

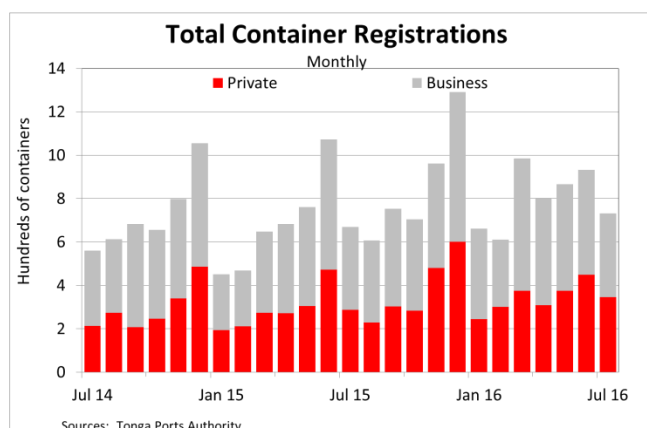
Container Registrations July 2016

Release date: 28 October 2016

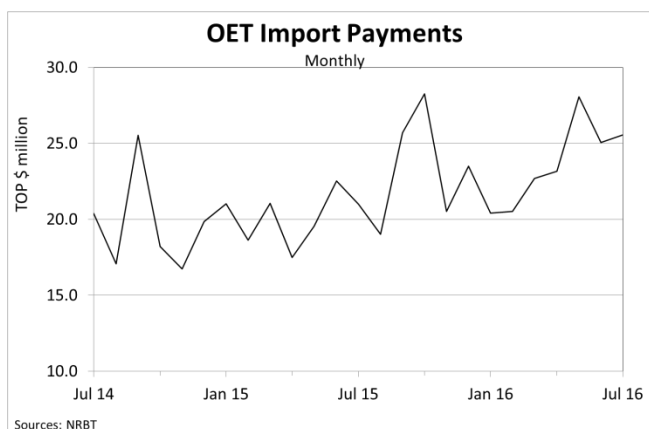
| | Jul 16 | Jun 16 | May 16 | Apr 16 |
|--------------|--------|--------|--------|--------|
| Total | 731 | 932 | 867 | 799 |
| Business | 385 | 483 | 491 | 491 |
| Private | 346 | 449 | 376 | 308 |

Festivities ends causing decline in registrations

Over the month of July 2016, 731 containers were registered with the majority being business containers. Total registrations dropped by 201 containers (21.6%), following a strong month in June 2016. Both business and private containers contributed to the monthly decrease, with private containers declining the fastest by 103 registrations (22.9%). This reflected more events and celebrations taking place in June 2016. The import payments in July however rose by \$0.5 million (1.9%), indicating high import payments (excluding oil) made during the month for construction materials and vehicles.



In year ended terms, total containers registered rose by 1,342 registrations (15.7%), due to rises in both business and private container registrations. The business containers increased by 729 registrations (20.4%) whereas private containers rose by 613 registrations (12.3%). This reflected festivities and special events that took place during the year, which included the King’s coronation, church conferences, reunions and the celebration of the Tupou College Toloa 150th anniversary. Higher



registrations in private containers reflected an active informal distribution sector. An additional 17 cargo ships arriving during the year may have also contributed to the annual rise. The higher import payments (excluding oil), rising by \$43.8 million (18.3%) over the year to July, supports the rise in container registrations over the year. This was largely contributed by higher payments for import of construction materials, motor vehicles and wholesale & retail trade goods. The on-going construction activities in the country and a rise in vehicles registered over the year by 784 vehicles (33.8%) were consistent with the higher import payments. This in turn supports an increase in government revenue collection.

The NRBT expects imports and consequently container registrations to generally increase in 2016/17 due to festivities scheduled for this financial year including the Church of Jesus Christ Latter Day Saints 100th Anniversary, annual conferences, one-off events such as family reunions and on-going activities in the country. Credit growth is projected to continue in 2016/17 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> |
| | Jul 16 | Jun 16 | May 16 | Jul 15 | Jul 16 | Jul 15 | |
| Total containers | 731 | 932 | 867 | 669 | 9,901 | 8,559 | 100 |
| Business | 385 | 483 | 491 | 382 | 5,602 | 4,989 | 57 |
| Private | 346 | 449 | 376 | 287 | 4,299 | 3,570 | 43 |

Source: Tonga Ports Authority