

Regional Trade Statistics – Fourth Quarter 2012

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Summary

- In the year 2012, there was a fall in annual export value in all UK countries and regions apart from Scotland, the East Midlands, the North East and the West Midlands. There was a rise in annual import value during the year in all UK countries and regions apart from the North East, Yorkshire & Humberside and Wales. Scotland had the highest annual growth rate of the UK countries for imports and was the only UK country to see an increase in exports.
- The value of UK exports and imports both increased slightly in Quarter 4 2012. The value of exports increased for England, Scotland and Northern Ireland but decreased for Wales between Quarter 3 2012 and Quarter 4 2012; the value of imports increased for England but decreased for Scotland, Wales and Northern Ireland. Exports increased in all English regions except for the North East and Yorkshire & Humberside. Imports increased in all English regions apart from the North East, Yorkshire & Humberside, the East Midlands and the East.
- The number of exporters decreased between Quarter 4 2011 and Quarter 4 2012 in all UK countries and regions apart from the North West, the East, the South West and Wales. The number of importers increased in all UK countries and regions apart from the North East, the East, London, the South East and Scotland.
- For England, the value of exports to South Korea increased most in the year 2012; for Wales exports to Ecuador increased the most; for Scotland exports to China increased the most, while for Northern Ireland exports to the USA increased most. For imports, the largest increases were in goods from Nigeria (England), Norway (Scotland), Sweden (Wales) and Spain (Northern Ireland).
- For exports, the commodity groups with the largest annual value increases were 'Road vehicles' (England) 'Gas, natural & manufactured' (Wales), 'General industrial machinery & equipment' (Scotland) and 'Other transport equipment' (Northern Ireland).
- For imports to England and Scotland the largest annual value increase was in 'Petroleum, petroleum products & related materials'. For Wales the largest increase was in 'Meat & meat preparations' and for Northern Ireland 'Other transport equipment' increased most in value.

HM Revenue & Customs (HMRC) are responsible for collecting the UK's international trade in goods data, which are published as two National Statistics series - the 'Overseas Trade Statistics (OTS)' and the 'Regional Trade Statistics (RTS)'. The RTS are published quarterly showing trade at summary product and country level, split by UK regions and devolved administrations.

RTS data is compiled by linking trade data collected by HMRC with Office for National Statistics postcode data to obtain the region in which the VAT registered business (importer or exporter) is based. Because the trade is regionalised according to the location of the VAT registered business some of the trade may be allocated to the region where the head office of the business is located¹.

RTS data is categorised by partner country and [Standard International Trade Classification, Rev.4](#). (SITC) at division level (2-digit). The SITC is a relatively broad classification of goods and is not as detailed as the commodity classification available in the OTS. In this release RTS data is analysed mainly at partner country and SITC section (1-digit) level, with references to specific SITC divisions where appropriate.

You can find details of how users interested in import and export markets for specific goods make use of the detailed RTS data in ['The User Story'](#). You can also access the detailed data in our interactive database [here](#).

Overview of UK trade

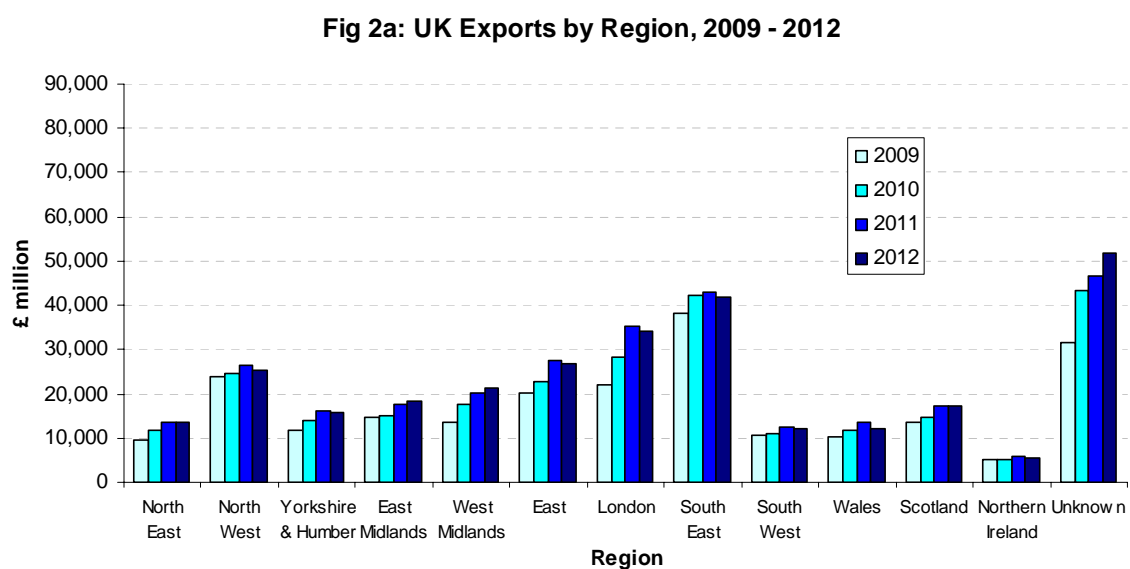
Figure 1 shows the quarterly values of imports to and exports from the UK since 2009. The value of both imports and exports increased slightly during the fourth quarter of 2012. Exports increased by 1.8 per cent and imports increased by 2.1 per cent, increasing the trade deficit to £27.0 billion for the quarter. This represents an increase of 3.1 per cent in the trade deficit since the previous quarter.

¹ See note 3



Overview - Exports

Figure 2a shows the total value of UK exports by region for the four annual periods ending December 2009, December 2010, December 2011 and December 2012.



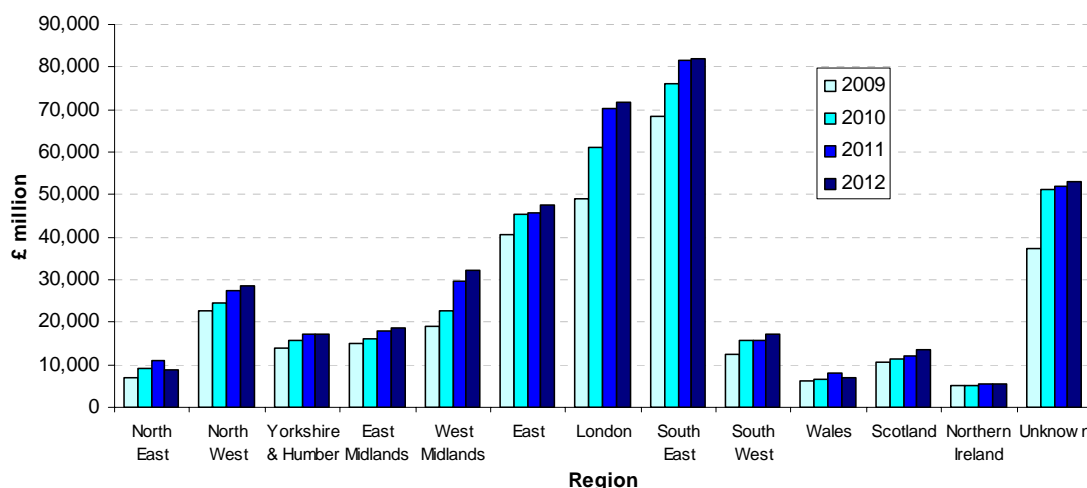
- The total annual value of UK exports increased only marginally by 0.3 per cent to £296.2 billion between 2011 and 2012; this is considerably less than the 12.3 per cent increase seen between 2010 and 2011. There was a fall in the value of exports across all countries and regions of the UK apart from the North East, the East Midlands, the West Midlands and Scotland in 2012. The total annual value of exports from England fell by 1.3 per cent to £209.5 billion during the year, the largest decrease coming from the 'Chemicals & related products' sector. Exports from Scotland rose marginally by 0.1 per cent to £17.4 billion, the only increase among the four UK countries; the largest increases during the year were in Scotland's exports from the 'Machinery & transport equipment' sector, while exports from the 'Mineral fuels, lubricants & related materials' sector halved in value during the year. Exports from Wales fell by 10.2 per cent to £12.1 billion; there were decreases in all sectors, the largest decline during the year coming from 'Mineral fuels, lubricants & related materials'. Exports from Northern Ireland fell by 2.6 per cent to £5.6 billion, with the 'Miscellaneous manufactured articles' sector contributing a large portion of the value decrease. Exports allocated to the 'Unknown region'² amounted to £51.7 billion in 2012.
- The South East continues to have the largest total export value of all the English regions (£42.0 billion for the year 2012) accounting for 20.1 per cent of total exports from England. This is despite a value decrease of 2.3 per cent in exports from the South East over the annual period.
- Year on year, the largest percentage increase in the English regions was for the West Midlands, whose exports increased by 6.1 per cent to £21.4 billion during the year. Exports of £5.8 billion were reported for the fourth quarter of 2012, the highest quarterly figure on record for the region.
- The South West had the smallest total value of exports of £12.3 billion for the year 2012, 5.9 per cent of England's total. There were successive quarterly increases in exports from the South West in the third and fourth quarters of 2012, with exports in the fourth quarter of 2012 exceeding those in the fourth quarter of 2011.

² See note 4

Overview - Imports

Figure 2b shows the total value of UK imports by region for the four annual periods ending December 2009, December 2010, December 2011 and December 2012.

Fig 2b: UK Imports by Region, 2009 - 2012



Note: 2012 data are provisional

Source: Regional Trade Statistics, HM Revenue & Customs

- The total annual value of UK imports for the year 2012 increased by 2.0 per cent to £402.4 billion compared with 2011. There was a rise in import value during the year for all UK regions apart from Wales, the North East and Yorkshire & Humberside. The total value of imports to England rose by 1.9 per cent to £323.0 billion; this rise was considerably less than the 9.3 per cent increase seen between 2010 and 2011. The largest increases in imports to England were in the 'Mineral fuels, lubricants & related materials' and 'Machinery & transport equipment' sectors. The total value of imports to Scotland rose by 12.2 per cent to £13.7 billion, the highest growth rate of the four UK countries; this was driven by increases in the 'Mineral fuels, lubricants & related materials' sector. The total value of imports to Wales fell by 12.1 per cent to £7.1 billion; this was driven by a decrease in imports from the 'Crude materials, inedible, except fuel' sector'. Total imports to Northern Ireland increased by 0.5 per cent to £5.6 billion; here, growth was largely fuelled by the 'Machinery & transport equipment' and 'Food & live animals' sectors, while declines were seen in 'Manufactured goods classified

chiefly by material' and 'Beverages & tobacco'. Imports allocated to the 'Unknown region'³ amounted to £53.1 billion in the year 2012.

- Within England, the South East continues to have the largest total value of imports. For the year 2012 this was £82.0 billion, 25.4 per cent of England's total. Imports to the South East increased in value by 0.5 per cent during the year, with imports to London increasing by 1.7 per cent. Growth rates for both these regions were much lower than in the previous year.
- The largest year-on-year increase among the English regions was for the West Midlands, where imports increased by 8.7 per cent to £32.0 billion. The West Midlands now accounts for 9.9 per cent of England's imports, compared with 9.3 per cent a year ago.
- The only year-on-year decreases among the English regions were for the North East, where imports declined by 20.0 per cent and Yorkshire & Humberside, where imports decreased by 1.1 per cent. The North East continues to have the smallest total value of imports of all the English regions, making up just 2.7 per cent of England's total imports compared with 3.5 per cent a year ago.

³ See note 4

Rolling 12 Month Overview - Exports

The following analysis of a rolling 12 month period smoothes the seasonal quarterly variation of trade. This serves to better illustrate the longer term trend in the value of exports within the regions.

Partner country analysis - England

Table 1a: England - Top five export partners, year ending December 2012

	Country	Year ending December 2012 Total £ millions	Year ending December 2011 Total £ millions	% Change from December 2011	% Total Exports in year ending December 2012
Top 5	USA	29,469.0	28,752.2	2.5	14.1
	Germany	21,922.6	23,486.7	-6.7	10.5
	France	15,412.0	16,770.3	-8.1	7.4
	Netherlands	11,807.1	13,186.1	-10.5	5.6
	Irish Republic	9,981.1	10,372.8	-3.8	4.8
	Others	120,896.6	119,639.2	1.1	57.7
	Total EU	97,675.5	106,972.8	-8.7	46.6
	Total Non- EU	111,813.0	105,234.4	6.3	53.4
	Grand Total	209,488.5	212,207.2	-1.3	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

England's top five export partners in 2012 remained the same as in 2011. England's top export partner, the USA, is the only one of its top five partners to have seen an increase in export value over the last 12 months. The USA's share of England's exports has risen from 13.5 per cent in 2011 to 14.1 per cent in 2012, while the share for the other partners in the top five has decreased year on year. The 2.5 per cent annual increase for the USA has been led by a rise in exports within SITC divisions 78 'Road vehicles' (up 18.5 per cent) and 89 'Miscellaneous manufactured articles' (up 23.8 per cent during the year).

England's exports to the EU have decreased by 8.7 per cent during 2012, while exports to non-EU countries have increased by 6.3 per cent. This is in contrast to the previous year, when England saw a 15.3 per cent rise in exports to the EU. The

result of the decline in exports to the EU is that non-EU countries now dominate England's export market, taking 53.4 per cent of goods by value compared with 49.6 per cent in 2011. The EU partner countries where exports from England have decreased most are Germany (down 6.7 per cent), Italy (down 19.8 per cent), the Netherlands (down 10.5 per cent) and France (down 8.1 per cent). The only EU partner countries where exports from England increased in 2012 were Lithuania (up 35.5 per cent) and Estonia (up 6.1 per cent).

The non-EU partner countries where exports from England have decreased in value the most over the last 12 months are India (down 18.3 per cent), Benin (down 91.1 per cent) and Canada (down 9.9 per cent). The non-EU partner countries with the largest increase in value of goods exported from England were South Korea (up 80.7 per cent), China (up 11.9 per cent) and Switzerland (up 18.7 per cent). For South Korea the vast majority of the growth came from SITC division 33 'Petroleum, petroleum products & related materials'. For China the rises stemmed from an increase in exports of goods within SITC division 78 'Road vehicles', while for Switzerland the increase came mainly from SITC division 89 'Miscellaneous manufactured articles not specified elsewhere'.

Partner country analysis - English regions

Table 2a: Top five export partners for the English regions, year ending December 2012

	Top 5 partner countries				
	1	2	3	4	5
North East	USA	Netherlands	Russia	France	Spain
North West	USA	Germany	China	France	Netherlands
Yorkshire & Humberside	USA	France	Germany	Netherlands	Irish Republic
East Midlands	USA	Germany	Singapore	Irish Republic	Belgium
West Midlands	USA	China	Germany	France	Netherlands
East	USA	Germany	France	Belgium	Irish Republic
London	USA	Switzerland	Germany	Belgium	Netherlands
South East	USA	Germany	France	Netherlands	Belgium
South West	Germany	France	USA	Irish Republic	Netherlands

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 2a shows the top five export trading partners for each of the English regions in the year 2012. There has been little change in the membership of the top five partners over the last quarter. For the North West, the Netherlands has become the

fifth largest partner, overtaking the Irish Republic, while China is now the North West's third largest partner, overtaking France. For the East, the USA has become the top export partner, overtaking Germany. For London, Switzerland has become the second largest export partner, overtaking Germany.

For every English region apart from the South West the proportion of exports going to non-EU countries has increased over the last year. The majority of the English regions continue to follow a similar pattern to England as a whole, with the USA now featuring as the top export partner for eight of the nine regions. All English regions saw an increase in exports to the USA during the year apart from the North East, the North West and the South East. The South West is now the only English region where exports to Germany exceed those going to the USA.

During the year 2012, export value decreased for six of the nine English regions. The only regions to see an increase were the West Midlands (up 6.1 per cent), the East Midlands (up 3.5 per cent) and the North East (up 1.2 per cent). For these three regions much of the increase was in exports to Asia: for the East Midlands exports to Singapore rose by 55.7 per cent, for the North East exports to Thailand went up more than 20-fold to £0.5 billion, while for the West Midlands exports to China increased by 41.1 per cent. The largest decreases in exports from the East, the South East and Yorkshire & Humberside were attributable to EU partners: there were large reductions in goods going to the Netherlands and Germany from the East, and in exports to France, Italy and the Netherlands from the South East, while the largest decrease for Yorkshire & Humberside was in goods going to the Irish Republic (down 28.5 per cent). For London, the North West and the South West the largest decrease in export value was in goods going to non-EU countries; for London exports to India decreased by 39.4 per cent, for the North West exports to the USA fell by 8.9 per cent and for the South West exports to Algeria decreased by 89.6 per cent.

Exports to Russia have increased for six of the nine English regions and exports to China have risen in five of the nine regions. Exports to the United Arab Emirates have increased for all regions apart from the South East and exports to Singapore have increased for all regions apart from the North East. Exports to Saudi Arabia have risen in all regions apart from the North East and the South East. Exports to Libya have continued to recover following the crisis in the Middle East which affected trade in 2011; there was an increase in goods going to Libya for all English regions during the year.

Exports to the major EU partners have declined in the majority of English regions over the past year. Exports to Germany have declined for all English regions apart from the South West, exports to Spain have fallen for all regions apart from the North East and exports to Italy have decreased for all regions. Exports to France have decreased for six of the nine regions and exports to the Netherlands have decreased for seven of the nine regions, the only exceptions being the North West and Yorkshire & Humberside.

Partner country analysis - Wales

Table 3a: Wales - Top five export partners, year ending December 2012

Country	Year ending December 2012 Total £ millions	Year ending December 2011 Total £ millions	% Change from December 2011	% Total Exports in year ending December 2012
USA	2,944.2	3,370.4	-12.6	24.4
Irish Republic	1,441.7	1,397.6	3.2	11.9
Top 5 Germany	795.0	1,015.7	-21.7	6.6
Netherlands	642.9	793.2	-18.9	5.3
United Arab Emirates	632.8	683.3	-7.4	5.2
Others	5,628.4	6,198.2	-9.2	46.6
Total EU	4,905.2	5,692.9	-13.8	40.6
Total Non-EU	7,179.8	7,765.5	-7.5	59.4
Grand Total	12,085.0	13,458.4	-10.2	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 3a shows that the total export value from Wales has decreased by 10.2 per cent during the past year. There has been negative growth in each quarter of 2012 compared with the corresponding quarter of 2011; the decline was most noticeable in the fourth quarter of 2012, where exports were 29 per cent lower than in the fourth quarter of 2011. The value of exports from Wales in the fourth quarter of 2012 was the lowest quarterly value since the first quarter of 2008. Wales' top five partner countries remain the same as in 2011, although the value of exports to all these countries apart from the Irish Republic has declined considerably over the last year.

Exports to the Irish Republic rose by 3.2 per cent during the year, a much lower growth rate than the 22.7 per cent increase seen between 2010 and 2011. The largest percentage decrease among the top five was in exports to Germany, which fell by 21.7 per cent in value.

Non-EU partner countries continue to dominate the export market in Wales, receiving 59.4 per cent of goods exported. While exports to both EU and non-EU partners has declined during 2012, the decrease has been more marked for EU partners. The USA's share of the export market in Wales has fallen from 25.0 per cent in 2011 to 24.4 per cent in 2012; the decline in exports to the USA during 2012 was led by decreases in goods from SITC division 33 'Petroleum, petroleum products & related materials' (down 28.9 per cent) and division 71 'Power generating machinery & equipment' (down 6.0 per cent). The Irish Republic remains Wales' second largest partner country, taking an 11.9 per cent share of exports from Wales in 2012, compared with 10.4 per cent in 2011; here, most of the increase during the year came from SITC division 33 'Petroleum, petroleum products & related materials' (up 5.0 per cent).

The United Arab Emirates remains Wales' fifth largest export partner, despite a decline in exports of 7.4 per cent in the last year; this was in contrast to the 32.4 per cent growth between 2010 and 2011. Most of the reduction was in division 71 'Power generating machinery & equipment' (down 3.2 per cent).

The partner countries with the largest value decrease in exports from Wales over the year were the USA, Germany and the Netherlands. The decrease for Germany was driven by a decline in SITC division 67 'Iron & steel', while for the Netherlands most of the decrease was due to SITC division 33 'Petroleum, petroleum products & related materials' and division 67.

Partner countries where export values have increased most during the year are Ecuador (up from £0.4 million to £216 million) and Switzerland, where trade almost doubled during the year. For Ecuador the increase was almost entirely due to a new market in goods under SITC division 33 'Petroleum, petroleum products & related materials'. For Switzerland the increase has been led by a five-fold increase in division 71 'Power generating machinery & equipment'.

Partner country analysis – Scotland

Table 4a: Scotland - Top five export partners, year ending December 2012

Country	Year ending December 2012 Total £ millions	Year ending December 2011 Total £ millions	% Change from December 2011	% Total Exports in year ending December 2012
USA	3,073.1	2,986.6	2.9	17.7
France	1,103.9	1,236.7	-10.7	6.4
Top 5 Germany	954.7	930.6	2.6	5.5
Norway	898.6	845.3	6.3	5.2
Belgium	827.2	765.9	8.0	4.8
Others	10,524.3	10,596.8	-0.7	60.5
Total EU	5,813.1	6,233.6	-6.7	33.4
Total Non-EU	11,568.6	11,128.3	4.0	66.6
Grand Total	17,381.7	17,361.9	0.1	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 4a shows that exports from Scotland have increased only marginally in value by 0.1 per cent during 2012; this was the only positive growth seen among the four UK countries during the year. Although quarterly exports increased for the first half of 2012 compared with the same period of 2011, there was a decline in the second half of 2012. Non-EU partner countries continue to dominate exports from Scotland; two-thirds of Scotland's exports by value now go to non-EU partners, up from 64.1 per cent a year ago. Non-EU exports have increased by 4.0 per cent over the year, while EU exports have declined by 6.7 per cent. Scotland's five largest export partner countries have remained the same throughout 2012.

Exports to all of the top five partners apart from France have risen in value during 2012, although growth rates were considerably lower than in the previous year. The largest value increases during the year came from increased exports to China (up 21.7 per cent, with exports from SITC division 74 'General industrial machinery & equipment' up 75.8 per cent) and the USA (up 2.9 per cent, with exports from SITC division 11 'Beverages' up 15.9 per cent). The increase for China has made it Scotland's eighth largest export partner by value in 2012, up from eleventh largest in 2011.

Apart from the USA and China, the partner countries receiving the largest value increases in exports from Scotland over the year were Australia (up 31.8 per cent, with exports from SITC division 67 'Iron & steel' increasing five-fold) and Switzerland

(up 70.8 per cent, with a twelve-fold increase in SITC division 89 'Miscellaneous manufactured articles not specified elsewhere').

The biggest value decrease in exports from Scotland was in goods going to Chile (down 74.4 per cent, with SITC division 33 'Petroleum, petroleum products & related materials' down 90.7 per cent). There were also large decreases in exports to France (down 10.7 per cent), Italy (down 27.0 per cent) and Spain (down 18.8 per cent); these reductions were led by SITC division 11 'Beverages' (France and Spain) and division 33 'Petroleum, petroleum products & related materials' (Italy).

Partner country analysis – Northern Ireland

Table 5a: Northern Ireland - Top five export partners, year ending December 2012

	Country	Year ending December 2012 Total £ millions	Year ending December 2011 Total £ millions	% Change from December 2011	% Total Exports in year ending December 2012
Top 5	Irish Republic	2,001.4	2,143.7	-6.6	35.8
	USA	520.5	476.7	9.2	9.3
	Canada	345.5	524.3	-34.1	6.2
	France	255.0	223.8	14.0	4.6
	Germany	210.4	206.1	2.1	3.8
	Others	2,251.1	2,158.1	4.3	40.3
	Total EU	3,088.7	3,262.4	-5.3	55.3
	Total Non-EU	2,495.2	2,470.3	1.0	44.7
	Grand Total	5,583.8	5,732.7	-2.6	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 5a shows that exports from Northern Ireland have decreased in value by 2.6 per cent during 2012. In the second, third and fourth quarters of 2012 exports were lower than in the corresponding quarters of 2011. The top five export partners have remained the same throughout 2012; the Irish Republic has continued to dominate Northern Ireland's export market, although its share has reduced from 37.4 per cent in 2011 to 35.8 per cent in 2012; this was due to a 6.6 per cent decrease in exports going to the Irish Republic during the year. In contrast with other UK countries, the majority of Northern Ireland's exports (55.3 per cent) go to the EU; this is largely due to the Irish Republic's dominance as a partner country.

Exports to Canada decreased by 34.1 per cent during 2012, in contrast to the 4.3 per cent increase between 2010 and 2011. This was the largest decrease of all Northern Ireland's partner countries; the decline was mainly due to a fall in exports from SITC division 71 'Power generating machinery & equipment' (down 92.9 per cent).

Apart from Canada, the partner country with the largest decrease in exports from Northern Ireland during the year was the Irish Republic, with much of the reduction coming from SITC division 89 'Miscellaneous manufactured articles not specified elsewhere' (down 25.5 per cent) and division 11 'Beverages' (down 14.0 per cent).

The partner countries with the largest increase in exports from Northern Ireland during the year were the USA (up 9.2 per cent, with SITC division 54 'Medicinal & pharmaceutical products' up 27.3 per cent) and Saudi Arabia (up 39.2 per cent, with SITC division 71 up 46.1 per cent). France saw the largest percentage increase of the top five partners (up 14.0 per cent); this was driven by a large rise in SITC division 79 'Other transport equipment'. The increase for France was in contrast to England, Scotland and Wales, where exports to France declined during 2012.

Commodity analysis - England

Table 6a: Top five commodities for export from England - year ending December 2012

SITC section	Description	Year to December 2012 Total £ millions	Year to December 2011 Total £ millions	% Change from December 2011	% Total Exports in year ending December 2012
7	Machinery & transport equipment	83,472.8	82,162.8	1.6	39.8
5	Chemicals & related products	36,731.5	38,890.0	-5.6	17.5
8	Miscellaneous manufactured articles	29,485.0	27,504.9	7.2	14.1
6	Manufactured goods classified chiefly by material	25,070.2	26,686.2	-6.1	12.0
3	Mineral fuels, lubricants & related materials	18,423.0	19,918.4	-7.5	8.8
Other SITCs		16,306.1	17,044.9	-4.3	7.8
All SITCs		209,488.5	212,207.2	-1.3	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 6a shows that SITC section 7 'Machinery & transport equipment' continues to dominate exports from England, making up 39.8 per cent of export value. However, growth in section 7 has slowed to 1.6 per cent in 2012, following the 12.4 per cent increase seen between 2010 and 2011. Most of the increase in section 7 during the year came from exports of goods within SITC divisions 78 'Road vehicles' (up 6.8 per cent) and 71 'Power generating machinery & equipment' (up 3.9 per cent), although both these increases have slowed over the last nine months.

Of the top five export commodity groups, only SITC sections 7 and 8 saw increases over the year. For section 8 'Miscellaneous manufactured articles' the annual growth of 7.2 per cent was greater than the 6.4 per cent growth seen in 2011. Section 8 was the only one of the top five sections where growth in 2012 exceeded that in 2011; this may have been partly attributable to exports of products associated with the London 2012 Olympic Games. Most of the growth in this section came from division 89 'Miscellaneous manufactured articles not specified elsewhere' (up 8.9 per cent), although there was also strong growth in exports from division 84 'Articles of apparel & clothing accessories' (up 11.1 per cent).

The SITC section with the biggest value decrease during the year was section 5 'Chemicals & related products' (down 5.6 per cent). Much of the reduction was attributable to division 54 'Medicinal & pharmaceutical products' (down 6.1 per cent), with goods going to the USA down by 26.0 per cent.

Sections 6 'Manufactured goods classified chiefly by material' and 3 'Mineral fuels, lubricants & related materials' have both declined in value over the year, in contrast to the large increases in both these sections in 2011. For section 6 most of the reduction came from division 68 'Non-ferrous metals' (down 17.5 per cent), while for section 3 the decrease was driven by division 33 'Petroleum, petroleum products & related materials' (down 7.9 per cent)

Thirty-nine of the sixty-five SITC divisions decreased in export value during 2012 compared with only six division-level decreases in 2011. The largest reductions were in division 33 'Petroleum, petroleum products & related materials' (exports to France down 24.3 per cent) and division 68 'Non-ferrous metals' (exports to India down 60.0 per cent). The largest increases at division level were in division 78 'Road vehicles' (exports to China up 51.9 per cent) and division 89 'Miscellaneous manufactured articles not specified elsewhere' (exports to Switzerland up 43.5 per cent and exports to the USA up 23.8 per cent).

Commodity analysis – English regions

Table 7a - Top five commodities for export from English regions, year ending December 2012

Region	Top 5 SITC Sections				
	1	2	3	4	5
North East	7 - Machinery & transport equipment	5 - Chemicals & related products	6 - Manufactured goods classified chiefly by material	8 - Miscellaneous manufactured articles	3 - Mineral fuels, lubricants & related materials
North West	5 - Chemicals & related products	7 - Machinery & transport equipment	6 - Manufactured goods classified chiefly by material	2 - Crude materials, inedible, except fuels	8 - Miscellaneous manufactured articles
Yorkshire & Humberside	7 - Machinery & transport equipment	3 - Mineral fuels, lubricants & related materials	6 - Manufactured goods classified chiefly by material	5 - Chemicals & related products	8 - Miscellaneous manufactured articles
East Midlands	7 - Machinery & transport equipment	8 - Miscellaneous manufactured articles	6 - Manufactured goods classified chiefly by material	5 - Chemicals & related products	0 - Food & live animals
West Midlands	7 - Machinery & transport equipment	6 - Manufactured goods classified chiefly by material	8 - Miscellaneous manufactured articles	5 - Chemicals & related products	2 - Crude materials, inedible, except fuels
East	7 - Machinery & transport equipment	5 - Chemicals & related products	3 - Mineral fuels, lubricants & related materials	8 - Miscellaneous manufactured articles	6 - Manufactured goods classified chiefly by material
London	8 - Miscellaneous manufactured articles	6 - Manufactured goods classified chiefly by material	3 - Mineral fuels, lubricants & related materials	7 - Machinery & transport equipment	5 - Chemicals & related products
South East	7 - Machinery & transport equipment	5 - Chemicals & related products	8 - Miscellaneous manufactured articles	3 - Mineral fuels, lubricants & related materials	6 - Manufactured goods classified chiefly by material
South West	7 - Machinery & transport equipment	8 - Miscellaneous manufactured articles	6 - Manufactured goods classified chiefly by material	5 - Chemicals & related products	0 - Food & live animals

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 7a shows the top five export SITC section commodity groups by value for the English regions. There has been very little change in the order of the top five commodity groups since the previous quarter. For the East exports from section 5 have exceeded those from section 3 in the year 2012, making section 5 the second highest commodity group. For London, exports from section 3 have again exceeded those from section 7, although both these sections have declined in value during the year.

SITC section 7 'Machinery & transport equipment' remains the top export section by value for seven of the nine English regions. In the West Midlands, East Midlands and South West this section continues to dominate the market, accounting for over 60 per cent of goods exported. The value of exports from section 7 increased during the year for the East Midlands (up 7.0 per cent), the West Midlands (up 10.3 per cent), the South East (up 1.8 per cent) and Yorkshire & Humberside (up 0.9 per cent), but

decreased in all other regions. In the West Midlands and South East, exports from division 78 'Road vehicles' increased the most within section 7 (up 9.2 per cent and 32.7 per cent respectively); for the East Midlands exports from division 71 'Power generating machinery & equipment' increased the most (up 15.1 per cent) and for Yorkshire & Humberside exports from division 74 'General industrial machinery & equipment' increased the most (up 12.2 per cent).

The North West remains the top English region for exports within section 5 'Chemicals and related products', accounting for over one third of England's exports from this section; this is despite a decrease of 5.9 per cent in the value of section 5 exports from the North West over the past year. Most of this decrease was attributable to division 51 'Organic chemicals' (down 20.8 per cent), which sustained the North West's largest division-level decrease during the year. The only regions to see an increase in section 5 exports during the year were London (up 2.4 per cent) and the South West (up 2.7 per cent).

The South East, London and the East are the dominant regions for exports within SITC section 3 'Mineral fuels, lubricants & related materials'. All three regions have seen decreases in export value within this section during the year, by far the largest being in the London region (down 19.1 per cent). For London much of the decline was in exports from division 33 'Petroleum, petroleum products & related materials' going to Germany and the Netherlands. For the South East the decreases in section 3 were mainly in division 33 exports going to the USA and Benin, while for the East the decreases were in division 33 exports going to the Netherlands and France.

For SITC section 6 'Manufactured goods classified chiefly by material' and section 8 'Miscellaneous manufactured articles' London continues to be the dominant exporting region. For section 8, London has seen a large increase in export value over the last year (up 19.2 per cent); this was London's largest section-level increase and was led by a rise in goods from division 89 'Miscellaneous manufactured articles not specified elsewhere' going to Switzerland and the USA. In contrast, London's exports from section 6 decreased by 13.7 per cent, with exports of division 68 'Non-ferrous metals' down by 32.5 per cent (exports to India down 64.1 per cent). The only regions to experience increases in exports from section 6 were the North East (up 67.0 per cent, with exports of division 67 'Iron & steel' more than doubling) and the South West (up 0.5 per cent, with exports of division 62 'Rubber manufactures' up 9.2 per cent).

The South West and East Midlands continue to be the only regions with SITC section 0 'Food & live animals' in their top five. For both these regions exports from section 0 have decreased over the past year (down 12.4 per cent for the South West and down 10.2 per cent for the East Midlands). The North West is the most dominant region for exports within section 2 'Crude materials'. Here, there was a decrease of 13.7 per cent during the year, the largest percentage decline among the English regions for this section. The reduction was primarily due to the decline in exports from division 28 'Metalliferous ores & metal scrap' (down 16.5 per cent), mainly in goods going to Germany and China.

Apart from the West Midlands, all English regions saw a decline in export value for the majority of the sixty-five SITC divisions. For the East, the East Midlands and the South West the biggest decreases were in divisions within section 7, while for London and Yorkshire & Humberside the largest decreases were in divisions 68 'Non-ferrous metals' and 67 'Iron & steel' respectively. For the North East and the South East the largest reductions were in division 54 'Medicinal & pharmaceutical products', and for the North West division 51 'Organic chemicals' declined the most in value. For the West Midlands division 28 'Metalliferous ores & metal scrap' decreased the most.

For the North West the biggest increase at division level during the year was in division 33 'Petroleum, petroleum products & related materials' (up 77.1 per cent). For the North East the biggest rise was in division 67 'Iron & steel' (up 118.5 per cent). While London's largest division-level increase was in division 89 'Miscellaneous manufactured articles not specified elsewhere' (up 19.8 per cent), all other regions saw their biggest rises in divisions within section 7.

Commodity analysis - Wales

Table 8a: Top five commodities for export from Wales, year ending December 2012

SITC section	Description	Year to December 2012 Total £ millions	Year to December 2011 Total £ millions	% Change from December 2011	% Total Exports in year ending December 2012
7	Machinery & transport equipment	4,504.3	4,837.5	-6.9	37.3
3	Mineral fuels, lubricants & related materials	3,466.7	3,970.1	-12.7	28.7
6	Manufactured goods classified chiefly by material	1,850.6	2,157.6	-14.2	15.3
5	Chemicals & related products	1,219.5	1,357.0	-10.1	10.1
8	Miscellaneous manufactured articles	737.3	790.3	-6.7	6.1
	Other SITCs	306.5	345.9	-11.4	2.5
	All SITCs	12,085.0	13,458.4	-10.2	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 8a shows that annual exports from Wales decreased for all of the top five SITC sections in 2012, which was in fact the case for all ten SITC sections. Exports from Wales continue to be dominated by goods from section 7 'Machinery & transport equipment' and section 3 'Mineral fuels, lubricants & related materials'. Exports from section 7 have been lower in each quarter of 2012 than they were in the corresponding quarter of 2011, resulting in a 6.9 per cent annual decrease. Most of this reduction was in division 72 'Machinery specialized for particular industries' (down 41.9 per cent during the year) and division 78 'Road vehicles' (down 23.1 per cent).

The largest value decrease in exports over the year was for section 3 (down 12.7 per cent). This was caused by a sudden slump in exports in the fourth quarter of 2012, when section 3 exports were less than one quarter of the value in the same period of 2011, making this the lowest quarterly export value for section 3 for over four years. This reduction was due to a decrease in division 33 'Petroleum, petroleum products & related materials' (down 13.2 per cent during the year), with exports to the USA down 28.9 per cent.

After SITC division 33 the biggest decrease in export value during the year came from division 67 'Iron & steel', primarily in goods going to Germany (down 28.3 per cent) and the Netherlands (down 38.6 per cent).

Less than one third of the sixty-five SITC divisions increased in export value over the year. The commodity groups with the biggest increases were SITC division 34 'Gas, natural & manufactured', which more than doubled in value with a large increase in exports to the Irish Republic, and SITC division 01 'Meat & meat preparations' (up 68.3 per cent, with exports to the Irish Republic and France increasing the most in value).

Commodity analysis - Scotland

Table 9a: Top five commodities for export from Scotland, year ending December 2012

SITC section	Description	Year to December 2012 Total £ millions	Year to December 2011 Total £ millions	% Change from December 2011	% Total Exports in year ending December 2012
7	Machinery & transport equipment	5,686.2	5,308.5	7.1	32.7
1	Beverages & tobacco	4,323.4	4,256.5	1.6	24.9
6	Manufactured goods classified chiefly by material	2,149.9	2,060.7	4.3	12.4
5	Chemicals & related products	1,798.6	1,571.0	14.5	10.3
8	Miscellaneous manufactured articles	1,477.5	1,429.1	3.4	8.5
	Other SITCs	1,946.1	2,736.0	-28.9	11.2
	All SITCs	17,381.7	17,361.9	0.1	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 9a shows that annual exports from Scotland increased for all of the top five SITC sections in 2012, unlike other regions of the UK. Scotland's exports are dominated by goods from section 7 'Machinery & transport equipment' and section 1 'Beverages & tobacco' with these sections taking an increased share of Scotland's export market in 2012. Exports from section 7 have risen steadily throughout 2012, the increases coming largely from SITC division 74 'General industrial machinery &

equipment & machine parts' (up 14.8 per cent), particularly in goods going to the USA.

Exports from SITC section 1 have seen a 1.6 per cent increase during the year, considerably less than the 28.5 per cent rise between 2010 and 2011. The vast majority of the increase in section 1 was due to division 11 'Beverages' where exports to the USA increased by 15.9 per cent. Scotland is the most important region of the UK for exports of 'Beverages', taking a 63.6 per cent share of the UK export value in 2012, up from 62.7 per cent in 2011.

Exports from Scotland within SITC section 5 'Chemicals & related products' have seen a relatively large increase in value of 14.5 per cent during the year, although exports in quarter 4 of 2012 were lower than in the fourth quarter of 2011. The annual increase was mainly due to a rise in exports from division 51 'Organic chemicals' (up 46.6 per cent) and division 57 'Plastics in primary forms' (up 25.5 per cent). These increases were led by growth in exports to Belgium (division 51) and China (division 57).

The 4.3 per cent year-on-year rise in exports from section 6 'Manufactured goods classified chiefly by material' was less than the 7.9 per cent growth between 2010 and 2011. While exports from division 67 'Iron & steel' saw an increase of 35.9 per cent over the year, there were decreases of 9.1 per cent in division 66 'Non-metallic mineral manufactures' and 6.7 per cent in division 62 'Rubber manufactures'.

All of the SITC sections outside the top five decreased in export value during the 12 months. The largest decrease was for SITC section 3 'Mineral fuels, lubricants & related materials', which fell by 55.3 per cent. The decline was driven by division 33 'Petroleum, petroleum products & related materials' (down 59.7 per cent), with exports to the USA down by 50.5 per cent and exports to Chile down 90.7 per cent. The other large annual decrease was in section 0 'Food & live animals', which declined in value by 10.6 per cent. The reduction was mainly due to a fall in exports from division 03 'Fish, crustaceans, molluscs & aquatic invertebrates' (down 9.4 per cent) and division 02 'Dairy products & birds' eggs' (down 40.5 per cent).

Commodity analysis – Northern Ireland

Table 10a: Top five commodities for export from Northern Ireland, year ending December 2012

SITC section	Description	Year to December 2012 Total £ millions	Year to December 2011 Total £ millions	% Change from December 2011	% Total Exports in year ending December 2012
7	Machinery & transport equipment	2,332.8	2,363.9	-1.3	41.8
0	Food & live animals	911.2	890.8	2.3	16.3
8	Miscellaneous manufactured articles	631.9	714.8	-11.6	11.3
5	Chemicals & related products	630.5	600.1	5.1	11.3
6	Manufactured goods classified chiefly by material	467.3	493.3	-5.3	8.4
	Other SITCs	610.1	669.7	-8.9	10.9
	All SITCs	5,583.8	5,732.7	-2.6	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 10a shows that Northern Ireland's exports continue to be dominated by goods from section 7 'Machinery & transport'. However, exports in this section have declined by 1.3 per cent over the last year, largely due to a fall in exports from SITC division 71 'Power generating machinery & equipment' (down 26.4 per cent) and division 75 'Office machines & adp machines' (down 93.3 per cent). For division 71 there was a reduction in goods going to Canada, and for division 75 the loss was largely in goods going to Malaysia. These decreases were offset by a large increase in division 79 'Other transport equipment' during the year (up 39.1 per cent) with much of the growth in goods going to France.

Only two SITC sections showed an increase in exports during the year – section 5 'Chemicals & related products' (up 5.1 per cent) and section 0 'Food & live animals' (up 2.3 per cent). For both these sections the annual growth rate was considerably less than the increase between 2010 and 2011. For section 5 most of the growth in 2012 came from division 54 'Medicinal & pharmaceutical products' (up 21.4 per cent) where exports to the USA and Switzerland increased most during the year. For section 0 growth was largely fuelled by division 01 'Meat & meat preparations' (up 4.5 per cent) and division 08 'Feeding stuff for animals' (up 9.0 per cent); these divisions both saw large increases in goods going to the Irish Republic

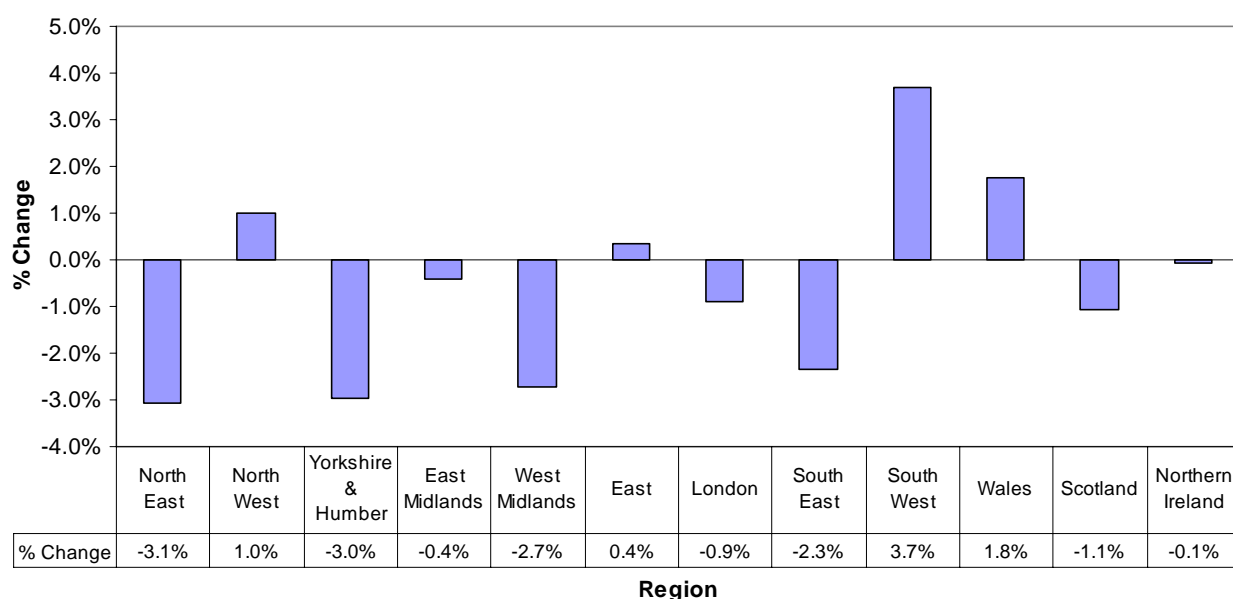
The largest section-level value decrease during the year was for section 8 'Miscellaneous manufactured articles' (down 11.6 per cent). This was mainly caused by a decline in division 89 'Miscellaneous manufactured articles not specified elsewhere' (down 25.0 per cent), with exports to the Irish Republic reducing substantially during the year. The majority of SITC divisions (38 out of the 65 divisions) decreased in export value during 2012. Apart from divisions 71, 75 and 89, the largest value decrease at division level was for division 11 'Beverages' (down 10.0 per cent), where exports to the Irish Republic and South Africa reduced in value the most.

Number of Businesses - Exports

The following analysis compares the number of active exporters in quarter 4 2012 with the number in quarter 4 2011. A quarterly analysis is more appropriate here than an annual analysis, as summing the number of active businesses over a year could produce ambiguous results. A quarter-on-quarter comparison enables us to measure seasonal movement of businesses, such as the increase/decrease in number of active businesses over the Christmas season (quarter 4). The number of businesses counted excludes those who trade only with the EU and whose trade is below the Intrastat Exemption Threshold (see note 6).

Figure 3a shows the percentage change in number of exporters per region between quarter 4 2011 and quarter 4 2012.

Fig 3a: Percentage Change in Number of Exporters between Q4 2011 and Q4 2012



Source: Regional Trade Statistics, HM Revenue & Customs

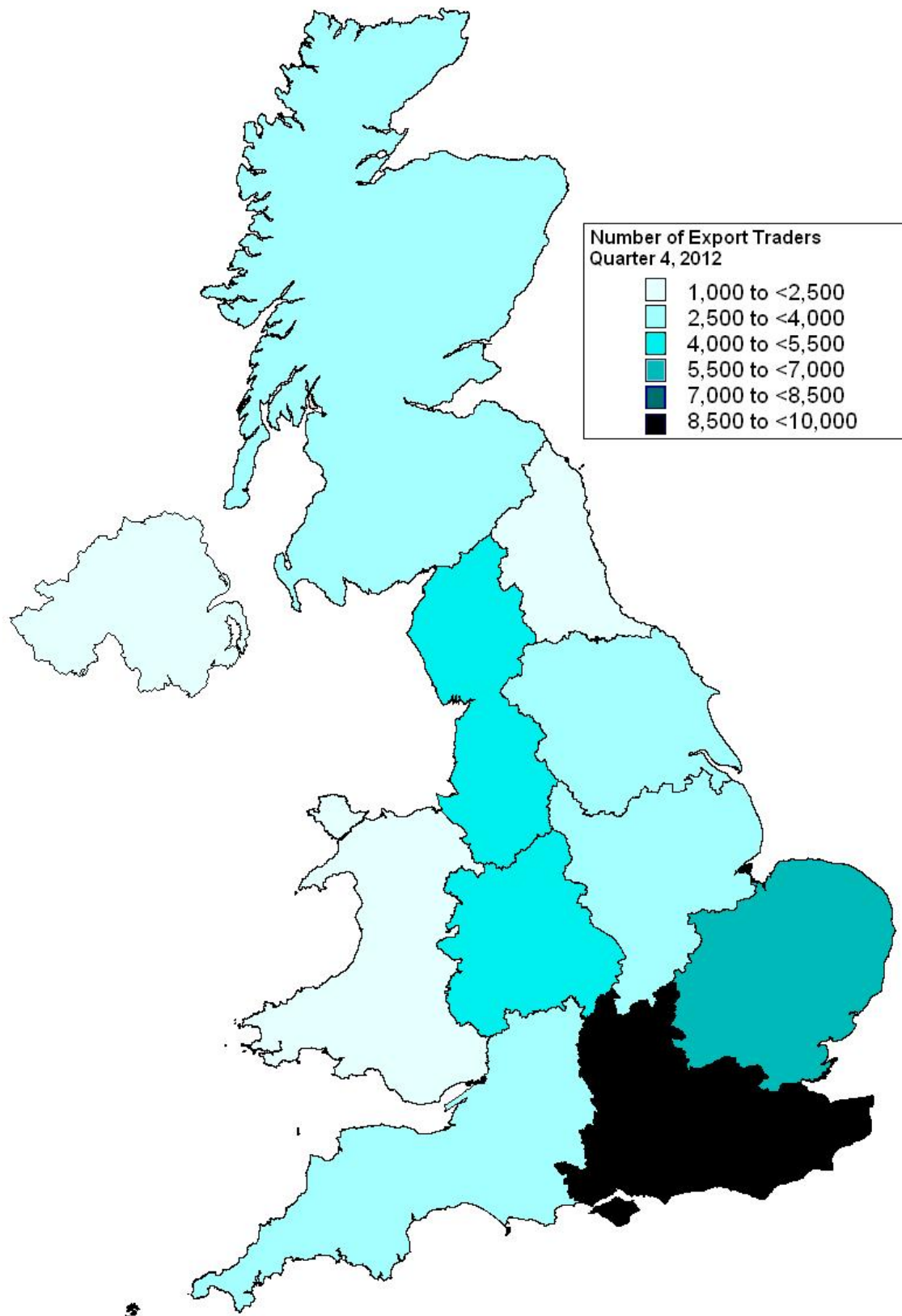
For the UK as a whole, the number of exporting businesses decreased by 0.8 per cent between quarter 4 2011 and quarter 4 2012 from 50,539 to 50,154. This is the only quarter of 2012 to see a decrease in the number of exporters in comparison with the same quarter of the previous year.

Figure 3a shows that the number of active exporters decreased in all regions of the UK apart from the North West, the East, the South West and Wales between quarter 4 2011 and quarter 4 2012. The South West experienced the largest percentage rise in exporting businesses, 3.7 per cent, while the North East saw the largest percentage decline, 3.1 per cent.

Half of the regions saw reduced growth in business numbers at the end of the fourth quarter of 2012 compared with the change reported at the end of the previous quarter. For the remainder – the North West, the East Midlands, the South West, Wales, Scotland and Northern Ireland – there was an increase in the growth rate.

Figure 4a shows the total number of active UK exporters in each region for quarter 4 2012. The South East, London and the East are the three regions with the largest count of businesses, accounting respectively for 17.4 per cent, 17.1 per cent and 11.1 per cent of all UK businesses. There has been little change since quarter 4 of 2011 apart from a slight increase in the proportion of UK businesses exporting from the South West and a slight decrease in those exporting from the South East.

Fig 4a: Number of UK export businesses by region - Quarter 4, 2012



Note: 2012 data are provisional
Source: Regional Trade Statistics, HM Revenue & Customs

Rolling 12 Month Overview – Imports

The following analysis of a rolling 12 month period smoothes the seasonal quarterly variation of trade. This serves to better illustrate the longer term trend in the value of imports within the regions.

Partner country analysis – England

Table 1b: England - Top five import partners, year ending December 2012

	Country	Year ending December 2012 Total £ millions	Year ending December 2011 Total £ millions	% Change from December 2011	% Total Imports in year ending December 2012
Top 5	Germany	41,699.7	40,220.8	3.7	12.9%
	China	26,378.6	26,127.7	1.0	8.2%
	USA	26,214.9	25,546.4	2.6	8.1%
	Netherlands	21,235.8	19,602.3	8.3	6.6%
	Norway	19,133.9	20,943.3	-8.6	5.9%
	Others	188,322.5	184,411.3	2.1	58.3%
	Total EU	151,311.7	150,342.8	0.6	46.8%
	Total Non-EU	171,673.7	166,509.1	3.1	53.2%
	Grand Total	322,985.4	316,851.9	1.9	100.0%

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

With England receiving over 92 per cent of the UK's allocated imports by value, the pattern of imports to England determines that for the UK as a whole. Table 1b shows that imports from all the top five partner countries apart from Norway have increased in value during the last year. While imports from Norway fell by 8.6 per cent during 2012, imports from the Netherlands rose by 8.3 per cent, making Netherlands the fourth largest import partner for England in 2012. Germany remains the top import partner for England; here the 3.7 per cent annual increase was led by SITC division 79, which more than doubled in value. China remains the second highest import partner after attaining this position at the end of 2011, although imports from the USA have grown at a faster rate than those from China during 2012.

The decline in imports from Norway during the year has mainly been due to a decrease in imports from SITC division 33 'Petroleum, petroleum products & related materials'. This is a complete contrast to the 44 per cent rise in imports from Norway

during 2011, although these fluctuations in value are heavily influenced by the volatility in the price of petroleum products.

Overall, England's imports increased in value by 1.9 per cent over the 12 month period. For the second year in succession the value of imports from outside the EU has risen more sharply than that from EU countries. Nigeria, the Netherlands and Germany were the countries that contributed most to the overall value increase. Imports from Nigeria more than doubled over the year, mainly due to a large increase in goods coming from SITC division 33 'Petroleum, petroleum products & related materials'.

The partner countries where the value of imports decreased the most were Norway, as already noted, and Qatar (down 35.3 per cent). For Qatar the reduction was led by a decrease in SITC division 34 'Gas, natural & manufactured' (down 34.6 per cent)

Partner country analysis – English regions

Table 2b: Top five import partners for the English regions, year ending December 2012

	Top 5 partner countries				
	1	2	3	4	5
North East	Japan	Belgium	France	USA	Germany
North West	Germany	China	Netherlands	Belgium	Sweden
Yorkshire & Humberside	China	Germany	Netherlands	USA	France
East Midlands	Germany	China	USA	Netherlands	France
West Midlands	Norway	Germany	China	USA	France
East	Germany	Netherlands	Irish Republic	USA	China
London	USA	China	Norway	Switzerland	Germany
South East	Germany	USA	Netherlands	Belgium	China
South West	USA	China	Germany	Netherlands	Japan

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 2b shows the top partner countries for imports to the English regions for the year 2012. Unlike the pattern for exports, where the English regions are broadly similar to England as a whole, the pattern for imports shows more differences between the regions. For exports the manufacture of goods is typically more regionally concentrated, whereas imports are based on the purchase of goods, which

is more regionally dispersed. Nevertheless, there are a number of partner countries that appear consistently among the top five for most regions. Germany is among the top five import partners for every English region, and the USA is among the top five for all regions apart from the North West. China is in the top five for all regions except the North East. The Netherlands is in the top five for six of the nine regions.

There have been a number of changes in the order and membership of the top five since the previous quarter. The most notable change is that China has become less prominent in terms of import value for the South East, the North West and the East Midlands. China was overtaken by Germany in the North West and the East Midlands, and by the Netherlands and Belgium in the South East. The other notable change is for London, where a large increase in imports from Switzerland has made Switzerland the fourth highest import partner, overtaking Germany and the Netherlands. Sweden has become the fifth highest import partner for the North West, overtaking the USA. For the East, France has dropped out of the top five, with its place being taken by China; France has also moved down from fourth to fifth highest import partner for the West Midlands, being overtaken by the USA. Belgium has become the second highest import partner for the North East, overtaking the USA and France.

Imports from the USA have risen for all regions apart from the East, the North East and the North West during the past year. Imports from Germany have risen for all regions apart from the South West. Imports from China have risen for all regions apart from the South East (down 3.1 per cent). China's share of the import market has gone down in 2012 in all regions except the East Midlands, Yorkshire & Humberside and the North East. Imports from the Netherlands have risen for all regions except the East Midlands (down 3.1 per cent), with the most dramatic rises in the South West (up 42.0 per cent) and the South East (up 17.6 per cent).

All regions of England apart from the North East and Yorkshire & Humberside saw an increase in the value of imports during 2012. The largest percentage increases were in the West Midlands (up 8.7 per cent) and the South West (up 8.3 per cent). For the West Midlands the increase was driven by a rise in the value of goods within SITC division 33 coming from Norway (up 14.8 per cent). For the South West a large part of the increase was due to a rise in goods coming from the Netherlands (up 42.0 per cent, with most of the increase from SITC division 76 'Telecomms & sound recording & reproducing apparatus & equipment'). By far the largest decrease in imports was

for the North East (down 20.0 per cent); this was predominantly due to a complete halt in imports of SITC division 33 coming from Norway (down from £655 million in 2011 to nil in 2012) and Algeria (down from £379 million in 2011 to nil in 2012).

England's import trade continues to be dominated by the South East and London, although both these regions experienced growth rates below the UK average (2.0 per cent). The South East accounted for 25.4 per cent of England's imports by value during the year, while London accounted for 22.2 per cent. London's imports increased in value by 1.7 per cent during the year, the largest value rise coming from goods within SITC division 68 'Non-ferrous metals' from Switzerland (up 89.8 per cent); this was balanced by large decreases in imports from SITC division 33 'Petroleum, petroleum products & related materials' and division 34 'Gas, natural & manufactured' coming from Norway and Qatar respectively. For the South East there was only a marginal increase in imports of 0.5 per cent. Here, the largest increases were from goods within SITC division 76 'Telecomms & sound recording & reproducing apparatus & equipment' coming from the Netherlands (up 123.9 per cent) and Vietnam (up 174.8 per cent); this was balanced by large decreases in imports of SITC division 76 from Hungary.

For the majority of regions most of the import value comes from goods received from outside the EU; the exceptions are the East, the South East, the North West and Yorkshire & Humberside. The EU market share decreased in all regions apart from the North East, the North West and Yorkshire & Humberside during the year. For the North East the increased share of imports coming from the EU was largely the result of a 32.4 per cent decrease in non-EU imports during 2012, mainly in goods coming from Norway (down 81.8 per cent) and Algeria (down £379 million to almost nil). For the North West the increase in EU market share was mainly due to an increase in goods coming from Sweden (up 72.8 per cent); for Yorkshire & Humberside the cause was a decrease in non-EU imports, mainly in goods from Switzerland (down 37.2 per cent) and Norway (down 14.9 per cent). London and the South West are the two regions where non-EU imports are most prevalent; in both cases around two thirds of goods come from outside the EU, the dominant partner countries being the USA and China.

The North East and the South West are the only regions with Japan among their top five. For the North East, imports from Japan have fallen by 14.2 per cent during 2012, a marked change from the large increase seen in 2011. Most of this decrease

was in SITC division 78 'Road vehicles' (down 10.9 per cent) and may be linked to a corresponding decline in exports of motor vehicles from the North East to the EU in 2012. Despite this decline, Japan's share of the import market in the North East has increased from 16.9 per cent in 2011 to 18.1 per cent in 2012 due to large decreases in imports from other partner countries. For the South West, imports from Japan have increased by 1.7 per cent during the year; most of the increase was in SITC division 78 'Road vehicles'. Apart from the South West, the only regions to see increases in imports from Japan during the year were the East Midlands and the West Midlands.

Partner country analysis – Wales

Table 3b: Wales - Top five import partners, year ending December 2012

		Year ending December 2012 Total £ millions	Year ending December 2011 Total £ millions	% Change from December 2011	% Total Imports in year ending December 2012
	Country				
Top 5	Canada	788.2	929.9	-15.2	11.2
	USA	707.8	732.3	-3.3	10.0
	Germany	706.5	696.6	1.4	10.0
	China	473.7	622.8	-23.9	6.7
	Brazil	441.5	660.9	-33.2	6.3
	Others	3,945.7	4,388.8	-10.1	55.9
	Total EU	2,759.0	2,747.5	0.4	39.1
	Total Non-EU	4,304.3	5,283.7	-18.5	60.9
	Grand Total	7,063.3	8,031.2	-12.1	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Imports to Wales decreased in value by 12.1 per cent during the year, the only negative import growth rate among the UK countries. This decline was largely due to reductions in goods coming from Brazil (down 33.2 per cent), China (down 23.9 per cent) and Canada (down 15.2 per cent). For Brazil and Canada, much of the reduction has been in goods from SITC division 28 'Metalliferous ores & metal scrap'. For China the decrease was largely due to a fall in the value of goods coming from SITC division 84 'Articles of apparel & clothing accessories'.

Germany was the only top five partner country to see a positive growth rate in imports to Wales (up 1.4 per cent). Here, imports from SITC division 67 'Iron & steel'

increased by 21.5 per cent, although this growth was countered by decreases in SITC division 89 'Miscellaneous manufactured articles not specified elsewhere'. Germany's share of Wales' imports increased from 8.7 per cent in 2011 to 10.0 per cent in 2012.

The USA remains Wales' second largest import partner after Canada. Imports from the USA decreased in value by 3.3 per cent during the year, the primary cause being a reduction in goods from SITC division 59 'Chemical materials & products' (down 47.3 per cent). Despite the general decrease in imports from the USA, its share of Wales' total imports increased from 9.1 per cent in 2011 to 10.0 per cent in 2012, due to the large decreases seen in imports from other partner countries.

Despite the overall decline in imports to Wales, some partner countries saw substantial increases: imports from Sweden more than doubled during 2012, and imports from Spain and the Irish Republic increased by 25.2 per cent and 38.7 per cent respectively. For Sweden, most of the growth came from division 28 'Metalliferous ores & metal scrap' (up from nil in 2011 to £92 million in 2012); for the Irish Republic the rise was driven by a four-fold increase in division 01 'Meat & meat preparations'. Hence, although there was an overall decrease, EU imports remained relatively stable with a 0.4 per cent increase.

Partner country analysis – Scotland

Table 4b: Scotland - Top five import partners, year ending December 2012

Country		Year ending December 2012 Total £ millions	Year ending December 2011 Total £ millions	% Change from December 2011	% Total Imports in year ending December 2012
Top 5	USA	2,129.1	2,000.8	6.4	15.5
	Norway	1,803.3	1,212.8	48.7	13.2
	China	1,138.9	1,049.6	8.5	8.3
	Nigeria	788.9	750.2	5.2	5.8
	Germany	689.7	666.4	3.5	5.0
Others		7,161.0	6,543.7	9.4	52.2
Total EU		3,944.4	3,704.4	6.5	28.8
Total Non-EU		9,766.6	8,519.2	14.6	71.2
Grand Total		13,710.9	12,223.5	12.2	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Imports to Scotland have increased in value by 12.2 per cent during the year; this was the strongest growth rate of all the UK countries and considerably higher than the 2.0 per cent average for the UK. The USA remains Scotland's top import partner, with an increase of 6.4 per cent over the year; this was a higher growth rate than the 4.7 per cent increase reported between 2010 and 2011. Imports from the USA that increased the most in value during the year were from SITC division 32 'Coal, coke & briquettes'. Imports from Norway increased by 48.7 per cent in 2012, over double the rate of increase reported between 2010 and 2011. Most of this increase came from SITC division 33 'Petroleum, petroleum products & related materials'. This has increased Norway's share of Scotland's import market to 13.2 per cent compared with 9.9 per cent a year ago. The large increase for Norway has contributed to a general rise in the proportion of Scotland's imports coming from non-EU countries; around 71.2 per cent are now from non-EU partners, compared with 69.7 per cent a year ago.

Scotland's imports from China recovered during 2012, increasing by 8.5 per cent after an 8.2 per cent fall in 2011. Much of the increase has been in SITC division 84 'Articles of apparel & clothing accessories' (up 37.6 per cent). Outside of the top five partner countries, Scotland has seen a nine-fold increase in imports from Algeria during the year, mainly due to a rise in division 33 'Petroleum, petroleum products & related materials'.

Nigeria has regained its position as Scotland's fourth largest import partner after a 5.2 per cent increase in imports during the year; this was driven by a rise in SITC division 33. In contrast imports from the Netherlands have declined during the year (down 10.4 per cent); this has resulted in the Netherlands moving from fifth to sixth largest import partner for Scotland. Most of the decrease was attributable to a fall in imports within SITC division 75 'Office machine & adp machines'. The other partner country where imports to Scotland have decreased substantially during the year is Colombia (down 56.5 per cent); this decline was mainly the result of reductions in division 32 'Coal, coke & briquettes' (down 56.9 per cent).

Partner country analysis – Northern Ireland

Table 5b: Northern Ireland - Top five import partners, year ending December 2012

	Country	Year ending December 2012 Total £ millions	Year ending December 2011 Total £ millions	% Change from December 2011	% Total Imports in year ending December 2012
Top 5	Irish Republic	1,493.4	1,636.9	-8.8	26.9
	China	938.4	909.8	3.1	16.9
	USA	436.2	413.4	5.5	7.8
	Germany	298.7	313.0	-4.6	5.4
	Netherlands	280.7	265.2	5.8	5.0
	Others	2,113.4	1,993.5	6.0	38.0
	Total EU	3,051.4	3,150.7	-3.2	54.9
	Total Non-EU	2,509.4	2,381.1	5.4	45.1
	Grand Total	5,560.8	5,531.8	0.5	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 5b shows that Northern Ireland differs from England, Wales and Scotland in that the majority of its import trade (54.9 per cent) is with the EU; this is largely due to a substantial proportion of imports being received from the Irish Republic. However, the share of imports received from the EU has decreased in the last year due to a combination of growth in non-EU imports and a decline in EU imports.

Northern Ireland has seen low growth of 0.5 per cent in the value of its imports during the year. This increase is lower than the UK average of 2.0 per cent. Although imports to Northern Ireland are dominated by goods from the Irish Republic, there has been an 8.8 per cent decrease in the value of imports from here during the year; much of the decrease was in SITC division 11 'Beverages' (down 24.6 per cent). The Irish Republic's share of Northern Ireland's import market has fallen to 26.9 per cent in 2012, compared with 29.6 per cent in 2011.

Northern Ireland's imports from China increased by 3.1 per cent during the year, a much lower growth rate than the 12.7 per cent increase reported for the year 2011. Imports from China from SITC division 85 'Footwear' went up by 19.3 per cent, but this was offset by a decrease in goods received from SITC division 89 'Miscellaneous manufactured articles not specified elsewhere' (down 5.6 per cent).

Imports from the USA have risen by 5.5 per cent during the last year, a similar increase to that seen in 2011 (up 6.5 per cent). Most of the increase during 2012 came from SITC division 71 'Power generating machinery & equipment' (up 27.1 per cent).

The largest value increases in imports to Northern Ireland during 2012 was from Spain (up 41.0 per cent) where SITC division 79 'Other transport equipment' rose by 80.1 per cent in value. Apart from the Irish Republic, the partners with the largest value decreases in imports during the year were France (down 10.3 per cent) and Germany (down 4.6 per cent).

Commodity analysis - England

Table 6b: Top five commodities for import to England, year ending December 2012

SITC section	Description	Year to December 2012 Total £ millions	Year to December 2011 Total £ millions	% Change from December 2011	% Total Imports in year ending December 2012
7	Machinery & transport equipment	107,409.9	104,218.3	3.1	33.3
8	Miscellaneous manufactured articles	50,754.3	50,306.2	0.9	15.7
3	Mineral fuels, lubricants & related materials	50,510.1	47,219.2	7.0	15.6
6	Manufactured goods classified chiefly by material	40,329.5	39,763.9	1.4	12.5
5	Chemicals & related products	37,304.9	38,243.3	-2.5	11.6
	Other SITCs	36,676.5	37,101.0	-1.1	11.4
	All SITCs	322,985.4	316,851.9	1.9	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 6b shows that section 7 'Machinery & transport equipment' continues to dominate England's imports, accounting for one third of total import value. Section 7 has shown an increase of 3.1 per cent over the year, higher than the average growth rate of 1.9 per cent across all sections. Within section 7, the largest increases were in division 71 'Power generating machinery & equipment' (up 10.7 per cent) and division 79 'Other transport equipment' (up 12.4 per cent). For both these divisions, the increases were led by a rise in goods coming from Germany.

All of the top five SITC sections apart from section 5 increased in value during the year. The largest section-level value increase over the year was in section 3 'Mineral fuels, lubricants & related materials' (up 7.0 per cent) where the rise was led by growth in the value of imports from division 33 'Petroleum, petroleum products & related materials' (up 11.4 per cent, with imports from Nigeria and Libya increasing the most in value). However, the annual value increase for section 3 imports was much lower than the 50.5 per cent increase reported between 2010 and 2011.

Section 8 imports increased in value by only 0.9 per cent during 2012, a lower increase than the 5.6 per cent rise reported for 2011. Although there were increases in a number of divisions of section 8 during the year, the largest being in division 87 'Professional, scientific & controlling instruments & apparatus' (up 4.9 per cent), these were offset by a large decrease within division 84 'Articles of apparel & clothing accessories', where imports from China decreased by 7.2 per cent. Imports from Section 6 also saw relatively low growth of 1.4 per cent during the year; there were large increases for division 68 'Non-ferrous metals' (up 24.6 per cent), while imports of goods from division 66 'Non-metallic mineral manufactures' declined (down 11.4 per cent). Section 5 imports decreased by 2.5 per cent during the year, in contrast to the 10.2 per cent increase reported for 2011. The largest value decreases were from SITC division 54 'Medicinal & pharmaceutical products' (down 3.1 per cent, with large reductions in imports from Belgium and the USA) and division 52 'Inorganic chemicals' (down 8.9 per cent, with substantial reductions in goods coming from the USA).

Twenty-seven of the sixty-five SITC divisions decreased in import value over the 12 months, compared with the twenty-one reported at the end of the previous quarter. The largest division-level value decrease was in division 34 'Gas, natural & manufactured' (down 19.5 per cent), with imports from Qatar down 34.6 per cent. The largest division-level value increases were for divisions 33, 68 and 71 (see above).

Commodity analysis – English regions

Table 7b - Top five commodities for import to English regions, year ending December 2012

Region	Top 5 SITC Sections				
	1	2	3	4	5
North East	7 - Machinery & transport equipment	8 - Miscellaneous manufactured articles	5 - Chemicals & related products	6 - Manufactured goods classified chiefly by material	3 - Mineral fuels, lubricants & related materials
North West	5 - Chemicals & related products	3 - Mineral fuels, lubricants & related materials	8 - Miscellaneous manufactured articles	7 - Machinery & transport equipment	6 - Manufactured goods classified chiefly by material
Yorkshire & Humberside	7 - Machinery & transport equipment	8 - Miscellaneous manufactured articles	6 - Manufactured goods classified chiefly by material	0 - Food & live animals	5 - Chemicals & related products
East Midlands	7 - Machinery & transport equipment	8 - Miscellaneous manufactured articles	6 - Manufactured goods classified chiefly by material	0 - Food & live animals	5 - Chemicals & related products
West Midlands	7 - Machinery & transport equipment	3 - Mineral fuels, lubricants & related materials	6 - Manufactured goods classified chiefly by material	8 - Miscellaneous manufactured articles	0 - Food & live animals
East	7 - Machinery & transport equipment	5 - Chemicals & related products	3 - Mineral fuels, lubricants & related materials	8 - Miscellaneous manufactured articles	0 - Food & live animals
London	3 - Mineral fuels, lubricants & related materials	8 - Miscellaneous manufactured articles	6 - Manufactured goods classified chiefly by material	7 - Machinery & transport equipment	0 - Food & live animals
South East	7 - Machinery & transport equipment	3 - Mineral fuels, lubricants & related materials	5 - Chemicals & related products	8 - Miscellaneous manufactured articles	0 - Food & live animals
South West	7 - Machinery & transport equipment	8 - Miscellaneous manufactured articles	6 - Manufactured goods classified chiefly by material	0 - Food & live animals	5 - Chemicals & related products

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 7b shows the top five import sections by value for the English regions. There has been relatively little change in the order and membership of the top five sections during the last quarter. For the North West the value of imports from section 8 'Miscellaneous manufactures articles' has exceeded that from section 7 'Machinery & transport equipment' during 2012, although both these sections have declined slightly during the year. For the East Midlands imports from section 0 'Food & live animals' have exceeded those from section 5 'Chemicals & related products' after a 10.5 per cent increase in value during 2012. The South East saw section 0 imports exceeding those from section 6 'Manufactured goods classified chiefly by material', moving section 0 back into the top five as it was pre-2011.

Section 3 'Mineral fuels, lubricants & related materials' has seen large fluctuations in import value during the year for a number of English regions. The value of section 3

imports rose by 51.5 per cent in the North West and by 34.4 per cent in the East, while the North East saw a large decrease of 84.2 per cent. For the East the large increase began in the first quarter of 2012, while for the North West there was a sudden increase in the third and fourth quarters of 2012. The decrease for the North East was a step change that began in the first quarter of 2012. Virtually all of these fluctuations in value were attributable to SITC division 33 'Petroleum, petroleum products & related materials'; for the East the increase was predominantly in imports from Russia whereas the North West saw a rise in imports from Sweden. The decline in the North East was due to a complete halt in imports of division 33 from Norway, Algeria, Canada, Russia, Libya and a number of other countries during 2012. London remains the dominant region for imports from section 3, although there was only a small increase of 0.9 per cent here during 2012.

Section 7 'Machinery & transport equipment' remains the most dominant section for imports in seven of the nine regions; six of the nine regions have seen a rise in import value for section 7 during the year, the exceptions being the East (down 1.9 per cent), the North East (down 6.7 per cent) and the North West (down 0.9 per cent). For the East and North East most of the decrease was attributable to SITC divisions 78 'Road vehicles' and 71 'Power generating machinery & equipment', while for the North West much of the reduction was in divisions 75 'Office machines & adp machines' and 74 'General industrial machinery & equipment'. The dominant region for imports from section 7 is the South East, which accounted for over 36 per cent of England's imports within this section in 2012. There was a rise of 3.1 per cent in section 7 imports to the South East during 2012, most of the increase coming from division 78 'Road vehicles' (up 4.3 per cent) and division 76 'Telecomms & sound recording & reproducing apparatus & equipment' (up 6.5 per cent). These increases were offset to some extent by decreases in division 77 'Electrical machinery, apparatus & appliances & electrical parts thereof' (down 6.4 per cent) and division 79 'Other transport equipment' (down 11.9 per cent).

For section 5 'Chemicals & related products' the South East, the North West and the East remain the top importing regions. The East has seen a rise of 8.2 per cent over the year, mainly due to increased imports from SITC division 51 'Organic chemicals' (up 17.0 per cent, with imports from the Irish Republic up 15.3 per cent). The North West and South East saw decreases of 2.6 per cent and 8.7 per cent respectively in imports of SITC section 5 during the year. For the North West this was largely due to a 21.0 per cent decline in division 57 'Plastics in primary forms' where imports from

Germany decreased by 23.4 per cent. For the South East most of the decrease was attributable to imports from division 54 'Medicinal & pharmaceutical products' (down 13.6 per cent) coming from Belgium, the USA and the Netherlands.

Imports from section 6 'Manufactured goods classified chiefly by material' decreased for six of the nine regions, the exceptions being London (up 9.3 per cent), the North East (up 8.6 per cent) and the West Midlands (up 2.1 per cent). For London the majority of the increase was in division 68 'Non-ferrous metals' (up 52.8 per cent) in goods coming from Switzerland and Taiwan. For the North East much of the rise came from division 67 'Iron & steel' in goods coming from Germany. For the West Midlands the increase was led by divisions 68 and 69 'Manufactures of metal' in goods coming from Japan, Belgium and Spain (division 68) and the Netherlands, Russia and the USA (division 69). These increases were offset by a decrease in division 62 'Rubber manufactures'.

Imports from section 8 'Miscellaneous manufactured articles' increased for five of the nine regions. The highest growth rate was in the North East (up 5.0 per cent) where division 85 'Footwear' increased by 44.0 per cent, mainly in goods coming from Belgium, Indonesia and Vietnam. London's imports from section 8 increased by 4.5 per cent over the year, with the majority of growth in division 89 'Miscellaneous manufactured articles' not specified elsewhere' coming from the USA and Switzerland. The region with the biggest percentage decrease in imports from section 8 was the East (down 6.2 per cent), mainly due to a reduction in goods with division 84 'Articles of apparel & clothing accessories' coming from China.

Commodity analysis – Wales

Table 8b: Top five commodities for import to Wales, year ending December 2012

SITC section	Description	Year to December 2012 Total £ millions	Year to December 2011 Total £ millions	% Change from December 2011	% Total Imports in year ending December 2012
6	Manufactured goods classified chiefly by material	1,695.0	1,861.6	-8.9	24.0
2	Crude materials, inedible, except fuels	1,672.7	1,996.0	-16.2	23.7
7	Machinery & transport equipment	1,353.0	1,559.2	-13.2	19.2
5	Chemicals & related products	998.4	1,022.5	-2.4	14.1
8	Miscellaneous manufactured articles	552.6	740.2	-25.3	7.8
Other SITCs		791.5	851.6	-7.1	11.2
All SITCs		7,063.3	8,031.2	-12.1	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 8b shows that section 6 'Manufactured goods classified chiefly by material' has once again become the top import commodity group for Wales, as it was pre-2011. Although imports from section 6 decreased by 8.9 per cent in 2012, this was less than the decrease of 16.2 per cent in section 2 'Crude materials, inedible, except fuels'. The decline in section 2 imports during 2012 followed dramatic growth in this section in 2011, when imports almost doubled. Much of the decline over the past year was due to SITC division 28 'Metalliferous ores & metal scrap' (down 16.8 per cent), with imports from Brazil decreasing the most.

The value of imports declined for all of the top five SITC sections during the year. Of the total of ten sections, only two increased: Section 0 'Food & live animals' and Section 1 'Beverages & tobacco'. Section 8 'Miscellaneous manufactured articles' had the largest percentage decrease (down 25.3 per cent), with the largest reduction coming from SITC division 84 'Articles of apparel & clothing accessories' (down 69.0 per cent), mainly in imports from China. The top five section where imports decreased the least was section 5 'Chemicals & related products' (down 2.4 per cent); there were large decreases in division 52 'Inorganic chemicals' and 51 'Organic chemicals' in goods coming from China and the Netherlands respectively,

although these were offset by increases in imports of division 54 'Medicinal & pharmaceutical products' coming from Greece and division 53 'Dyeing, tanning & colouring materials' coming from France.

The largest division-level increase during 2012 was in imports of SITC division 01 'Meat & meat preparations' (up 51.2 per cent), mainly in goods coming from the Irish Republic; there were also large rises in imports of SITC division 71 'Power generating machinery & equipment' (up 48.0 per cent), predominantly in goods from Italy and the USA. The largest decreases at division level were in division 28 'Metalliferous ores & metal scrap' and division 84 'Articles of apparel & clothing accessories' (see above).

Commodity analysis – Scotland

Table 9b: Top five commodities for import to Scotland, year ending December 2012

SITC section	Description	Year to December 2012 Total £ millions	Year to December 2011 Total £ millions	% Change from December 2011	% Total Imports in year ending December 2012
7	Machinery & transport equipment	4,880.9	4,803.9	1.6	35.6
3	Mineral fuels, lubricants & related materials	2,995.0	2,184.8	37.1	21.8
6	Manufactured goods classified chiefly by material	1,864.8	1,546.5	20.6	13.6
8	Miscellaneous manufactured articles	1,722.0	1,488.2	15.7	12.6
0	Food & live animals	1,013.0	966.0	4.9	7.4
Other SITCs		1,235.3	1,234.1	0.1	9.0
All SITCs		13,710.9	12,223.5	12.2	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 9b shows that Scotland's imports continue to be dominated by goods from SITC section 7, although imports from this section have increased at a lower rate than those from the other top five sections during the year. The 1.6 per cent value increase for section 7 over the year was mainly due to growth in division 74 'General industrial machinery & equipment' (up 14.1 per cent); this growth was countered by a

reduction in SITC division 75 'Office machines & adp machines' (down 8.1 per cent). The growth in division 74 was driven by imports from Norway while the decline in division 75 was caused largely by reduced imports from the Netherlands and Germany.

Scotland saw increases in the value of imports for all of the top five SITC sections during the year. The section that increased most in value over the year was section 3 'Mineral fuels, lubricants & related materials' (up 37.1 per cent), with imports from division 33 'Petroleum, petroleum products & related materials' up 52.2 per cent; the growth in this division was primarily due to a rise in imports from Algeria and Norway.

The value of imports from section 6 'Manufactured goods classified chiefly by material' has continued to grow strongly during the year (up 20.6 per cent). Over the 12 month period there were large increases in imports from divisions 67 'Iron & steel' (up 27.7 per cent) and 64 'Paper, paperboard & manufactures thereof', which more than doubled. For division 67 the increase was mainly in goods from Italy and the USA, whereas for division 64 most of the increase was in goods from Finland and Germany.

Almost two thirds of the SITC divisions increased in import value during 2012. The only SITC section where the value of imports decreased was section 2 'Crude materials, inedible except fuels' (down 16.5 per cent). The reduction over the year was mainly attributable to division 27 'Crude fertilisers & crude minerals' (down 62.1 per cent), where imports from Australia and FYR Macedonia stopped completely at the end of 2011.

Commodity analysis – Northern Ireland

Table 10b: Top five commodities for import to Northern Ireland, year ending December 2012

SITC section	Description	Year to December 2012 Total £ millions	Year to December 2011 Total £ millions	% Change from December 2011	% Total Imports in year ending December 2012
8	Miscellaneous manufactured articles	1,536.4	1,533.9	0.2	27.6
7	Machinery & transport equipment	1,109.9	1,038.2	6.9	20.0
0	Food & live animals	964.6	899.0	7.3	17.3
6	Manufactured goods classified chiefly by material	741.3	789.5	-6.1	13.3
5	Chemicals & related products	476.1	480.3	-0.9	8.6
Other SITCs		732.7	790.9	-7.4	13.2
All SITCs		5,560.8	5,531.8	0.5	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Section 8 'Miscellaneous manufactured articles' remains Northern Ireland's top import section by value, despite only a marginal increase of 0.2 per cent over the last year. Within this section the largest value increase was from division 84 'Articles of apparel & clothing accessories' (up 4.2 per cent), primarily in goods coming from Bangladesh and Turkey; the increases were offset by a large decrease in division 89 'Miscellaneous manufactured articles not specified elsewhere' (down 19.6 per cent), mainly in goods coming from the Irish Republic.

Northern Ireland saw its largest section-level decrease in imports in section 6 'Manufactured goods classified chiefly by material' (down 6.1 per cent). The decline was led by a reduction in imports from division 63 'Cork & wood manufactures' (down 9.3 per cent) and division 66 'Non-metallic mineral manufactures' (down 7.9 per cent) in goods coming from Germany and the Irish Republic respectively.

Section 0 'Food & live animals' had the largest increase in value for the year (up 7.3 per cent); this rise was led by SITC division 04 'Cereals & cereal preparations' (up 37.1 per cent, with imports from Poland and the Ukraine up substantially) and

division 01 'Meat and meat preparations' (up 7.3 per cent, with imports from the Irish Republic up 8.7 per cent).

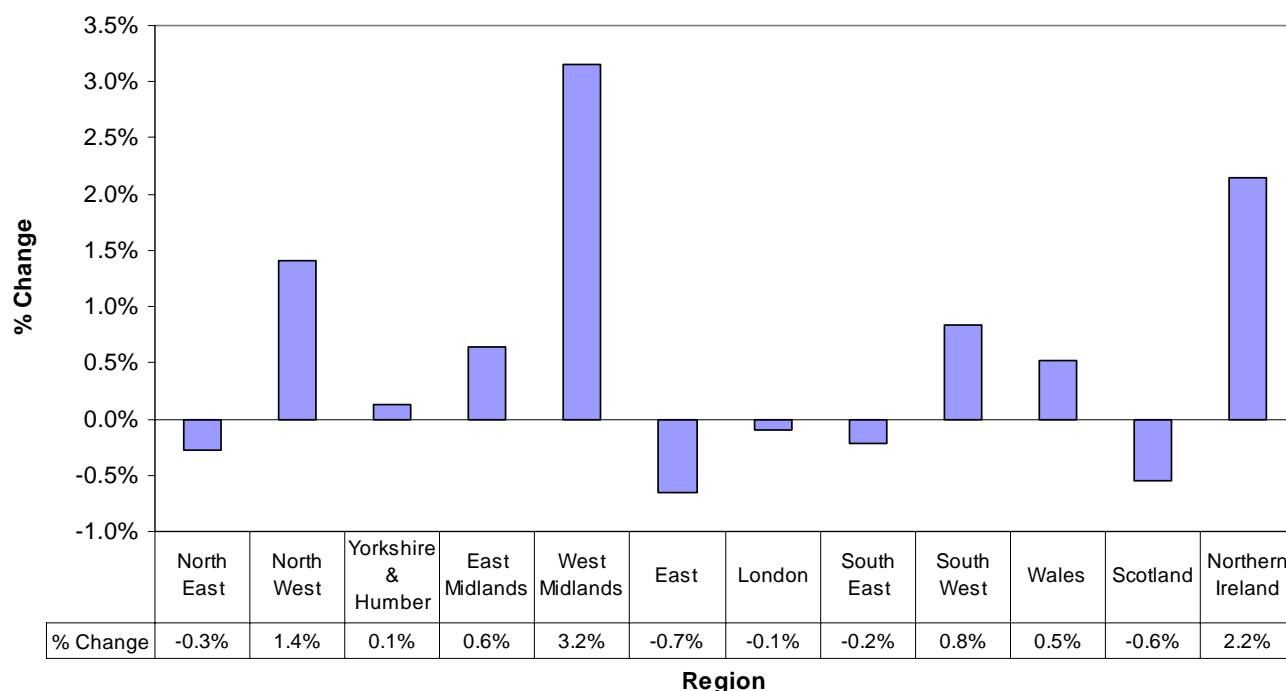
Section 7 'Machinery & transport equipment' saw the second largest value increase for the year (up 6.9 per cent). This was the highest import growth rate for section 7 among the four UK countries. Most of the increase was contributed by division 79 'Other transport equipment' (up 41.8 per cent) with a substantial rise in the value of goods coming from Spain and the USA. This division had the greatest value increase of all the sixty-five SITC divisions.

Number of Businesses – Imports

The following analysis compares the number of active importers in quarter 4 2012 with the number in quarter 4 2011. A quarterly analysis is more appropriate here than an annual analysis, since summing the number of active businesses over a year could produce ambiguous results. A quarter-on-quarter comparison enables us to measure seasonal movement of businesses, such as the increase/decrease in number of importers over the Christmas season (quarter 4). The number of businesses counted excludes those who trade only with the EU and whose trade is below the Intrastat Exemption Threshold (see note 6).

Figure 3b shows the percentage change in the number of importers in the UK between quarter 4 2011 and quarter 4 2012.

Fig 3b: Percentage Change in Number of Importers between Q4 2011 and Q4 2012



Source: Regional Trade Statistics, HM Revenue & Customs

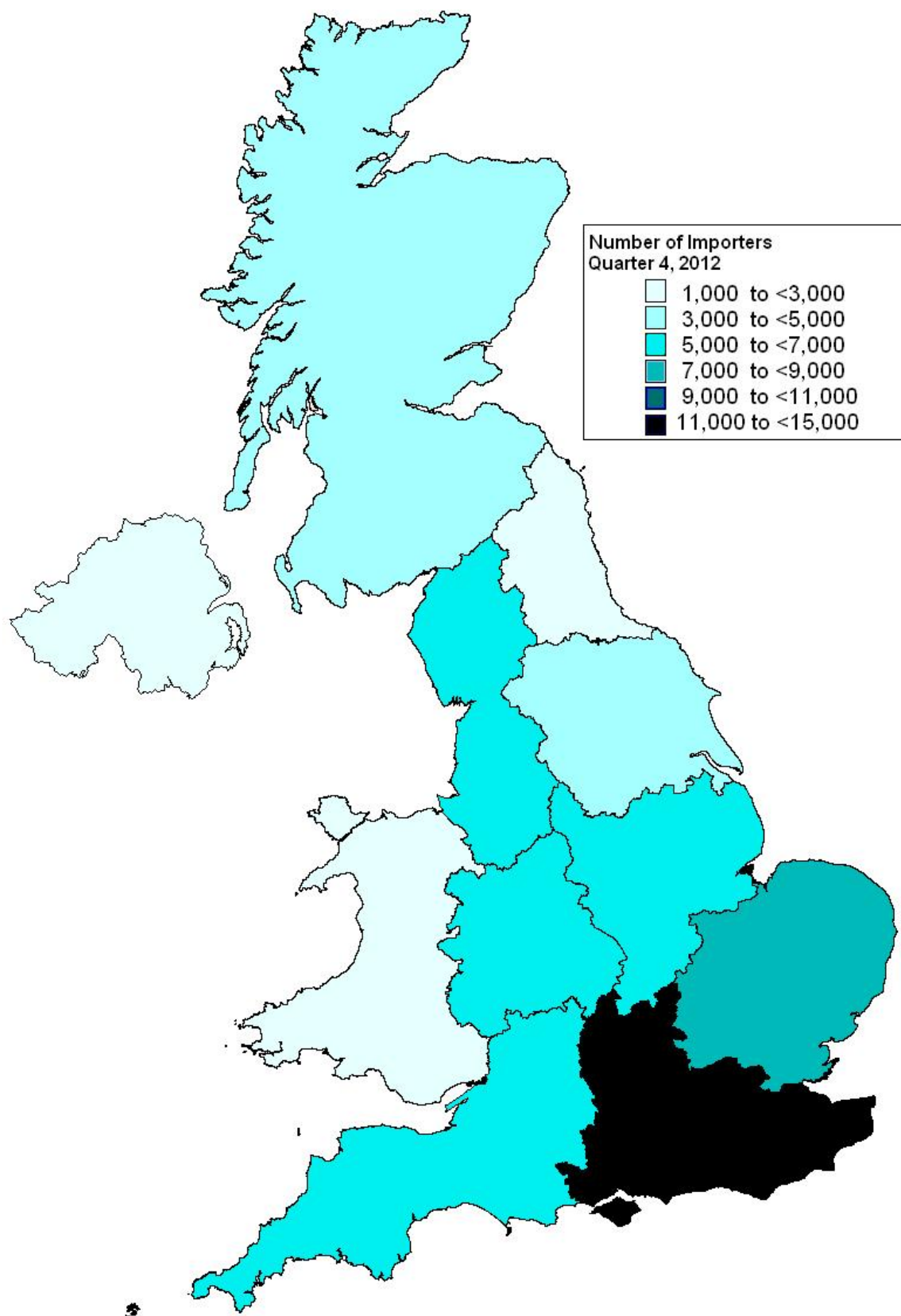
In the UK as a whole, the number of importing businesses increased by 0.5 per cent between quarter 4 2011 and quarter 4 2012 to 68,263. This was a lower annual growth rate than those reported at the end of the previous three quarters.

Figure 3b shows that the number of active importers increased in seven of the twelve UK regions between quarter 4 2011 and quarter 4 2012. The exceptions were the North East, the East, London, the South East and Scotland, although these decreases were all less than 1 per cent. The greatest decrease was in the East, where the number of active importers declined by 0.7 per cent over the year. The largest increases in active importers were in the West Midlands (up 3.2 per cent) and Northern Ireland (up 2.2 per cent).

Figure 4b shows the total number of active UK importers in each region for quarter 4, 2012. London, the South East and the East are the three regions with the largest count of importers, accounting for 19.6 per cent, 17.1 per cent and 10.7 per cent of all UK importers respectively. The North East has the smallest number of importing businesses for the quarter, making up 2.1 per cent of all UK importers. The proportion of UK importers in each region has remained virtually the same over the

past year, apart from a slight increase in the proportion in the West Midlands and a slight decrease in the South East, London and the East.

Fig 4b: Number of UK import businesses by region - Quarter 4, 2012



Note: 2012 data are provisional
Source: Regional Trade Statistics, HM Revenue & Customs

Notes

1. The latest statistics on Regional Trade were released on 14 March 2013 by HM Revenue & Customs under arrangements set out in the [Code of Practice for Official Statistics](#). This release includes the first provisional estimates of trade-in-goods for Quarter 4 2012. At the same time revisions for all previously published regional data for 2012 are also being released.
2. Data is taken primarily from Customs systems (for non-EU trade) and the Intrastat survey (for EU trade). HMRC does not receive information in respect of goods that move wholly within the UK, nor in intangibles and services such as banking or tourism. Trade is mainly allocated to a region by the postcode associated with a company's VAT registration.
3. Some adjustments have been necessary in the production of export statistics by region to ensure manufacturing that takes place at branch premises is properly allocated to the region where the branch is situated. This adjustment is based on the results of periodic surveys of the top 200 businesses by value of exports (both EU and non-EU), to determine the values and proportions of trade generated by each branch. Therefore, for businesses who have provided a response to the survey, their trade is split by value to various regions in line with the information provided by the survey. For all other businesses the region where the head office is located is used by default. For imports, such adjustments cannot be made, as businesses would not be able to produce a reasonable assessment of the final regional destination for their goods. Unlike exports where the manufacture of goods is typically more regionally concentrated, imports are based on the sale of goods, which is far more regionally dispersed.
4. Not all trade can be assigned to one of the 9 English Regions, Wales, Scotland and Northern Ireland. Where appropriate, this is referred to in the tables as the 'Unknown region' and includes:
 - a. Trade carried out by persons or entities which cannot be matched to a region.
 - b. Low Value Trade and estimates made for EU trade below the Intrastat threshold.

- c. Goods within classification codes that have changed since the previous year are not assigned to a region but are included within Unknown region for completeness.
- d. Data relating to Natural Gas and Electricity direct from pipeline and grid operators and information on petroleum production from the Department of Energy and Climate Change (DECC).

More information can be found in the RTS methodology document.

<https://www.uktradeinfo.com/Statistics/documents/rtsmethodsrevision2007v3.pdf>

5. The RTS does not include estimates for non-response or estimates for the missing EU Imports associated with Missing Trader Intra-Community VAT Fraud (MTIC Fraud).
6. The counts for businesses dealing with the EU and counts for businesses dealing with the non-EU do not sum to the total business counts. Businesses that are active in both EU and non-EU markets are counted once only in the total business counts. The counts for businesses dealing with the EU do not include businesses where the value of their intra-EU trade is below the [Intrastat Exemption Threshold](#).
7. In 2009 the introduction of the Economic Operator Registration and Identification (EORI) system enabled EU economic operators (businesses) to register for customs purposes in one Member State to obtain an EORI number which is valid throughout all EU member states. The EORI number replaced the VAT registration number and Branch ID supplied on trade data, which together made up the Trader's Unique Reference Number (TURN) for those businesses participating in the scheme. It is the TURN, in particular the Branch ID, which is the main data source used in the compilation of the RTS as it is matched with the relevant postcode in order to allocate trade to specific regions of the UK. Under EORI, the vast majority of businesses are not allowed to retain Branch IDs which affects RTS, as it results in all trade being declared to the head office(s) in a single region (or a small number of regions). The result is that the recorded trade for regions containing branches of a business is reduced, while the recorded trade for regions containing the head office(s) of that business increases. The impact of the change is being monitored and reviewed by the Trade Statistics Unit.

8. Aggregated tables are produced to allow time series analysis; these tables are provided in a separate document released in conjunction with this Release.
9. The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics. Designation can be broadly interpreted to mean that the statistics:
 - meet identified user needs;
 - are well explained and readily accessible;
 - are produced according to sound methods, and
 - are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

10. The Regional Trade in Goods figures undergo regular quality assurance reviews to ensure they meet customer needs. The latest Government Statistical Service Quality report can be found [here](#).
11. The RTS has been reviewed as part of an assessment made of Overseas Trade Statistics by the [UK Statistics Authority](#). The report of that assessment can be found at <http://www.statisticsauthority.gov.uk/assessment/assessment-reports/assessment-report-93---uk-trade-in-goods.pdf>

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To access the detailed Regional Trade Statistics data in our free interactive database please click [here](#).

Next release: 06 June 2013 9:30am

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