

Container Registrations

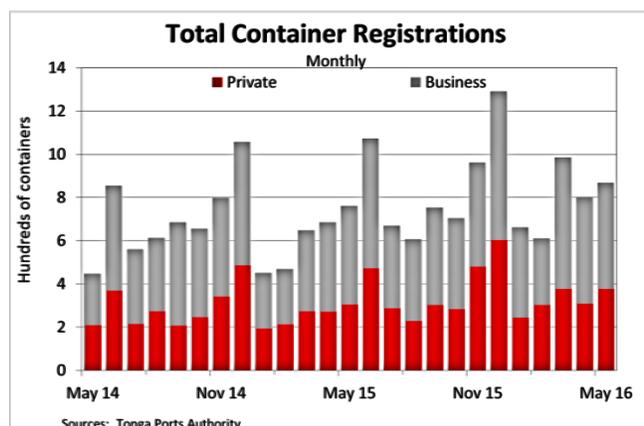
May 2016

Release date: 25 July 2016

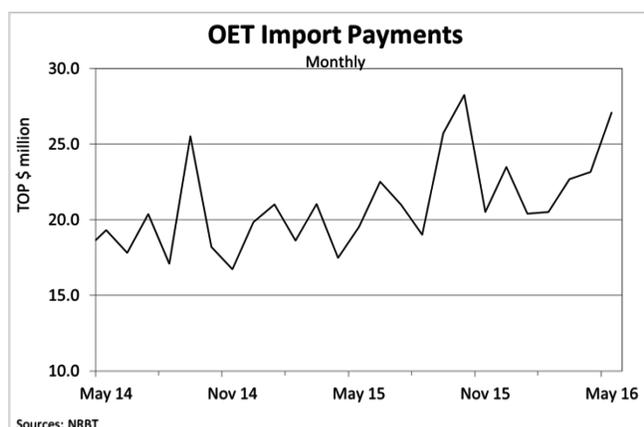
	May 16	Apr 16	Mar 16	Feb 16
Total	867	799	985	610
Business	491	491	609	308
Private	376	308	376	302

Registrations continued to rise supported by events during the month

An increase of 3 vessels in the number of cargo ships arriving in May drove a rise in the total number of container registrations over the month, by 68 registrations (8.5%). Business containers sustained its number from previous month whilst private containers rose by 68 registrations to record a total of 376 containers in May. The rise in private containers is supported by events that occurred during the month such as annual church conferences and also the upcoming events of Tupou College Toloa's 150th anniversary.



This is consistent with higher advanced import payments made in March 2016, in addition to \$3.9 million (16.9%) rise in import payments (excluding oil) over the month of May. High imports in May was driven by an increase in payments for wholesale and retail, motor vehicles and construction imports due to on-going



construction activities in the country. The majority of the import payments over the month of May were for the on-going donor funded projects of the Tonga Power Limited sourced from New Zealand. The strengthening of the New Zealand Dollar against the Tongan Pa'anga also supports the higher import payments.

Over the year ended May 2016, total number of containers registered continued to rise by 1,746 registrations (21.2%). This resulted from both business and private container registrations rising proportionately. This coincides with events taking place during the year, including the King's coronation and annual church conferences. This is in line with a \$41 million (17.6%) rise in import payments (excluding oil) and strong credit growth reflecting the growing economic activities during the year. This is also in line with the National Reserve Bank of Tonga's (NRBT) growth forecast for the distribution sector. This in turn supports a rise in government revenue collection.

The NRBT expects imports and consequently container registrations to generally increase in 2015/16 due to festivities scheduled for this financial year including the Tupou College Toloa's 150th Anniversary and also church annual conferences. Additionally, more shipments are expected after the commencement in March 2016 of Polynesia Line's direct monthly shipments from the U.S. to Tonga. This may support an increase in customs duty collections and an upturn in government revenue. Credit growth has rebounded and is expected to record a growth of 14.4% at the end of 2015/16 which will support growth in imports. Furthermore, NRBT's liaisons with the construction and transport sectors had indicated growing demand in these sectors which will drive imports in the near future. On-going projects such as the construction of the St. George Palace, LDS chapels, renovations of the Tanoa Hotel and new private residential constructions are anticipated to contribute to the rise. Spill over effects on the trade, tourism, construction sectors and other sectors in the economy are also expected.

Container Registrations							
Total Number of Containers							
	Month ended				Year ended		<i>Share of Total</i>
	May 16	Apr 16	Mar 16	May 15	May 16	May 15	
Total containers	867	799	985	760	9,979	8,233	100
Business	491	491	609	455	5,715	4,841	57
Private	376	308	376	305	4,264	3,392	43

Source: Tonga Ports Authority