

Voluntary Report – Voluntary - Public Distribution

Date: May 22, 2025

Report Number: HK2025-0025

Report Name: The Hong Kong Wonton - Volume 5 Issue 5

Country: Hong Kong

Post: Hong Kong

Report Category: Agriculture in the News, Food Service - Hotel Restaurant Institutional, Retail Foods, Market Promotion/Competition

Prepared By: ATO Hong Kong Staff

Approved By: Garrett McDonald

Report Highlights:

Bite size local news, Post reports and activity summaries wrapped by ATO Hong Kong. In this issue: ATO Hong Kong prepares for the USDA Agribusiness Trade Mission to Hong Kong and USA Pavilion at HOFEX; Raisin Administrative Committee showcases California raisins to Hong Kong chefs; Hong Kong posts better than expected Q1 economic growth; sales of food and alcoholic drinks increase in March; AmCham Hong Kong advocates for recognizing Hong Kong's unique status; and top China pork producer Muyuan eyes Hong Kong for public listing.

THE HONG KONG WONTON

wrapped by ATO Hong Kong

Apr. 15 – May 9, 2025 | Vol. 5 Issue #5

ATO Hong Kong Gearing Up for Agribusiness Trade Mission and HOFEX Trade Show



ASIA'S LEADING
FOOD & HOSPITALITY TRADESHOW
14 - 16 May 2025
Hong Kong Convention & Exhibition Centre



From May 12 – 16, ATO Hong Kong will host a [USDA Agribusiness Trade Mission](#), led by FAS Acting Associate Administrator Mark Slupek. The mission will feature over 40 U.S. companies and industry associations, and officials from five State Departments of Agriculture. In addition to arranging B2B meetings, participants will join retail market tours and site visits to local food manufacturers, receive market briefings and participate in industry roundtable discussions, and attend several networking events. The trade mission coincides with the USDA-endorsed HOFEX trade show, where ATO will support a USA Pavilion featuring 13 exhibitors and a cooking demonstration area led by local celebrity chef Hilda Chan. Stay tuned to the next Wonton for all the highlights!

THE HONG KONG WONTON

California Raisins Delight at Baking Seminar



RAC Hosts California Raisin Seminar for Hong Kong Baking Industry

On April 29, the Raisin Administrative Committee held a bakery seminar for 26 professionals from Hong Kong's growing baking sector. During the event, a guest chef and bartender demonstrated the creative and versatile applications of California raisins, emphasizing their healthy attributes and natural sweetness. The U.S. is the top supplier of raisins to Hong Kong, accounting for 82 percent of total imports in 2024.

ECONOMY



Economy Grows 3.1 Percent in Quarter One [[news.gov.hk](https://www.news.gov.hk), May 2]

Hong Kong's economy grew by 3.1 percent year-on-year in the first quarter, according to the Census & Statistics Department. Private consumption expenditure decreased by 1.2 percent, while government consumption grew by 1.2 percent. Gross domestic fixed capital formation rose by 2.8 percent. Total goods exports increased by 8.7 percent, and imports grew by 7.4 percent. Exports and imports of services rose by 6.6 percent and 6.2 percent, respectively. The government noted solid economic expansion but highlighted a decline in private consumption. **ATO Notes:** [In February 2025, Hong](#)

Kong's Financial Secretary Paul Chan forecast 2025 GDP around 2.1 percent due to external headwinds. The results in the first quarter exceeded expectation, driven in part by an 18.5 percent y-o-y jump in exports in March.

682,000 Mainland Tourists Enter Hong Kong from May 1 to 3, up Twenty-Three Percent Year-on-Year [[SCMP](#), May 5]

More than 682,000 mainland Chinese visitors entered Hong Kong during the first three days of the “golden week” holiday, marking a 22.8 percent year-on-year increase from 2024. Financial Secretary Paul Chan pledged to strengthen tourism infrastructure. Xia Baolong, director of the Hong Kong and Macau Affairs Office noted that the Hong Kong government should take advantage of the city's islands and coasts. A survey conducted by Junior Chamber International Hong Kong have shown a strong interest in ecotourism among international visitors, with 41.3 percent selecting it as their top choice, ahead of food and shopping. **ATO Notes:** The strong showing of mainland visitors is a welcome sign for Hong Kong's HRI sector. However, much of the talk online during the holiday was related to viral photos of tourists choosing to sleep in McDonald's instead of hotels, and tourists gathered to take photos at cultural spots instead of shopping. As spending habits of visitors continue to change, Hong Kong's retail sales have dropped consecutively for thirteen months. In March, total Hong Kong retail sales contracted for 3.5 percent.

Hong Kong Immigrant Weighs Returns amid Increasing Living Cost in Singapore [[The Standard](#), Apr. 27]

Hong Kong and Singapore have been recognized as principal competitors, but rising taxes and inflation in Singapore are prompting a Hong Kong immigrant restaurant owner to consider returning to Hong Kong. Singapore's inflation peaked at 6.1 percent in 2022, with living costs remaining high despite a drop in core inflation. There are increased consumption taxes and higher costs for living essentials and foreign worker accommodations. Post-pandemic, fewer Singaporeans dine out, impacting the restaurant business. Economist Simon Lee noted Singapore's high living costs despite economic recovery, while CUHK's Terence Chong emphasized Hong Kong's economic stability due to its mainland market, contrasting with Singapore's export challenges. **ATO Notes:** Hong Kong does not have a consumer tax, and its inflation rate has remained low (1.7 percent in 2024, 2.1 percent in 2023, and 1.9 percent in 2022). However, compared to Hong Kong, Singapore has a much more diversified economy with a mix of trade, manufacturing and services that help its economic competitiveness. Hong Kong's economy is driven by four major industries, financial services (24.9 percent), trading and logistics (18.8 percent), professional and other producer services (10.8 percent), and tourism (2.6 percent).

THE HONG KONG WONTON

HOTELS, RESTAURANTS, AND INSTITUTIONS



How Will Hong Kong Restaurants and Bars React to Huge Tariffs on U.S. Goods? Owners Explain [[SCMP](#), Apr. 14]

The United States-China tariff war has led Hong Kong restaurateurs to reassess their supply chains. U.S. food and agricultural exports to Hong Kong were valued at \$1.7 billion in 2023, with beef and beef products being a major component. However, rising U.S. beef prices since the pandemic and shifting consumer preferences towards grass-fed beef have prompted Hong Kong chefs to consider alternatives like Australian beef. The tariff increases have also affected poultry imports, with chefs exploring non-U.S. sources such as Chinese poultry. The bar industry is similarly impacted, with rising tariffs potentially offsetting benefits from reduced liquor duties. However, Mixologist Lorenzo Antinori pointed out that it is hard to replace American whiskey because of its distinct taste, and he is adopting a wait-and-see approach. **ATO Notes:** In the first three months of 2025, Hong Kong's global import of consumer oriented agricultural products (COAP) dropped 0.6 percent year over year to \$5.4 billion. While the United States remains the second largest supplier of COAP to Hong Kong, Hong Kong's import of U.S. beef from January to March dropped 18.7 percent to \$82.9 million. Conversely, Hong Kong's import of Australian beef and New Zealand beef in the same period increased 10.8 percent to \$24.8 million and 57 percent to \$7.2 million, respectively. Restaurant contacts note that supply stability and cost control are key priorities for their operations.

Hong Kong Sees Sluggish Easter Catering Market as Restaurants Record 30 Percent Business Drop [[The Standard](#), Apr.21]

The Hong Kong catering industry expects a 30 percent drop in business during Easter, with mid-range and high-end restaurants facing the largest decline of up to 50 percent, according to an industry veteran. The market has been described as "very quiet." Since Easter is not a public holiday in mainland China, there has been no increase in mainland tourists visiting the city. The decline in business is primarily attributed to the trend of Hongkongers traveling abroad and increased spending in mainland China. The industry remains pessimistic about the future outlook. In contrast, areas hosting events, such as the West Kowloon Cultural District and Kai Tak Sports Park, have successfully attracted more visitors, and restaurants in those locations have reported good business. This highlights the idea that organizing a wider variety of events can encourage residents to go out and spend. **ATO Notes:** Hong Kong's consumer sentiment has been closely linked to stock market performance. In early April, the city's Hang Seng index experienced the largest drop since the 1997 Asian Financial Crisis, amid fears of a widening global trade war. The consumption trend is also backed by the relatively strong Hong Kong dollar (pegged to USD) against the Chinese yuan.

THE HONG KONG WONTON

Hong Kong Restaurants Expect Only Small ‘Golden Week’ Gain despite Tourist Boom [[SCMP, May 5](#)]; Catering Veteran Cautiously Optimistic Towards Labor Day Golden Week Business [[The Standard, May 5](#)]

Hong Kong’s restaurants expect a modest 5 percent rise in business at most during the “golden week” holiday despite visitor numbers increasing by a third over the first two days. Industry leaders noted that mainland Chinese tourists have tightened their purse strings due to the weakening economy on the mainland. The outflow of Hong Kong residents is seen as a greater loss to business than the benefits brought by visitors, who tend to dine at moderately or low-priced restaurants. **ATO Notes:** The noticeable changes in mainland tourist consumption behaviors, driven by the shift to “deep travel”, include spontaneous dining instead of making advance reservations, cheaper word-of-mouth restaurant recommendations on social media (esp. Xiaohongshu, Douyin), and taking photos/checking in on social media instead of shopping. In the first quarter of 2025, restaurant receipts dropped 0.6 percent to \$3.6 billion, compared to the same period in 2024.

RETAIL



March Retail Sales Drop 3.5 Percent [[news.gov.hk, May 2](#)]

The Hong Kong Census & Statistics Department announced that the value of total retail sales in March, provisionally estimated at \$3.88 billion (HKD 30.1 billion), was down 3.5 percent year-on-year. The value of sales of furniture and fixtures, and wearing apparel saw the biggest drops, decreasing by 17.3 percent and 10.8 percent, respectively. By contrast, sales of commodities in supermarkets increased by 5.2 percent. Sales of food, alcoholic drinks, and tobacco increased by 7.8 percent. **ATO Notes:** Despite 13 consecutive months of declining overall retail sales, the data suggests welcome news for food and beverage retail sales.

Sam's Club Suspends Hong Kong Cross-border Direct Mail Service [[min.news, May 6](#)]

Sam’s Club in Shenzhen announced its suspension of cross-border direct mail service to Hong Kong on April 30, 2025, after less than a year of trial, due to limited product categories and the absence of a fresh food category. **ATO notes:** Sam’s club remains a major destination for Hong Kong consumers traveling to Shenzhen during weekends or holidays. In June 2024, Sam’s club tested its direct mail service in Hong Kong, allowing Hong Kong consumers to shop through the Sam’s App with a guarantee of next-day delivery. However, many shoppers who enjoy buying at Sam’s Club prefer fresh produce, which is not available due to import regulations. Additionally, the cross-border delivery cost is much higher compared to within the mainland, making the service uneconomical.

TRADE AND POLICY



Statement From AmCham HK - Hong Kong Amidst the Current Global Trade Challenges **[[AmCham HK](#), Apr. 14]**

AmCham HK views Hong Kong's current predicament as unfortunate, noting that Hong Kong has a trade deficit with the United States. In 2024, the United States had a goods trade surplus of \$21.9 billion with Hong Kong, reflecting a strong, mutually beneficial economic relationship. Total U.S. goods trade with Hong Kong was estimated at \$33.8 billion, supporting nearly 140,000 U.S. jobs across various sectors. The number of U.S. regional headquarters, offices, and branches in Hong Kong increased to 1,390 in 2024. Hong Kong, a separate customs territory under the General Agreement on Tariffs and Trade (GATT), operates a distinct regulatory and legal trading framework from Mainland China and should be considered independently in trade policy decisions. As a WTO member, Hong Kong maintains its status as a free port, not imposing tariffs on imports. As many members are impacted by the current turbulence, AmCham HK advocates for a nuanced approach recognizing Hong Kong's unique status to foster cooperation and economic growth, hoping for a swift resolution to current challenges.

Muyuan Foods Plans Hong Kong Listing as Pork Market Rebounds [[swineweb](#), Apr. 16] **Shenzhen Pork Producer Muyuan, Beijing AI Firm Deepexi Plan Hong Kong Listings [[SCMP](#), Apr. 16]**

Shenzhen-listed Muyuan Foods, one of the world's largest pig breeders and pork producers, plans to apply to list in Hong Kong in the next two years, heeding Beijing's call to use one of Asia's largest capital markets to power up amid a raging tariff war. The funds raised from international investors through the listing would help Muyuan expand in markets abroad. The size of the offering had not been decided yet, but analysts estimated it could raise \$1 billion. After significant losses in 2023 due to overproduction and soft demand, Muyuan Foods rebounded strongly in 2024. Muyuan's expansion to Hong Kong would position it for greater visibility and investor engagement in the global marketplace.

ATO Notes: Nearly all of Hong Kong's live pigs for slaughter are imported from mainland China by three licensed wholesalers – Ng Fung Hong, Guangnan Hong Co. Ltd. and Hong Kong Agriculture Special Zone Ltd. In the first three months of 2025, Hong Kong's global pork import increased 19.5 percent year over year to \$270.4 million, with Brazil (+13.4 percent), China (+14 percent) and Vietnam (+6.7 percent) as the top 3 suppliers. The United States is the 7th largest pork supplier to Hong Kong (-4 percent).

Hong Kong Exports up 18.5 Percent in March Amid US-China Trade War [[SCMP](#), Apr. 28]

The value of Hong Kong's exports increased by 18.5 percent year-on-year in March, while imports also increased by 16.6 percent during the same period. An economist noted that the impact of the United States initiated tariff war has yet to be reflected. Hong Kong saw significant increases in the value of exports in the first quarter to Vietnam (up by 69.1 percent), Taiwan (up by 40.6 percent), and the mainland (up by 16.2 percent). The economist suggested that as Hong Kong remains a free port despite the United States and China tariff war, tourists can purchase U.S. imported goods in Hong Kong, which might benefit the city's tourism sector and economy. **ATO Notes:** In 2024, Hong Kong's total agricultural imports reached \$24 billion. Although the region's 7.5 million citizens depend on imports for over 90 percent of food consumption and Hong Kong's boasts an impressive per capita GDP (\$54,134 in 2024), only 58 percent of total imports are consumed in the region. The remainder, approximately \$10 billion, is re-exported to nearby markets, with mainland China, Macau, Vietnam, South Korea, and Taiwan serving as the top destinations.

Hong Kong Suspends Imports of Poultry Meat and Products from 3 U.S. Counties [[CFS – Press Release](#), Apr. 23; [CFS – Press Release](#), Apr. 29]

The Centre for Food Safety (CFS) of the Food and Environmental Hygiene Department (FEHD) has suspended poultry imports from 3 counties following a notification from the World Organization for Animal Health (WOAH) about outbreaks of highly pathogenic avian influenza (HPAI). **ATO Notes:** In 2024, U.S. poultry meat exports to Hong Kong grew 29 percent to \$135 million. For the first 3 months of 2025, poultry meat exports dropped 56 percent to \$16 million due to high stocks and significant numbers of suspended counties due to HPAI.

THE HONG KONG WONTON

ATO EVENTS CALENDAR



UPCOMING EVENTS

May 2025

- | | |
|---------|---|
| 5/12-16 | USDA Agribusiness Trade Mission |
| 5/15 | American Whiskey Trail Hong Kong Media Launch |
| 5/14-16 | HOFEX/ProWine |

Jun 2025

- | | |
|-----------|--|
| TBC | California Wine Month Media Launch (CWI) |
| 6/7 – 7/5 | American Whiskey Trail Hong Kong Spirits Promotion |

Jul 2025

- | | |
|-----------|--|
| 6/7 – 7/5 | American Whiskey Trail Hong Kong Spirits Promotion |
| TBC | California Wine Month (CWI) |

THE HONG KONG WONTON

Hungry for more information about the Hong Kong and Macau markets?

Contact our office: ATOHongKong@usda.gov or visit our website <https://www.atohongkong.com.hk>
To subscribe or unsubscribe email ATOHongKong@usda.gov, subject title: Subscribe/Unsubscribe The
Hong Kong Wonton

Exchange Rate Post Uses: US\$1=HK\$7.8

Post Disclaimer: News summaries and translations are for reference only. We have attempted to provide an accurate translation of the original material into English. However, given nuances in translating from a foreign language, slight differences may exist. Any misinterpretation is unintentional. Please note some media outlets may deactivate the link to the story after a few days.

Attachments:

No Attachments.