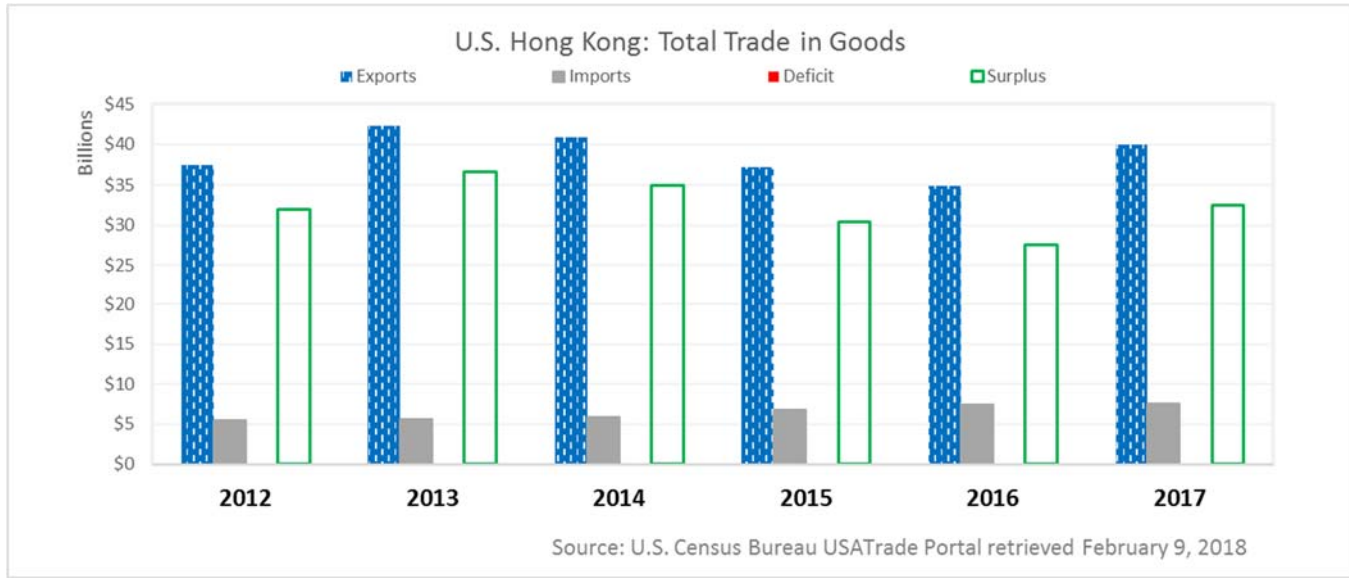




I. Total U.S. Trade in Goods with Hong Kong

In 2017, U.S. exports of goods to Hong Kong totaled \$40.0 billion, a 14.7% (\$5.1 billion) increase from 2016; U.S. imports of goods from Hong Kong totaled \$7.6 billion, a 2.0% (\$146.7 million) increase; and the trade surplus was \$32.5 billion, a 18.1% (\$5.0 billion) increase.



In 2017, **2.6%** of total **U.S. exports** to the world, were exported to Hong Kong while **0.3%** of total **U.S. Imports** of the world, were imported from Hong Kong. In 2017, the level of U.S. exports to Hong Kong is above the preceding five-year average level by value not adjusted for inflation; The level of U.S. imports from Hong Kong were also above the preceding five-year average level; and the U.S. trade surplus with Hong Kong remain close to the preceding five-year average.

	2012	2013	2014	2015	2016	2017	2012-2016 Average
EXPORTS	\$37,471.8	\$42,332.2	\$40,913.4	\$37,183.1	\$34,894.7	\$40,024.3	\$38,559.1
<i>Δvalue</i>	--	\$4,860.4	-\$1,418.8	-\$3,730.3	-\$2,288.4	\$5,129.6	
<i>Δpct</i>	--	13.0%	-3.4%	-9.1%	-6.2%	14.7%	
IMPORTS	\$5,455.6	\$5,654.1	\$5,897.2	\$6,793.1	\$7,407.3	\$7,554.1	\$6,241.5
<i>Δvalue</i>	--	\$198.5	\$243.1	\$895.8	\$614.3	\$146.7	
<i>Δpct</i>	--	3.6%	4.3%	15.2%	9.0%	2.0%	
BALANCE	\$32,016.2	\$36,678.1	\$35,016.2	\$30,390.0	\$27,487.4	\$32,470.3	\$32,317.6
<i>Δvalue</i>	--	\$4,661.9	(\$1,662.0)	(\$4,626.1)	(\$2,902.6)	\$4,982.9	
<i>Δpct</i>	--	14.6%	-4.5%	-13.2%	-9.6%	18.1%	

Values in Millions of U.S. Dollars. Source: U.S. Census Bureau USATrade Portal February 9, 2018



In 2017, of the U.S. exports to Hong Kong totaled \$40.0 billion, the top commodity sectors were Machinery (34.1%), Stone, Glass, & Semiprecious Metals (29.8%) and Agriculture Products (11.1%).

In 2017, of the \$7.6 billion in U.S. imports from Hong Kong, the top commodity sectors were items in Special Classification Provisions; Temporary Legislation; Temporary Modifications Proclaimed pursuant to Trade Agreements Legislation; Additional Import Restrictions Proclaimed Pursuant to the Agricultural Adjustment Act (34.5%); followed by Stone, Glass, & Semiprecious Metals (24.2%) and machinery (16.9%).

Imports from Hong Kong by Sector	Hong Kong Commodity Trade 2017	US exports to Hong Kong by Sector
\$7,554,068,234	Total Value All Commodities	\$40,024,328,966
1.7%	Agriculture (Chapters 01-24)	11.1%
0.2%	Minerals (Chapters 25-27)	0.7%
4.9%	Chemicals, Plastics, Leather (Chapters 28-43)	5.8%
2.0%	Wood Products (Chapters 44-49)	0.5%
3.6%	Textiles and Footwear (Chapters 50-67)	0.7%
24.2%	Stone, Glass, & Semiprecious Metals (Chapters 68-71)	29.8%
2.9%	Base metals (Chapters 72-83)	1.3%
16.9%	Machinery (Chapters 84-85)	34.1%
0.6%	Transportation (Chapters 86-89)	4.9%
2.1%	Optical, Measuring, Medical or Other Instruments (Chapters 90-92)	4.6%
0.1%	Arms & Ammunition (Chapter 93)	0.0%
4.3%	Miscellaneous Manufactured Items (Chapters 94 -96)	0.6%
2.1%	Art & Antiques (Chapter 97)	4.1%
34.5%	Special Items (Chapters 98-99** Imports only 99)	1.6%

In 2017, U.S. exported \$11.9 billion worth of Stone, Glass, and Semiprecious Metals to Hong Kong, representing 16.5% of the total U.S. exports of to the world for the sectors.

In 2017, U.S. exported \$1.6 billion worth of Art and Antiques to Hong Kong, representing 13.9% of the total U.S. exports to the world for the sectors.



II. Exports to Hong Kong subject to U.S. Government Filing Requirements

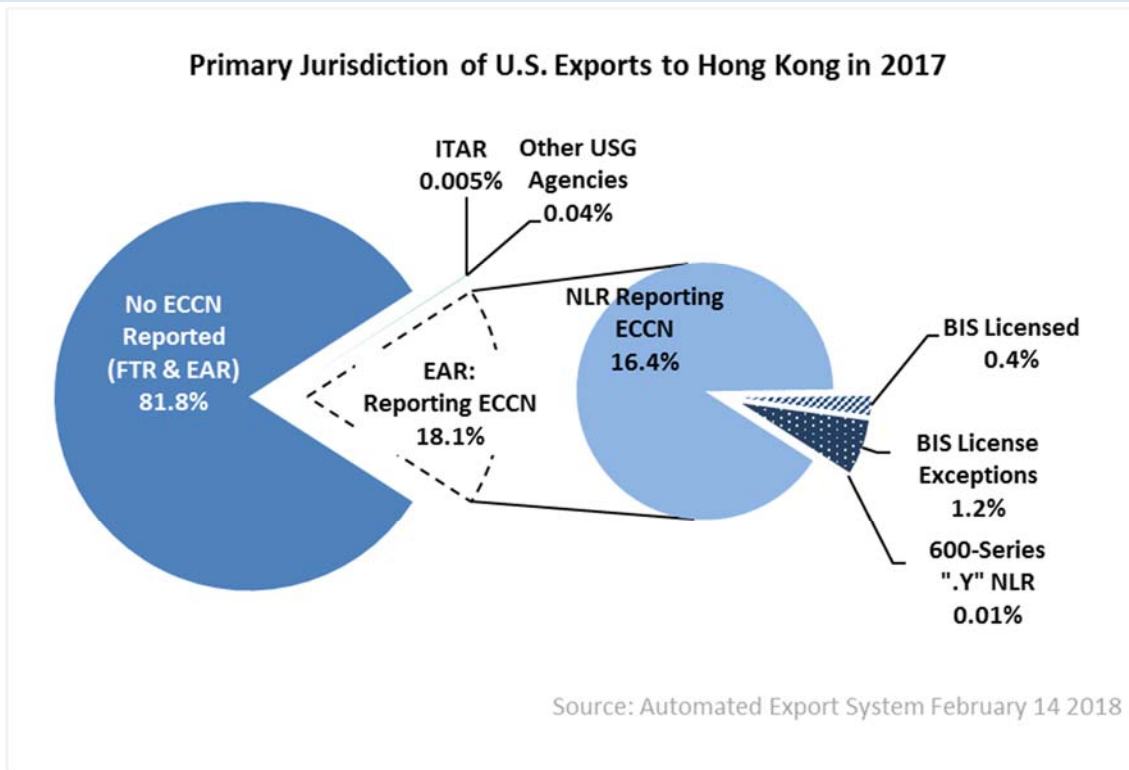
In 2017, of the \$40.0 billion in U.S. exports to Hong Kong:

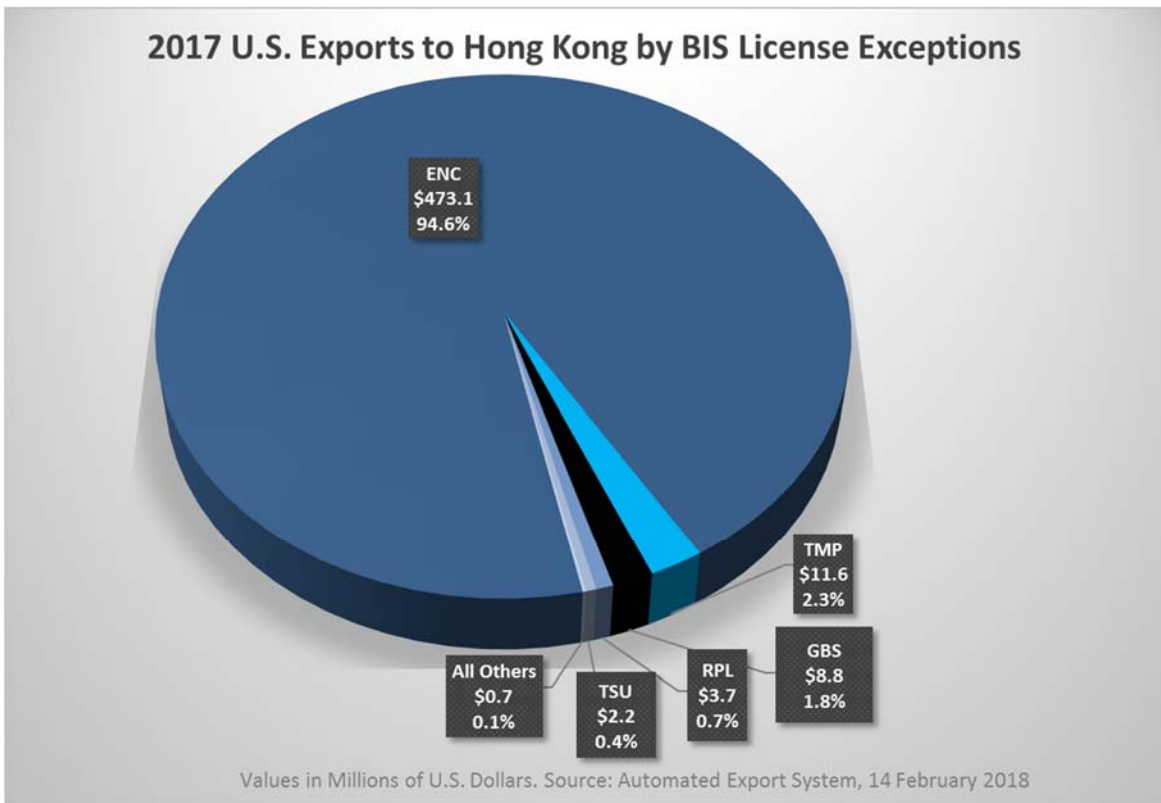
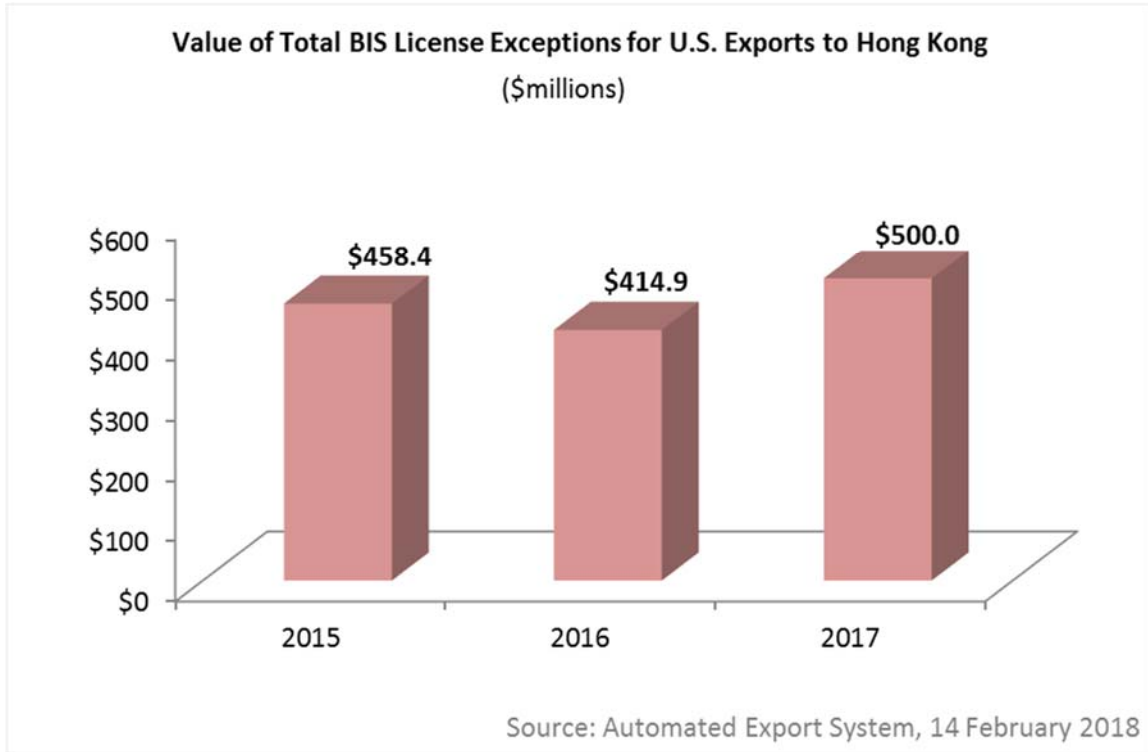
- 1.7% were subject to a BIS license requirement
- 0.4% were exported under a BIS license.
- 1.2% were exported under a BIS license exception.
- 16.4% were exported under No License Required with an ECCN.

		Hong Kong		
		2015	2016	2017
	Department of State	\$2.5	\$4.9	\$1.9
	Other USG Agencies	\$8.7	\$16.3	\$12.0
Department of Commerce		\$37,171.8	\$34,873.6	\$40,010.4
	BIS Licensed	\$7.2	\$7.1	\$173.8
	BIS License Exceptions	\$457.0	\$414.9	\$500.0
	NLR reporting an ECCN	\$5,246.6	\$6,069.8	\$6,577.0
	NLR not reporting an ECCN	\$31,461.0	\$28,381.8	\$32,759.2
	600-Series ".Y" Paragraph NLR	\$0.01	\$0.04	\$0.3

Values in Millions of U.S. Dollars. Source: Automated Export System Friday, February 09, 2018

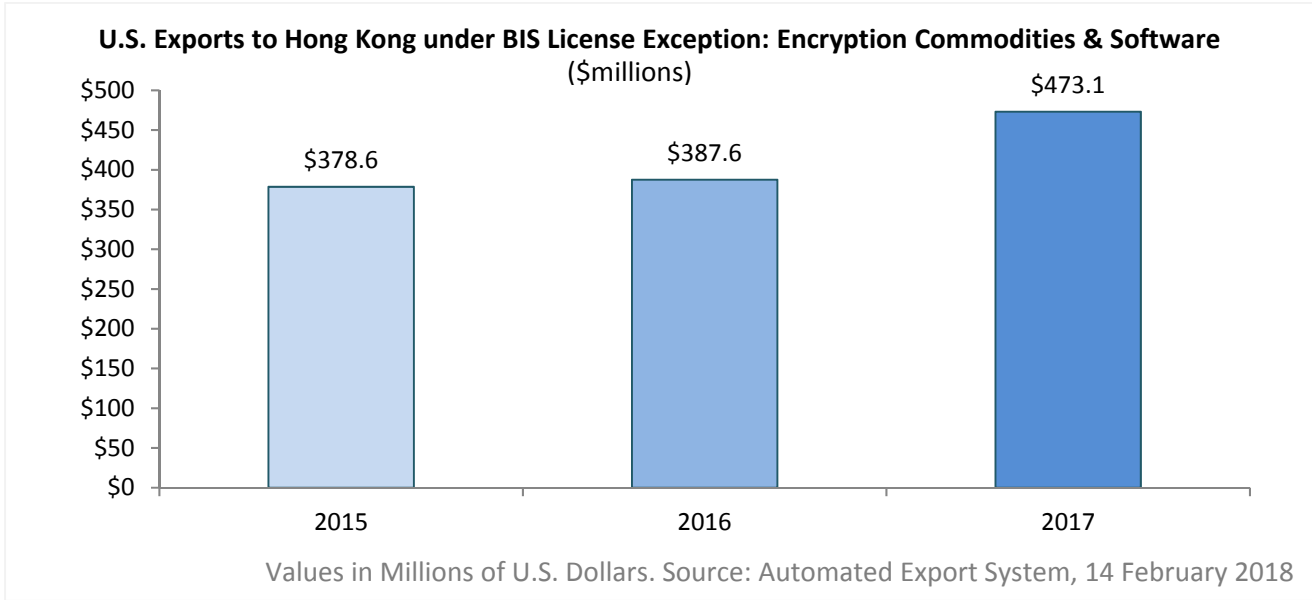
Reasons for Control	Chemical and Biological Weapons			Nuclear Nonproliferation		National Security		Missile Tech	Regional Stability		Firearms Convention	Crime Control			Anti-Terrorism	
	CB:1	CB:2	CB:3	NP:1	NP:2	NS:1	NS:2	MT:1	RS:1	RS:2	FC:1	CC:1	CC:2	CC:3	AT:1	AT:2
Hong Kong	X	X		X		X	X	X	X	X		X			X	



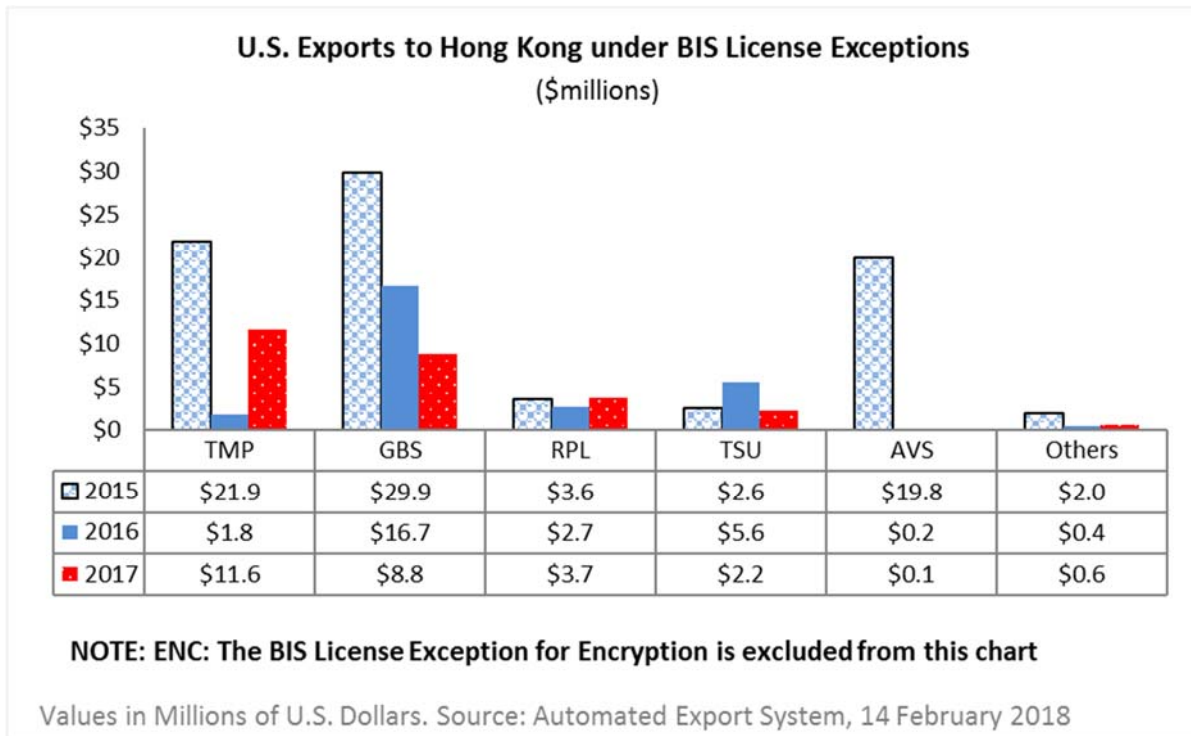




U.S. to Hong Kong Export Trade Trends



In 2017, the U.S. exports to Hong Kong under Temporary Imports, Exports, Reexports and Transfers (TMP) increased significantly from \$1.8 million in 2016 to \$11.6 million. In 2017, there was also a sharp decrease in the use of Group B Countries (GBS) from \$16.7 million in 2016 to \$8.8 million. In 2017, there were only \$98,000 worth of exports sent under Aircraft and Vessels (AVS) compared to \$19.8 million in 2015.





Top Ten ECCNs by Value to Hong Kong		
LICENSED	#1	9A515 Spacecraft and Related Commodities
	#2	3B001 Epitaxial Equip. for Semiconductors
	#3	3A233 Mass Spectrometers
	#4	5A002 Systems/Equip./Integrated Circuits for Info Sec
	#5	7A103 Instrumentation, Navigation Equip./Systems Not
	#6	1A004 Protective and Detection Equip.
	#7	2B352 Equip. for Handling Biological Materials
	#8	3A001 Electronic Devices/Components
	#9	2B001 Numerical Control Units/Motion Control Boards
	#10	3A101 Electronic Equip./Devices Not Controlled By 3A0

Source: Automated Export System, March 15, 2018

Top Ten ECCNs by Value to Hong Kong		
EXCEPTIONS	#1	5A002 Systems/Equip./Integrated Circuits for Info Sec
	#2	5D002 Software for Information Security
	#3	(blank) No ECCN Reported for TMP*
	#4	3A001 Electronic Devices/Components
	#5	5B002 Test/Inspection/Production Equip for Information S
	#6	EAR99 Items subject to the EAR that are not elsewhere controlled
	#7	7A103 Instrumentation, Navigation Equip./Systems Not
	#8	6A003 Cameras
	#9	5A992 Information Security Equip.
	#10	3C005 Silicon Carbide Wafers

*note: No ECCN is required for license exception TMP as per EAR 758.1(g)(2)

Source: Automated Export System, March 15, 2018

Top Ten ECCNs by Value to Hong Kong		
NLR with ECCN	#1	5A991 Transmission Items Not W/I Parameters In 5A001
	#2	9A991 Aircraft and Certain Gas Turbine Engines N.E.S.
	#3	5A992 Information Security Equip.
	#4	3A991 Electronic Devices and Components
	#5	7A994 Other "Software" as Follows (See List of Items Controlled).
	#6	4A994 Items Not Controlled By 4A001/4A002/4A003
	#7	3B991 Other Mfg/Test Equip. Not Controlled By 3B
	#8	3A999 Specific Processing Equip., N.E.S.
	#9	3A992 General Purpose Electronic Equip.
	#10	5B991 Telecommunications Test Equip.

Source: Automated Export System, March 15, 2018



Top Ten ECCNs to Hong Kong by Shipment Count			
LICENSED	#1	0A987	Optical Sighting Devices for Firearms
	#2	6A005	Optical Equip. (Lasers)
	#3	3A001	Electronic Devices/Components
	#4	5A002	Systems/Equip./Integrated Circuits for Info Sec
	#5	1A984	Chemical Agents, Including Tear Gas
	#6	1A004	Protective and Detection Equip.
	#7	1C351	Human and Animal Pathogens and toxins
	#8	9B515	Test, Inspection, and Production Equip. Specially Designed for Spacecr...
	#9	9A610	Military Aircraft and Related Commodities
	#10	2B350	Chemical Manufacturing Facilities and Equip.

Source: Automated Export System, March 15, 2018

Top Ten ECCNs to Hong Kong by Shipment Count			
EXCEPTIONS	#1	5A002	Systems/Equip./Integrated Circuits for Info Sec
	#2	5D002	Software for Information Security
	#3	EAR99	Items subject to the EAR that are not elsewhere controlled
	#4	3A001	Electronic Devices/Components
	#5	5B002	Test/Inspection/Production Equip for Information S
	#6	7A103	Instrumentation, Navigation Equip./Systems Not
	#7	(blank)	No ECCN Reported for TMP*
	#8	5D992	Software Not Controlled By 5D002
	#9	9A991	Aircraft and Certain Gas Turbine Engines N.E.S.
	#10	3C005	Silicon Carbide Wafers

Source: Automated Export System, March 15, 2018

Top Ten ECCNs to Hong Kong by Shipment Count			
NLR with ECCN	#1	5A991	Transmission Items Not W/I Parameters In 5A001
	#2	9A991	Aircraft and Certain Gas Turbine Engines N.E.S.
	#3	5A992	Information Security Equip.
	#4	3A991	Electronic Devices and Components
	#5	7A994	Other "Software" as Follows (See List of Items Controlled).
	#6	4A994	Items Not Controlled By 4A001/4A002/4A003
	#7	3A992	General Purpose Electronic Equip.
	#8	3A999	Specific Processing Equip., N.E.S.
	#9	5B991	Telecommunications Test Equip.
	#10	3B991	Other Mfg/Test Equip. Not Controlled By 3B

Source: Automated Export System, March 15, 2018



III. BIS Licensing to Hong Kong

In 2017, BIS reviewed 238 export/re-export applications (not including deemed export applications) valued at \$378.6 million for Hong Kong, out of 34,926 applications worldwide valued at \$570.8 billion.

- In 2017, approved applications for Hong Kong totaled 178 (75.0% of the total applications) for \$369.2 million, compared to the 29,655 (84.9%) approved applications for all destinations that totaled \$318.1 billion.
- In 2017, there was one approved deemed export application, compared with 1,406 worldwide.

