Royston Carr Asset Management Comments as Hong Kong Economy Suffers Effects of Trade War

Royston Carr Asset Management – Hong Kong's economy dragged down by weak retail sector and effects of US Sino trade dispute.

TAIPEI, TAIWAN, February 21, 2019 /EINPresswire.com/ -- On Sunday, Hong Kong's finance chief, Paul Chan delivered grim news when he said that Hong Kong's economic growth had likely decreased from 3.8 percent in 2017 to only 3 percent in 2018 as the effect of the US China trade dispute and a slowdown in the country's retail sector affected local businesses.

Analysts at Royston Carr Asset Management say Hong Kong's growth rate has not fallen below 3 percent since 2013.

The impact of the trade dispute between China and the United States in which the two countries have slapped tariffs on goods to the value of approximately $360 billion started to become apparent towards the end of last year when Hong Kong's economy grew by an estimated 1.5 percent. This was the lowest quarterly expansion figure since the first quarter of 2016.

Hong Kong's average growth rate in the first three quarters of 2018 reached 3.7 percent and in 2017 growth was higher than Royston Carr Asset Management analysts had forecast, reaching 3.8 percent.

In addition to the downward pressure caused by the US China trade war, Hong Kong's economic growth is being dragged down by a slowdown in the retail sector with retail volume expanding by only 2.1 percent in the final quarter of last year after growing by an impressive 12 percent in the first two quarters of 2018.

Hong Kong's finance chief stated that the disappointing figures clearly pointed to an economic slowdown with commodities exports showing almost no growth at all.

Chan stated on his official blog that a further slowdown in growth for this year was not improbable.

Sophie Shen
Tag Leaf
227 673 241
email us here