

Container Registrations

June 2017

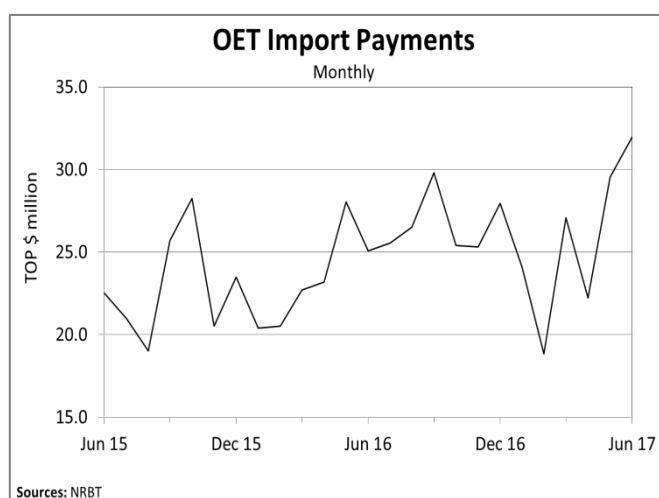
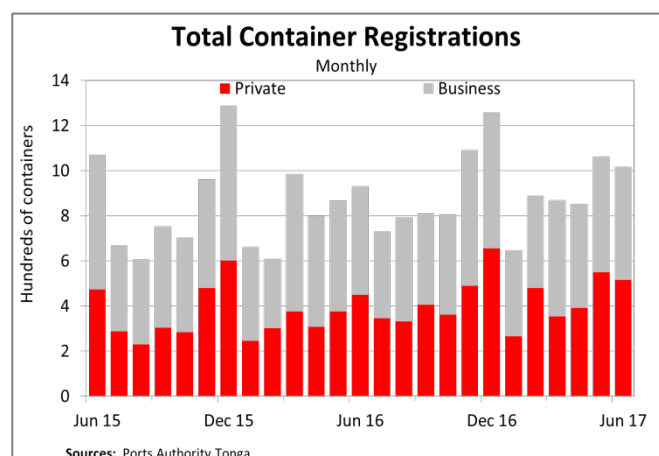
Release date: 27 September 2017

	Jun 17	May 17	Apr 17	Mar 17
Total	1017	1,062	853	869
Business	502	512	462	515
Private	515	550	391	354

Private container registrations push total registrations lower in June

Although container registrations slightly declined by 4.2% in June 2017, it still remained high at a total of 1017 containers compared to 932 containers in June 2016. Private containers fell by 35 containers (6.4%) whilst business containers decreased by 10 containers (2.0%). This trend reflected the continued busy season in Tonga as annual church conferences continued and preparations for the Heilala Festival. It also reflected a continued strong trade sector particularly the wholesale & retail, the informal distribution sector, and a partial indicator for the transportation sector. New Zealand continued to be the major originating source country for these containers, followed by Indonesia. Total number of containers imported from Australia declined by 101 containers (60.8%) but was partly offset by an increase in containers imported from New Zealand.

Total import payments (excluding oil) rose by



\$2.4 million (8.1%) over the month, which corresponds to the high number of container registrations in both May and June. This was due to higher payments for construction materials which rose by \$2.1 million (64.2%), coinciding with a \$2.9 million (1.7%) and \$0.5 million (5.0%) rise in individual housing loans and business construction loans respectively over the month. This was followed by a \$1.0 million (62.7%) rise in payments for motor vehicle imports. Payments for wholesale and retail goods slightly declined by 0.08% which coincided with the slight decline in business containers and number of containers imported from Australia.

In year ended terms, the total container registrations rose by 987 registrations (10.0%), driven by a 905 (21.3%) rise in private containers indicating a rise in the informal distribution sector. Additionally, business containers rose over the year by 82 registrations (1.5%). The large number of events and celebrations held during the year, and increase in private constructions supported this annual growth. In addition, 38 extra cargo ships arrived during the year to June 2017 compared to the previous year, which also supported the transportation sector. This was also consistent with a \$36.4 million (13.1%) rise in import payments (excluding oil) as a result of higher import payments for wholesale & retail goods, construction materials, and vehicles.

The Reserve Bank expects imports and consequently container registrations to generally increase in the near term. The Reserve Bank's liaisons with the construction and transport sectors had indicated growing demand in these sectors which will also drive imports in the near future. On-going construction projects 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 anticipated.

Container Registrations							
Total Number of Containers							
	Month ended				Year ended		<i>Share of Total</i>
	Jun 17	May 17	Apr 17	Jun 16	Jun 17	Jun 16	
Total containers	1017	1062	853	932	10,826	9,839	100
Business	502	512	462	483	5,681	5,599	52
Private	515	550	391	449	5,145	4,240	48

Source: Ports Authority Tonga