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Hong Kong Toasts U.S. Wine and Spirits

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Report Highlights:

Hong Kong's economic growth and social atmosphere support the sophistication and development of the Hong Kong spirits market.

Hong Kong has many favorable elements triggering growth potential for the spirits market. An affluent population, rising receptivity of alcoholic drinks, and habitual patronage of pubs after work and dinner offer opportunities for U.S. liquor exporters. Hong Kong imported over USD500 million of spirits in 2017 from all over the world, which bodes well for the demand of spirits. The United States accounted for about one percent of the import market. U.S. exporters may want to intensify their marketing efforts to enhance consumers' familiarity with U.S. spirits, which will effectively expand the market share of U.S. products.

Economy Overview

Hong Kong is a familiar market for many U.S. exporters. It is the 4th-largest market for U.S. consumer-oriented products, valued at USD4 billion in 2017, including over USD115 million worth of U.S. wine, making the city the United States' 3rd-largest wine export market. The success of U.S. exports to this market is due in large part to Hong Kong's free and open economy and stable currency, which is pegged at a rate of USD1=HKD7.78. Moreover, U.S. products are perceived as good quality and trend-setting.

Hong Kong's flourishing economy and lifestyle set a solid foundation for the spirits market. Given that spirits are a comfort and luxury item, not a basic need, its consumption depends very much on the economy. Hong Kong's gross domestic product (GDP) rose 3.8 percent in 2017 and the Hong Kong government expects its economy to expand three to four percent in 2018. Hong Kong is a developed cosmopolitan city. It has a population of 7.8 million people with per capital GDP of US\$46,200, one of the highest in Asia and higher than that of the United States. The affluent economy drives people toward premium drink options.

Many Hong Kong consumers have yet to be introduced to U.S. liquors. The United States exported USD8 million (source: U.S. Census Bureau Trade Data) worth of spirits to Hong Kong in 2017, accounting for only 0.5 percent of all U.S. spirit exports. Considering that Hong Kong imported a total of USD568 million of liquor from all over the world and that the United States accounted for merely one percent of these imports, U.S. liquor exporters are greatly encouraged to explore the potential of the Hong Kong market.

There is considerable room for an expanded presence of U.S. liquors in Hong Kong. Hong Kong's importance is due to its domestic market as well as its distribution role to the region, particularly China. U.S. liquor exporters are increasingly aware of the huge potential of the market and some are already actively trying to enter the market by participating in various trade shows and seeking agents. These marketing efforts have resulted in a 30 percent and 20 percent rise in U.S. liquor exports by value and volume, respectively, to Hong Kong during the first eight months of 2018.

Hong Kong's prevalence of pubs and bars bodes well the demand for spirits in Hong Kong. Drinking areas spread around different commercial and business districts all over the city. In 2017, there were some 8,075 restaurants, pubs, bars, and clubs licensed to sell or supply liquor for

consumption on the premises. Hong Kong people not only enjoy dining out, but also meeting with friends for drinks after work or for dinners. Bars alone generated a total of USD111 million (HKD864 million) in revenue in the first six months of 2018, rising nine percent compared to USD102 million (HKD796) revenue in the corresponding period in 2017.

Hong Kong retail sales of alcoholic drinks (including wine, beer, and liquor) totaled USD764 million in 2017 and have maintained this pace to reach USD383 million in the first half of 2018. Supermarkets account for approximately 60 percent of retail sales, while other sales were by small retail outlets or specialty stores.

Hong Kong's strong inbound tourism further fueled the demand for alcoholic drinks. In 2017, a total of 58.5 million tourists were attracted to Hong Kong, increasing 3.2 percent over 2016. The city's nightlife is a must-experience activity for many tourists. Business in hotel bars and lounges benefit immensely from the great volume of tourists. In addition, Lan Kwai Fong is home to over 90 restaurants and bars, one of the most well-known nightlife districts in Asia, and adjacent to the central business center. It is listed as one of the hot spots for tourists to Hong Kong. Apart from the positive direct impact of tourist consumption of alcoholic drinks, buoyant inbound tourism also has the indirect positive impact of creating well-paying jobs that boosting Hong Kong's economy and ultimately augment the purchasing power of Hong Kong residents, leading to more alcoholic beverage consumers.

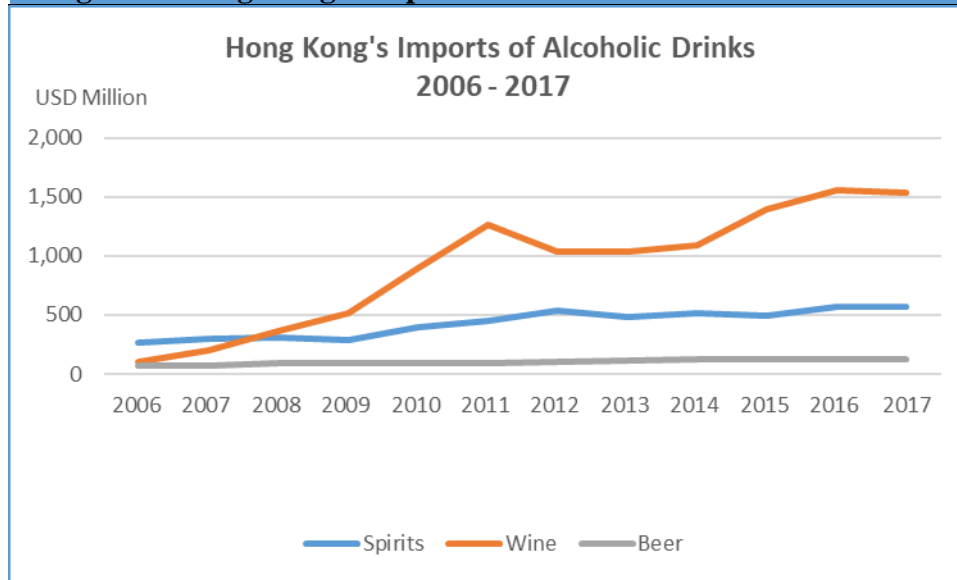
Inbound tourism contributes about five percent to Hong Kong's GDP. Given the importance of the tourism industry, the Hong Kong Tourism Board, with the support of the government, vigorously promotes tourism on all fronts by developing new attractions and MICE (meetings, incentives, conferences and exhibitions) tourism. The liquor business will inevitably benefit from a strong tourism industry.

Trade

Hong Kong imported a total of USD568 million of spirits from all over the world in 2017, growing 113 percent from 2006. While the current spirits import value is lower than wine's (\$1.5 billion), spirits imports in 2006 and 2007 were higher than wine imports when wine was still subject to an import duty, demonstrating a strong demand for spirits. (The duty on wine was abolished in 2008.)

Liquors with more than 30 percent alcohol content remain subject to a 100 percent excise duty. The excise duty on alcohol is ad valorem. For imported and domestically-produced liquor, the ex-factory price is the basis for assessing the duty.

Figure 1. Hong Kong's Imports of Alcoholic Drinks in 2013-2017



Source: Hong Kong Census and Statistics Department

Liquor Varieties

French brandy has traditionally dominated the Hong Kong liquor market. Out of all liquors, brandy accounts for the largest import value, taking around 44 percent of total liquors, and French occupied 98 percent of the brandy imports. Popular brands include Remy Martin and Hennessy. When Hong Kong people opt for brandy, Cognac is always the top choice. Hong Kong's imports of brandy increased nine percent in 2017 by value and five percent by volume.

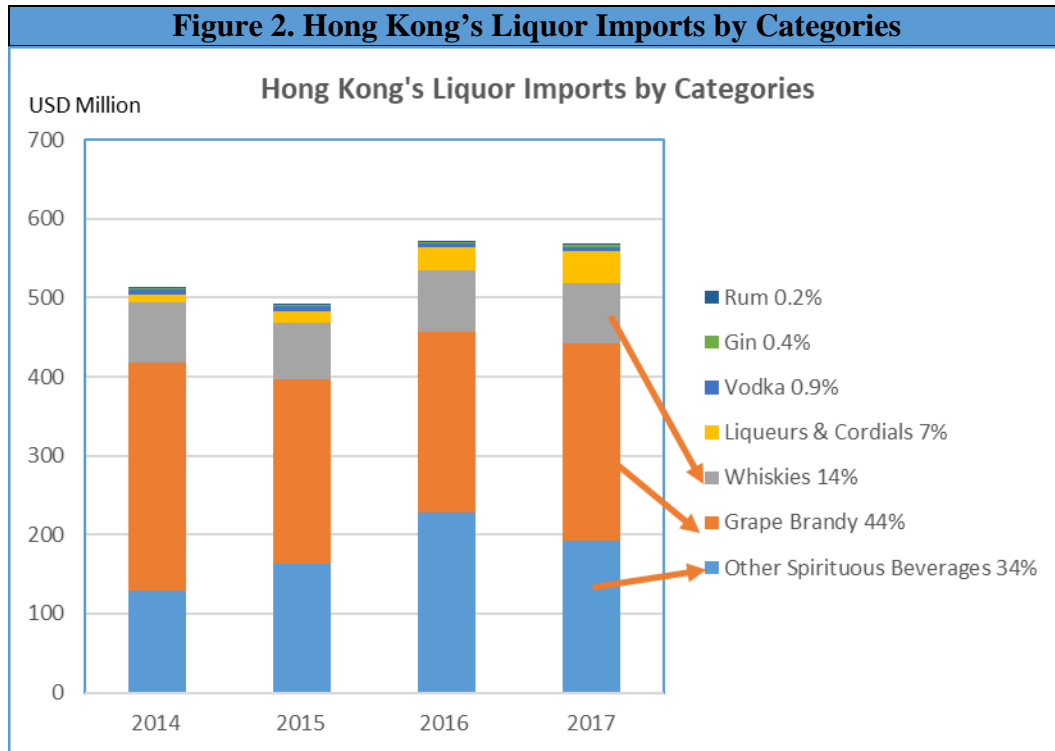
China's Baijiu is another significant category of imported liquor in Hong Kong in recent years. China's Baijiu is classified under "other spirituous liquor" is the second-largest category by volume and of comparable value as brandy. China accounts for over 98 percent of this category. Baijiu is a traditional strong Chinese distilled alcoholic beverage made of sorghum.

Whisky is the third-largest category in Hong Kong's liquor market, representing about 14 percent out of all liquor imported by value. Scottish whisky is the most popular whisky accounting for 79 percent of all whisky supplies. However, in recent years, other whiskies have successfully established a foothold in Hong Kong's volatile market. With the diminishing British population in the city, Hong Kong consumers tend to be more receptive to other whiskies, including those from the United States, Japan, and Korea. Hong Kongers frequently travel to Japan and Korea and the popularity of their premium cuisine in Hong Kong provide opportunities to introduce their whiskies to Hong Kong consumers.

Other liquor imports to Hong Kong include liquors and cordials, which jumped from USD30 million in 2016 to USD40 million in 2017, rising a remarkable 33 percent by value despite a decline of 10 percent in terms of volume. The increase in value contrasted with the drop in volume because some traders tried to import whiskies under this category when their "whisky" could not fulfill Hong

Kong's legal definition of whisky, requiring an age of at least three years.

Vodka, gin, and rum each took up less than one percent of Hong Kong's liquor import value.



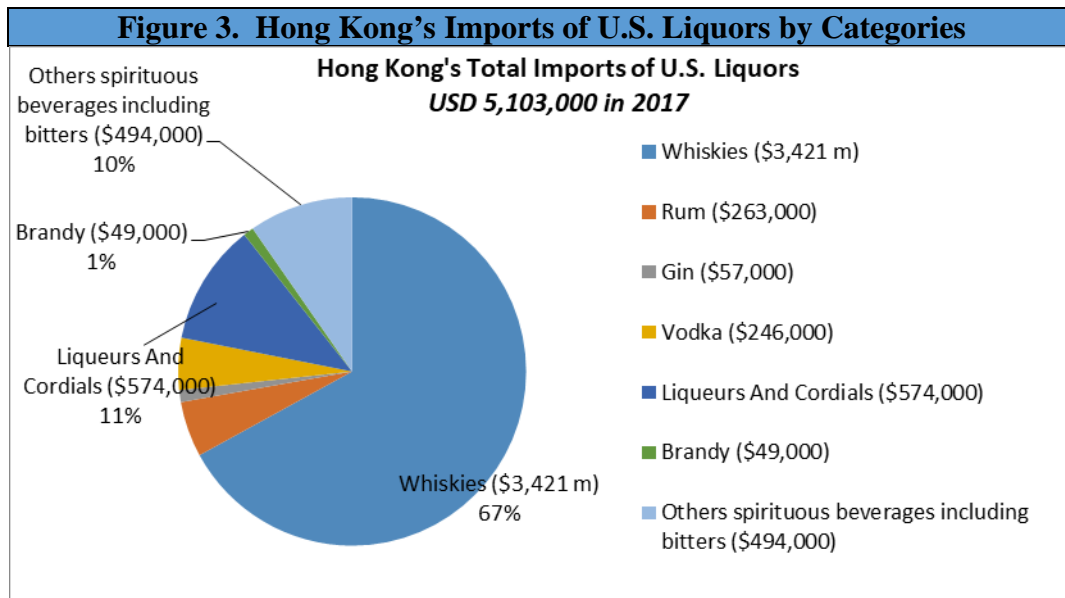
Source: Hong Kong Census and Statistics Department

U.S. Liquors

It seems that some Hong Kong consumers are trying U.S. liquors and U.S. exporters have started to notice the Hong Kong market. U.S. liquor exports to Hong Kong jumped 30 percent in the first eight months of 2018 compared to the same period in 2017, reaching a value of USD 4 million. The growth was driven noticeably by whisky, gin, and liqueurs and cordials. In 2017, the United States was Hong Kong's 4th-largest supplier accounting for about one percent of the market share. Whisky topped U.S. liquor exports to Hong Kong (\$3 million; 67 percent), followed liqueurs and cordials (\$574,000; 11 percent), tequila and bitters (\$494,000; 10 percent), rum (\$263,000; 5 percent), and vodka (\$246,000; 5 percent). Brandy accounted for merely one percent with a value of USD48,688 in 2017.

With U.S. exporters' starting to explore the market and sell U.S. brandy to Hong Kong, consumers are able to have the chance to try the products and the response is encouraging. U.S. brandy is particularly appealing to consumers who have resided in the United States and to the younger generation who is more receptive to new tastes. Compared to U.S. brandy, U.S. bourbon is more established in Hong Kong. Its exports to Hong Kong reached USD3 million in 2017, maintaining a market share of four percent. Jack Daniels is one of the best-selling U.S. whiskies in Hong Kong.

In contrast to strong loyalty to French brandy when drinking brandy, Hong Kong consumers are more receptive to try whiskies that are not Scottish.



Source: Hong Kong Census & Statistics Department

Major Players

France ranked as the top liquor supplier to the Hong Kong market in 2017, with an import value of USD250 million, accounting for 44 percent of the market share by value. However, France's market share has declined significantly from 57 percent in 2014. This decline has been much ascribed to the diminishing popularity of brandy at the expense of wine and other liquors such as whiskies. Other major players include China (33 percent) and the United Kingdom (16 percent). France has established a strong foothold in the industry and has always been the largest supplier in brandy. While maintaining its dominating position in brandy (98 percent), Sweden overtook France as the largest supplier of vodka in 2017.

China is the second-largest liquor supplier to Hong Kong and exported USD189 million in liquor to the market in 2017. Its market share, 33 percent in 2017, is lower than that of France, but very likely to grow in the coming years. The key driving force is China's typical Baijiu. With the influx of mainland Chinese residing in Hong Kong and Chinese corporations, Baijiu has become a popular beverage provided at banquets with Mainland Chinese guests. The toasting culture prevalent in Mainland China has been transplanted gradually in Hong Kong resulting in the surge of Baijiu and China's increasing market share. Maotai is the most popular brand and is regarded as a premium gift.

The United Kingdom is the 3rd-largest liquor supplying country to Hong Kong, reaching \$93 million in 2017 and representing a 14 percent year-on-year rise. With the lingering influence of the British, Scotch remains the top choice of many Hong Kong consumers whenever choosing whiskies. Its sales to Hong Kong increased by two percent in value in 2017, amounting to USD 61 million. The market

includes well established brands such as Macallan scotch and new-to-the market brands such as Tomatin.

The industry is bringing in Scotch which is less than three years of age. This cannot be considered as “whisky” under Hong Kong’s legal definition. Therefore, they are grouped under “liqueurs and cordials”. This explains the surge of U.K. liqueurs from USD18 million in 2016 to USD29 million in 2017, representing a remarkable increase of 60 percent. The trend seems set to continue in 2018. U.K. liqueur imports into Hong Kong in the first eight months of 2018 demonstrated a growth of 47 percent compared to the same period in 2017.



Source: Hong Kong Census & Statistics Department

Hong Kong as a Trading Hub

Hong Kong imported a total of 21 million liters of liquors in 2017, 7 million, or 32 percent of which, were re-exported. China, Vietnam, and Macau are the largest export markets with a share of 42, 29, and 15 percent respectively.

China is the largest re-export market in terms of volume. The recent trade tension between the United States and China seems not have affected Hong Kong’s overall liquor re-exports. Hong Kong’s re-exports to China January – August 2018 rose 12 percent, regardless country of origin, compared to the same time period the previous year. However, Hong Kong’s re-exports to China of U.S. liquors dropped significantly- 10 percent by volume.

Recent Changes of Import Tariff on U.S. Alcoholic Drinks to China, (as of Oct 31, 2018)					
	Original	April 2 Trade Action 232 (additional)	July 6 301 Investigation (additional)	Sept 24	Value Added Tax
Wine	14/20/30	15	0	5/10	16
Whiskies 22083000	10	0	25		16
Beer	0	0	0	10	16
Brandy 22082000	10	0	0	10	16
Rum 22084000	10	0	0	10	16
Gin 22085000	10	0	0	10	16
Vodka 22086000	10	0	0	10	16

Source: Based on various Trade Monitoring Reports, Beijing FAS office

Luxury beverages are much affected by the economy. In 2016 and 2017, the Chinese government's austerity program reduced its entertainment budget and resulted in the decreased demand for premium beverages such as imported liquors. This explains the 22 percent decline in Hong Kong's re-exports of liquors to China in 2016 and another three percent decline in 2017.

Vietnam is the second largest re-export market. It is worth noting that the unit price of Hong Kong's reports to Vietnam (\$102/liter) is far more expensive than that to China (\$59/liter). Thus, Vietnam was Hong Kong's largest re-export market by value (39 percent) in contrast to the share by volume (29 percent).

Macau, with a per capita GDP over USD77,000 and an average of 2.7 million visitors each month, is Hong Kong's third-largest liquor re-export market. Its world-class gaming resorts and their guests have pushed the demand for premium liquors. In January – August 2018, Macau imported USD72 million worth of liquors via Hong Kong, rising 31 percent compared to January –August 2017. Unlike Hong Kong, Macau's liquor imports focused largely on brandy; the market share is as high as 77 percent. Whiskies are the second-largest item and account for 13 percent only. French imports are the most sought after liquors by Macau consumers and tourists.

Market Trends

Hong Kong's liquor market is characterized by the following highlights.

Trade representatives estimate that on-trade (restaurants and bar) sales of liquor account for about 70 percent versus 30 percent off-trade sales by volume. Casual drinkers usually consume liquors at bars

and restaurants with a group of friends. Hong Kong's tight living quarters in general are too small for entertaining friends at home.

The popularity of cocktails has been surging in recent years because there is considerable growth in the younger and female clientele segments, who are more receptive to cocktails than straight liquors. Many of these young and female consumers have been educated overseas and are more prone to western drinking habits. Moreover, the abolition of the wine duty in 2008 has helped wine sales tremendously, indirectly enticing consumers to get more accustomed to alcoholic drinks. When they get used to wines, they will try other alcoholic drinks. Cocktails always come next before brandy and whisky. The popularity of cocktails subsequently drives up the demand for gin, which is a common cocktail ingredient. As such, Hong Kong's import value of gin has increased steadily over the years (11 percent between 2016 and 2017; 35 percent between January – August 2017 and January - August 2018).

In contrast, Hong Kong people have been drinking less brandy. The retained imports of brandy dropped from 2.6 million liters in 2013 to 2.1 million liters in 2016. It rebounded to 2.5 million liters in 2017. Nonetheless, brandy continues to generate the majority of liquor sales. Cognac, associated with premium and quality by consumers, is well received in the market. Popular brands in Hong Kong include Remy Martin, Hennessy and Martell.

Scotch remains the most popular whisky. Hong Kong consumers enjoy premium single malt whiskies. However, an industry representative remarked that he does not see many die-hard fans for a certain brand of whisky. Hong Kong people are receptive to try new brands of whiskies.

Japanese whiskies are growing popular in Hong Kong in recent years. Industry people expect the heat will continue because they are relatively sweet and palatable for Hong Kong consumers. The popularity of Japanese cuisine, Hong Kong people's frequent visits to Japan, and the proliferation of Japanese department stores promoting Japanese alcoholic drinks play a key role in introducing Hong Kong consumers to Japanese whiskies. Popular Japanese whisky brands in Hong Kong include Yamasaki.

The market is divided into two sectors. For certain mature drinkers, their purchasing decision will not be affected by prices or the economy. For instance, the escalating prices of certain Scotch and Japanese whiskies, as a result of limited supply or award status, remain highly sought after by some sophisticated consumers. There is a niche market for whiskies aged over 15 years or 20 years. In terms of price range, the best-selling brandies and whiskies cost around USD65 - USD100. This will remain the trend in the coming two years.

However, another market segment is more prone to be affected by the economy and the economy's performance will directly affect these consumers' choice of liquors. Recently when Hong Kong's economy has benefited from the influx of mainland consumers with high purchasing power, the industry has seen more clients ordering bottles of spirits over USD200. When the economy was not as good in 2016, the bar industry saw more clients opt for less expensive liquors costing around USD100 instead. Hong Kong's GDP growth was 2.2 and 3.8 in 2016 and 2017, respectively, and the forecast for 2018 is four percent. This serves as an indication for the demand for liquors for 2018. However, there are some hidden threats over Hong Kong's economy resulting from the trade dispute

between the United States and China. Much of the trade between these two economies passes through Hong Kong generating considerable amount of business opportunities for its service industries.

Retail outlets for alcoholic drinks include supermarkets, wine/liquor stores, groceries shops, and online. Major supermarket chains and groceries shops usually sell common well-known brands. A few high-end supermarkets, e.g. City Super and specialty wine stores, carry more varieties and may stock for premium liquors. However, the sales of liquors account for less than one-third of their sales while the majority of sales are generated from wine. Reportedly only three to four specialty stores offer online liquor sales. This retail channel targets more sophisticated consumers. The high-end supermarkets and specialty stores will remain as the prime retail outlets for liquors.

It is common practice in Hong Kong that big brands enter into sales contract with clubs/bars/lounges whereby they will rebate a certain amount of money to their business partners if the turnover of the brand in question exceeds the agreed volume. This rebate system serves as an effective marketing tool as it provides incentive for clubs and bars to help promote the brand to end consumers. In recent years, the trend of marketing by promoting the story and history of the products has grown more popular because it helps enforce consumers' interest, knowledge, and loyalty to the products.

Regulations

Beverages containing more than 30 percent alcohol content are subject to 100 percent excise duty, unless the product is to be re-exported and not consumed in Hong Kong, in which case there is no excise duty. Dutiable goods have to be stored in bonded warehouses unless the full duty has been paid.

Licenses and Permits

Beverages with an alcohol content of more than 30 percent by volume measured at a temperature of 20 degree Celsius are subject to licensing and permit controls. Only licensed importers are eligible to import these products and an import permit is required for each shipment prior to arrival. Import licenses are obtained from the Hong Kong Customs & Excise Department.

Clubs, bars, and restaurants offering liquors are required to apply for a license from the Liquor Licensing Board, and are banned from selling liquors to minors under the age of 18.

As a step to tackle underage drinking, in February 2018, Hong Kong enacted an ordinance amendment by restricting retail sales of intoxicating drinks to young people under the age of 18 and the amended regulation takes effect November 30, 2018. The proposed regulation will cover all commercial sales including internet sales as well.

Certificate of Origin/Age Certificate

Brandy and whisky product (see definition below) imports intended for sale in Hong Kong must be accompanied by a Certificate of Origin/Age Certificate certifying the type, nature, quality, and age

of the product. If the brandy or whisky is intended solely for re-export, a Certificate of Origin is not required.

Legal Definitions

Brandy: the spirit obtained by the distillation of wine of grapes in the manufacture of which no additional sugar has been added, or a mixture of such spirits, that has been aged in an oak receptacle for at least one year or in an oak cask with a capacity of less than 1000 L for at least six months and contains an alcoholic strength of not less than 36 percent by volume at 20 degree Celsius;

Cognac: brandy made in the Cognac region of France from grapes grown therein.

Whisky: the spirit obtained by distillation from a mash of cereal grains saccharified by the diastase of malt or other natural enzyme and fermented by the action of yeast, with or without the addition of flavoring or caramel, that has been aged in wood for at least three years and contains an alcoholic strength of not less than 40 percent by volume at 20 degree Celsius.

Health Certificates

Spirit shipments to Hong Kong do not require a health certificate. However, the Hong Kong Center for Food Safety encourages shipments, regardless of food/beverage type, to include health certificates.

Labeling

Alcohol content must be labeled on every container of liquor that is imported to, or manufactured in, Hong Kong for local consumption. If the liquor is imported into Hong Kong and not removed to a warehouse, the container must bear the alcohol content when the liquor is removed from the ship, aircraft, train, or vehicle on which it is imported.

Marketing

There are over 100 importers and distributors specializing in alcoholic drinks. They are familiar with the market and have close contact with retail outlets and bars and restaurants. U.S. exporters are most welcome to get in touch with ATO Hong Kong to have your spirits introduced to them. Also, there are shows targeting for the trade/consumers, which are effective means of meeting potential business partners.

Shows in Hong Kong

[Hong Kong International Wine & Spirits Fair](#)

[VINEXPO HONG KONG](#)

[ProWine Asia](#)

[Wine and Dine](#)

Some importers reveal that an effective means of marketing new brands to this market is to

showcase the products to consumers and trade at shows targeting all segments of the market. They are then introduced to bars and clubs. Once consumers get familiarized with the brands, the products will become available for sale in retail outlets. Taste, price, and image are key factors in purchasing decisions. In addition, many consumers may want to have more personal association with the product by knowing the story behind the products. Thus, the trend of promotion events will always highlight the background of the distillers so as to let consumers have a more in-depth knowledge of the brand.

Statistics

Table 1. Hong Kong's Imports of Spirits by Categories in Value							
Description	USD million			% Share			% Change
	2015	2016	2017	2015	2016	2017	2017/2016
Total	492	572	568	100	100	100	-0.7
Grape Brandy	233	228	249	47.46	39.84	43.77	9.09
Other Spirituous Beverages	163	228	193	33.11	39.91	33.94	-15.56
Whiskies	72	78	77	14.64	13.56	13.63	-0.18
Liqueurs And Cordials	14	30	40	2.93	5.29	7.11	33.38
Vodka	6	4	5	1.25	0.78	0.9	14.44
Gin And Geneva	2	2	3	0.35	0.39	0.44	11.28
Rum And Tafia	1	1	1	0.26	0.22	0.21	-5.23

Source: Hong Kong Census & Statistics Department

Table 2. Hong Kong's Imports of Spirits by Categories in Volume, Liter							
Description	Quantity			% Share			% Change
	2015	2016	2017	2015	2016	2017	2017/2016
Total	21,567,315	21,821,890	21,067,462	100	100	100	-3.46
Other spirituous drinks	8,380,088	9,008,505	7,750,460	38.86	41.28	36.79	-13.97
Grape Brandy	6,202,426	5,827,065	6,111,023	28.76	26.7	29.01	4.87
Whiskies	4,056,663	4,067,146	4,275,992	18.81	18.64	20.3	5.13
Liqueurs And Cordials	1,228,309	1,352,100	1,217,822	5.7	6.2	5.78	-9.93

Vodka	1,121,876	926,028	986,590	5.2	4.24	4.68	6.54
Gin And Geneva	323,065	394,562	498,273	1.5	1.81	2.37	26.29
Rum And Tafia	254,888	246,484	227,302	1.18	1.13	1.08	-7.78

Source: Hong Kong Census & Statistics Department

Table 3. Hong Kong's Imports of Spirits by Suppliers							
Partner Country	USD Million			% Share			% Change
	2015	2016	2017	2015	2016	2017	2017/2016
World	492	572	568	100.00	100.00	100.00	- 0.70
France	236	230	250	47.92	40.22	44.08	8.83
China	157	225	189	31.96	39.24	33.32	- 15.69
United Kingdom	64	82	93	13.07	14.29	16.45	14.29
United States	7	9	5	1.33	1.59	0.90	- 43.79
South Africa	6	6	5	1.28	1.01	0.87	- 14.70
Australia	19	34	37	0.39	0.59	0.64	7.78
Japan	23	35	33	0.47	0.62	0.58	- 6.43
Korea South	47	35	32	0.95	0.62	0.56	- 10.09

Source : Hong Kong Census & Statistics Department

Table 4. Hong Kong's Imports of Brandy							
Partner Country	USD thousand			% Share			% Change
	2015	2016	2017	2015	2016	2017	2017/2016
World	233,320	228,005	248,725	100.00	100.00	100.00	9.09
France	231,830	226,020	244,595	99.36	99.13	98.34	8.22
Vietnam	0	0	2,194	0.00	0.00	0.88	0.00
Malaysia	0	0	895	0.00	0.00	0.36	0.00
Japan	14	243	310	0.01	0.11	0.12	27.71
Singapore	20	5	215	0.01	0.00	0.09	4549.29
China	151	629	112	0.06	0.28	0.04	- 82.27
Macau	22	0	107	0.01	0.00	0.04	0.00
Germany	8	2	61	0	0	0.02	2758.9
United States	12	716	49	0	0.31	0.02	-93.2

Source : Hong Kong Census & Statistics Department

Table 5. Hong Kong's Imports of Whiskies							
Partner Country	USD thousand			% Share			% Change
	2015	2016	2017	2015	2016	2017	2017/2016
World	71,950	77,604	77,462	100.00	100.00	100.00	- 0.18
United Kingdom	59,030	60,229	61,310	82.04	77.61	79.15	1.80
United States	3,752	4,257	3,421	5.21	5.49	4.42	- 19.65
Korea South	4,667	3,453	3,159	6.49	4.45	4.08	- 8.51
France	900	2,099	2,972	1.25	2.70	3.84	41.61
Australia	8	2,060	2,571	0.01	2.65	3.32	24.80
Japan	1,764	2,617	1,806	2.45	3.37	2.33	- 30.98

Source: Hong Kong Census & Statistics Department

Table 6. Hong Kong's Imports of Rum							
Partner Country	USD thousand			% Share			% Change
	2015	2016	2017	2015	2016	2017	2017/2016
World	1,265	1,275	1,208	100.00	100.00	100.00	- 5.23
United States	313	314	263	24.74	24.64	21.74	- 16.38
United Kingdom	174	233	180	13.77	18.28	14.90	- 22.74
Germany	77	38	133	6.05	2.97	10.98	250.65
Spain	280	76	94	22.14	5.95	7.76	23.58
Puerto Rico (U.S.)	86	67	85	6.78	5.23	7.04	27.49
Jamaica	58	57	85	4.60	4.47	7.01	48.54
Italy	24	3	83	1.89	0.26	6.84	2414.52

Source: Hong Kong Census & Statistics Department

Table 7. Hong Kong's Imports of Gin							
Partner Country	USD thousand			% Share			% Change
	2015	2016	2017	2015	2016	2017	2017/2016
World	1,728	2,259	2,514	100.00	100.00	100.00	11.28

United Kingdom	1,420	1,856	1,924	82.20	82.14	76.55	3.71
Germany	74	161	129	4.26	7.11	5.14	- 19.57
Italy	0	3	112	0.00	0.13	4.44	3794.86
Spain	117	12	65	6.76	0.52	2.57	450.90
U.S.	67	69	57	3.88	3.04	2.26	- 17.29
Australia	4	24	49	0.23	1.05	1.94	104.43
Japan	0	37	47	0.00	1.66	1.88	26.41
Finland	0	10	28	0.00	0.45	1.10	169.53

Source: Hong Kong Census & Statistics Department

Table 8. Hong Kong's Imports of Volka							
Partner Country	USD thousand			% Share			% Change
	2015	2016	2017	2015	2016	2017	2017/2016
World	6,136	4,453	5,095	100.00	100.00	100.00	14.44
Sweden	1,792	733	1,124	29.20	16.46	22.05	53.36
France	1,323	915	1,036	21.56	20.55	20.33	13.24
Ireland	483	509	563	7.86	11.43	11.05	10.64
United Kingdom	705	814	522	11.48	18.29	10.25	- 35.89
Finland	194	116	341	3.16	2.60	6.69	194.80
United States	338	212	246	5.51	4.75	4.83	16.28
Lithuania	249	204	231	4.06	4.59	4.53	12.95
Russia	83	207	145	1.35	4.66	2.84	- 30.25
Latvia	90	99	136	1.46	2.23	2.66	36.98

Source: Hong Kong Census & Statistics Department

Table 9. Hong Kong's Imports of Liqueurs and Cordials							
Partner Country	USD thousand			% Share			% Change
	2015	2016	2017	2015	2016	2017	2017/2016
World	14,404	30,271	40,377	100.00	100.00	100.00	33.38
U.K.	2,746	18,392	29,349	19.06	60.76	72.69	59.58
South Africa	6,240	5,752	4,898	43.32	19.00	12.13	- 14.86
France	1,309	807	1,790	9.09	2.67	4.43	121.77
Ireland	834	786	765	5.79	2.60	1.89	- 2.74
United States	752	1,022	574	5.22	3.38	1.42	- 43.85
Japan	222	209	551	1.54	0.69	1.37	163.63

China	139	1,278	516	0.97	4.22	1.28	- 59.61
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Source: Hong Kong Census & Statistics Department

Table 10. Hong Kong's Imports of Other Spirituous Beverages, including Bitters							
Partner Country	USD thousand			% Share			% Change
	2015	2016	2017	2015	2016	2017	2017/2016
World	162,771	228,397	192,864	100.00	100.00	100.00	- 15.56
China	156,791	222,636	188,632	96.33	97.48	97.81	- 15.27
Australia	1,763	851	902	1.08	0.37	0.47	5.96
Vietnam	0	3	789	0.00	0.00	0.41	∞
Japan	321	421	585	0.20	0.18	0.30	39.14
United States	1,297	2,490	494	0.80	1.09	0.26	- 80.16
Mexico	768	668	382	0.47	0.29	0.20	- 42.80
Singapore	5	173	270	0.00	0.08	0.14	56.12

Source : Hong Kong Census & Statistics Department

Table 11 . Hong Kong's Exports of Spirits, liters							
Partner Country	Quantity			% Share			% Change
	2015	2016	2017	2015	2016	2017	2017/2016
World	8,276,931	7,459,795	6,768,954	100.00	100.00	100.00	- 9.26
China	3,748,468	2,914,725	2,814,528	45.29	39.07	41.58	- 3.44
Vietnam	2,187,441	2,214,492	1,959,137	26.43	29.69	28.94	- 11.53
Macau	1,321,988	1,424,720	992,845	15.97	19.10	14.67	- 30.31
Australia	93,606	261,565	386,566	1.13	3.51	5.71	47.79
Singapore	261,489	169,060	190,373	3.16	2.27	2.81	12.61

Source: Hong Kong Census & Statistics Department