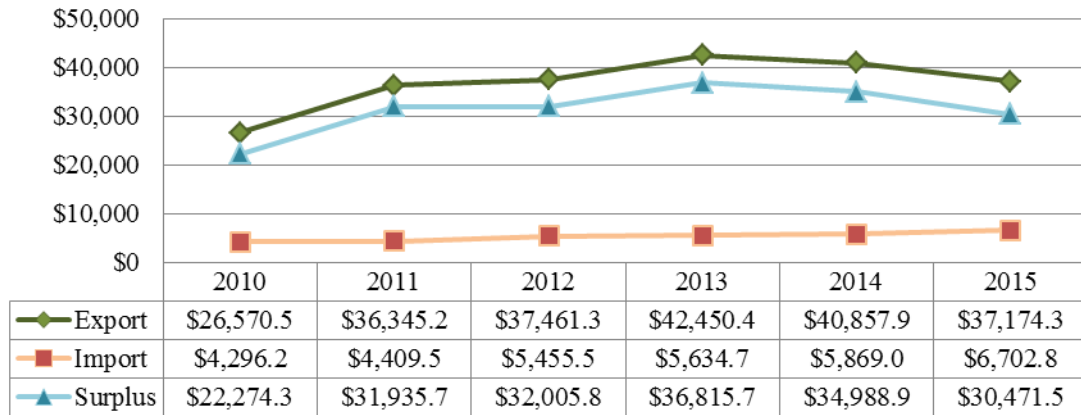


Statistical Analysis of U.S. Trade with Hong Kong for Calendar Year 2015

I. U.S Trade with Hong Kong¹

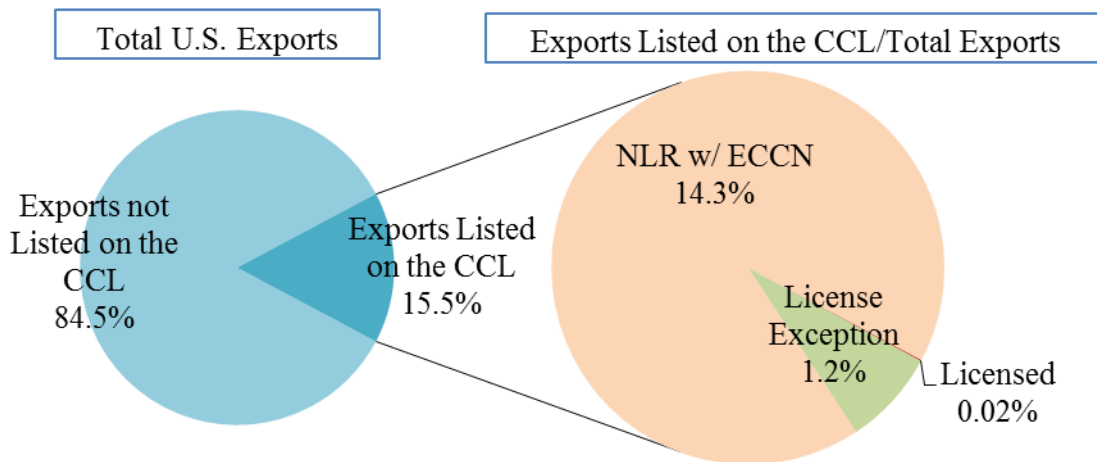
U.S. Trade with Hong Kong 2010-2015
Smillions



In 2015, the U.S. exports to Hong Kong valued \$37.2 billion, a 9.0% (\$3.7 billion) decrease from 2014; the U.S. imports from Hong Kong were \$6.7 billion, a 14.2% (\$833.8 million) increase; and the trade surplus was \$30.5 billion, a 12.9% (\$4.5 billion) decrease.

II. The Impact of BIS Export Controls on U.S. – Hong Kong Trade²

2015 U.S. Exports to Hong Kong Listed on the CCL



Note: For the purpose of this report, exports not listed on the Commerce Control List (CCL) include EAR99 items and items under No License Required (NLR) designation without an Export Control Classification Number (ECCN), and exports regulated by other government agencies.

¹ Source: U.S. Census Bureau Trade Statistics, March 2016.

² Source: U.S. Census Bureau Trade Statistics and Automated Export System (AES), March 2016.

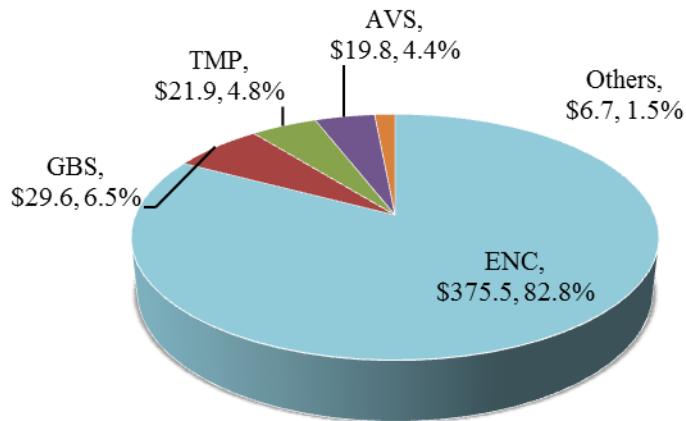
Of the \$37.1 billion in U.S. exports to Hong Kong in 2015, only 0.02% required *a BIS license*.

Of the \$5.8 billion in U.S. exports *of items listed on the Commerce Control List (CCL)*³ to Hong Kong in 2015, 0.1% required a BIS license.

Of the \$459.4 million in U.S. exports *subject to a BIS license requirement* to Hong Kong in 2015, 98.7% were exported under a BIS license exception.

In 2015, exports to Hong Kong shipped under a BIS license exception valued \$453.6 million, of which, 82.8% included encryption commodities, software and technology (ENC), followed by shipments to Group B countries (GBS) at 6.5%.

**2015 Exports to Hong Kong by BIS License Exceptions
\$millions**



ENC	Encryption Commodities, Software and Technology
GBS	Shipments to Group B Countries
TMP	Temporary Imports, Exports, Re-exports, and Transfers (In-country)
AVS	Aircraft and Vessels

³ The Items listed on the CCL include Licensed, License Exceptions and NLR with an ECCN and .y 600-series.

III. 2015 Trends in Exports by ECCN and License Designation⁴

Top Four Exports by ECCNs to Hong Kong by Value – Licensed (\$millions)

ECCN	Description	Value
2A983	Explosives or detonator detection equipment	\$2,565.0
1A004	Protective and detection equipment	\$585.6
5A002	Information security systems, equipment and "components"	\$571.2
3A233	Mass spectrometers	\$553.5

Top Four Exports by ECCNs to Hong Kong by Shipment Count – Licensed

ECCN	Description	Shipment Count
5A002	Information security systems, equipment and "components"	34
1C351	Human and animal pathogens and toxins	19
3A001	Electronic components and specially designed components	13
0A987	Optical sighting devices for firearms	12

Top Four Exports by ECCNs to Hong Kong by Value– License Exception (\$millions)

ECCN	Description	Value
5A002	Information security systems, equipment and "components"	\$366.7
3A001	Electronic components and specially designed components	\$29.5
9A991	Aircraft and gas turbine engines	\$20.6
5D002	Software for information security	\$7.8

Top Four Exports by ECCNs to Hong Kong by Value – NLR (\$millions)

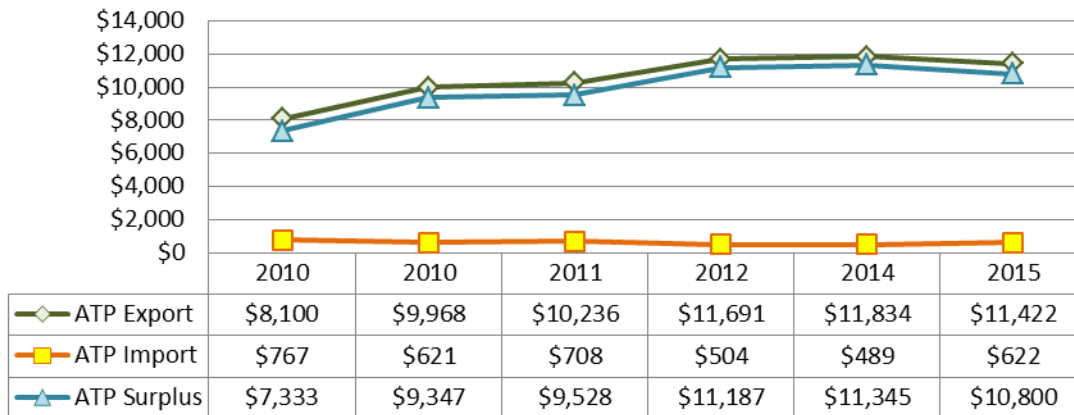
ECCN	Description	Value
5A991	Telecommunication equipment	\$2,365.8
9A991	Aircraft and gas turbine engines	1,735.3
5A992	Low-level information security systems and equipment	\$639.6
3A991	Equipment devices and components	\$130.9

⁴ Source: AES, March 2016.

⁵ Shipments are defined as exports being sent from one order party to one consignee located in a single country of destination on a single conveyance on the same day.

IV. Analysis of U.S.-Hong Kong Trade in Advanced Technology Products (ATP)⁵

U.S. ATP Trade with Hong Kong 2010 - 2015
\$millions



In 2015, the U.S. ATP exports to Hong Kong valued \$11.4 billion, a 3.5% (\$412.0 million) decrease from 2014; the U.S. ATP imports from Hong Kong were \$622 million, a 27.2% (\$133.0 million) increase; and the trade surplus was \$10.8 billion, a 4.8% (\$545.0 million) decrease.

U.S ATP Exports to Hong Kong 2010-2015								
\$millions								
ATP Category	2010	2011	2012	2013	2014	2015	% of the Total	% change from 2014
Biotechnology	25	18	27	42	47	77	0.7%	63.8%
Life Science	466	519	490	535	520	496	4.3%	-4.6%
Opto-Electronics	97	123	115	121	118	98	0.9%	-16.9%
Information & Communications	2,994	3,837	4,066	4,616	6,274	6,131	53.7%	-2.3%
Electronics	2,791	2,644	2,566	2,720	2,526	2,388	20.9%	-5.5%
Flexible Manufacturing	264	275	404	248	200	158	1.4%	-21.0%
Advanced Materials	48	41	30	29	33	36	0.3%	9.1%
Aerospace	1,407	2,502	2,527	3,367	2,105	2,030	17.8%	-3.6%
Weapons	2	2	4	2	2	2	0.02%	0.0%
Nuclear Technology	6	8	7	12	9	7	0.1%	-22.2%
Grand Total	8,100	9,968	10,236	11,691	11,834	11,422	100.0%	-3.5%

In 2015, the largest categories of U.S. ATP exports to Hong Kong were comprised of Information & Communications at \$6.1 billion (53.7% of total ATP exports); Electronics at \$2.4 billion (20.9%); and Aerospace at \$2.0 billion (17.8%).

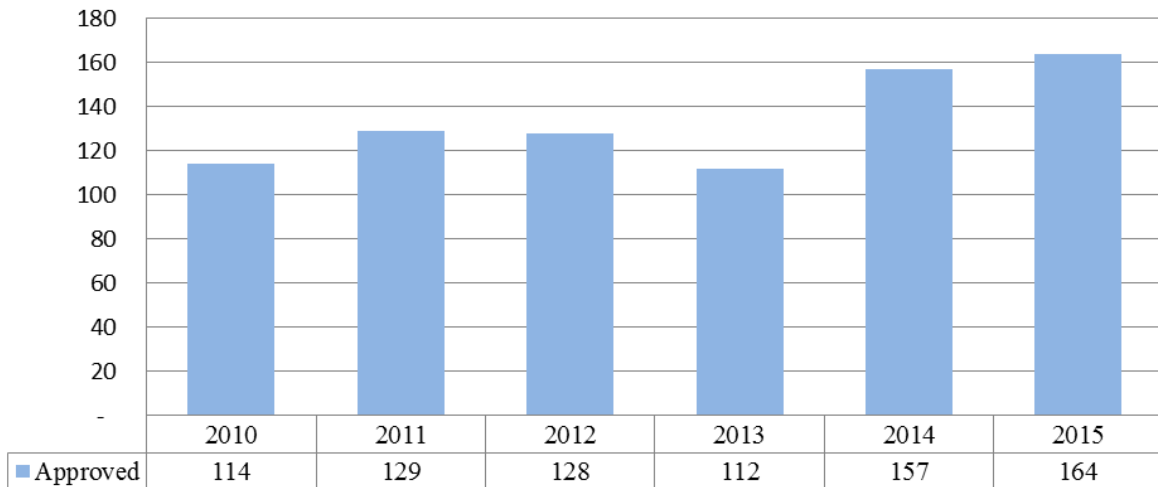
In 2015, 30.7% (\$11.4 billion) of U.S. exports to Hong Kong were considered ATP items. Of these, 0.04% required a *BIS license*.

Of the \$425.2 million in U.S. *ATP exports subject to a BIS license requirement* to Hong Kong in 2015, 99.0% were exported under a license exception.

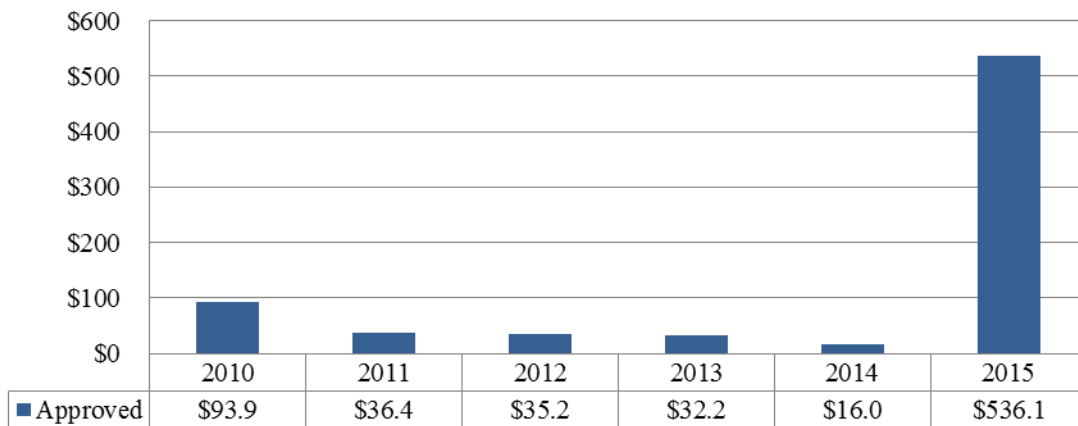
⁵ Source: U.S. Census Bureau Trade Statistics, March 2016
Advanced Technology Products: about 500 of some 22,000 commodity classification codes contain products from a recognized high technology category (e.g., Biotechnology).

VI. 2015 Trends in Hong Kong Licensing⁶

**Licenses for Tangible Items, Software and Technology Hong Kong By Count
2010-2015**



**Licenses for Tangible Items, Software and Technology for Hong Kong
2010-2015
\$millions**



Note: Not including deemed export applications.

In 2015, BIS reviewed 209 export/re-export applications (not including deemed export applications) valued at \$759.4 million for Hong Kong, out of a total of 35,018 applications worldwide valued at \$561.3 billion.

- Approved applications for Hong Kong totaled 164 (78.5%) for \$536.1 million, compared to the 29,283 (83.6%) approved applications valued at \$505.1 billion for all destinations.

⁶ Source: Commerce U.S. Exports Exporter Support System, March 2016