

Container Registrations

March 2016

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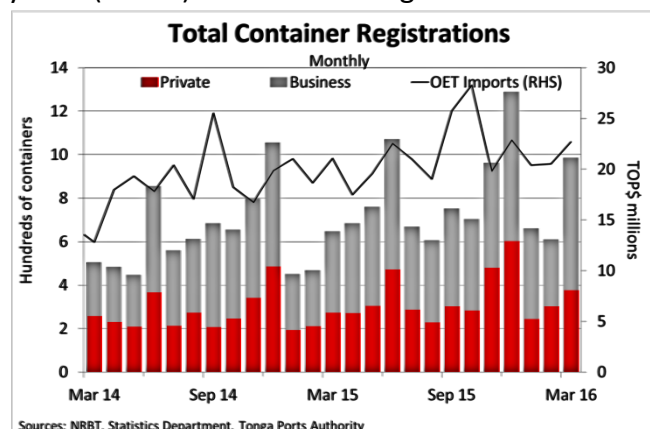
	Mar 16	Feb 16	Jan 16	Dec 15
Total	985	610	661	1,290
Business	609	308	416	688
Private	376	302	245	602

Cyclone delayed shipping, driving the sharp rise in registrations

The delays in the shipments that were scheduled for February due to Cyclone Winston resulted in a significant increase in the total number of container registrations in March by 375 (61.5%). Cargo ships that arrived during the month also increased by 4 vessels. Majority of the containers were for businesses which rose by 301 (97.7%) almost doubling its number of the previous month. Private containers also increased by 74 registrations (24.5%).

The rise in container registrations is in line with a \$2.2 million (10.6%) increase in import payments (excluding oil) due to higher payments made for wholesale & retail and construction materials.

Annually, total number of containers registered rose by 2,037 registrations (26.4%). Both business and private container registrations rose. The business containers increased by 1,134 registrations (25.4%) and the private containers rose by 903 registrations (27.8%), reflecting an active informal distribution sector. This coincides with a \$26.2 million (11.2%) increase in import payments (excluding oil) in line with the growing economic activities during the year. Additionally, higher container registrations may have contributed to higher government revenue collection over the year. The yearly movement is in line with the NRBT's expectations for growth in the distribution sector. The overall increase in container



registrations is consistent with improvements in credit conditions, indicating strong economic activities in the country.

The NRBT expects imports and consequently container registrations to generally increase in 2015/16 due to festivities scheduled for this financial year including 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 shipments from the U.S to Tonga every month. This may support an increase in customs duty collections and an upturn in government revenue. Credit growth has rebounded and is expected to continue to grow over 2015/16 which is likely to support growth in imports. Furthermore, liaisons with the construction and transport sector indicate more imports in the future due to high demand. 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>
	Mar 16	Feb 16	Jan 16	Mar 15	Mar 16	Mar 15	
Total containers	985	610	661	648	9,757	7,720	100
Business	609	308	416	375	5,600	4,466	57
Private	376	302	245	273	4,157	3,254	43

Source: Tonga Ports Authority