

Hong Kong Retail Sales Weakness Persists: MasterCard SpendingPulse

Local retail sales contracted by 5.7 percent year-on-year in April

Hong Kong, May 30, 2016 – Retail performance in Hong Kong continued to contract in April as retail sales declined by 5.7 percent year-on-year, the latest [MasterCard SpendingPulse™ Hong Kong Report](#) revealed. While there was a spending boost due to the Labor Day Golden Week, it was not enough to reverse the fortunes of the region, which suffered from declining Chinese tourism and subdued local spending.

Clothing and jewellery sales in April continued to drop, while health & beauty and furniture sales posted soft recovery. The grocery sector remained positive – as it has for three consecutive months – but its growth rates cooled off significantly in April.

“Continuous slowdown in spending from Mainland China, along with stubborn deflation, has led to the unrelenting depressed state of Hong Kong retail since the middle of 2014,” said [Sarah Quinlan, senior vice president, Market Insights for MasterCard Advisors](#).

“Deflation has continued as retailers offer discounts in order to stimulate sales. We expect this contraction to continue as the macroeconomic factors which would increase consumer confidence and spur domestic spending have not yet turned positive.”

Analyzing local retail performance and spending, the macroeconomic report uses aggregated and anonymous transaction data, along with all other payment forms including cash, to offer insight into consumer spending trends, providing an early overview of market indices to help retailers, investors, card issuers, banks and government agencies in their decision-making processes.

Launched by [MasterCard Advisors](#), a unit of [MasterCard](#), the SpendingPulse report is available to subscribers the third week of every month and shares quality insights on consumer spending. The monthly report also includes an overall retail sales and price index, so that subscribers can understand whether spending growth is truly being driven by increased shopping or by inflation or increased promotions.

SpendingPulse is currently available to subscribers in Australia, Brazil, Canada, Hong Kong, Japan, the United Kingdom, and the United States, and is delivered ahead of retail spending figures provided by other sources. It is one of the [most quoted](#) reports on macroeconomic trends in the US and is often used as a source of reference by major international news outlets.

SpendingPulse™ Hong Kong Methodology

MasterCard analyzes the transactions processed by the MasterCard Hong Kong payments network and uses statistical models which take into account the trends of other payment methods (cash) to produce accurate and efficient reports. SpendingPulse Hong Kong is based on a robust data sample drawn from all businesses accredited by MasterCard in Hong Kong plus other additional data sources.

About MasterCard SpendingPulse™

Launched in 2006 by MasterCard Advisors, [MasterCard SpendingPulse](#) is a macroeconomic indicator that reports on national retail spending and performance. The report is based on aggregate sales activity on MasterCard cards, coupled with estimates for all other payment forms, including cash. MasterCard SpendingPulse reports and content, including estimated forecasts of spending trends, do not in any way contain, reflect or relate to actual MasterCard operational or financial performance, or specific payment-card-issuer data.

About MasterCard Advisors

[MasterCard Advisors](#), a division of MasterCard, provides clients around the world with insights and solutions that drive business impact and ROI. The company uses advanced analytics and deep payments expertise to translate data into actionable behavioral insights and customized services. With more than 43 billion anonymized transactions processed annually in 210 countries worldwide, the company leverages aggregated information and a consultative approach to help financial institutions, merchants, media companies, governments and other organizations of all sizes grow their businesses. For more information, go to <http://www.mastercardadvisors.com/>.

About MasterCard

MasterCard (NYSE: MA), www.mastercard.com, is a technology company in the global payments industry. We operate the world's fastest payments processing network, connecting consumers, financial institutions, merchants, governments and businesses in more than 210 countries and territories. MasterCard's products and solutions make everyday commerce activities – such as shopping, traveling, running a business and managing finances – easier, more secure and more efficient for everyone. Follow us on Twitter [@MasterCardAP](#) and [@MasterCardNews](#), join the discussion on the [Beyond the Transaction Blog](#) and [subscribe](#) for the latest news on the [Engagement Bureau](#).

Media Enquiry:

Denize Chan (852) 2533 9988, dchan@webershandwick.com

Carrie Wan, (852) 2533 9946, cwan@webershandwick.com