Economic Indicators Analysis

26 August 2026

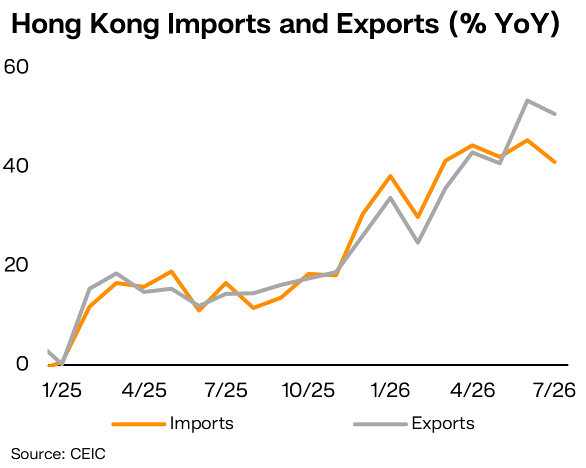
Hong Kong Exports Maintain Rapid Expansion

Summary:

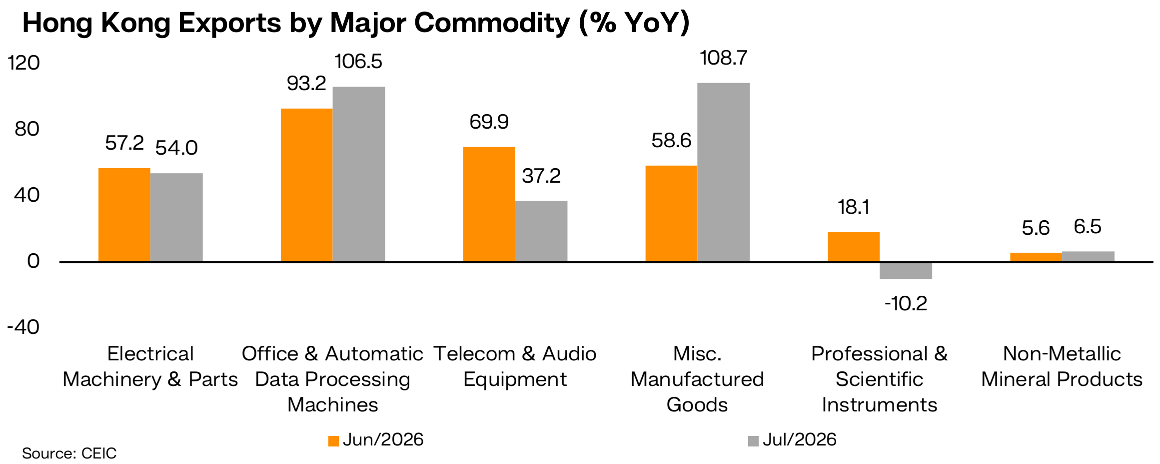
- External trade remained buoyant, with merchandise exports and imports surging by 50.7% and 41.0% YoY in July, respectively.
- Solid momentum was observed across major export destinations, fuelled by the ongoing AI Supercycle.
- Rapid expansion in trade is set to provide a strong tailwind for Hong Kong's Q3 GDP growth.

Hong Kong's external trade delivered another blowout performance in July. Merchandise exports surged by 50.7% year-on-year (YoY) in July, following the remarkable 53.4% growth recorded in June. Meanwhile, imports jumped by 41.0% YoY in July, compared with 45.4% growth in the preceding month. For January – July, merchandise exports and imports rose by 40.9% and 40.6%, respectively. The print extends a historic run since 2025, marking the 18th consecutive month of double-digit YoY growth in both exports and imports, firmly reinforcing Hong Kong's role as a critical logistics hub in a fast-growing global technology cycle.

Solid momentum was observed across major export destinations. In July, most of Hong Kong's key export markets recorded rapid export growth, including the Chinese Mainland (+56.5% YoY), the US (+92.9%), Taiwan (+95.7%), Vietnam (+77.7%), Singapore (+46.5%), Thailand (+63.1%), the UAE (+20.8%), and Malaysia (+41.5%). The broad-based growth in exports underscores Hong Kong's strategic position within global supply chains and demonstrates its resilience amid an increasingly uncertain geopolitical landscape.



AI-related electronics products were among the top three contributors to export growth. Driven by the global AI-led investment upcycle, demand for semiconductors, servers, and broader information and communications technology equipment has surged substantially, generating unprecedented trade flows. In July, exports of electrical machinery & parts, office & automatic data processing machines and telecommunications equipment surged by 54.0%, 106.5% and 37.2% YoY, respectively. In addition, miscellaneous manufactured goods, which mainly consist of jewellery, gold and silver products, grew by 108.7% YoY. These figures indicate that the structural uptrend in global AI investment remains firmly intact.



Rapid expansion in trade is set to provide a strong tailwind for Hong Kong's Q3 GDP growth. Strong trade flows are expected to deliver substantial benefits for Hong Kong's logistics sector as well as professional and business services. With global investment in AI-related infrastructure remaining robust, Hong Kong's external trade is well-positioned to sustain its strong momentum throughout the remainder of 2026. Recently, the SAR Government revised its GDP growth forecast for 2026 upward to 3.5% – 4.5%, from the previous range of 2.5% to 3.5%. Hong Kong's continued strong economic performance validates this revision.

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