

Container Registrations

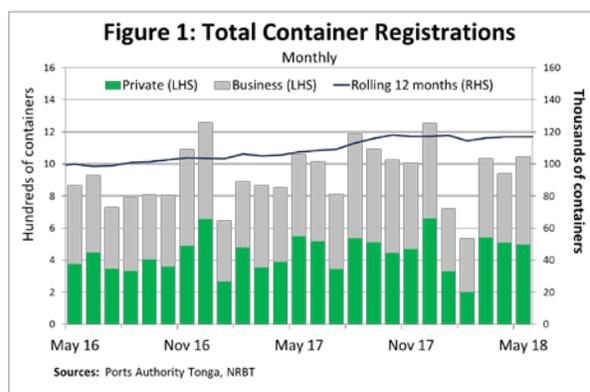
May 2018

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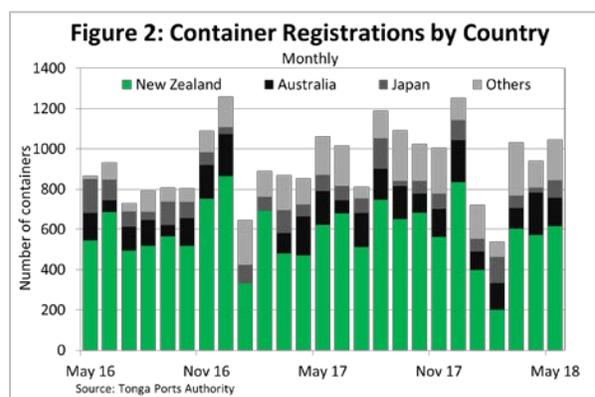
	May 18	Apr 18	Mar 18	Feb 18
Total	1,046	941	1,032	539
Business	550	432	492	338
Private	496	509	540	201

Business preparations for upcoming festivities drive total container registrations higher

It is an usual trend for the total container registrations to increase over the month of May each year due to the annual events that occur during the month and other festivities in the upcoming months. The total container registrations increased over the month of May by 105 containers (11.2%) driven by a rise in business containers which outweighed a slight decline in private container registrations by 13 containers (2.3%). Higher business containers reflect the preparations of retail and wholesale businesses for the busy month of May as the Kingdom celebrates Tonga's family month. Churches' annual conference also starts in May and continues through to June. Additionally, an extral cargo vessel was recorded during the month compared to April 2018. Containers that arrived on cargo vessels from Indonesia, Japan and New Zealand increased over the month and was partially offset by the decline in containers from Australia and the United States (Figure 2).



Payments for imports (excluding oil) rose over the month by \$5.9 million (22.4%) coinciding with the increase in total container registrations (Figure 3). Payment for wholesale & retail imports increased the most by \$8.9 million (53.0%), followed by a rise in payments for

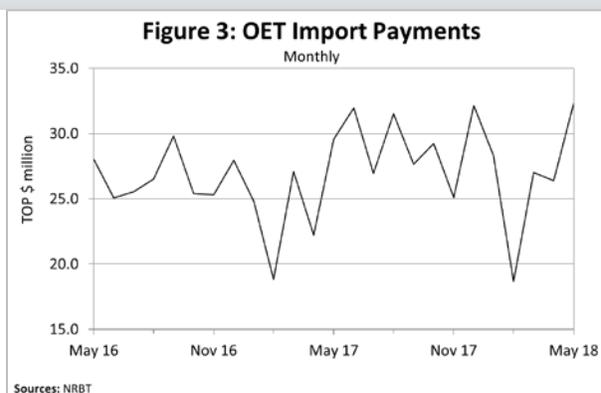


motor vehicles and construction imports of \$0.6 million (60.8%) and \$0.5 million (17.1%) respectively. These outweighed a decline in payments for Government imports of \$3.8 million (64.5%).

In year ended terms, the total container registrations rose by 935 containers (8.7%). Both private and business containers increased by 477 (9.4%) and 458 (8.1%) respectively indicating a rise in the informal distribution

sector and a vibrant trade sector. This was also consistent with a \$29.1 million (9.5%) rise in import payments (excluding oil) as a result of higher payments for the import of wholesale & retail goods and miscellaneous goods (such as electrical infrastructure materials, medical, and technological goods).

The Reserve banks continues to expect that the volume of container registrations will remain high in the upcoming months due to an expected increase in business imports to meet the domestic demand for wholesale & retails goods during the celebratory months of May to July. The excise tax and import duty exemptions on food items, clothes, beds and building materials in the wake of TC Gita is expected to increase the in-kind assistance from families abroad. Hence, the total number of imported containers is expected to rise in the upcoming months. 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		Share of Total
	May 18	Apr 18	Mar 18	May 17	May 18	May 17	
Total containers	1046	941	1032	1062	11,676	10,741	100
Business	550	432	492	512	6,120	5,662	52
Private	496	509	540	550	5,556	5,079	48

Source: Ports Authority Tonga