

Trade Volume between China and the DPRK Reached 1.9 Billion USD from January to May

The DPRK-China trade volume reached 1.96 billion USD (812 million USD in export and 1.148 billion USD in import) thus far this year from January to May. This is double the amount from the same period last year.

Trade dependence with China intensified in which exports increased 217 percent while imports rose 58 percent.

Out of the total import of 1.148 billion USD, food imports such as rice and corn only reached 4 percent at 46 million USD. The volume of imports is comparable to the same period of last year, with a slight boost from 113,000 ton to 119,000 ton.

Despite the acclaimed food crisis, agricultural exports drastically increased. Exports consisting of frozen fish (cod), shellfish (crabs), and mollusks (squid) increased 60 percent at 16.5 million USD. In comparison, exports of dried fruits and nuts along with sesame seed and potato starch swelled 460 percent at 13.5 million USD.

According to the Chinese Maritime Customs Service, personal items for the top elite class such as alcohol and tobacco purchases reached about 10 million USD.

About 7.5 million USD worth of foreign brand tobacco such as Marlboro and Mild Seven was imported, an increase of 117 percent against last year.

Alcohol imports increased 94 percent (2.4 million USD) from last year consisting of cognac and whisky brands of Hennessy X.O. and Chivas Regal alongside with Japanese beer Asahi and Sapporo. Premium beef import totaled 550,000 USD.

Some of the privileged class is known to import McDonald's hamburgers from Beijing via Air Koryo, a North Korean airline. Some North Korean trade companies are purchasing luxury items including clothing from Armani and Gucci as well as Hennessy cognac, Rolex and Omega watches, and Sony and Samsung TV sets and rice cookers.

The popular South Korean rice cooker Cuckoo is also very popular among the elites. Under the collusion of authorities, the coveted rice cooker is distributed secretly through a North Korean trading company.

In addition, North Korea is known to have spent 98 million USD on construction and machinery equipments such as excavators and pumps.

Imports of trucks and automobiles also increased 72 percent against last year at 68.3 million USD (3,500 vehicles) and the total number of vehicles imported rose by 49 percent.

On the other hand, North Korea imported 53,280 ton of grains from China just in May this year. This is an increase of 79.2 percent from the previous month and 31.5 percent increase from last year. Accordingly, the total amount of import ascended 66.6 percent from April to 18 million USD. Imported grains were mainly corn (54.6 percent), flour (34.5 percent), and rice (10.7 percent).

Comparing the imported grains of this year from January to May, corn was the leading import while rice and beans revealed less significance in trade. The decrease in bean imports is mainly due to price increase and shortage of foreign currency leading to a boost in the import of less expensive corn and flour.

Chemical fertilizers for this year were imported to the tune of about 67,000 tons, steadily climbing in volume. The total amount of fertilizers brought in this year up until May reached 114,300 tons, which is an increase of 39 percent from last year and the total amount, reached 23,000 USD.

Most of the fertilizers imported by the DPRK were ammonium sulfate (134,930 ton) and urea (16,950 ton). Ammonium sulfate is relatively inexpensive compared to its more costly counterpart urea, making it the more primary import of the two.