Source: Hong Kong Trade Statistics, HKSAR Census and Statistics Department

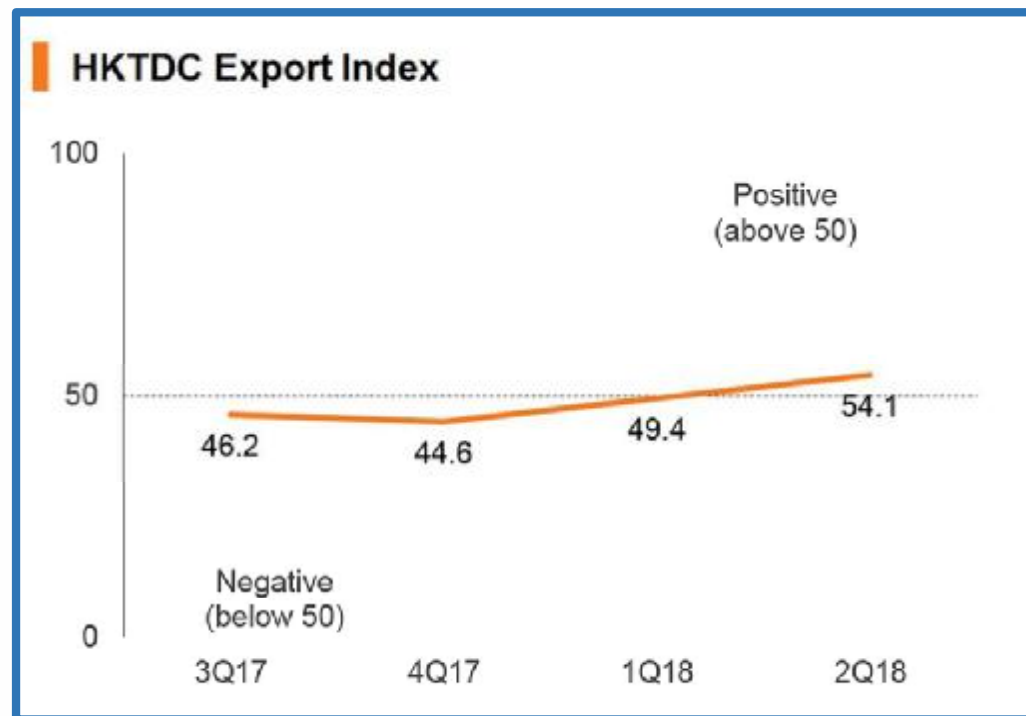
Hong Kong's Total Exports by Primary Destination

	2016		2017		Jan-Apr 2018	
	HK\$ mn	Growth %	HK\$ mn	Growth %	HK\$ mn	Growth %
US	324,040	-5.3	330,198	+1.9	107,045	+8.5
EU	330,641	-1.3	347,059	+5.0	113,077	+10.2
Japan	116,746	-4.9	128,474	+10.0	41,640	+5.3
Developing Asia	2,515,959	+0.7	2,761,088	+9.7	908,082	+9.3
China	1,943,469	+0.4	2,105,829	+8.4	694,082	+12.7
ASEAN	263,871	-2.7	284,050	+7.6	93,197	+2.5
Latin America	67,232	-10.4	68,302	+1.6	22,967	+13.4
Middle East	85,789	+7.1	82,926	-3.3	26,536	-1.8
Emerging Europe	65,301	+9.0	74,942	+14.8	28,570	+40.3
Africa	34,513	-4.5	37,186	+7.7	12,645	+19.9

Source: Hong Kong Trade Statistics, HKSAR Census and Statistics Department



HKTDC Export Index 2Q18: Cautious Move into More Expansionary Zone



The Guangdong-Hong Kong-Macau Bay Area and Hong Kong

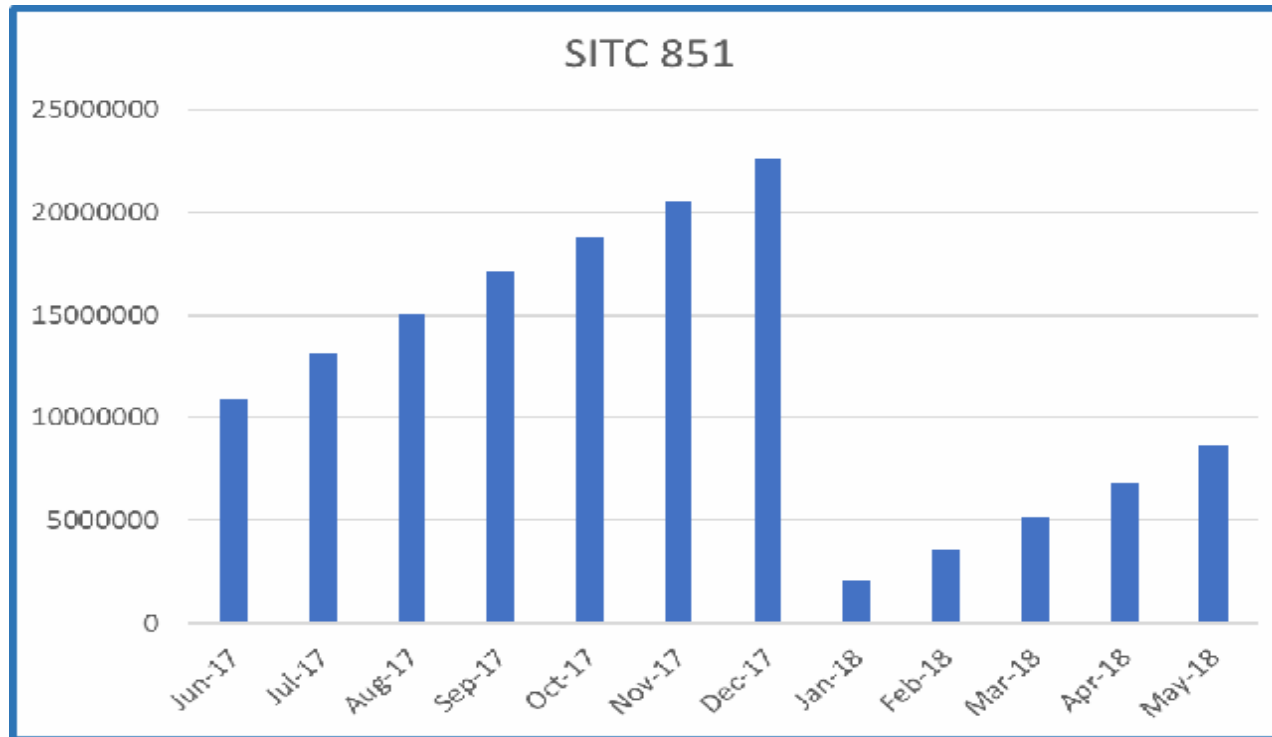
Bay Area: Aims and Significance

A statistical evaluation of the world's major bay areas (including the Tokyo Bay Area, the New York Metropolitan Area and the San Francisco Bay Area; see table below) shows that the Guangdong-Hong Kong-Macau Bay Area (the Bay Area) [1] is set to out-perform all of these in a number of key respects, including rate of growth, port capacity, airport access, population level and sheer geographical size. It is, however, trailing these other development areas in terms of per-capita GDP and the maturity of its tertiary sector, indicating that it still has scope for considerable growth. Assuming that all of the areas in question maintain their current level of growth, the Bay Area will have achieved a GDP of US\$2.1 trillion within five years, a figure that will see it comfortably overtaking the other bay developments.

The world's major bay areas 世界主要灣區比較	Guangdong-Hong Kong-Macau Bay Area 粵港澳大灣區	San Francisco Bay Area 舊金山灣區	New York Metropolitan Area 紐約大都會區	Tokyo Bay Area 東京灣區
Area (1,000 km ²) 土地面積 (萬平方公里)	5.61	1.79	2.15	3.69
Population (million) 人口 (百萬)	68.0	7.7	20.2	44.0
GDP (US\$ billion) (current prices) 本地生產總值 (以當時市價計算) (億美元)	14,560 ¹	7,220 ²	16,027 ²	16,156 ³
GDP growth (%) 本地生產總值增長率 (%)	7.5 ¹	7.3 ²	4.3 ²	0.9 ²
Per-capita GDP (US\$) (current prices) 人均生產總值 (以當時市價計算) (美元)	21,400	93,800	79,300	36,700
Annual air passenger traffic (million passenger-times) 空港年載客量 (百萬人次)	165	50	95	113
Annual air freight traffic (million tonnes) 空港年載貨量 (百萬公噸)	7.0	0.4	1.3	3.4
Port container throughput (million TEUs) 港口集裝箱年運量 (百萬標箱)	68.0	2.4	6.3	7.2
GDP share of tertiary industry (%)	65.3 ¹	71.7 ²	83.1 ²	76.3 ^{3,4}



Total exports by Selected SITC (851) Commodity Group 整體出口統計數字 Jun 2017 - May 2018



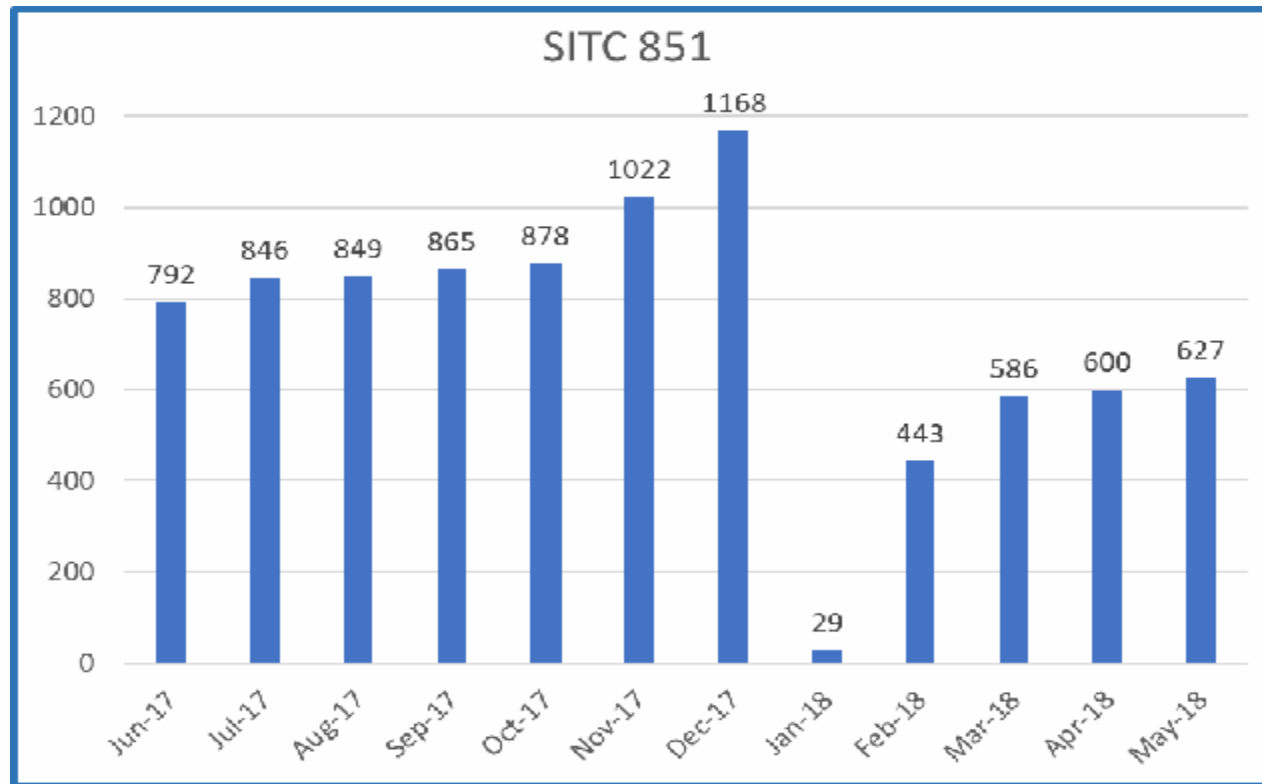
Value (Year-to-Date)(HK\$'000)



Domestic export by Selected SITC 3-digit Commodity Group June 2017 – May 2018 港產品出口統計數字

Trade Type		Domestic Exports	
SITC 3-digit		851 - FOOTWEAR	
Statistics		Value (Year-to-date) (HK\$ '000)	YoY % Change - Value (Year-to-date)
Year	Month		
2017	Jun	792	+8.7%
	Jul	846	+16.0%
	Aug	849	+14.4%
	Sep	865	+9.8%
	Oct	878	+8.5%
	Nov	1,022	+8.1%
	Dec	1,168	+17.9%
2018	Jan	29	+755.1%
	Feb	443	**
	Mar	586	**
	Apr	600	+231.3%
	May	627	+151.6%

Domestic export by Selected SITC 3-digit Commodity Group June 2017 – May 2018 港產品出口統計數字

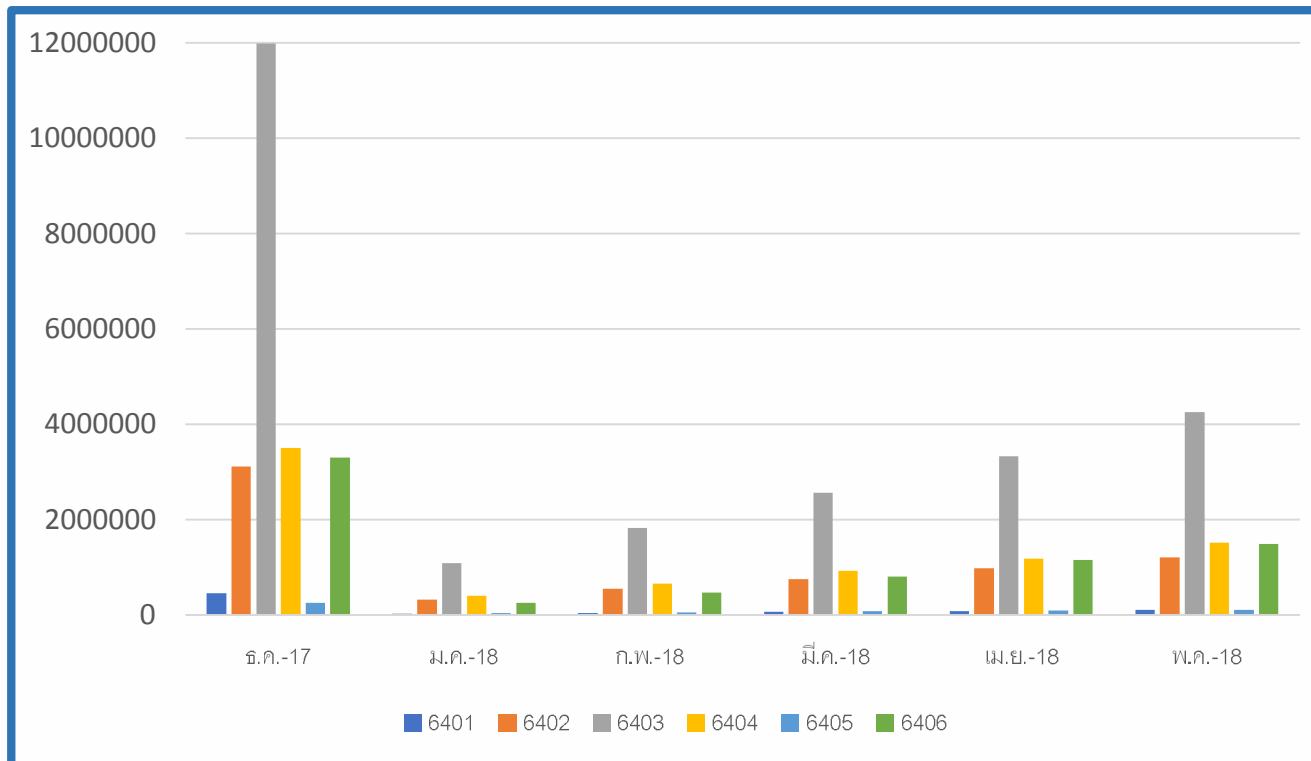


Value (Year-to-Date)(HK\$'000)

Total exports by Selected HS 4-digit Commodity Heading (6401-6406) 整體出口統計數字 Jun 2017 - May 2018

Year		2017						2018					
Month		Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Statistics		Value (Year-to-date) (HK\$ '000)											
Trade Type	HKHS 4-digit												
Total Exports	6401	195,525	235,703	278,062	326,332	369,420	410,079	445,079	29,863	42,341	59,263	75,714	100,050
	6402	1,550,846	1,800,806	2,052,221	2,317,677	2,544,660	2,792,411	3,104,317	311,243	539,401	751,677	976,364	1,200,733
	6403	5,752,086	7,149,523	8,211,793	9,300,657	10,122,856	11,015,722	11,988,989	1,082,296	1,828,894	2,557,543	3,324,210	4,246,065
	6404	1,681,842	1,957,066	2,243,633	2,532,091	2,831,954	3,119,089	3,503,374	393,662	660,677	925,477	1,184,881	1,513,647
	6405	114,348	134,924	162,051	180,357	199,905	225,124	251,736	38,411	51,436	79,445	92,798	107,543
	6406	1,567,850	1,832,795	2,124,165	2,433,928	2,730,511	3,031,408	3,298,725	249,524	459,994	805,030	1,145,932	1,480,660

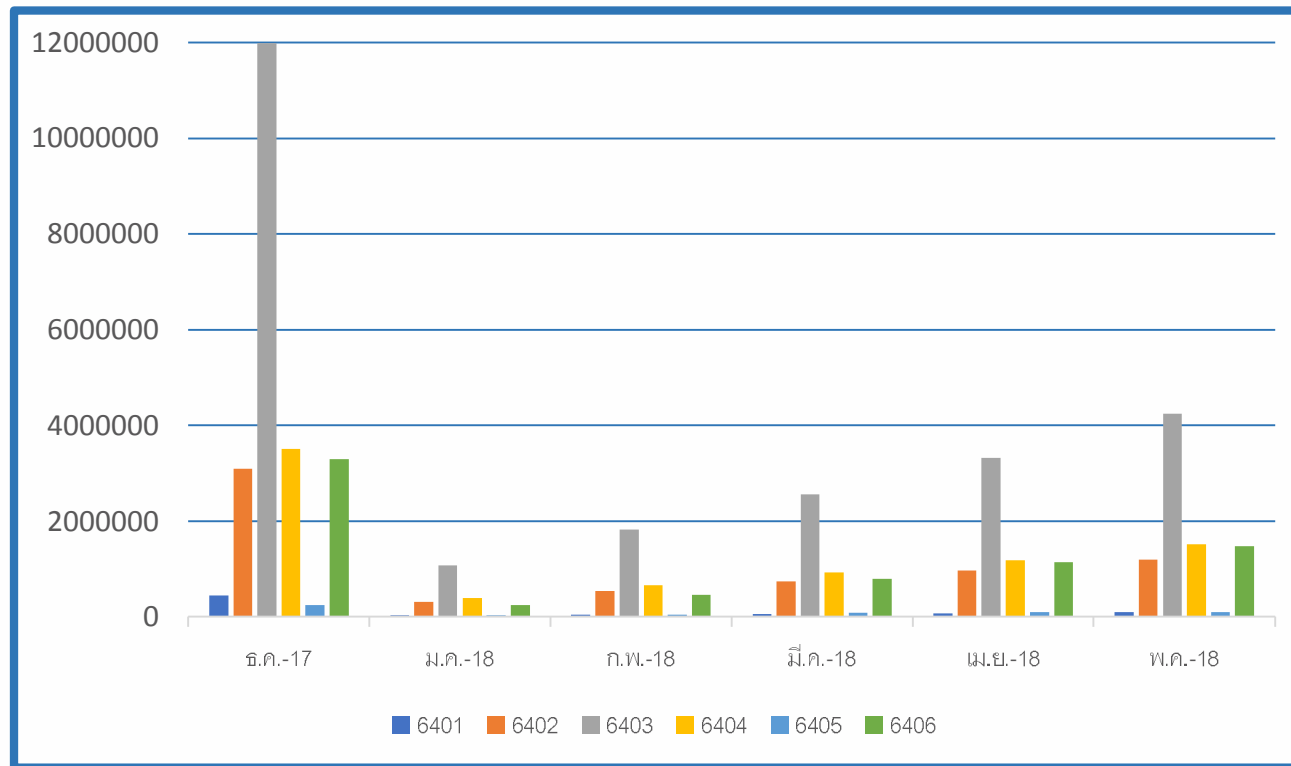
Total exports by Selected HS 4-digit Commodity Heading (6401-6406) 整體出口統計數字 Dec 2017 - May 2018



Re-exports by Selected HS 4-digit Commodity Heading (6401-6406) 轉口統計數字 Jun 2017 - May 2018

Year		2017						2018					
Month		Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Statistics		Value (Year-to-date) (HK\$ '000)											
Trade Type	HKHS 4-digit												
Total Re-Exports	6401	195,525	235,703	278,062	326,332	369,420	410,079	445,079	29,863	42,341	59,263	75,714	100,050
	6402	1,550,828	1,800,772	2,052,187	2,317,640	2,544,619	2,792,240	3,104,003	311,217	539,375	751,651	976,334	1,200,700
	6403	5,751,478	7,148,915	8,211,183	9,300,047	10,122,246	11,015,096	11,988,362	1,082,294	1,828,501	2,557,008	3,323,673	4,245,520
	6404	1,681,842	1,957,066	2,243,632	2,532,091	2,831,954	3,119,088	3,503,374	393,662	660,653	925,453	1,184,857	1,513,609
	6405	114,348	134,924	162,051	180,357	199,905	225,124	251,736	38,411	51,436	79,445	92,798	107,543
	6406	1,567,685	1,832,590	2,123,961	2,433,711	2,730,285	3,031,182	3,298,499	249,524	459,994	805,029	1,145,923	1,480,650

Re-exports by Selected HS 4-digit Commodity Heading (6401-6406) 轉口統計數字 Dec 2017 - May 2018



Imports by Selected SITC 3-(851) digit Commodity Group by Main Origin 進口統計數字 (主要來源地劃分) Jun 2017 - May 2018

Trade Type		Imports																					
SITC 3-digit		851 - FOOTWEAR																					
Origin		THE MAINLAND OF CHINA		ITALY		VIET NAM		INDONESIA		USA		SPAIN		INDIA		JAPAN		BRAZIL		KOREA		Others	
Statistics	Year	Value	YoY %	Value	YoY %	Value	YoY %	Value	YoY %	Value	YoY %	Value	YoY %	Value	YoY %	Value	YoY %	Value	YoY %	Value	YoY %	Value	YoY %
		(Year-to-date) HK\$ '000	Change - Value (Year-to-date)	(Year-to-date) HK\$ '000	Change - Value (Year-to-date)	(Year-to-date) HK\$ '000	Change - Value (Year-to-date)	(Year-to-date) HK\$ '000	Change - Value (Year-to-date)	(Year-to-date) HK\$ '000	Change - Value (Year-to-date)	(Year-to-date) HK\$ '000	Change - Value (Year-to-date)	(Year-to-date) HK\$ '000	Change - Value (Year-to-date)	(Year-to-date) HK\$ '000	Change - Value (Year-to-date)	(Year-to-date) HK\$ '000	Change - Value (Year-to-date)	(Year-to-date) HK\$ '000	Change - Value (Year-to-date)	(Year-to-date) HK\$ '000	Change - Value (Year-to-date)
Month																							
2017	Jun	7,681,463	-11.2%	2,417,746	-1.6%	1,077,848	+6.1%	342,867	+12.7%	199,455	+1.1%	100,644	-16.7%	95,152	+21.0%	78,035	+10.5%	57,049	+15.6%	41,355	+13.8%	525,188	N.A.
	Jul	9,162,520	-12.2%	2,922,975	-1.8%	1,265,714	+8.1%	377,056	+8.5%	226,171	-3.3%	124,666	-8.8%	104,973	+14.0%	90,144	+9.5%	68,010	+18.9%	47,013	+17.2%	638,980	N.A.
	Aug	10,660,416	-10.9%	3,328,369	-2.0%	1,454,273	+8.7%	427,783	+7.8%	257,540	-3.0%	153,714	-1.3%	115,540	+6.8%	103,432	+5.7%	76,928	+15.7%	61,316	+39.4%	745,188	N.A.
	Sep	12,132,128	-9.1%	3,700,735	+0.2%	1,670,799	+8.4%	475,489	+1.9%	292,958	-3.8%	173,606	+2.0%	128,495	+2.8%	118,439	-4.8%	88,901	+22.7%	67,207	+37.1%	824,304	N.A.
	Oct	13,236,617	-9.4%	4,138,933	+2.0%	1,858,612	+11.3%	523,034	+4.1%	325,011	-4.3%	188,579	-2.7%	144,535	+2.4%	131,970	-5.2%	95,015	+22.9%	70,075	+26.3%	896,673	N.A.
	Nov	14,538,011	-9.8%	4,514,050	+1.9%	2,077,553	+14.5%	617,427	+8.8%	358,766	-2.1%	218,510	+1.0%	152,429	+0.6%	149,266	-2.7%	105,545	+32.0%	79,584	+7.9%	960,025	N.A.
Dec	15,973,764	-10.4%	4,949,114	+2.2%	2,338,195	+13.1%	697,089	+7.9%	398,029	+0.4%	234,195	-2.7%	162,398	-0.4%	163,620	-1.6%	110,810	+22.4%	89,669	+3.6%	1,054,174	N.A.	
2018	Jan	1,420,509	-3.1%	486,674	+16.0%	197,656	+36.8%	54,995	+35.7%	26,188	-3.6%	15,385	+8.6%	9,940	-34.2%	11,306	+65.9%	11,922	+97.4%	9,799	+50.7%	77,797	N.A.
	Feb	2,206,474	-3.2%	881,481	+4.1%	345,810	+30.4%	95,183	+24.1%	46,575	-21.2%	38,115	+15.6%	19,648	-48.0%	23,354	+30.4%	21,514	+8.3%	15,633	+3.3%	143,072	N.A.
	Mar	3,296,221	-7.0%	1,359,572	+9.4%	614,538	+32.8%	157,165	+8.4%	87,697	-8.9%	54,569	+12.1%	35,802	-31.1%	42,099	+26.7%	35,561	+33.0%	27,208	+27.5%	222,141	N.A.
	Apr	4,439,535	-6.4%	1,832,272	+13.9%	803,626	+28.6%	190,512	-2.2%	123,250	-9.7%	72,507	+11.8%	48,468	-26.7%	56,422	+15.2%	42,057	+20.8%	38,635	+39.3%	293,044	N.A.
	May	5,773,442	-5.8%	2,292,778	+15.7%	1,028,541	+25.9%	282,745	+11.4%	151,328	-9.9%	88,130	+4.3%	70,072	-16.5%	69,551	+8.0%	48,992	+12.0%	46,069	+30.8%	370,855	N.A.

Raw Materials Cost

LEATHER	2015 RMB / SF	2016 RMB / SF	2017 RMB / SF
小牛皮Calf leather	21.00	21.00	22.00
中、大牛皮Cow leather	19.00	19.00	20.00
牛磨砂Nubuck	21.00	22.00	22.00
牛絨 Cow suede	11.00	10.00	10.00
牛漆皮Patent cow leather	18.00	19.00	20.00
水晶牛皮Crystal patent cow leather	20.00	20.00	23.00
山羊皮 Goat leather	14.00	15.00	16.00
混種羊皮 Hair sheep leather	18.00	19.00	20.00
豬裡皮 Pig lining	5.80	6.00	6.00
羊裡皮 Goat lining 1	10.50	10.00	11.00
羊裡皮 Goat lining 2	9.50	9.00	10.00
羊毛裡 Sheep hair lining	12.00	11.00	12.00

Primary Listing in Hong Kong

上市公司 Primary Listing	股票編號 Share No.	市值 MKT CAP HK\$	Website
九興控股有限公司 STELLA INTERNATIONAL HOLDINGS LTD.	1836	7.17B	www.stella.com.hk
南旋控股有限公司 NAMESON HOLDINGS LTD.	1982	3.14B	www.namesongroup.com
信星鞋業集團有限公司 KINGMAKER FOOTWEAR HOLDINGS LTD.	1170	1.43B	www.kingmaker-footwear.com
萊爾斯丹控股有限公司 LE SAUNDA HOLDINGS LTD.	0738	825.89M	www.lesaunda.com.hk
達芙妮國際控股有限公司 DAPHNE INTERNATIONAL HOLDINGS LTD.	0210	643.16M	www.daphneholdings.cco.hk

Department Stores in Hong Kong



Lane Crawford
www.lanecrawford.com



SOGO 崇光
www.sogo.com.hk



Wingon 永安
www.wingonet.com



YaTa 一田
www.yata.hk



AEON Stores
www.jusco.com.hk



Sincere 先施
www.sincere.com.hk

Major Brands in Hong Kong

Staccato

www.staccato.com



Joy and Peace

www.joy-peace.com



Mirabell

www.mirabell.com.hk



Dr. Kong

www.dr-kong.com.hk



Millies

www.mirabell.com.hk



Footspot

www.footspot.com.hk



Thank You!

Hong Kong Footwear Association

<http://www.hkfootwear.org/>