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Media contact:  
HMRC Press Office  
03000 585 018

Statistical contacts:

Andrew Watson  
Tel: 03000 594162  
[andy.watson@hmrc.gsi.gov.uk](mailto:andy.watson@hmrc.gsi.gov.uk)

Customs Trade Statistics  
HM Revenue & Customs  
21 Victoria Avenue  
Southend-on-Sea  
SS99 1AA

Website:  
<http://www.uktradeinfo.com>



# HM Revenue and Customs

## Regional Trade Statistics Third Quarter 2014

### Summary

- In the year to September 2014, there was a fall in annual export value for all UK regions except Northern Ireland, the North East, the South West, the West Midlands and Yorkshire & the Humber. There was an increase in annual import value during the year for Scotland, Northern Ireland, the East Midlands, the West Midlands and Yorkshire & the Humber, with a fall in the remaining seven UK regions. Of the four UK countries, Northern Ireland was the only one where exports increased during the year, while Scotland had the highest growth rate for imports.
- The value of UK exports and imports both decreased in Quarter 3 2014 compared with Quarter 3 2013. The value of both exports and imports fell for England, Wales, Scotland and Northern Ireland between Quarter 3 2013 and Quarter 3 2014. Exports rose in the North East and the West Midlands but decreased in all other English regions. Imports increased in London and Yorkshire & the Humber but decreased in all other English regions.
- The number of importers fell between Quarter 3 2013 and Quarter 3 2014 in all UK regions except Wales. The number of exporters fell for all UK regions except Scotland, the South West and Yorkshire & the Humber.
- For England, the value of exports to China increased most in the year ending September 2014; for Wales exports to the United Arab Emirates increased the most; for Scotland and Northern Ireland exports to the Irish Republic increased most. For imports, the largest increases were in goods from Germany (England), China (Scotland and Wales) and the Irish Republic (Northern Ireland).
- For exports, the commodity groups with the largest annual value increases were 'Road vehicles' (England), 'Office machines & automatic data processing machines' (Scotland), 'Power generating machinery & equipment' (Wales) and 'Other transport equipment' (Northern Ireland).
- For imports, the commodity groups with the largest annual value increases were 'Road vehicles' (England), 'Other transport equipment' (Scotland), 'Electrical machinery, apparatus & appliances' (Wales) and 'Machinery specialized for particular industries' (Northern Ireland).

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. The OTS and RTS data series are published in HMRC's trade data website [www.uktradeinfo.com](http://www.uktradeinfo.com). Detailed data is available within an [interactive database](#) and '[The Customer Story](#)' explains how users utilise it to analyse import and export markets.

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 located<sup>1</sup>.

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.

**HMRC will shortly be launching a consultation on RTS and OTS asking for feedback on the style and content of the commentaries. Access will be possible via the trade data website [www.uktradeinfo.com](http://www.uktradeinfo.com).**

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<sup>1</sup> See note 3

Although trade in non-monetary gold (NMG) is now included in OTS data (see [News Item](#) published on [www.uktradeinfo.com](http://www.uktradeinfo.com) on 12 February 2014), this trade will continue to be excluded from RTS data. This is because the majority of NMG trade would be assigned to the London region and this would distort the RTS figures. The following reconciliation table shows the differences at total trade level between OTS and RTS by quantifying the elements of OTS that are excluded from RTS: NMG, estimates for late response and Missing Trader Intra-Community fraud (MTIC):

#### RTS/OTS Reconciliation Table Quarter 3, 2014

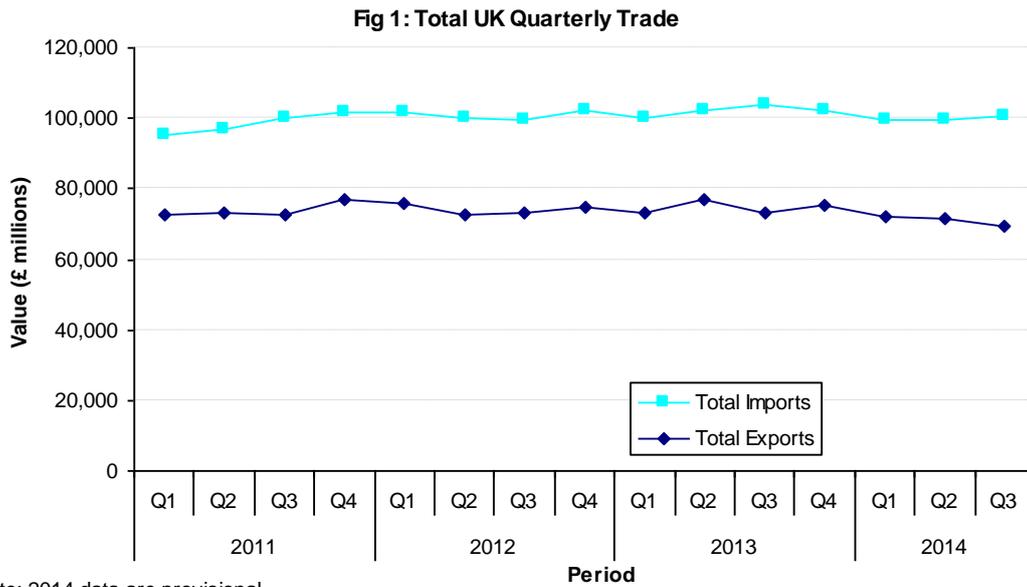
|  | Non-EU Imports<br>£ millions | EU Imports<br>£ millions | Non-EU Exports<br>£ millions | EU Exports<br>£ millions |
|--|------------------------------|--------------------------|------------------------------|--------------------------|
| <b>OTS total value</b>                       | <b>52,294.1</b>              | <b>54,910.0</b>          | <b>37,951.2</b>              | <b>35,321.1</b>          |
| <b>RTS total value</b>                       | 46,855.8                     | 53,717.4                 | 34,330.7                     | 34,817.6                 |
| Allocated to a region                        | 42,738.7                     | 46,984.4                 | 31,056.8                     | 28,735.2                 |
| Unknown region                               | 4,117.1                      | 6,733.0                  | 3,273.9                      | 6,082.4                  |
| <b>MTIC estimate</b>                         | -                            | 210.1                    | -                            | -                        |
| <b>Late response estimate</b>                | -                            | 766.8                    | -                            | 473.7                    |
| <b>Non-monetary gold</b>                     | 5,438.3                      | 215.7                    | 3,620.5                      | 29.8                     |
| <b>RTS total plus exclusions<sup>1</sup></b> | <b>52,294.1</b>              | <b>54,910.0</b>          | <b>37,951.2</b>              | <b>35,321.1</b>          |

Note 1: There may be rounding differences between the total shown and the sum of its components  
Source: Regional Trade Statistics and Overseas Trade Statistics, HM Revenue & Customs

#### Overview of UK trade

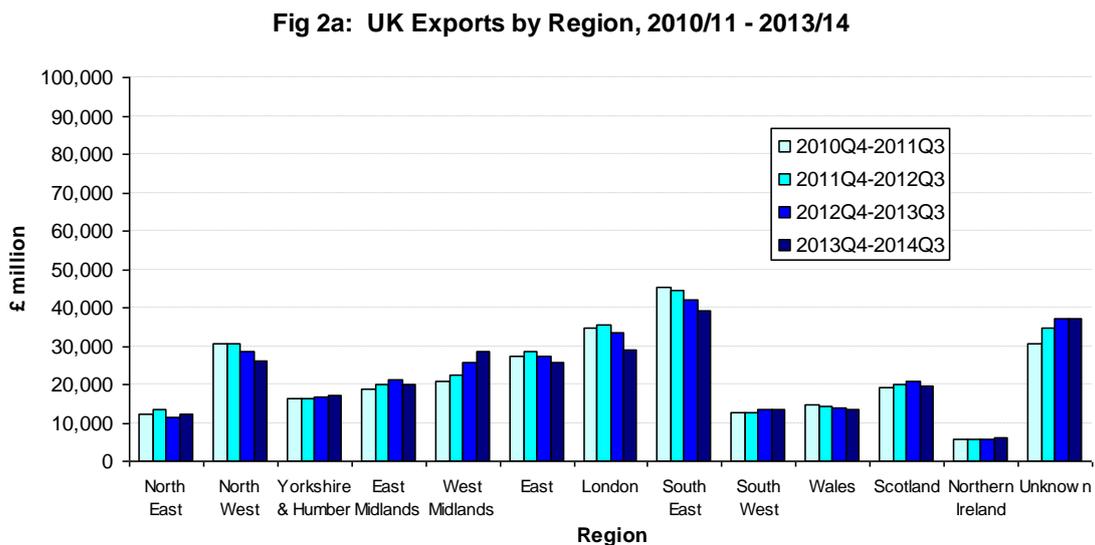
Figure 1 shows the quarterly values of imports to and exports from the UK since 2011. The value of imports increased by 0.9 per cent during the third quarter of 2014, and the value of exports decreased by 3.2 per cent. This increased the trade deficit to £31.4 billion, 11.2 per cent higher than it was at the end of the previous quarter. This is the largest quarterly UK trade deficit on record<sup>2</sup>, exceeding the £30.7 billion deficit in quarter 3 of 2013.

<sup>2</sup> According to RTS published data



## Overview - Exports

Figure 2a shows the total value of UK exports by region for the four annual periods ending September 2011, September 2012, September 2013 and September 2014.



- The total annual value of UK exports decreased by 3.4 per cent to £288.0 billion in the year ending September 2014. Exports from England, Scotland and Wales decreased during the year, while exports from Northern Ireland increased. Five of the nine English regions experienced decreases in exports with just the North East, South West, the West Midlands and Yorkshire & the Humber seeing increases. The total annual value of exports from England fell by 4.1 per cent to £211.6 billion during the year, the largest value decrease coming from the 'Manufactured goods classified chiefly by material' sector. Exports from Scotland fell by 5.3 per cent to £19.6 billion; the largest decrease during the year was in Scotland's exports from the 'Beverages & tobacco' sector. Exports from Wales fell marginally by 0.6 per cent to £13.7 billion, with the largest decrease in the 'Mineral fuels, lubricants & related materials' sector. In contrast, exports from Northern Ireland rose by 2.0 per cent to £6.0 billion, with the 'Food & live animals' sector contributing the largest portion of the value increase. Exports allocated to the 'Unknown region'<sup>3</sup> amounted to £37.1 billion in the year ending September 2014, accounting for 12.9 per cent of UK exports by value.
- The South East continues to have the largest total export value of all the English regions. For the year ending September 2014 this was £39.2 billion, 18.6 per cent of England's total. The South East experienced a percentage decrease of 6.8 per cent in export value over the annual period, while London's exports fell by 13.7 per cent, the largest decrease among the English regions.
- The North East had the smallest total value of exports, totalling £12.2 billion for the year ending September 2014; this was 5.8 per cent of England's total. This region saw an increase of 5.3 per cent in exports during the year.
- Year on year, the largest percentage increase in the English regions was for the West Midlands, whose exports increased by 11.2 per cent to £28.4 billion. The West Midlands is now the third largest exporting region in England after the South East and London.

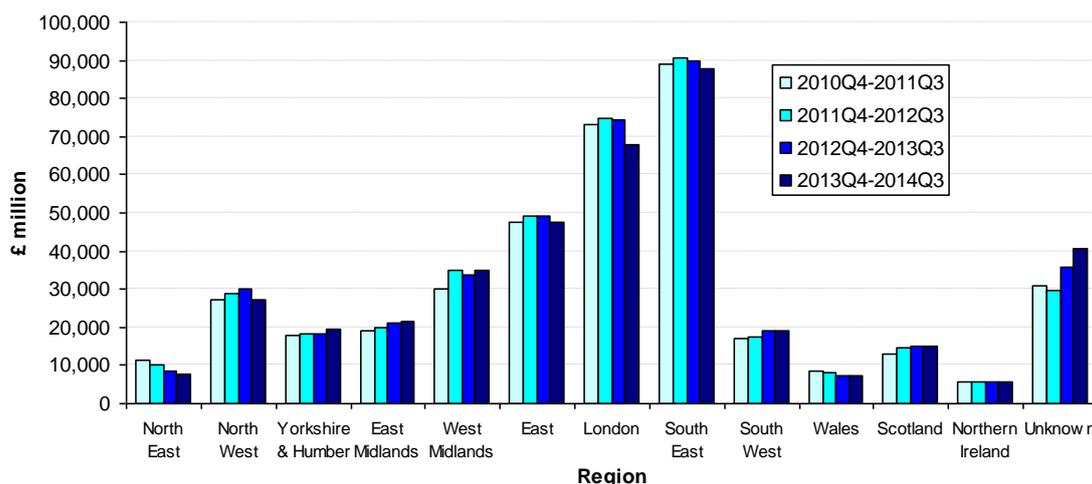
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<sup>3</sup> See note 4

## Overview - Imports

Figure 2b shows the total value of UK imports by region for the four annual periods ending September 2011, September 2012, September 2013 and September 2014.

**Fig 2b: UK Imports by Region, 2010/11 - 2013/14**



Note: 2014 data are provisional

Source: Regional Trade Statistics, HM Revenue & Customs

- The total annual value of UK imports for the year ending September 2014 decreased by 1.5 per cent to £402.0 billion compared with the year ending September 2013. There was a rise in import value during the year for Scotland and Northern Ireland, while England and Wales experienced a decrease. Among the English regions there were increases in imports for the East Midlands, the West Midlands and Yorkshire & the Humber during the year, while exports for all other regions decreased. The total value of imports to England fell by 3.2 per cent to £332.9 billion during the year, the largest value decrease coming from the 'Mineral fuels, lubricants & related materials' sector. The total value of imports to Wales fell by 0.8 per cent to £7.4 billion; this was driven by decreases within the 'Crude materials, inedible, except fuels' sector. The total value of imports to Scotland rose by 2.1 per cent to £15.2 billion; this was driven by an increase in imports from the 'Machinery & transport equipment' sector. Total imports to Northern Ireland rose by 1.3 per cent to £5.8 billion; this growth was led by increases in the 'Machinery & transport equipment' and 'Manufactured goods

classified chiefly by material' sectors. Imports allocated to the 'Unknown region'<sup>4</sup> amounted to £40.7 billion in the year to September 2014, accounting for 10.1 per cent of UK imports by value.

- Within England, the South East continues to have the largest total value of imports. For the year ending September 2014 this was £87.8 billion, 26.4 per cent of England's total. The South East experienced a decline of 2.3 per cent in imports during the year.
- The largest year-on-year percentage increase among the English regions was for Yorkshire & the Humber, where imports increased by 5.9 per cent to £19.4 billion. Much of this growth came in imports from the 'Crude materials, inedible, except fuel' sector.
- The largest year-on-year percentage decrease among the English regions was for the North West, where imports declined by 9.1 per cent. This fall was led by a substantial decline in the imports from the 'Mineral fuels, lubricants & related materials' sector.
- The North East continues to have the smallest total value of imports of all the English regions, making up just 2.3 per cent of England's total. The North East is the only English region with a positive trade balance (exports exceeding imports) for the year ending September 2014.

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<sup>4</sup> 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 September 2014

|       | Country      | Year ending September 2014 Total £ millions | Year ending September 2013 Total £ millions | % Change from September 2013 | % Total Exports in year ending September 2014 |
|-------|--------------|---|---|------------------------------|---|
| Top 5 | USA          | 29,247.8                                    | 29,162.9                                    | 0.3                          | 13.8  |
|       | Germany      | 22,611.0                                    | 23,705.6                                    | -4.6                         | 10.7  |
|       | France       | 14,663.3                                    | 16,839.0                                    | -12.9                        | 6.9   |
|       | Netherlands  | 13,853.9                                    | 14,759.9                                    | -6.1                         | 6.5   |
|       | China        | 11,813.3                                    | 9,467.7                                     | 24.8                         | 5.6   |
|       | Others       | 119,364.1                                   | 126,667.3                                   | -5.8                         | 56.4  |
|       | Total EU     | 103,952.0                                   | 109,423.0                                   | -5.0                         | 49.1  |
|       | Total Non-EU | 107,601.4                                   | 111,179.3                                   | -3.2                         | 50.9  |
|       | Grand Total  | 211,553.5                                   | 220,602.3                                   | -4.1                         | 100.0   |

Note: 2014 data is provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 1a shows that the total value of exports from England has declined by 4.1 per cent during the year ending September 2014. This is the fourth quarter in succession in which exports from England have been lower than in the same quarter of the previous year. Over the last 12 months England's exports to China have increased substantially; China is now the fifth largest export partner ahead of the Irish Republic and Belgium. The USA was the only other top five partner country to experience an increase in value over the last 12 months, although this was only a marginal increase of 0.3 per cent; there were large rises in exports to the USA within SITC division 54 'Medicinal & pharmaceutical products, although these were countered by decreases in division 33 'Petroleum, petroleum products & related materials' and division 89 'Miscellaneous manufactured articles'. The USA continues to be England's top export partner country, with its share of the export market increasing from 13.2 per cent to 13.8 per cent over the year.

England's exports to the EU decreased by 5.0 per cent during the last year, while exports to non-EU countries decreased by 3.2 per cent. This has resulted in an

increased market share for non-EU exports compared with the previous year, up from 50.4 per cent to 50.9 per cent. The EU partner countries where exports from England have decreased most are France (down 12.9 per cent), Belgium (down 14.4 per cent) and Germany (down 4.6 per cent); the largest decreases were in SITC division 33 'Petroleum, petroleum products & related materials' (France), division 66 'Non-metallic mineral manufactures' (Belgium) and division 54 'Medicinal & pharmaceutical products' (Germany). The EU partner countries where exports from England have increased most during the year are Denmark (up 9.2 per cent) and the Irish Republic (up 1.4 per cent).

The non-EU partner countries where exports from England decreased in value the most over the last 12 months were India (down 40.4 per cent) and Switzerland (down 18.4 per cent). The non-EU partner countries with the largest value increase in exports from England were China (up 24.8 per cent), South Korea (up 33.0 per cent) and Qatar (up 37.0 per cent). For China the largest rise was in exports from SITC division 78 'Road vehicles', while for South Korea the increase came mainly from SITC division 33 'Petroleum, petroleum products & related materials'. The increase for Qatar was largely due to rises in SITC division 89 'Miscellaneous manufactured articles'.

### ***Partner country analysis - English regions***

Table 2a: Top five export partners for the English regions, year ending September 2014

|                        | <b>Top 5 partner countries</b> |             |             |                |                |
|------------------------|--------------------------------|-------------|-------------|----------------|----------------|
|                        | <b>1</b>                       | <b>2</b>    | <b>3</b>    | <b>4</b>       | <b>5</b>       |
| North East             | Netherlands                    | USA         | Belgium     | Spain          | Russia         |
| North West             | USA                            | Germany     | Netherlands | China          | France         |
| Yorkshire & the Humber | USA                            | Netherlands | Germany     | France         | Irish Republic |
| East Midlands          | USA                            | Germany     | Belgium     | Singapore      | Irish Republic |
| West Midlands          | China                          | USA         | Germany     | France         | Netherlands    |
| East                   | Germany                        | USA         | Netherlands | Irish Republic | France         |
| London                 | USA                            | Germany     | Switzerland | Irish Republic | France         |
| South East             | USA                            | Germany     | France      | Netherlands    | Belgium        |
| South West             | Germany                        | France      | USA         | Irish Republic | Netherlands    |

Note 2014 data is 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 ending September 2014. There have been a number of changes in the order of the top five partners over the last 12 months. For the North East, the USA has moved up from sixth to second largest export partner, while France has dropped out of the top five and Russia has moved down from third to fifth position. For the North West, the USA has become the top export partner, overtaking Germany, while China has moved into fourth position ahead of France. For Yorkshire & the Humber, the Netherlands has moved up from fourth to second largest export partner, while France has dropped from second to fourth position. For the East Midlands, Belgium has overtaken Singapore to become the third largest export partner. For the West Midlands, China has become the top export partner, overtaking the USA. For the East, France has moved down from third to fifth largest export partner, while the Netherlands and the Irish Republic have moved up into third and fourth position respectively. For London, Germany has moved up from fifth to second largest export partner and the Irish Republic has moved up into the top five, pushing out India; Switzerland has moved down from second to third position. There were no changes in any of the top five export partners for the South East or the South West.

Four of the English regions – the East, the West Midlands, the North West and Yorkshire & the Humber – experienced a decrease in the proportion of exports going to EU countries during the year, while for the remaining five regions this proportion increased. The majority of the English regions continue to follow a similar pattern to England as a whole; the USA is among the top three export partners for all nine regions and Germany is among the top three export partners for eight of the regions, the only exception being the North East. France is among the top five export partners for seven of the nine regions. The North East is the only region to have the Netherlands as its top export partner; this is largely due to a high value of exports within SITC division 78 ‘Road vehicles’, although exports from the North East to the Netherlands within this division reduced in value by 8.4 per cent during the year.

In the year ending September 2014, export value decreased for five of the nine English regions and increased for the remaining four, these being the North East (up 5.3 per cent), the West Midlands (up 11.2 per cent), Yorkshire & the Humber (up 1.5 per cent) and the South West (up 0.9 per cent). For the North East the largest increases were in goods going to Belgium, which more than quadrupled in value over the year. For the West Midlands the largest increases were in goods going to China (up 49.1 per cent) and the USA (up 13.4 per cent). For Yorkshire & the Humber the

biggest increase was for the USA (up 16.8 per cent), while for the South West the largest growth was in goods going to Germany (up 3.5 per cent), France (up 4.3 per cent) and Algeria, which saw a threefold increase. The largest percentage decreases in exports were seen in London (down 13.7 per cent) and the North West (down 9.4 per cent). For London the biggest losses were in exports to Belgium (down 68.4 per cent) and India (down 60.7 per cent) while for the North West the decline was largely attributable to a sharp decrease in exports to Germany (down 32.2 per cent) and the USA (down 8.4 per cent). The other regions that experienced decreases in exports were the South East (down 6.8 per cent), the East (down 6.1 per cent) and the East Midlands (down 5.2 per cent). For the South East the decline was driven by a reduction in goods going to the USA (down 14.2 per cent) and the Netherlands (down 24.8 per cent) while for the East much of the decline was due to a fall in exports to France (down 28.4 per cent) and Belgium (down 29.4 per cent). For the East Midlands the decrease was largely attributable to reductions in exports to the USA (down 9.6 per cent), Hong Kong (down 30.8 per cent) and Singapore (down 20.0 per cent)

Seven of the nine English regions saw increases in exports to China during the year. By far the largest increase was for the West Midlands, where exports of SITC division 78 'Road vehicles' to China rose by 60.2 per cent. Exports to Saudi Arabia have increased for seven of the nine regions. Exports to Qatar rose for eight of the nine regions, with London experiencing by far the largest value increase (up 90.8 per cent). Exports to South Korea also rose for eight of the regions; the North West and the East saw the largest value increases, with exports to South Korea more than doubling for both of these regions.

Six of the nine English regions experienced a fall in exports to France over the year, with the largest decreases in the East (down 28.4 per cent), the North East (down 41.1 per cent) and Yorkshire & the Humber (down 28.8 per cent). Exports to India declined for eight of the nine regions; by far the largest value decrease was for the London region (down 60.7 per cent).

## Partner country analysis - Wales

Table 3a: Wales - Top five export partners, year ending September 2014

|       | Country              | Year ending<br>September<br>2014<br>Total<br>£ millions | Year ending<br>September<br>2013<br>Total<br>£ millions | % Change<br>from<br>September<br>2013 | % Total<br>Exports in<br>year ending<br>September<br>2014 |
|-------|----------------------|---|---|---------------------------------------|---|
| Top 5 | USA                  | 2,886.5   | 2,842.7   | 1.5                                   | 21.1  |
|       | Irish Republic       | 1,708.3   | 1,591.4   | 7.3                                   | 12.5  |
|       | United Arab Emirates | 1,111.9   | 979.8   | 13.5                                  | 8.1   |
|       | Germany              | 1,062.6   | 1,134.3   | -6.3                                  | 7.8   |
|       | Belgium              | 666.9   | 610.3   | 9.3                                   | 4.9   |
|       | Others               | 6,233.8   | 6,600.7   | -5.6                                  | 45.6  |
|       | Total EU             | 6,056.9   | 6,155.2   | -1.6                                  | 44.3  |
|       | Total Non-EU         | 7,613.0   | 7,604.0   | 0.1                                   | 55.7  |
|       | Grand Total          | 13,670.0  | 13,759.2  | -0.6                                  | 100.0   |

Note: 2014 data is provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 3a shows that the total export value for Wales decreased marginally by 0.6 per cent during the year ending September 2014. There has been a fall in exports for each of the last three quarters compared with the same quarter of the previous year. Wales' top two partner countries remain the same as in the year ending September 2013, although the United Arab Emirates has moved up from fourth to third place over the last year, overtaking Germany, and Belgium has moved up into fifth place ahead of the Netherlands. Exports have increased for four of the top five partners, with the largest increase both in terms of value and percentage coming from the United Arab Emirates (up 13.5 per cent). Germany saw the only decrease during the year among the top five partners (down 6.3 per cent).

Non-EU partner countries continue to dominate the export market in Wales, receiving 55.7 per cent of goods exported. The value of exports to non-EU partners rose marginally over the year (up 0.1 per cent), while exports to EU partners fell by 1.6 per cent. The USA's share of the export market in Wales rose from 20.7 per cent to 21.1 per cent over the past year; there were large increases in goods going to the USA in SITC division 33 'Petroleum, petroleum products & related materials' (up 23.5 per cent) although this was offset by a decrease in division 71 'Power generating machinery & equipment' (down 16.0 per cent). The Irish Republic remains Wales' second largest partner country, taking a 12.5 per cent share of its exports. The

increase of 7.3 per cent in exports to the Irish Republic during the last year was led by growth in SITC division 33.

The United Arab Emirates is now Wales' third largest export partner. Much of the large increase in exports in the last year was attributable to SITC division 71 'Power generating machinery & equipment' (up 14.4 per cent).

The partner countries with the largest value decrease in exports from Wales over the year were the Netherlands (down 26.3 per cent) and Ecuador (down 77.7 per cent). For both these partners the decline was driven by SITC division 33 'Petroleum, petroleum products & related materials' (down 57.8 per cent for the Netherlands and 78.1 per cent for Ecuador).

The partner countries where export values increased most during the year were the United Arab Emirates and the Irish Republic (see above), followed by Singapore (up 38.0 per cent) and Qatar (up 38.5 per cent). For both Singapore and Qatar much of the growth was in goods from SITC division 71 'Power generating machinery & equipment'.

### ***Partner country analysis – Scotland***

Table 4a: Scotland - Top five export partners, year ending September 2014

|       | Country      | Year ending September 2014<br>Total<br>£ millions | Year ending September 2013<br>Total<br>£ millions | % Change from September 2013 | % Total Exports in year ending September 2014 |
|-------|--------------|---|---|------------------------------|---|
| Top 5 | USA          | 2,690.1   | 3,269.5   | -17.7                        | 13.7  |
|       | France       | 1,348.2   | 1,338.5   | 0.7                          | 6.9   |
|       | Netherlands  | 1,215.9   | 1,322.3   | -8.0                         | 6.2   |
|       | Belgium      | 1,187.1   | 1,340.4   | -11.4                        | 6.0   |
|       | Germany      | 1,184.6   | 1,241.6   | -4.6                         | 6.0   |
|       | Others       | 12,018.6  | 12,223.6  | -1.7                         | 61.2  |
|       | Total EU     | 8,484.7   | 8,544.9   | -0.7                         | 43.2  |
|       | Total Non-EU | 11,159.7  | 12,191.0  | -8.5                         | 56.8  |
|       | Grand Total  | 19,644.5  | 20,735.9  | -5.3                         | 100.0   |

Note: 2014 data is provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 4a shows that exports from Scotland decreased in value by 5.3 per cent during the year ending September 2014. This was the largest decrease of all four UK

countries. There was a decrease in Scotland's exports for each of the last four quarters when compared with the same quarter of the previous year. Although non-EU partner countries continue to dominate exports from Scotland, the proportion of exports by value going to the EU increased during the year from 41.2 per cent to 43.2 per cent due to exports to non-EU countries decreasing disproportionately more than those to EU countries. The 8.5 per cent reduction in goods going to non-EU countries was mainly due to a large decrease in exports to the USA (down 17.7 per cent). Among the EU partners there were sizeable reductions in goods going to Belgium and the Netherlands. Over the last year, Belgium has moved down from second to fourth largest export partner for Scotland, behind France and the Netherlands.

Exports to four of Scotland's top five partners decreased in value during the year; the only exception was France, where there was a marginal increase of 0.7 per cent. The fall in exports to Scotland's top partner, the USA, was mainly due to substantial reductions in SITC division 33 'Petroleum, petroleum products & related materials' (down 59.8 per cent) and division 11 'Beverages' (down 12.9 per cent). Scotland's exports to Belgium decreased by 11.4 per cent, with the largest decline in SITC division 33 'Petroleum, petroleum products & related materials' (down 29.9 per cent). The 8.0 per cent decrease for the Netherlands was led by a fall in SITC division 77 'Electrical machinery, apparatus & appliances' (down 64.9 per cent), while the 4.6 per cent decrease in goods going to Germany was driven by reductions in SITC division 51 'Organic chemicals' (down 52.5 per cent). The marginal increase in exports to France was led by SITC division 03 'Fish, crustaceans & molluscs' (up 15.2 per cent); this was offset by a reduction in SITC division 33 (down 21.6 per cent).

The largest value increases among Scotland's exports were in goods going to the Irish Republic (up 30.0 per cent) and Sweden (up 37.2 per cent). For the Irish Republic the rise was mainly in SITC division 79 'Other transport equipment', while for Sweden the increase was driven by division 33 'Petroleum, petroleum products & related materials'.

After the USA, the largest value decreases among Scotland's exports were in goods going to Singapore (down 24.3 per cent), followed by Belgium and the Netherlands (see above). For Singapore, the decline was primarily in SITC division 11 'Beverages'.

## Partner country analysis – Northern Ireland

Table 5a: Northern Ireland - Top five export partners, year ending September 2014

|       | Country        | Year ending September 2014<br>Total<br>£ millions | Year ending September 2013<br>Total<br>£ millions | % Change from September 2013 | % Total Exports in year ending September 2014 |
|-------|----------------|---|---|------------------------------|---|
| Top 5 | Irish Republic | 2,275.5   | 2,157.1   | 5.5                          | 38.2  |
|       | USA            | 585.1   | 561.6   | 4.2                          | 9.8   |
|       | Canada         | 362.9   | 357.1   | 1.6                          | 6.1   |
|       | Germany        | 311.9   | 237.7   | 31.2                         | 5.2   |
|       | France         | 305.0   | 300.6   | 1.5                          | 5.1   |
|       | Others         | 2,118.0   | 2,226.0   | -4.9                         | 35.5  |
|       | Total EU       | 3,602.2   | 3,376.3   | 6.7                          | 60.5  |
|       | Total Non-EU   | 2,356.3   | 2,463.7   | -4.4                         | 39.5  |
|       | Grand Total    | 5,958.5   | 5,840.1   | 2.0                          | 100.0   |

Note: 2014 data is provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 5a shows that exports from Northern Ireland have risen in value by 2.0 per cent during the year ending September 2014; Northern Ireland was the only one of the four UK countries to see an increase. The only change in the top five partners since the previous annual period is that Germany has overtaken France, following a large increase in exports to Germany during the year. The Irish Republic continues to dominate Northern Ireland's export market; its share of Northern Ireland's exports increased from 36.9 per cent to 38.2 per cent during the year. In contrast with other UK countries, the majority of Northern Ireland's exports go to the EU; the value of exports to EU partners rose by 6.7 per cent over the year, while exports to non-EU partners decreased by 4.4 per cent. Although the growth in exports to the EU was mainly in goods going to the Irish Republic there was also a considerable rise in exports to Germany (up 31.2 per cent).

There were increases in exports to all of the top five partner countries during the year. The largest value increase was for the Irish Republic (up 5.5 per cent), where the rise was driven by SITC division 02 'Dairy products & birds' eggs' (up 17.6 per cent) and division 01 'Meat & meat preparations' (up 16.4 per cent). The second largest value increase was for Germany; this was led by SITC division 79 'Other

transport equipment' where exports more than doubled. The increase of 4.2 per cent for the USA was led by a rise in SITC division 72 'Machinery specialized for particular industries'. The 1.6 per cent increase in exports to Canada was driven by division 79 'Other transport equipment' and division 11 'Beverages', while the 1.5 per cent rise in exports to France was largely attributable to SITC division 79 and division 78 'Road vehicles'. Outside of the top five, the partner countries with the biggest increases in exports from Northern Ireland were Taiwan (up more than five-fold in value) and Spain (up 29.6 per cent).

The partner countries with the largest value decrease in exports from Northern Ireland were Australia (down 31.0 per cent), Russia (down 29.5 per cent) and Thailand (down 16.5 per cent). For Australia and Russia, this fall was led by SITC division 72 'Machinery specialized for particular industries' while for Thailand much of the reduction came from SITC division 77 'Electrical machinery, apparatus & appliances'.

### **Commodity analysis - England**

Table 6a: Top five commodities for export from England - year ending September 2014

| SITC section | Description                                       | Year ending September 2014 Total £ millions | Year ending September 2013 Total £ millions | % Change from September 2013 | % Total Exports in year ending September 2014 |
|--------------|---|---|---|------------------------------|---|
| 7            | Machinery & transport equipment                   | 89,452.8                                    | 89,521.1                                    | -0.1                         | 42.3  |
| 5            | Chemicals & related products                      | 34,606.2                                    | 35,411.7                                    | -2.3                         | 16.4  |
| 8            | Miscellaneous manufactured articles               | 31,826.6                                    | 31,303.1                                    | 1.7                          | 15.0  |
| 6            | Manufactured goods classified chiefly by material | 21,903.8                                    | 26,644.7                                    | -17.8                        | 10.4  |
| 3            | Mineral fuels, lubricants & related materials     | 17,933.2                                    | 20,962.8                                    | -14.5                        | 8.5   |
|              | Other SITCs                                       | 15,830.8                                    | 16,758.9                                    | -5.5                         | 7.5   |
|              | All SITCs   | 211,553.5                                   | 220,602.3                                   | -4.1                         | 100.0   |

Note: 2014 data is provisional  
Source: HM Revenue & Customs Regional Trade Statistics

Table 6a shows that SITC section 7 'Machinery & transport equipment' continues to dominate exports from England; its share of England's exports has risen from 40.6 per cent to 42.3 per cent over the year, despite a decrease of 0.1 per cent by value.

Exports from division 78 'Road vehicles' rose by 7.9 per cent, while exports from most other divisions of section 7 decreased over the 12 month period. Section 8 was the only one of the top five sections to increase in export value during the year, with much of the growth coming from SITC division 87 'Professional & scientific & controlling instruments & apparatus' (up 4.1 per cent) and division 84 'Articles of apparel & clothing accessories' (up 5.1 per cent).

Exports decreased for four of the top five export commodity groups during the year. The largest percentage decrease was for section 6 'Manufactured goods classified chiefly by material', where most of the decrease was within SITC division 66 'Non-metallic mineral manufactures not elsewhere specified' (down 54.3 per cent, with exports to Belgium down 87.8 per cent) and division 68 'Non-ferrous metals' (down 21.3 per cent, with exports to India down 53.0 per cent). For exports of section 3 'Mineral fuels, lubricants & related materials', there was a large decrease of 14.5 per cent over the year; the biggest reduction was in division 33 'Petroleum, petroleum products & related materials' (down 15.0 per cent), mainly in goods going to France and the Netherlands. For section 5 'Chemicals & related products' (down 2.3 per cent over the year), the largest decreases were in division 52 'Inorganic chemicals' (down 26.6 per cent) and division 54 'Medicinal & pharmaceutical products' (down 3.3 per cent).

After section 8 the biggest value increase during the year was in section 0 'Food & live animals' (up 5.8 per cent); here, much of the increase was due to division 09 'Miscellaneous edible products & preparations' (up 12.4 per cent with exports to Germany up 53.7 per cent) and division 02 'Dairy products & birds' eggs (up 19.2 per cent, with exports to the Irish Republic, the Netherlands and France gaining the most value).

After sections 6 and 3 the largest decrease was in exports from section 2 'Crude materials, inedible, except fuels' (down 15.6 per cent). Here, most of the reduction came from division 28 'Metalliferous ores & metal scrap' (down 18.7 per cent).

Thirty-eight of the sixty-five SITC divisions decreased in export value during the year. After divisions 66, 33 and 68 (see above), the largest reduction was in division 71 'Power generating machinery & equipment' (down 5.5 per cent). The largest increase at division level was in division 78 'Road vehicles' (see above).

## Commodity analysis – English regions

Table 7a - Top five commodities for export from English regions, year ending September 2014

| 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               | 0 - Food & live animals                               |
| North West             | 5 - Chemicals & related products        | 7 - Machinery & transport equipment                   | 3 - Mineral fuels, lubricants & related materials     | 6 - Manufactured goods classified chiefly by material | 8 - Miscellaneous manufactured articles               |
| Yorkshire & the Humber | 5 - Chemicals & related products        | 7 - Machinery & transport equipment                   | 6 - Manufactured goods classified chiefly by material | 3 - Mineral fuels, lubricants & related materials     | 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 | 7 - Machinery & transport equipment                   | 6 - Manufactured goods classified chiefly by material | 3 - Mineral fuels, lubricants & related materials     | 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: 2014 data is 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 little change in the order of the top five commodity groups in the last 12 months. The only significant exception is for Yorkshire & the Humber; here, section 5 has become the highest valued commodity group for exports, moving up from third position a year ago ahead of sections 7 and 3 which have both decreased in export value. For the North East, section 0 has become the fifth largest export commodity group by value, overtaking section 9. For the East, section 5 has become the second largest commodity group, moving ahead of section 3. For London, section 7 has become the second largest commodity group, overtaking section 6. The top five commodity groups have remained the same for the other five regions.

SITC section 7 'Machinery & transport equipment' is the top export section by value for six of the nine English regions, the exceptions being the North West, Yorkshire & the Humber and London. In the West Midlands, East Midlands, South West and North East, this section dominates the market, accounting for 73.1 per cent, 67.5 per cent, 62.9 per cent and 54.3 per cent of exports respectively; the market share for this section has increased during the year for the West Midlands and the North East but there was a decrease for the East Midlands and the South West. In the West Midlands exports from division 78 'Road vehicles' increased the most within section 7 (up 27.7 per cent) while for the North East the biggest increase was in division 72 'Machinery specialized for particular industries', where exports more than doubled in value.

The North West and the South East are the top English regions for exports within section 5 'Chemicals and related products'. The North West's share of England's exports from this section has reduced from 29.4 per cent to 24.3 per cent over the past year, with a 19.2 per cent drop in export value in this section. However, the South East experienced a marginal increase of 0.4 per cent, increasing its share of England's exports in this section to 24.1 per cent. For the North West, most of the decrease in exports from section 5 was attributable to division 54 'Medicinal & pharmaceutical products' (down 29.2 per cent), with much of the reduction in goods going to Germany. The increase in section 5 exports from the South East was led by a rise in division 55 'Essential oils & perfume materials' (up 5.7 per cent). The largest percentage and value increase in section 5 exports over the year was for Yorkshire & the Humber (up 24.8 per cent), where this commodity group has now taken top position for the region. Most of this growth came from division 54 (up 75.3 per cent).

The East, the South East, London, the North West and Yorkshire & the Humber are the dominant regions for exports within section 3 'Mineral fuels, lubricants & related materials'. London was the only one of these regions to see an increase in section 3 exports during the year (up 8.2 per cent), with the East, the South East and Yorkshire & the Humber all experiencing substantial decreases. For all three of these regions much of the decline was in exports from division 33 'Petroleum, petroleum products & related materials'.

For section 6 'Manufactured goods classified chiefly by material' and section 8 'Miscellaneous manufactured articles' London continues to be the dominant exporting region, accounting for 17.8 per cent and 36.5 per cent of England's total exports in

these two sections respectively. However, London saw a 54.1 per cent decrease in exports from section 6 during the year; this was mainly due to a 71.2 per cent fall in exports from division 66 'Non-metallic mineral manufactures', with a large decline in goods going to Belgium. Three of the regions saw increases in section 6 exports; the most substantial rises were for the East (up 9.1 per cent), where much of the growth came from division 68 'Non-ferrous metals' and Yorkshire & the Humber (up 5.2 per cent) led by a rise in division 69 'Manufactures of metal'. Exports from section 8 increased for six of the nine English regions during the year. The largest value increase was for the South East (up 3.6 per cent), which was driven by a rise in division 89 'Miscellaneous manufactured articles'. In contrast, the largest value decrease in section 8 exports was for the East Midlands (down 4.2 per cent), led by a reduction in SITC division 84 'Articles of apparel & clothing accessories' (down 10.5 per cent).

The North East, South West and East Midlands are the only regions with section 0 'Food & live animals' in their top five. For the North East there has been a 17.6 per cent increase in exports from this section during the year; the largest value increases were in division 09 'Miscellaneous edible products & preparations' (up 73.5 per cent), division 06 'Sugar, sugar preparations & honey' (up 87.8 per cent) and division 02 'Dairy products & birds' eggs' (up 86.9 per cent). For the East Midlands there was a 5.6 per cent rise in section 0 exports, led by an increase in division 04 'Cereals & cereal preparations' (up 25.5 per cent). The South West saw a rise of 2.0 per cent in exports from section 0, with the biggest growth coming from SITC division 09 'Miscellaneous edible products & preparations' (up 28.1 per cent).

The North West remains the most dominant region for exports of section 2 'Crude materials' despite a decrease of 15.5 per cent over the 12 months; this was primarily due to a decline in exports from division 28 'Metalliferous ores & metal scrap' (down 18.2 per cent), mainly in goods going to China, Turkey and Germany.

Five of the nine English regions saw a decrease in export value for the majority of the sixty-five SITC divisions. For four of the nine English regions the largest division-level increase was within section 7 'Machinery & transport equipment': for the North West and the West Midlands, the largest increase was in division 78 'Road vehicles', for the North East it was in division 72 'Machinery specialized for particular industries' and for the East Midlands it was in division 77 'Electrical machinery, apparatus & appliances'. For the South East and South West the largest increases were in

division 89 'Miscellaneous manufactured articles' and division 87 'Professional, scientific & controlling instruments & apparatus' respectively. London saw its largest rise in division 33 'Petroleum, petroleum products & related materials' while the biggest increase for the East was in division 68 'Non-ferrous metals'. Yorkshire & the Humber saw its largest rise in division 54 'Medicinal & pharmaceutical products'.

For the East and Yorkshire & the Humber the largest decrease at division level during the year was in division 33 'Petroleum, petroleum products & related materials' while London and the North East saw their largest reductions in division 66 'Non-metallic mineral manufactures' and division 67 'Iron & steel' respectively. For the East Midlands the biggest fall was in division 71 'Power generating machinery and equipment' while for the West Midlands it was in division 72 'Machinery specialized for particular industries'. The biggest decrease for the South East was in division 78 'Road vehicles'. For the South West the largest reduction was in division 28 'Metalliferous ores & metal scrap' while for the North West it was in division 54 'Medicinal & pharmaceutical products'.

### **Commodity analysis - Wales**

Table 8a: Top five commodities for export from Wales, year ending September 2014

| SITC section | Description                                       | Year ending September 2014 Total £ millions | Year ending September 2013 Total £ millions | % Change from September 2013 | % Total Exports in year ending September 2014 |
|--------------|---|---|---|------------------------------|---|
| 7            | Machinery & transport equipment                   | 5,834.2                                     | 5,723.5                                     | 1.9                          | 42.7  |
| 3            | Mineral fuels, lubricants & related materials     | 3,130.3                                     | 3,288.7                                     | -4.8                         | 22.9  |
| 6            | Manufactured goods classified chiefly by material | 2,032.1                                     | 2,059.2                                     | -1.3                         | 14.9  |
| 5            | Chemicals & related products                      | 1,378.0                                     | 1,432.9                                     | -3.8                         | 10.1  |
| 8            | Miscellaneous manufactured articles               | 893.3                                       | 860.9                                       | 3.8                          | 6.5   |
|              | Other SITCs                                       | 402.1                                       | 394.0                                       | 2.1                          | 2.9   |
|              | All SITCs   | 13,670.0                                    | 13,759.2                                    | -0.6                         | 100.0   |

Note: 2014 data is provisional  
Source: HM Revenue & Customs Regional Trade Statistics

Table 8a shows that exports from Wales continue to be dominated by goods from sections 7 and 3. Annual exports from Wales have decreased for three of the top five

SITC sections during the past year. The largest increase in export value was for section 7 (up 1.9 per cent); most of this growth was contributed by division 71 'Power generating machinery & equipment' (up 4.6 per cent), with exports to the United Arab Emirates increasing by 14.4 per cent over the year.

For Wales' second highest export commodity group, section 3, there was a 4.8 per cent per cent decrease in export value during the year, with much of the reduction coming from division 33 'Petroleum, petroleum products & related materials' (down 5.3 per cent); the value of division 33 exports to the Netherlands, Ecuador and Canada declined over the year, although there was an increase in division 33 exports to the USA.

Wales' exports from section 6 decreased by 1.3 per cent during the last year, with the largest reduction coming from division 67 'Iron & steel' (down 3.2 per cent). In contrast, exports from section 8 increased by 3.8 per cent over the 12 months, led by a 14.3 per cent rise in division 82 'Furniture & parts thereof'.

For section 5 there was a decrease of 3.8 per cent in exports during the last year. This fall was led by division 51 'Organic chemicals' (down 14.5 per cent) and division 54 'Medicinal & pharmaceutical products' (down 12.7 per cent).

Thirty-seven of the sixty-five SITC divisions increased in export value over the year. By far the largest annual reduction at division level was in division 33 (see above). The second largest decrease was in division 78 'Road vehicles' (down 24.2 per cent) with exports to the USA down 65.8 per cent.

The commodity groups with the biggest increases at division level were SITC divisions 71 'Power generating machinery & equipment' (see above) followed by division 77 'Electrical machinery, apparatus & appliances' (up 4.6 per cent) where exports to Japan more than trebled over the year.

## Commodity analysis - Scotland

Table 9a: Top five commodities for export from Scotland, year ending September 2014

| SITC section | Description                                       | Year ending September 2014 Total £ millions | Year ending September 2013 Total £ millions | % Change from September 2013 | % Total Exports in year ending September 2014 |
|--------------|---|---|---|------------------------------|---|
| 7            | Machinery & transport equipment                   | 6,029.2                                     | 6,283.2                                     | -4.0                         | 30.7  |
| 1            | Beverages & tobacco                               | 4,720.8                                     | 5,304.1                                     | -11.0                        | 24.0  |
| 6            | Manufactured goods classified chiefly by material | 2,457.2                                     | 2,436.2                                     | 0.9                          | 12.5  |
| 3            | Mineral fuels, lubricants & related materials     | 1,807.1                                     | 1,795.9                                     | 0.6                          | 9.2   |
| 5            | Chemicals & related products                      | 1,736.2                                     | 1,929.6                                     | -10.0                        | 8.8   |
|              | Other SITCs                                       | 2,894.0                                     | 2,987.0                                     | -3.1                         | 14.7  |
|              | All SITCs   | 19,644.5                                    | 20,735.9                                    | -5.3                         | 100.0   |

Note: 2014 data is provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 9a shows that the value of exports has decreased during the year for three of Scotland's top five commodity groups. Scotland's exports continue to be dominated by goods from section 7 'Machinery & transport equipment' and section 1 'Beverages & tobacco', although exports within these sections fell by 4.0 per cent and 11.0 per cent respectively during the year. There has been a change in the top five commodity groups over the last year with section 3 having moved up into fourth position, overtaking section 5.

The largest decrease in Scotland's exports over the year was in section 1 'Beverages & tobacco'. This decline has been evident since the third quarter of 2013; for each of the last five quarters, exports from this section have been lower than in the same quarter of the previous year. However, Scotland remains the most important country in the UK for exports of section 1, taking a 69.6 per cent share of the UK export market in the year ending September 2014. Much of the decrease for Scotland was due to reduced exports of division 11 'Beverages' (down 11.0 per cent with exports to the USA and Singapore down substantially).

Scotland's second largest decrease in exports at section level was in section 7. This was driven by a fall in exports from division 77 'Electrical machinery, apparatus & appliances' with exports to the Netherlands down 64.9 per cent. The other decrease among the top five sections was in section 5 (down 10.0 per cent). Here, the largest reduction came from division 51 'Organic chemicals' (down 36.8 per cent), where exports to Belgium and Germany decreased the most during the year.

The only increases in exports during the year among the top five sections were for section 6 (up 0.9 per cent) and section 3 (up 0.6 per cent). For section 6 there was a substantial rise in exports of division 66 'Non-metallic mineral manufactures' (up 12.7 per cent) while for section 3 most of the increase was contributed by division 33 'Petroleum, petroleum products & related materials' (up 0.4 per cent).

The largest annual value increase at section level was in the exports of Section 0 'Food & live animals', which saw an 8.3 per cent rise over the year. The largest contributors were division 03 'Fish, crustaceans & molluscs' (up 11.6 per cent) and division 08 'Feeding stuff for animals' (up 22.2 per cent).

Thirty-three of the sixty-five SITC divisions decreased in export value during the year. The largest division-level decreases were for SITC division 11 'Beverages' (see above), followed by division 51 'Organic chemicals' (see above) and division 77 'Electrical machinery, apparatus & appliances' (see above). The largest increases at division level were for division 75 'Office machines & automatic data processing machines' (up 42.8 per cent), division 66 'Non-metallic mineral manufactures' (see above) and division 03 'Fish, crustaceans & molluscs' (see above).

## Commodity analysis – Northern Ireland

Table 10a: Top five commodities for export from Northern Ireland, year ending September 2014

| SITC section | Description                                       | Year ending September 2014 Total £ millions | Year ending September 2013 Total £ millions | % Change from September 2013 | % Total Exports in year ending September 2014 |
|--------------|---|---|---|------------------------------|---|
| 7            | Machinery & transport equipment                   | 2,283.9                                     | 2,305.3                                     | -0.9                         | 38.3  |
| 0            | Food & live animals                               | 1,159.8                                     | 1,070.4                                     | 8.3                          | 19.5  |
| 5            | Chemicals & related products                      | 789.9                                       | 757.9                                       | 4.2                          | 13.3  |
| 8            | Miscellaneous manufactured articles               | 651.2                                       | 647.9                                       | 0.5                          | 10.9  |
| 6            | Manufactured goods classified chiefly by material | 542.8                                       | 524.9                                       | 3.4                          | 9.1   |
|              | Other SITCs                                       | 531.0                                       | 533.6                                       | -0.5                         | 8.9   |
|              | All SITCs   | 5,958.5                                     | 5,840.1                                     | 2.0                          | 100.0   |

Note: 2014 data is 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 equipment' although this was the only one of the top five sections that decreased in export value over the last year. Exports from this section decreased marginally over the 12 months (down 0.9 per cent), with a large fall in division 71 'Power generating machinery & equipment' (down 18.6 per cent) which was led by reductions in goods going to Saudi Arabia, the United Arab Emirates and Hong Kong. This decrease was offset by a large rise in division 79 'Other transport equipment' (up 13.5 per cent) with a substantial increase in goods going to Germany.

Section 0 'Food & live animals' experienced the largest section-level increase in exports during the year (up 8.3 per cent), the largest contributors being division 01 'Meat & meat preparations' (up 16.3 per cent) and division 02 'Dairy products & birds' eggs' (up 10.7 per cent). In both cases the increases were driven by large rises in exports to the Irish Republic.

After section 0, the largest annual value increase was for section 5 'Chemicals & related products' (up 4.2 per cent). This was primarily due to growth in exports from division 59 'Chemical materials & products' (up 62.0 per cent) where goods going to

the Irish Republic increased in value by 94.2 per cent. The 3.4 per cent annual increase in exports of section 6 'Manufactured goods classified chiefly by material' was led by division 63 'Cork & wood manufactures' (up 23.3 per cent) and division 69 'Manufactures of metal' (up 9.5 per cent). The marginal increase in exports for section 8 (up 0.5 per cent) was driven largely by a rise in division 84 'Articles of apparel & clothing accessories' (up 22.4 per cent) which was offset by a decrease in division 87 'Professional, scientific & controlling instruments & apparatus' (down 6.2 per cent).

Only three out of the ten SITC sections decreased over the year. The largest section-level decrease was for section 7 (see above), followed by section 3 (down 16.4 per cent). The fall in exports of section 3 was driven by a reduction in division 32 'Coal, coke & briquettes' (down 18.4 per cent) predominantly in goods going to the Irish Republic.

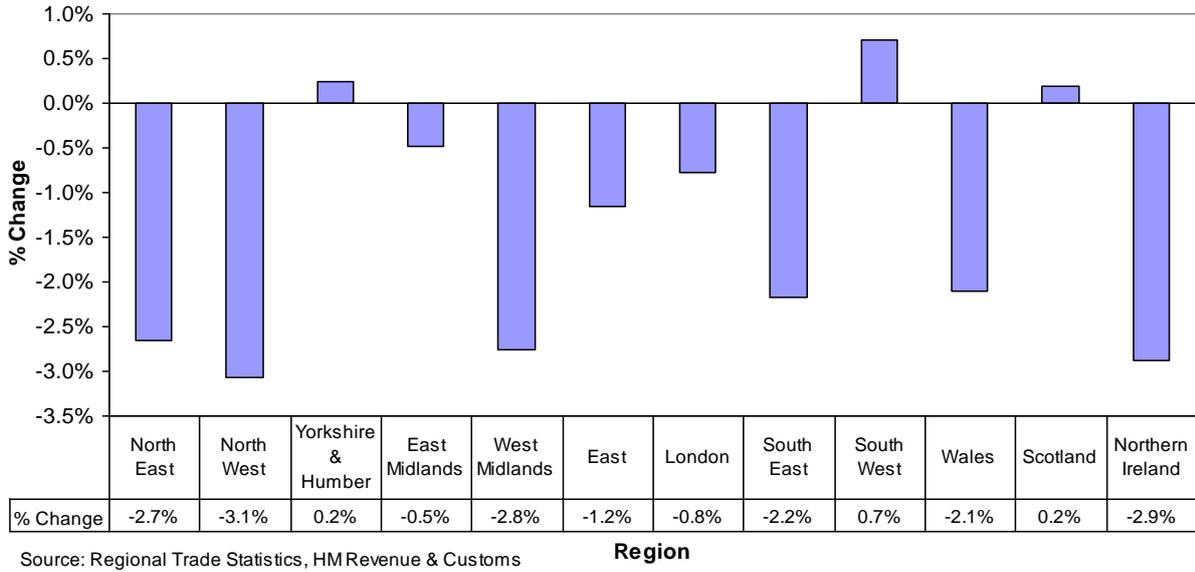
Only twenty-five of the sixty-five SITC divisions decreased in export value during the year. The largest value increases at division level were for division 79 'Other transport equipment', division 01 'Meat & meat preparations' and division 02 'Dairy products & birds' eggs' (see above). After division 71, the biggest value decreases at division level were in division 72 'Machinery specialized for particular industries' (down 10.0 per cent), division 08 'Feeding stuff for animals' (down 17.6 per cent) and division 77 'Electrical machinery, apparatus & appliances' (down 8.3 per cent).

### **Number of Businesses - Exports**

The following analysis compares the number of active exporters in quarter 3 2014 with the number in quarter 3 2013. 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 3 2013 and quarter 3 2014.

**Fig 3a: Percentage Change in Number of Exporters between Q3 2013 and Q3 2014**



Source: Regional Trade Statistics, HM Revenue & Customs

For the UK as a whole, the number of exporting businesses decreased by 1.3 per cent between quarter 3 2013 and quarter 3 2014, from 49,714 to 49,049. This is the fifth quarter in succession in which the number of active exporters has been lower than in the corresponding quarter of the previous year.

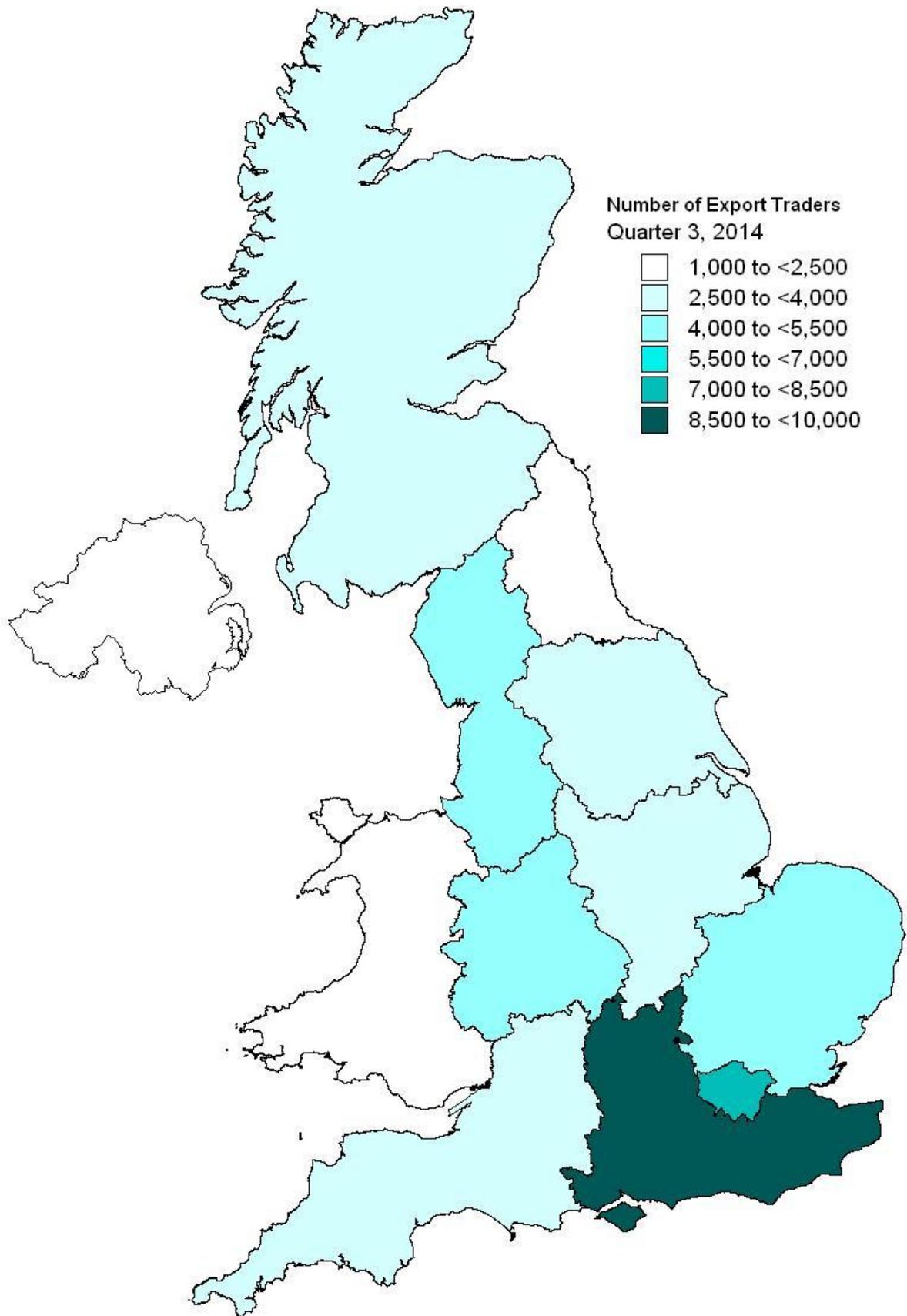
Figure 3a shows that the number of active exporters decreased in all regions of the UK except for Yorkshire & the Humber, the South West and Scotland between quarter 3 2013 and quarter 3 2014. The South West experienced the largest percentage rise in exporting businesses, 0.7 per cent, while the North West saw the largest percentage decline, 3.1 per cent.

For the South East and the East this is the fifth successive quarter in which the number of active exporters has been lower than in the same quarter of the previous year. A similar quarter-on-quarter comparison for the West Midlands shows a decrease in exporters for the last six quarters in succession.

Figure 4a shows the total number of active UK exporters in each region for quarter 3 2014. The South East, London and the East are the three regions with the largest count of businesses, accounting respectively for 17.3 per cent, 17.1 per cent and 11.1 per cent of all UK businesses. For London this proportion has increased steadily over the past three years, while for the South East it has declined. The North East

has the smallest number of exporters, making up 2.2 per cent of the UK's total exporter count.

Fig 4a: Number of UK export businesses by region - Quarter 3, 2014



Note: 2014 data is 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 September 2014

|       | Country      | Year ending September 2014<br>Total<br>£ millions | Year ending September 2013<br>Total<br>£ millions | % Change from September 2013 | % Total Exports in year ending September 2014 |
|-------|--------------|---|---|------------------------------|---|
| Top 5 | Germany      | 50,636.6  | 47,267.6  | 7.1                          | 15.2  |
|       | China        | 28,360.5  | 26,715.2  | 6.2                          | 8.5   |
|       | USA          | 24,723.6  | 25,802.9  | -4.2                         | 7.4   |
|       | Netherlands  | 24,467.3  | 26,447.6  | -7.5                         | 7.3   |
|       | France       | 20,324.1  | 19,669.7  | 3.3                          | 6.1   |
|       | Others       | 184,423.1   | 198,153.4   | -6.9                         | 55.4  |
|       | Total EU     | 179,649.8   | 176,232.2   | 1.9                          | 54.0  |
|       | Total Non-EU | 153,285.4   | 167,824.2   | -8.7                         | 46.0  |
|       | Grand Total  | 332,935.2   | 344,056.4   | -3.2                         | 100.0   |

Note: 2014 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

With England receiving the vast majority of the UK's imports by value, the pattern of imports to England largely determines that for the UK as a whole. However, Table 1b shows that the total value of imports to England decreased by 3.2 per cent during the year ending September 2014; this was bigger than the 1.5 per cent decrease in imports to the UK as a whole. There was some change in England's top five import partner group during the year: imports from the Netherlands decreased, moving the Netherlands down to fourth position, while those from the USA decreased by a smaller amount, moving the USA up into third position.

Germany remains the top import partner for England by a wide margin. Imports from here rose by 7.1 per cent during the year, the biggest value increase by far of all England's import partners. There was a large increase in goods from Germany within SITC division 78 'Road vehicles'. China remains England's second highest import partner with a 6.2 per cent annual increase.

Non-EU partner countries accounted for 46.0 per cent of England's imports during the year; this percentage has fallen from 48.8 per cent in the previous annual period due to an 8.7 per cent decrease in non-EU imports. In contrast, imports from the EU have increased by 1.9 per cent over the year.

The second largest increase in import value over the year was for China, with large rises in imports from SITC division 89 'Miscellaneous manufactured articles' and division 77 'Electrical machinery, apparatus & appliances'. Imports from France also increased over the year; this growth was primarily attributable to SITC division 54 'Medicinal & pharmaceutical products' (up 53.0 per cent) and division 79 'Other transport equipment' (up 47.5 per cent).

The 7.5 per cent decrease in imports from the Netherlands was driven by reductions in goods received from SITC division 33 'Petroleum, petroleum products & related materials' (down 25.7 per cent) and division 51 'Organic chemicals' (down 45.8 per cent). The 4.2 per cent decrease in imports from the USA was led by a decline in SITC division 89 'Miscellaneous manufactured articles' (down 20.7 per cent).

The partner country where the value of imports decreased the most during the year was Norway (down 18.5 per cent). This was predominantly due to a fall in imports from SITC division 33 'Petroleum, petroleum products & related materials' (down 12.8 per cent) and division 34 'Gas, natural & manufactured' (down 38.7 per cent). After Norway, the largest decreases were in imports from Botswana (down 98.4 per cent, with SITC division 66 'Non-metallic mineral manufactures' down 99.1 per cent), the Netherlands (see above) and Switzerland (down 22.9 per cent, with large reductions in SITC division 68 'Non-ferrous metals').

After Germany and China, the partner countries where the value of imports increased most over the 12 months were Spain (up 11.0 per cent) and Italy (up 8.2 per cent). These increases were led by SITC division 78 'Road vehicles' (Spain) and division 51 'Organic chemicals' (Italy).

**Partner country analysis – English regions**

Table 2b: Top five import partners for the English regions, year ending September 2014

|                                   | Top 5 partner countries |             |             |         |             |
|-----------------------------------|-------------------------|-------------|-------------|---------|-------------|
|                                   | 1                       | 2           | 3           | 4       | 5           |
| <b>North East</b>                 | Germany                 | Japan       | France      | China   | USA         |
| <b>North West</b>                 | Germany                 | China       | Netherlands | Belgium | Sweden      |
| <b>Yorkshire &amp; the Humber</b> | China                   | Germany     | Netherlands | USA     | Italy       |
| <b>East Midlands</b>              | Germany                 | China       | USA         | Japan   | France      |
| <b>West Midlands</b>              | Germany                 | Norway      | China       | France  | Netherlands |
| <b>East</b>                       | Germany                 | USA         | Netherlands | France  | China       |
| <b>London</b>                     | USA                     | China       | France      | Germany | Netherlands |
| <b>South East</b>                 | Germany                 | Netherlands | Belgium     | USA     | China       |
| <b>South West</b>                 | USA                     | China       | Netherlands | Germany | France      |

Note: 2014 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 ending September 2014. 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 and China are among the top five import partners for every English region, with Germany now the top import partner for six of the nine regions. The USA is among the top five for all regions apart from the North West and the West Midlands. The Netherlands is in the top five for all regions except the North East and East Midlands. France is among the top five for six of the regions.

There have been a number of changes in the order and membership of the top five over the last year. For the North East, Germany has overtaken Japan to become the top import partner and Belgium has moved out of the top five, while China has moved up into fourth position. For the North West, Germany and China have overtaken the Netherlands. For the East Midlands, Japan has moved up into fourth position, overtaking the Netherlands and France. For the East, the USA has overtaken the Netherlands to become the second largest import partner. For London, Switzerland and Norway have dropped out of the top five after a large reduction in imports from

both these countries during the year; France has moved up from fourth to third position and Germany has moved up into the top five following increases in imports from both these countries over the year. For the South West, China has overtaken the Netherlands and France has entered the top five, pushing out the United Arab Emirates. For the South East, the West Midlands and Yorkshire & the Humber there has been no change in the top five since the previous year.

Imports from Germany have risen for eight of the nine regions, the exception being the South West; the highest growth rates were in the South East (up 11.7 per cent), London (up 8.8 per cent) and the West Midlands (up 8.6 per cent). Imports from China have risen for all regions apart from the South East; the largest annual percentage increases in imports from China were for London (up 11.9 per cent), the West Midlands (up 10.4 per cent) and Yorkshire & the Humber (up 9.3 per cent). Imports from the USA decreased for six of the nine regions, and imports from the Netherlands dropped for five regions.

Three of the nine English regions saw an increase in the value of imports during the year – the East Midlands (up 2.0 per cent), West Midlands (up 3.5 per cent) and Yorkshire & the Humber (up 5.9 per cent). The regions with the largest percentage decreases were the North West (down 9.1 per cent), the North East (down 8.8 per cent) and London (down 8.3 per cent). The growth in imports to the East Midlands was driven by goods coming from Japan (up 36.2 per cent, with large increases in SITC division 78 ‘Road vehicles’) while for the West Midlands the increase was led by imports from Germany (up 8.6 per cent, with SITC division 78 up 25.2 per cent). For Yorkshire & the Humber the rise in import value was led by goods coming from China (up 9.3 per cent with SITC division 77 ‘Electrical machinery, apparatus & appliances’ and division 89 ‘Miscellaneous manufactured articles’ contributing much of the increase).

England’s import trade continues to be dominated by the South East and London; the South East accounted for 26.4 per cent of England’s imports by value during the year, while London accounted for 20.4 per cent. The 8.3 per cent decline in London’s imports was led by a reduction in goods coming from Botswana (down 99.1 per cent), Switzerland (down 37.3 per cent) and Norway (down 34.5 per cent). For the South East there was a decrease of 2.3 per cent in the value of imports; here, a large rise in imports from Germany (up 11.7 per cent) was offset by substantial decreases in the value of goods coming from the Netherlands (down 12.4 per cent).

For the majority of regions most of the import value comes from goods received from within the EU; the only exceptions are London and the South West. The EU market share increased in all regions during the year apart from the East Midlands, the South West and Yorkshire & the Humber. For the East Midlands, a 0.9 per cent rise in EU imports was outstripped by a 3.1 per cent increase in imports from non-EU partners. For Yorkshire & the Humber the pattern was similar, a 4.9 per cent rise in EU imports being exceeded by a 7.1 per cent rise in non-EU imports. For the South West, a negligible rise in non-EU imports (up 0.2 per cent) was coupled with a decrease in EU imports (down 2.7 per cent). These were the only three of the English regions to see an increase in non-EU imports over the year. For most of the other regions there were considerable decreases in goods coming from non-EU partners, the biggest percentage reductions being in London (down 14.4 per cent), the North East (down 17.4 per cent), the North West (down 12.4 per cent) and the East (down 12.3 per cent).

### **Partner country analysis – Wales**

Table 3b: Wales - Top five import partners, year ending September 2014

|       | <b>Country</b> | <b>Year ending September 2014<br/>Total<br/>£ millions</b> | <b>Year ending September 2013<br/>Total<br/>£ millions</b> | <b>% Change from September 2013</b> | <b>% Total Exports in year ending September 2014</b> |
|-------|----------------|--|--|-------------------------------------|--|
| Top 5 | Germany        | 849.8  | 792.7  | 7.2                                 | 11.6   |
|       | China          | 666.0  | 508.2  | 31.0                                | 9.1  |
|       | France         | 633.9  | 611.8  | 3.6                                 | 8.6  |
|       | Canada         | 631.2  | 815.4  | -22.6                               | 8.6  |
|       | USA            | 605.7  | 661.6  | -8.4                                | 8.2  |
|       | Others         | 3,966.4  | 4,021.9  | -1.4                                | 53.9   |
|       | Total EU       | 3,564.0  | 3,363.9  | 5.9                                 | 48.5   |
|       | Total Non-EU   | 3,789.1  | 4,047.8  | -6.4                                | 51.5   |
|       | Grand Total    | 7,353.1  | 7,411.7  | -0.8                                | 100.0  |

Note: 2014 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Imports to Wales decreased in value by 0.8 per cent during the year. This decrease was driven by reductions in goods from non-EU partners, the largest value decreases coming from Canada (down 22.6 per cent), the USA (down 8.4 per cent) and Brazil (down 14.6 per cent). For Canada and Brazil, the decrease was led by a reduction in

SITC division 28 'Metalliferous ores & metal scrap' while for the USA much of the reduction has been in goods from SITC division 32 'Coal, coke & briquettes'.

Germany remains the top import partner for Wales. The 7.2 per cent increase in imports from Germany over the year was led by an increase in SITC division 68 'Non-ferrous metals', which more than doubled in value.

The largest increase in imports was for China (up 31.0 per cent). Over the past year, China has moved up from fifth largest to second largest import partner for Wales. Much of the rise was contributed by growth in imports of division 67 'Iron & steel', division 77 'Electrical machinery, apparatus & appliances' and division 79 'Other transport equipment'. The 3.6 per cent increase in imports from France over the year was led by a rise in SITC division 76 'Telecomms & sound recording & reproducing apparatus & equipment', division 87 'Professional, scientific & controlling instruments & apparatus' and division 77.

Despite the overall reduction in imports to Wales, goods coming from the EU have increased in value over the year (up 5.9 per cent). The largest value increases in EU imports came from Portugal (up more than threefold, with SITC division 76 'Telecomms & sound recording & reproducing apparatus & equipment' increasing dramatically in value) and Germany (see above).

## Partner country analysis – Scotland

Table 4b: Scotland - Top five import partners, year ending September 2014

|       | Country      | Year ending September 2014 Total £ millions | Year ending September 2013 Total £ millions | % Change from September 2013 | % Total Exports in year ending September 2014 |
|-------|--------------|---|---|------------------------------|---|
| Top 5 | USA          | 2,038.3                                     | 1,941.0                                     | 5.0                          | 13.4  |
|       | Norway       | 1,636.9                                     | 1,400.5                                     | 16.9                         | 10.7  |
|       | China        | 1,399.4                                     | 1,117.0                                     | 25.3                         | 9.2   |
|       | Nigeria      | 1,021.5                                     | 1,119.7                                     | -8.8                         | 6.7   |
|       | Netherlands  | 1,020.6                                     | 921.2                                       | 10.8                         | 6.7   |
|       | Others       | 8,124.7                                     | 8,435.1                                     | -3.7                         | 53.3  |
|       | Total EU     | 5,169.7                                     | 5,276.5                                     | -2.0                         | 33.9  |
|       | Total Non-EU | 10,071.9                                    | 9,658.1                                     | 4.3                          | 66.1  |
|       | Grand Total  | 15,241.5                                    | 14,934.5                                    | 2.1                          | 100.0   |

Note: 2014 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Imports to Scotland have increased in value by 2.1 per cent during the year, the largest rise of the four UK countries. There was a rise in import value for four of the top five import partners over the 12 months. A decline in imports from Germany together with an increase in imports from the Netherlands has resulted in the Netherlands moving up from sixth to fifth largest import partner. A decrease in imports from Nigeria combined with an increase for China has led to China moving up from fourth to third largest import partner for Scotland. Imports from non-EU partners now supply almost two-thirds of Scotland's imports by value, this proportion having increased over the past year.

The USA remains Scotland's top import partner, with an increase of 5.0 per cent in imports over the last year. Imports from the USA that increased the most in value were from SITC division 71 'Power generating machinery & equipment' (up 26.0 per cent).

Scotland's imports from China rose by 25.3 per cent during the year; this was the largest value increase among Scotland's partner countries. Much of this growth was contributed by SITC division 75 'Office machines & automatic data processing machines' (up 50.5 per cent).

Imports from Norway increased by 16.9 per cent during the year, with most of the growth coming from SITC division 33 'Petroleum, petroleum products & related materials' (up 16.8 per cent) and division 79 'Other transport equipment' (up 74.2 per cent). The 10.8 per cent rise in imports from the Netherlands during the year was led by division 33 (up 83.0 per cent).

Outside of the top five partners, Scotland saw its largest increases in imports from Singapore (up 62.9 per cent with a very large increase in SITC division 79 'Other transport equipment') and Qatar (a doubling of imports during the year, driven by division 71 'Power generating machinery & equipment').

The largest value decreases over the 12 months were in imports from Algeria (down 91.0 per cent) and France (down 28.9 per cent). For Algeria the decline was mainly due to reductions in division 33 'Petroleum, petroleum products & related materials', while for France the decrease was led by division 51 'Organic chemicals'.

### ***Partner country analysis – Northern Ireland***

Table 5b: Northern Ireland - Top five import partners, year ending September 2014

|       | <b>Country</b> | <b>Year ending September 2014<br/>Total<br/>£ millions</b> | <b>Year ending September 2013<br/>Total<br/>£ millions</b> | <b>% Change from September 2013</b> | <b>% Total Exports in year ending September 2014</b> |
|-------|----------------|--|--|-------------------------------------|--|
| Top 5 | Irish Republic | 1,628.4  | 1,581.9  | 2.9                                 | 27.9   |
|       | China          | 947.4  | 979.9  | -3.3                                | 16.2   |
|       | USA            | 425.0  | 422.1  | 0.7                                 | 7.3  |
|       | Germany        | 360.6  | 329.7  | 9.4                                 | 6.2  |
|       | Netherlands    | 333.3  | 326.8  | 2.0                                 | 5.7  |
|       | Others         | 2,145.7  | 2,123.9  | 1.0                                 | 36.7   |
|       | Total EU       | 3,316.5  | 3,182.7  | 4.2                                 | 56.8   |
|       | Total Non-EU   | 2,523.8  | 2,581.6  | -2.2                                | 43.2   |
|       | Grand Total    | 5,840.4  | 5,764.3  | 1.3                                 | 100.0  |

Note: 2014 data are provisional  
Source: HM Revenue & Customs Regional Trade Statistics

Table 5b shows that the majority of imports to Northern Ireland come from EU partners; the proportion of imports coming from the EU is higher than in England, Wales and Scotland. Northern Ireland's imports from the EU rose by 4.2 per cent in

value during the year, compared with a 2.2 per cent fall for non-EU imports. The most dominant import partner in value terms is the Irish Republic; growth of 2.9 per cent in imports from here during the year has further increased the Irish Republic's share of Northern Ireland's import market.

Northern Ireland has seen a 1.3 per cent increase in the value of its imports during the year. This modest growth has been driven by imports from the Irish Republic (SITC division 66 'Non-metallic mineral manufactures' up 52.9 per cent), Belgium (SITC division 72 'Machinery specialized for particular industries' almost trebling in value), and Germany (SITC division 71 'Power generating machinery & equipment' up fivefold during the year).

China was the only top five import partner with a decrease in imports to Northern Ireland during the year. This reduction of 3.3 per cent was largely due to a decline in goods coming from SITC division 84 'Articles of apparel & clothing accessories' (down 8.6 per cent).

After China, the largest decreases in imports to Northern Ireland were in goods from Bangladesh (down 13.2 per cent) and Hong Kong (down 35.6 per cent). For both these partner countries the decrease was led by a large reduction in SITC division 84 'Articles of apparel & clothing accessories'.

## Commodity analysis - England

Table 6b: Top five commodities for import to England, year ending September 2014

| SITC section | Description                                       | Year ending September 2014 Total £ millions | Year ending September 2013 Total £ millions | % Change from September 2013 | % Total Exports in year ending September 2014 |
|--------------|---|---|---|------------------------------|---|
| 7            | Machinery & transport equipment                   | 124,912.9                                   | 120,680.6                                   | 3.5                          | 37.5  |
| 8            | Miscellaneous manufactured articles               | 54,567.9                                    | 53,064.6                                    | 2.8                          | 16.4  |
| 3            | Mineral fuels, lubricants & related materials     | 40,960.4                                    | 49,473.7                                    | -17.2                        | 12.3  |
| 5            | Chemicals & related products                      | 36,305.1                                    | 37,597.6                                    | -3.4                         | 10.9  |
| 6            | Manufactured goods classified chiefly by material | 35,577.9                                    | 41,633.4                                    | -14.5                        | 10.7  |
|              | Other SITCs                                       | 40,611.2                                    | 41,606.6                                    | -2.4                         | 12.2  |
|              | All SITCs   | 332,935.2                                   | 344,056.4                                   | -3.2                         | 100.0   |

Note: 2014 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 37.5 per cent of total import value; this proportion has risen from 35.1 per cent a year ago. Imports from section 7 have increased by 3.5 per cent during the year, the largest rises coming from SITC division 78 'Road vehicles' (up 10.1 per cent) and division 79 'Other transport equipment' (up 12.6 per cent); these increases were led by goods coming from Germany for division 78 and France and the USA for division 79.

Section 8 was the only other top five section to increase in import value during the year (up 2.8 per cent). Imports increased for all divisions within this section over the 12 months. The largest rise was in division 84 'Articles of apparel & clothing accessories' (up 3.5 per cent, with imports from Sri Lanka up 34.8 per cent).

Section 3 imports declined in value by 17.2 per cent during the year. This was largely due to a reduction of 15.8 per cent in division 33 'Petroleum, petroleum products & related materials', with the largest decreases in imports from Norway, Libya and Nigeria. Division 33 accounted for 10.6 per cent of England's total imports during the year, down from 12.2 per cent in the previous year.

Section 6 imports decreased by 14.5 per cent during the year. The largest decreases were in SITC division 68 'Non-ferrous metals' (down 35.9 per cent, with large reductions in imports from Switzerland) and division 66 'Non-metallic mineral manufactures' (down 41.9 per cent with substantial reductions in goods coming from Botswana). For section 5, the majority of the 3.4 per cent annual decrease was contributed by division 51 'Organic chemicals' (down 17.8 per cent), with the largest decline in imports from the Netherlands.

Twenty-eight of the sixty-five SITC divisions decreased in import value over the 12 months. The largest division-level value decreases were contributed by division 33 'Petroleum, petroleum products & related materials', division 68 'Non-ferrous metals' and division 66 'non-metallic mineral manufactures' (see above). The largest division-level value increases were in imports of division 78 'Road vehicles' and division 79 'Other transport equipment' (see above), followed by division 77 'Electrical machinery & appliances' (up 4.9 per cent).

## Commodity analysis – English regions

Table 7b - Top five commodities for import to English regions, year ending September 2014

| Region                 | Top 5 SITC Sections                     |   |   |   |   |
|------------------------|---|---|---|---|---|
|                        | 1                                       | 2   | 3   | 4   | 5   |
| North East             | 7 - Machinery & transport equipment     | 8 - Miscellaneous manufactured articles               | 6 - Manufactured goods classified chiefly by material | 5 - Chemicals & related products                      | 0 - Food & live animals                               |
| North West             | 5 - Chemicals & related products        | 7 - Machinery & transport equipment                   | 8 - Miscellaneous manufactured articles               | 3 - Mineral fuels, lubricants & related materials     | 6 - Manufactured goods classified chiefly by material |
| Yorkshire & the Humber | 8 - Miscellaneous manufactured articles | 7 - Machinery & transport equipment                   | 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     | 6 - Manufactured goods classified chiefly by material | 3 - Mineral fuels, lubricants & related materials     | 8 - Miscellaneous manufactured articles               | 0 - Food & live animals                               |
| East                   | 7 - Machinery & transport equipment     | 5 - Chemicals & related products                      | 8 - Miscellaneous manufactured articles               | 0 - Food & live animals                               | 3 - Mineral fuels, lubricants & related materials     |
| London                 | 8 - Miscellaneous manufactured articles | 3 - Mineral fuels, lubricants & related materials     | 7 - Machinery & transport equipment                   | 6 - Manufactured goods classified chiefly by material | 0 - Food & live animals                               |
| South East             | 7 - Machinery & transport equipment     | 5 - Chemicals & related products                      | 3 - Mineral fuels, lubricants & related materials     | 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: 2014 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 have been some changes in the order of the top five sections in the last year. The North East has seen an increase in imports from section 8, with this section moving up to second largest import section during the year ahead of sections 6 and 5, which have both decreased in value; section 2 has moved out of the top five, being replaced by section 0. For the North West, imports from section 3 have decreased, moving section 3 down from second to fourth position, while imports from sections 7 and 8 have increased. For the West Midlands, section 6 has moved up to become the second largest import commodity group ahead of section 3. The East has seen a decrease in imports of section 3, which has moved down from third to fifth position. For London, section 8 has become the top import section by value after a decrease in section 3 imports during the year; London's imports from section 6 have reduced dramatically during the year, with section 7 now the third largest import section by

value. For the South East, section 3 imports have decreased over the year, with this section moving down from second to third position.

Section 7 'Machinery & transport equipment' remains the dominant section for imports in six of the nine regions. Six regions have seen an increase in import value for section 7 during the year, the exceptions being the North East (down 0.9 per cent), the South East (down 0.5 per cent) and the South West (down 0.7 per cent). By far the largest increase, both in value and percentage terms, was for London (up 18.5 per cent with division 79 'Other transport equipment' doubling in value). The South East remains the most dominant region for imports of section 7; the marginal decrease in section 7 imports to the South East during the last year was due to a rise coming from division 78 'Road vehicles' (up 10.2 per cent) being offset by a decline in division 76 'Telecomms & sound recording & reproducing apparatus & equipment' (down 16.7 per cent).

Imports from section 8 'Miscellaneous manufactured articles' increased for all nine regions. The biggest value increase was in London (up 2.5 per cent) where the largest rise was in division 84 'Articles of apparel & clothing accessories' (up 6.6 per cent) with the largest increases in goods coming from Sri Lanka. London is the dominant region for imports from section 8, followed by the South East. For the South East there was an increase of 1.8 per cent in section 8 imports during the year with the largest rise in SITC division 81 'Prefabricated buildings; sanitation, plumbing, heating & lighting fixtures' (up 5.7 per cent).

For section 3 'Mineral fuels, lubricants & related materials', import value declined during the year for seven of the nine regions. The largest value decreases were in the East (down 40.6 per cent), the South East (down 16.2 per cent), the North West (down 29.2 per cent) and London (down 9.4 per cent). For London the reduction was largely due to a fall in imports of SITC division 34 'Gas, natural and manufactured' while for the other three of these regions the decrease was mainly attributable to division 33 'Petroleum products & related materials'. The only regions where section 3 imports increased were the East Midlands (up 2.7 per cent) and Yorkshire & the Humber (up 62.6 per cent). For the East Midlands this was due to a rise in imports of division 32 'Coal, coke & briquettes' and division 34 'Gas, natural & manufactured', while for Yorkshire & the Humber the growth was driven by a very large increase in imports of division 33.

Although imports of section 6 'Manufactured goods classified chiefly by material' decreased markedly during the year for England as a whole, only four of the nine regions experienced a decrease over this period – London (down 44.5 per cent), the North East (down 4.5 per cent), the North West (down 1.3 per cent) and the South East (down 1.0 per cent). By far the largest value decrease was for London, where imports of division 68 'Non-ferrous metals' and division 66 'Non-metallic mineral manufactures' reduced considerably. The largest value increase in imports from section 6 was for the West Midlands (up 6.1 per cent), with most of the growth in division 67 'Iron & steel' (up 17.0 per cent).

For section 5 'Chemicals & related products' the South East, the North West and the East remain the top importing regions. The South East and the North West saw annual decreases of 1.8 per cent and 17.5 per cent respectively in imports from this section, while the East saw a marginal increase of 0.3 per cent. Within section 5, the North West experienced its largest decrease in division 54 'Medicinal & pharmaceutical products' while the South East saw its biggest decline in division 51 'Organic chemicals' and division 52 'Inorganic chemicals'. For the East there was an increase in imports of division 54 (up 2.9 per cent) although this was counteracted by a substantial decrease in division 51 (down 12.4 per cent).

For section 0 'Food & live animals', import value increased during the year for three of the nine regions – the South East, the South West and the West Midlands. The largest value increases were in the South East (up 2.0 per cent) and the West Midlands (up 4.4 per cent). Of the six regions which saw a decrease in imports of section 0, five experienced a marked reduction in goods received from division 05 'Fruit & vegetables' while four also saw a decline in division 04 'Cereals & cereal preparations'. These decreases mark a return to more typical levels of imports of these commodities following the large increases during the previous year which were linked to a poor UK harvest. In contrast, seven of the nine English regions have seen increased imports of division 01 'Meat & meat preparations' during the year.

## Commodity analysis – Wales

Table 8b: Top five commodities for import to Wales, year ending September 2014

| SITC section | Description                                       | Year ending September 2014 Total £ millions | Year ending September 2013 Total £ millions | % Change from September 2013 | % Total Exports in year ending September 2014 |
|--------------|---|---|---|------------------------------|---|
| 7            | Machinery & transport equipment                   | 1,870.8                                     | 1,701.0                                     | 10.0                         | 25.4  |
| 5            | Chemicals & related products                      | 1,438.7                                     | 1,377.3                                     | 4.5                          | 19.6  |
| 6            | Manufactured goods classified chiefly by material | 1,403.9                                     | 1,371.7                                     | 2.3                          | 19.1  |
| 2            | Crude materials, inedible, except fuels           | 1,369.6                                     | 1,572.2                                     | -12.9                        | 18.6  |
| 8            | Miscellaneous manufactured articles               | 599.4                                       | 572.5                                       | 4.7                          | 8.2   |
|              | Other SITCs                                       | 670.7                                       | 817.0                                       | -17.9                        | 9.1   |
|              | All SITCs   | 7,353.1                                     | 7,411.7                                     | -0.8                         | 100.0   |

Note: 2014 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 8b shows that imports to Wales increased in four of the top five sections during the year ending September 2014. The largest increase was for section 7 'Machinery & transport equipment' (up 10.0 per cent); this continues the recovery following a large decrease in imports from this section during 2012. The value of imports from section 2 has decreased by 12.9 per cent over the year, with this section moving down from second to fourth highest valued import commodity group. Increases in imports for sections 5 and 6 during the year have resulted in these sections moving up to second and third highest in import value respectively.

The large increase in imports from section 7 was driven by a rise in division 77 'Electrical machinery, apparatus & appliances' (up 24.8 per cent) and division 76 'Telecomms & sound recording & reproducing equipment' (up 69.0 per cent). For division 77 there were substantial increases in goods coming from China, while for division 76 the growth was led by imports from Portugal.

The reduction in imports from section 2 'Crude materials' was led by division 28 'Metalliferous ores & metal scrap' (down 13.8 per cent) where there were large decreases in goods coming from Canada.

The 4.5 per cent rise in the value of imports from section 5 'Chemicals & related products' during the year was driven by increases in division 57 'Plastics in primary forms' (up 12.7 per cent) with the biggest growth in imports from Germany.

The 2.3 per cent increase in imports from section 6 during the year was primarily due to a rise in division 66 'Non-metallic mineral manufactures' (up 45.2 per cent), chiefly in goods coming from Germany and the USA.

Twenty-seven of the sixty-five SITC divisions decreased in import value during the year. The largest decreases were in division 28 'Metalliferous ores & metal scrap' (see above), followed by division 32 'Coal, coke & briquettes' (down 30.0 per cent) and division 78 'Road vehicles' (down 12.1 per cent). The largest increases at division level were in division 77 'Electrical machinery, apparatus & appliances' and division 76 'Telecomms & sound recording & reproducing apparatus & equipment' (see above).

### **Commodity analysis – Scotland**

Table 9b: Top five commodities for import to Scotland, year ending September 2014

| SITC section | Description                                       | Year ending September 2014 Total £ millions | Year ending September 2013 Total £ millions | % Change from September 2013 | % Total Exports in year ending September 2014 |
|--------------|---|---|---|------------------------------|---|
| 7            | Machinery & transport equipment                   | 5,839.4                                     | 5,116.2                                     | 14.1                         | 38.3  |
| 3            | Mineral fuels, lubricants & related materials     | 2,847.3                                     | 3,305.2                                     | -13.9                        | 18.7  |
| 6            | Manufactured goods classified chiefly by material | 2,182.9                                     | 2,012.3                                     | 8.5                          | 14.3  |
| 8            | Miscellaneous manufactured articles               | 1,595.8                                     | 1,599.4                                     | -0.2                         | 10.5  |
| 0            | Food & live animals                               | 1,160.8                                     | 1,264.8                                     | -8.2                         | 7.6   |
|              | Other SITCs                                       | 1,615.4                                     | 1,636.7                                     | -1.3                         | 10.6  |
|              | All SITCs   | 15,241.5                                    | 14,934.5                                    | 2.1                          | 100.0   |

Note: 2014 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 with imports from this section increasing by 14.1 per cent during the

year ending September 2014. This was mainly due to rises in imports of SITC division 79 'Other transport equipment' (up 80.1 per cent) and division 71 'Power generating machinery & equipment' (up 14.2 per cent). Section 7 contributed the vast majority of Scotland's growth in imports over the year; this section now makes up 38.3 per cent of Scotland's import value, up from 34.3 per cent a year ago.

The only other top five section to see an increase in annual import value was section 6 'Manufactured goods classified chiefly by material' (up 8.5 per cent). The growth in section 6 was led by division 69 'Manufactures of metal' (up 25.4 per cent), with a large rise in goods coming from the United Arab Emirates.

The largest section-level value decrease during the year was in imports of section 3 'Mineral fuels, lubricants & related materials', which fell by 13.9 per cent. Here, the biggest reductions were in imports of division 33 'Petroleum, petroleum products & related materials' (down 11.3 per cent) and division 32 'Coal, coke & briquettes' (down 23.2 per cent).

The other top five sections to see a decrease during the year were section 0 'Food & live animals' (down 8.2 per cent) and section 8 'Miscellaneous manufactured articles' (down 0.2 per cent). Much of the decline for section 0 was in division 01 'Meat & meat preparations' (down 16.2 per cent with a large reduction in imports from the Netherlands) and division 04 'Cereals & cereal preparations' (down 12.0 per cent with reductions in imports from France). The decline in section 8 was led by division 87 'Professional, scientific & controlling instruments & apparatus' (down 11.6 per cent, primarily in goods from the USA).

Twenty-nine of the sixty-five SITC divisions decreased in import value during the year. After division 79 'Other transport equipment' and division 71 'Power generating machinery & equipment' the largest value increase was in division 75 'Office machines' (up 11.5 per cent) where imports from China increased substantially. The largest decreases were in division 33 'Petroleum, petroleum products & related materials' and division 32 'Coal, coke & briquettes' (see above), followed by division 51 'Organic chemicals' (down 33.4 per cent, with large reductions in imports from France).

## Commodity analysis – Northern Ireland

Table 10b: Top five commodities for import to Northern Ireland, year ending September 2014

| SITC section | Description                                       | Year ending September 2014<br>Total<br>£ millions | Year ending September 2013<br>Total<br>£ millions | % Change from September 2013 | % Total Exports in year ending September 2014 |
|--------------|---|---|---|------------------------------|---|
| 8            | Miscellaneous manufactured articles               | 1,526.6   | 1,570.6   | -2.8                         | 26.1  |
| 7            | Machinery & transport equipment                   | 1,117.1   | 1,050.7   | 6.3                          | 19.1  |
| 0            | Food & live animals                               | 1,016.5   | 1,034.4   | -1.7                         | 17.4  |
| 6            | Manufactured goods classified chiefly by material | 858.9   | 793.1   | 8.3                          | 14.7  |
| 5            | Chemicals & related products                      | 555.1   | 528.9   | 5.0                          | 9.5   |
|              | Other SITCs                                       | 766.2   | 786.5   | -2.6                         | 13.1  |
|              | All SITCs   | 5,840.4   | 5,764.3   | 1.3                          | 100.0   |

Note: 2014 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Three of Northern Ireland's top five import sections increased in value during the year ending September 2014. The largest section-level value increase was in imports of section 7 'Machinery & transport equipment' (up 6.3 per cent). Here, the biggest growth was in division 72 'Machinery specialized for particular industries' (up 30.4 per cent), led by increases in goods from Belgium and Germany.

Section 8 'Miscellaneous manufactured articles' remains the top import section by value, although its share of Northern Ireland's total imports has fallen from 27.2 per cent to 26.1 per cent over the last year. There was a 2.8 per cent decrease in the value of imports from section 8 over the year; the biggest reduction was in division 84 'Articles of apparel & clothing accessories' (down 5.1 per cent), mainly in goods coming from China and Bangladesh.

For section 6 'Manufactured goods classified chiefly by material' the 8.3 per cent increase in imports over the year was led by large rises in division 66 'Non-metallic mineral manufactures' (up 21.2 per cent) and division 63 'Cork & wood manufactures' (up 15.9 per cent). For both these divisions much of the increase was due to growth in goods received from the Irish Republic.

The 5.0 per cent annual increase in imports from section 5 'Chemicals & related products' was led by rises in division 58 'Plastics in non-primary forms' and division 57 'Plastics in primary forms'. For division 58 the largest increase came in goods from Germany, while for division 57 the biggest increase was in goods from the Netherlands.

Imports of Section 0 'Food and live animals' decreased in value by 1.7 per cent over the year. Most of the decline was in division 04 'Cereals & cereal preparations' (down 30.7 per cent) and division 08 'Feeding stuff for animals' (down 14.2 per cent), although these were offset by a rise in division 01 'Meat & meat preparations' (up 13.5 per cent).

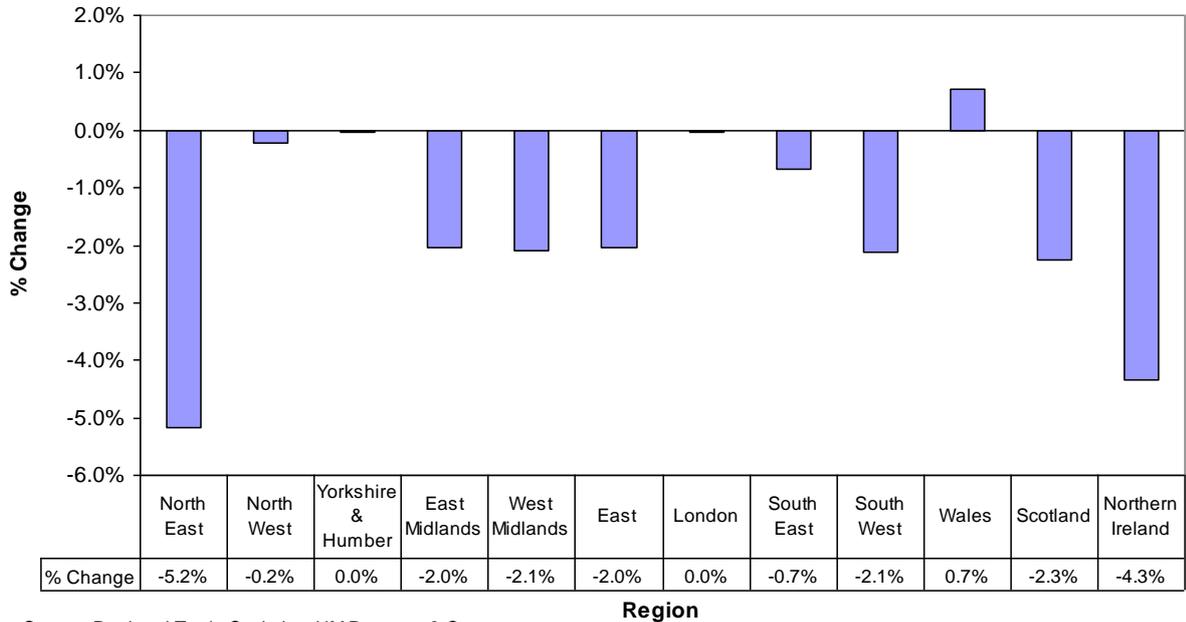
Twenty-eight of the sixty-five SITC divisions decreased in value during the year. The largest increases in import value at division level were in division 72 'Machinery specialized for particular industries' and division 01 'Meat & meat preparations' (see above). The biggest decreases came from division 84 'Articles of apparel & clothing accessories' (see above) and division 11 'Beverages' (down 13.4 per cent, with substantial reductions in goods from the Netherlands and France).

### **Number of Businesses – Imports**

The following analysis compares the number of active importers in quarter 3 2014 with the number in quarter 3 2013. 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 3 2013 and quarter 3 2014.

**Fig 3b: Percentage Change in Number of Importers between Q3 2013 and Q3 2014**



Source: Regional Trade Statistics, HM Revenue & Customs

In the UK as a whole, the number of importing businesses decreased by 1.2 per cent between quarter 3 2013 and quarter 3 2014 from 65,939 to 65,171. However, a considerable portion of the reduction is due to the increase in the Intrastat threshold from January 2014<sup>5</sup>; for quarter 3 2014, traders who import only from EU countries are not included in the count if their total annual imports are less than £1.2 million, whereas the equivalent threshold for quarter 3 2013 was £0.6 million.

Figure 3b shows that the number of active importers decreased in eleven of the twelve UK regions between quarter 3 2013 and quarter 3 2014; Wales was the only region to see an increase. For every region of England and for Northern Ireland, this is the sixth quarter in succession in which the number of importers has decreased compared with the corresponding quarter of the previous year. This is also true for Scotland, with the exception of the previous quarter, and for Wales, with the exception of the latest quarter. The biggest percentage decreases were in the North East (down 5.2 per cent), Northern Ireland (down 4.3 per cent) and Scotland (down 2.3 per cent). The smallest decreases were in Yorkshire & the Humber, where the number of importers only decreased by one business, and London, where the number of importers only decreased by four businesses.

<sup>5</sup> See [announcement](#) on uktradeinfo.com

Figure 4b shows the total number of active UK importers in each region for quarter 3, 2014. London, the South East and the East are the three regions with the largest count of importers, accounting for 19.4 per cent, 17.2 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 1.9 per cent of all UK importers. The proportion of UK importers in each region has remained similar over the past year, with the exception of London where the proportion has increased from 19.1 per cent in quarter 3 of 2013.



## Notes

1. The latest statistics on Regional Trade were released on 04 December 2014 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 3 2014. At the same time revisions for all previously published regional data for 2014 are also being released. All RTS data excludes non-monetary gold, which is now being included in OTS data from 2005 onwards.
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 unless the export is assigned to a specific branch. 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/NonEUOverseasTrade/AboutOverseasTradeStatistics/User%20support/RTS\\_Methodology\\_Revision\\_2013.pdf](https://www.uktradeinfo.com/Statistics/NonEUOverseasTrade/AboutOverseasTradeStatistics/User%20support/RTS_Methodology_Revision_2013.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. The TURN or EORI number 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 were not allowed to retain Branch IDs; this has adversely affected RTS, with the majority of trade now 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 has been reduced, while the recorded trade for regions containing the head office(s) of that business has increased.

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, and are published as a [Government Statistical Service Quality report](#).
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/assessment-reports/assessment-report-93---uk-trade-in-goods.pdf>

Statistical contact:

Andrew Watson 03000 594162  
e-mail [uktradeinfo@hmrc.gsi.gov.uk](mailto:uktradeinfo@hmrc.gsi.gov.uk)

*The OTS and RTS data series are published in HMRC's trade data website [www.uktradeinfo.com](http://www.uktradeinfo.com). Detailed data is available within an [interactive database](#) and '[The Customer Story](#)' explains how users utilise it to analyse import and export markets.*

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