

Press Release
September 8, 2020



Resume Traveling a Stronger Push to Economic Recovery September Update (part B) by ITE Hong Kong

Number of daily new cases continue falling in Hong Kong, with three of the first 6 days of September with single digit new cases! By September 6, there were a total of 4879 cases with 4511 cured and discharged and 95 deaths! Comparatively, Hong Kong has fewer cumulative confirmed cases than some other Asian major source markets.

Accordingly, the government announced on September 2 more easing of social distancing which include longer operating hour for restaurants, and gym etc. can reopen for business with effect on September 4. However, each table still cannot sit more than 2 customers, and travel restrictions remain etc.

Further, the government arranged free mass screening tests for Hong Kong residents! By September 6, over 1 million residents took the test, and of those 0.68 million thus screened 15 tested positive 4 of which being old cases! Besides identifying the hidden carriers, the test's findings can also help in arranging travel bubble.

The Hong Kong Financial Secretary in his blog on August 30 said “only if the epidemic is subsided, we would be able to resume the travel between Hong Kong and the Mainland plus Macao for a stronger push to economic recovery, and facilitate travel to other places under the arrangement of travel bubbles”.

In fact, the Secretary for Commerce and Economic Development Bureau of HKSAR confirmed on August 24 the city already started discussing/exploring with around 8 to 10 countries and regions on arranging travel bubble.

How is the **Hong Kong economy**? It continues **falling by single digit** in the second quarter, dropping by 9.0% year-on-year but still a marginal improvement over the record decline of 9.1% in the first quarter. In the current round of review, the real GDP for the whole year of 2020 is forecast to fall by 6 to 8%! Such forecast implies shallower drop in the third and last quarters this year.

But even the dark cloud of US – China Trade War may have a silver lining! In June, two Chinese technology giants, NetEase and JD.com had their secondary listing in Hong Kong, raising some US\$6.7 billion! Then follow by the recent filing by Ant Group, the financial affiliate of Alibaba. More listings are expected as one recent study highlighted 31 US-listed Chinese companies could flock to the Hong Kong bourse for relisting after their delisting in the US.

On more personal level, Hong Kong employees' median salary dropped 5% in the second quarter this year. A survey in late August, which successfully interviewed by phone 717 Hong Kong citizens aged 18 or above, found family income of 42.1% of respondents not been negatively affected by Covid-19, which coincidentally comparable to percentage of pent-up travel demands in June surveys on ITE public visitors.

The city's only travel fair, the next ITE Hong Kong will be held from June 17 to 20, 2021 at Halls 1 of the Hong Kong Convention & Exhibition Centre (HKCEC) with first two days only for trade and professionals requiring registration for admission, and last two days open to public. Held annually, ITE2021 combines 35th ITE LEISURE & the 16th ITE MICE.

Organized by TKS Exhibition Services Ltd., ITE Hong Kong again is strongly supported by the Ministry of Culture and Tourism of the People’s Republic of China, and have the Hong Kong Tourism Board, Travel Industry Council of Hong Kong and Macao Government Tourism Office etc. as its supporters.

Affected by the pandemics, the organizer first announced in March postponing ITE 2020 from June to August, then in early July announced its cancellation! Accordingly, ITE 2019 statistics are used in appendix below. For further details, please visit www.itehk.com. For enquiries: travel@tkshk.com | Wechat: ite-hongkong | Tel: +852 31550600.

APPENDIX: Profiles of ITE2019 Trade & Public Visitors and Exhibitors

	TOTAL NO.	BREAKDOWN % - 1	BREAKDOWN % - 2
Trade Visitors – Tourism + MICE	11613	From Hong Kong 60% Guangdong 20% Other China 10% Other Asia 10%	<u>By Sectors</u> Travel Agents: 53% MICE & Corporate: 19% Media: 7% etc.
Public Visitors	73665	85% FIT/Private Tours <u>Well Educated</u> – 43% University or above – 34% Post-secondary	<u>No. of outbound holidays in past year</u> – 6 or above: 13.2% – 3-5 times: 47.3% – 1-2 times: 37.1%
Exhibitors	675	– 87.5% from Mainland China & International – 12.5% from Hong Kong	– 56 Countries & Regions – 32 Official Pavilions / Stands