

## **Hong Kong Retail Sales Remain Subdued: Mastercard SpendingPulse**

*Growth remains negative for the thirteenth consecutive month*

**Hong Kong, September 29, 2016** – Growth in local retail sales remained negative as August sales fell by 11.5 percent year-on-year according to the latest [Mastercard SpendingPulse™ Hong Kong Report](#).

Sales in the city were weak due to poor weather brought by a typhoon in early August. This is the thirteenth consecutive month in which growth in retail sales have been negative, mainly due to the economic slowdown in mainland China.

After showing some signs of vitality in July, clothing and furniture sales failed to maintain momentum and slumped back into negative growth this month. Similarly, jewelry sales did not benefit from the recent rise in the number of visitors from mainland China. On the other hand, the typhoon prompted households to stock up on essentials which benefited grocery sales. Health and beauty sales posted a slight recovery and saw positive growth this month, thanks to the recent boost in mainland Chinese visitors.

“It is interesting to note that retail sales are still contracting, though we have seen a modest return in the number of mainland Chinese consumers. There has been a shift in visitors’ shopping patterns, with less focus now on luxury shopping, and more instead on sightseeing and on low-to-medium value discretionary purchases, such as cosmetics,” said [Sarah Quinlan, senior vice president, Market Insights for Mastercard Advisors](#).

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/>.

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[Mastercard](#) (NYSE: MA), [www.mastercard.com](http://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 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 [@MastercardNews](#), join the discussion on the [Beyond the Transaction Blog](#) and [subscribe](#) for the latest news on the [Engagement Bureau](#).

### **Media Enquiry:**

Carrie Wan, (852) 2533 9946, [cwan@webershandwick.com](mailto:cwan@webershandwick.com)

Laura Yim, (852) 2533 9940, [lyim@webershandwick.com](mailto:lyim@webershandwick.com)