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Non-EU Overseas Trade Statistics November 2013

Summary

- The UK's non-EU exports for November 2013 are £12.5 billion. This is a decrease of £0.8 billion (6.3 per cent) compared to October 2013. It is an increase of £0.5 billion (4.4 per cent) compared to November 2012.
- The UK's non-EU imports for November 2013 are £16.0 billion. This is a decrease of £0.6 billion (3.8 per cent) compared to October 2013. It is also a decrease of £0.5 billion (3.3 per cent) compared to November 2012.
- The UK remains a net importer (imports are greater than exports). The size of the difference between imports and exports is £3.5 billion. This is an increase of £0.2 billion (6.9 per cent) compared to October 2013. However, it is a decrease of £1.1 billion (23.6 per cent) compared to November 2012.



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 OTS are published monthly, providing detailed data for over 9,000 commodities and 200 partner countries. The RTS are published quarterly showing trade at summary product and country level, split by UK regions.

The OTS and RTS data series are published in HMRC's trade data website <u>www.uktradeinfo.com</u>. Detailed data is available within an <u>interactive database</u> and <u>'The User Story'</u> explains how users utilise it to analyse import and export markets.

Key Points

For the month of November 2013:

The value of exports and imports both decreased in November 2013 compared with the previous month, with exports falling at a faster rate. Consequently the difference between non-EU imports and exports (the trade gap) has increased by 6.9 per cent.

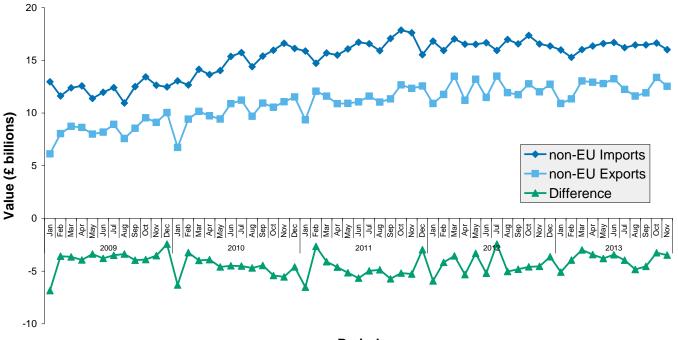


Fig. 1: Total Monthly UK Trade with non-EU Countries

Source: HM Revenue & Customs Overseas Trade Statistics Note: 2013 data are provisional Period

Exports

- The UK's non-EU exports for November 2013 are £12.5 billion. This is a decrease of £0.8 billion (6.3 per cent) compared to October 2013. However, it is an increase of £0.5 billion (4.4 per cent) compared to November 2012.
- The top five commodities are the same as last month, although their order has changed. HS2 30 (Pharmaceutical products) has dropped to fourth place, from third.
- The largest contributing commodity group remains HS2 84 (Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof). In November it contributed £2.5 billion, 20.3 per cent of the total value of UK's non-EU export trade. The largest contribution to this chapter was £1.1 billion from HS4 8411 (Turbo-jets, Turbo-propellers and other gas turbines).
- There were decreases in 54 per cent of all chapters, although three of the top five chapters increased in value. The largest decrease was in the second biggest chapter by value, HS2 87 (Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof), down £239.8 million (11.5 per cent) to £1.8 billion.
- The largest value increase from the previous month was in the third biggest export chapter (up from fourth), HS2 27 (Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes), which rose by £37.4 million (4.1 per cent) to £958.4 million.
- The USA remains the UK's largest non-EU export partner country, accounting for 25.3 per cent of the total value of UK's non-EU export trade. This is despite the USA having the largest decrease in exports, of £511.6 million (13.9 per cent). China remains in second place, with an 8.1 per cent share of exports, while the United Arab Emirates has risen to fourth place to enter the top five.
- The largest increase in non-EU exports was to the third placed country, South Korea, up from fourth. The rise of £264.8 million (52.3 per cent) takes exports to South Korea to a record high of £771.3 million.
- The total 2013 year to date value of the UK's goods exported to non-EU countries, excluding November 2013, is £123.4 billion, which has been upwardly revised by £65.8 million. This is an increase of less than 0.1 per cent.

Imports

- The UK's non-EU imports for November 2013 are £16.0 billion. This is a decrease of £0.6 billion (3.8 per cent) compared to October 2013. It is also a decrease of £0.5 billion (3.3 per cent) compared to November 2012.
- The top five commodities are similar to the previous month although HS2 88 (Aircraft, spacecraft, and parts thereof) has risen from fifth to fourth place forcing HS2 61 (Articles of apparel and clothing accessories, knitted or crocheted) into fifth place.
- The largest commodity group remains HS2 27 (Mineral fuels). In November 2013 it contributed £2.9 billion, 18.2 per cent of the total value of non-EU imports to the UK despite being the chapter with the largest value decrease of £257.8 million (8.1 per cent) compared with October 2013. The largest contribution to this chapter was £1.4 billion from HS4 2709 (Petroleum oils and oils obtained from bituminous minerals, crude).
- The largest value increase from last month was for the second biggest import chapter, HS2 84 (Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof), up £123.9 million (5.4 per cent) to £2.4 billion.

- China remains the UK's largest non-EU import partner country in November 2013 with a total import trade of £3.0 billion, accounting for 19.1 per cent of the total value of UK's non-EU import trade. The USA now accounts for 16.5 per cent of the total value of imports.
- The largest decrease in imports into the UK compared to October 2013 was from Russia which fell by £429.6 million (46.3 per cent) to £499.0 million. This follows a large increase last month, which took this country to fourth place. However, the decrease this month takes Russia outside the top five to eighth place.
- The largest value increase in imports compared to October 2013 was from South Korea, which rose by £136.3 million (47.1 per cent) to £425.8 million, climbing from thirteenth to eleventh place.
- The total 2013 year to date value of the UK's goods imported from non-EU countries, excluding November 2013, is £162.7 billion, which is unchanged since last month.

Further Analysis: Exports

Table 1 shows a comparison of the top five commodities by value exported to countries outside the EU for November 2013, October 2013 and November 2012.

Table 1: Top 5 commodities in UK's non-EU exports in November 2013 compared to October 2013 and November 2012

Description	2013 Total £ millions	from October 2013	from November 2012	November 2013 Exports	Rank October 2013	Rank November 2012
Total Exports	12,533.1	-6.3	4.4	100.0	n/a	n/a
Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	2,540.6	1.2	4.4	20.3	1	1
Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof	1,840.4	-11.5	10.1	14.7	2	2
Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	958.4	4.1	388.1	7.6	4	15
Pharmaceutical products	865.6	-9.4	-5.1	6.9	3	3
Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	837.7	3.2	-0.8	6.7	5	4
	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes Pharmaceutical products Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	Nuclear reactors, boilers, machinery and mechanical2,540.6appliances; parts thereof2,540.6Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof1,840.4Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes958.4Pharmaceutical products865.6Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound reproducers, and parts and accessories of such articles837.7	Nuclear reactors, boilers, machinery and mechanical2,540.61.2appliances; parts thereof2,540.61.2Vehicles other than railway or tramway rolling-stock, and parts1,840.4-11.5and accessories thereof1,840.4-11.5Mineral fuels, mineral oils and products of their distillation; bituminous958.44.1Substances; mineral waxes958.44.1Electrical machinery and equipment and parts thereof; sound reproducers, television image and sound reproducers, and parts and accessories of837.73.23.2	Nuclear reactors, boilers, machinery and mechanical2,540.61.24.4appliances; parts thereof2,540.61.24.4appliances; parts thereof1,840.4-11.510.1vehicles other than railway or tramway rolling-stock, and parts and accessories thereof1,840.4-11.510.1Mineral fuels, mineral oils and products of their distillation; bituminous958.44.1388.1Substances; mineral waxes958.44.1388.1Pharmaceutical products865.6-9.4-5.1Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles837.73.2-0.8	Nuclear reactors, boilers, machinery and mechanical 2,540.6 1.2 4.4 20.3 appliances; parts thereof Vehicles other than railway or tramway rolling-stock, and parts 1,840.4 -11.5 10.1 14.7 and accessories thereof Mineral fuels, mineral oils and products of their distillation; 958.4 4.1 388.1 7.6 substances; mineral waxes Pharmaceutical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound reproducers, and parts and accessories of such articles	Nuclear reactors, boilers, machinery and mechanical 2,540.6 1.2 4.4 20.3 1 appliances; parts thereof 2 Vehicles other than railway or tramway rolling-stock, and parts 1,840.4 -11.5 10.1 14.7 2 and accessories thereof 3 Mineral fuels, mineral oils and products of their distillation; 958.4 4.1 388.1 7.6 4 substances; mineral waxes 3 Pharmaceutical 865.6 -9.4 -5.1 6.9 3 Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound reproducers, and parts and accessories of such articles 3

Note: 2013 data are provisional

Commodity Analysis: comparison with previous month

The overall fall in exports **compared to October 2013** is composed of decreases in 54 per cent of HS2 chapters. The total export trade value has decreased by £0.8 billion (6.3 per cent) to £12.5 billion. Three of the top five commodity types increased in value, although these increases were offset by the two decreases. There were four chapters with decreases of over £100 million, and no increases of this magnitude.

The largest decrease was £239.8 million in the second chapter in the top five, HS2 87 (Motor vehicles), down by 11.5 per cent. This was driven by a fall of £185.5 million (10.6 per cent) in HS4 8703 (Motor vehicles for the transport of <10 persons). This was led by falls of £62.6 million (12.2 per cent) in exports to China, and £57.3 million (29.6 per cent) to Russia.

The second largest decrease was for the thirteenth largest chapter, down from ninth. HS2 29 (Organic chemicals) fell by £166.1 million (41.8 per cent), led by a fall of £119.9 million (95.0 per cent) in exports to Canada.

The third largest decrease was in HS2 88 (Aircraft, spacecraft, and parts thereof), down by £129.6 million (22.2 per cent) to £455.6 million. This was led by falls of £66.3 million (30.4 per cent) in HS4 8802 (Powered aircraft) and 58.3 million (16.3 per cent) in HS4 8803 (Aircraft parts).

The fourth largest decrease was for HS2 28 (Inorganic chemicals), down £105.3 million (68.2 per cent). This was dominated by a fall in exports to the USA, of £90.3 million (82.7 per cent).

These were the only decreases over £100 million. The next largest was for the fourth biggest export chapter, HS2 30 (Pharmaceutical products), down £90.1 million.

There were no increases over £100 million. The largest was just £37.4 million (4.1 per cent) in HS2 27 (Mineral fuels). This was composed of a rise of £219.8 million (55.7 per cent) in HS4 2709 (Crude oil), balanced by a fall of £156.8 million (33.6 per cent) in HS4 2710 (Refined oil).

Commodity Analysis: Comparison against the same month in the previous year

Compared to November 2012, the total export trade value increased by £0.5 billion (4.4 per cent), with 54 per cent of all HS2 chapters showing increases and 46 per cent showing decreases. Three of the top five chapters increased in value. There were three increases of over £100 million, and two decreases of over £100 million.

The largest value increase was for the third biggest chapter, HS2 27 (Mineral fuels). This had a near five-fold increase of £762.0 million, from a record low in November 2012. The rise was composed of increases of £614.1 million in HS4 2709 (Crude oil), from less than £1 million, and £152.8 million (97.3 per cent) in HS4 2710 (Refined oil). The rise in crude oil exports is led by an increase of £490.6 million to South Korea, from zero. The rise in refined oil is led by an increase of £142.5 million (more than double) in exports to the USA.

The second largest value increase was in the second biggest chapter, HS2 87, which rose by £168.5 million (10.1 per cent). This was dominated by a rise of £236.8 million (17.8 per cent) in HS4 8703 (motor vehicles for <10 people), led by an increase of £167.2 million (59.2 per cent) to China.

The third largest increase was in the top chapter, HS2 84 (Mechanical appliances), up by £106.3 million (4.4 per cent), led by a rise of £89.1 million (8.6 per cent) in HS4 8411 (Turbojets, turbopropellers and other gas turbines).

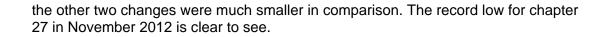
There were no other increases over £100 million. The next biggest increase was £58.6 million for HS2 90 (Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof).

The largest decrease was for HS2 97 (Works of art, collectors' pieces and antiques), down by £241.7 million (44.3 per cent). This was led by a fall of £119.7 million (38.7 per cent) in HS4 9701 (Paintings and drawings executed entirely by hand), driven by a fall of £122.6 million (81.2 per cent) to Switzerland.

The second largest decrease was for HS2 29 (Organic chemicals), down by £115.9 million (33.4 per cent). This is led by falls of £62.9 million (42.4 per cent) in exports to the USA, and £57.7 million (91.7 per cent) to Singapore.

There were no other decreases over £100 million. The next biggest fall was £88.3 million for HS2 73 (Articles of iron or steel).

Figure 2 below shows the top five commodities for the UK's non-EU exports in November 2013, compared to October 2013 and November 2012. It shows how the decreases in chapters 87 and 30, when compared to October 2013, are substantially greater than all the other changes, leading to the total fall in exports for November 2013. Compared to November 2012, the top three chapters had large increases, while



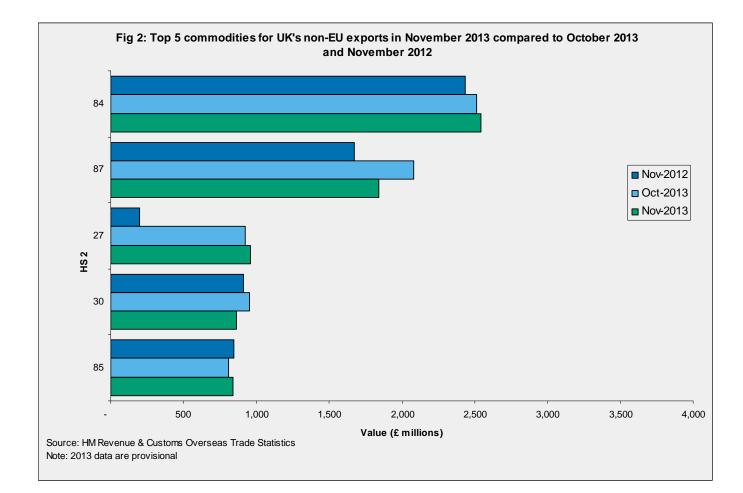


Table 2 shows a comparison of the value of UK non-EU export trade with our top five export trading partners for November 2013, October 2013 and November 2012.

	November	% change from	% Change from	% of total November	Rank	Rank
Country	2013 Total £ millions	October 2013	November 2012	2013 Exports	October 2013	November 2012
Total Exports	12,533.1	-6.3	4.4	100.0	n/a	n/a
USA	3,168.2	-13.9	0.4	25.3	1	1
China	1,018.6	-7.5	18.1	8.1	2	2
South Korea	771.3	52.3	249.6	6.2	4	15
United Arab						
Emirates	564.0	18.7	33.2	4.5	6	8
Russia	441.0	-13.6	-10.2	3.5	3	4

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Source: HM Revenue & Customs Overseas Trade Statistics Note: 2013 data are provisional

For all three periods the USA was the UK's largest non-EU export partner country, with China second. This month has seen the United Arab Emirates rise to fourth from sixth place, while Canada has fallen from fifth to tenth. Compared to last month there were decreased exports to three of the top five partner countries, while compared to November 2012, only Russia decreased in export value.

Country Analysis: comparison with previous month

Compared to October 2013, there was decreased trade to 53 per cent of our export partners. There were three countries to which exports fell by £100 million or more, and one increase above this level. Three of the top five countries fell in export value.

The largest decrease in exports was to the UK's largest export partner, the USA, experiencing a fall of £511.6 million (13.9 per cent). This accounts for 60.4 per cent of the total net decrease. This follows a large increase last month, and is led by falls of £140.6 million (28.4 per cent) in exports for HS2 30 (Pharmaceutical products) and £90.3 million (82.7 per cent) in HS2 28 (Inorganic chemicals).

The second largest decrease was in exports to Canada, down by £146.8 million (30.0 per cent) to fall from fifth to tenth place. This was dominated by a fall of £119.9 million (95.0 per cent) in HS2 29 (Organic chemicals). Last month's exports to Canada were the second highest on record.

The third largest decrease was in exports to Botswana, down by £135.6 million (99.2 per cent). This was dominated by a fall of £135.2 million in exports of diamonds in HS4 7102. Export trade with Botswana is driven by the trade in diamonds, which by its nature is very volatile.

These were the only decreases over £100 million. The next highest was £84.1 million (35.3 per cent) to Brazil.

The only increase over £100 million was in exports to South Korea, up by £264.8 million (52.3 per cent). This was dominated by a rise of £205.8 million (72.2 per cent) in exports of HS2 27 (Mineral fuels), the second successive large increase in this chapter, taking both chapter and total export value to South Korea to their highest value on record.

This was the only increase over £100 million. The next biggest increase was to the United Arab Emirates, up by £88.8 million (18.7 per cent), to climb from sixth to fourth place.

Country Analysis: comparison against the same month in the previous year

Compared to October 2012, there was an increase of £0.5 billion (4.4 per cent) in total exports. Over half (52 per cent) of the UK's export partner countries experienced decreases in export value, but the size of the increases was generally greater than the decreases. There were three increases in excess of £100 million, and one decrease above this level.

The largest increase was in exports to South Korea, up by £550.7 million (250.0 per cent). As with the comparison with last month, this was driven by a rise of £490.9 million in exports of HS2 27 (Mineral fuels), from less than £1 million in November 2012. The increase to South Korea compared with November 2012 is greater than the overall net increase.

The second largest increase was for China, which rose by £155.8 million (18.1 per cent). This was driven by an increase of £167.6 million (56.4 per cent) in HS2 87 (Motor vehicles).

The third largest increase was to the United Arab Emirates, up by £140.7 million (33.2 per cent). This was driven by a two-fold rise of £113.6 million in HS2 84 (Mechanical appliances).

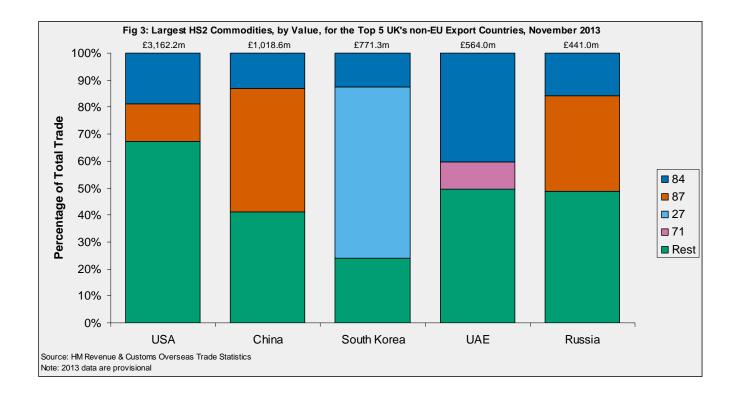
These were the only increases over £100 million. The next highest was for Chile, which rose by £84.5 million, a three-fold rise.

The largest decrease, and the only one over £100 million, was for exports to Switzerland, down £245.9 million (37.2 per cent). This was driven by falls of £144.6 million (76.5 per cent) in HS2 97 (Art and antiques), and £110.4 million (58.4 per cent) in HS2 71 (Precious stones, metals, pearls and jewellery).

The next largest decrease was for Singapore, down £91.6 million (21.1 per cent).

Figure 3 shows the two largest commodities by value exported from the UK to each of its top five non-EU export partner countries. This month, all of the top five countries had HS2 84 (Mechanical appliances) in their top two chapters, accounting for 44.3 per cent of the total value of UK non-EU export trade for this chapter.

Three of the top five countries had HS2 87 (Motor vehicles) as one of the top two largest exported commodities, accounting for 57.6 per cent of the UK's total exports in this chapter. Also, the export of HS2 27 (Mineral fuels) to South Korea accounts for 51.2 per cent of the UK's total exports in this chapter.



Further Analysis: Imports

Table 3 shows a comparison of the top five commodities imported from countries outside the EU for November 2013, October 2013 and November 2012.

Table 3: Top 5 commodities in UK's non-EU imports in November 2013 compared to October 2013 and	
November 2012	

HS 2	Description	November 2013 Total £ millions	% Change from October 2013	% Change from November 2012	% of Total November 2013 Imports	Rank October 2013	Rank November 2012
-	Total Imports	16,010.8	-3.8	-3.3	100.0	n/a	n/a
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	2,911.4	-8.1	-21.4	18.2	1	1
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	2,433.0	5.4	8.1	15.2	2	2
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	1,642.7	1.3	9.8	10.3	3	3
88	Aircraft, spacecraft, and parts thereof	682.8	2.4	47.0	4.3	5	7
61	Articles of apparel and clothing accessories, knitted or crocheted HM Revenue & Customs Oversea	623.7	-9.1	11.2	3.9	4	5

Source: HM Revenue & Customs Overseas Trade Statistics

Note: 2013 data are provisional

Commodity Analysis: comparison with previous month

The value of imports decreased by £624.3 million (3.8 per cent) **compared to October 2013.** There were decreases in 55 per cent of the HS2 commodity chapters. There was one increase and one decrease over £100 million. Two of the top five import chapters decreased on last month.

The largest value decrease from the previous month was for the top chapter HS2 27 (Mineral fuels), down £257.8 million (8.1 per cent). The increase was dominated by a fall of £314.6 million (17.8 per cent) in imports of HS4 2709 (Crude oil). This was led by a decrease of £353.9 million (36.7 per cent) in imports from Norway.

This was the only decrease over £100 million. The next largest value decrease from the previous month was £75.7 million (13.2 per cent) for HS2 87 (Motor vehicles), dominated by a £76.5 million decrease from Turkey. There was also a decrease of £73.0 million (14.7 per cent) in imports of HS2 62 (Articles of apparel and clothing accessories, not knitted or crocheted).

The only increase over £100 million was for the second largest chapter HS2 84 (Mechanical appliances) which rose by £123.9 million (5.4 per cent). This increase was

spread across a number of different countries, the largest of which was for the United Arab Emirates up £67.4 million (82.5 per cent).

There were no other increases over £100 million. The next largest increase was only £20.7 million for HS2 85 (Aircraft, spacecraft, and parts).

Commodity Analysis: comparison with the same month in the previous year

When **compared to November 2012**, total import value decreased by £548.0 million (3.3 per cent). However, only 30 per cent of the HS2 commodity chapters decreased in value, but the magnitude of the decreases was much larger than those of the increases. There were three chapters with decreases of over £100 million and four with increases over this value.

The biggest decrease was a fall of £790.6 million (21.4 per cent) in the top import chapter, HS2 27 (Mineral fuels). This was driven by a decrease of £641.2 million (30.7 per cent) in HS4 2709 (Petroleum oils), which was led by falls in imports from Norway, down £398.5 million (39.5 per cent) and Nigeria down £292.4 million (63.8 per cent).

The second largest decrease was a fall of £742.6 million (58.0 per cent) in the sixth biggest import chapter, HS2 71. This was driven by decreases of £293.6 million (77.1 per cent) from Switzerland and £102.0 million (69.7 per cent) from Taiwan.

The third biggest decrease was £138.0 million (45.8 per cent) for HS2 29 (Organic chemicals). This was driven by a fall of £100.8 million (88.6 per cent) in imports from Singapore.

These were the only decreases over £100 million. The next biggest decrease was £27.7 million for HS2 97 (Works of art, collectors' pieces and antiques).

The largest value increase from November 2012 was for HS2 88 (Aircraft, spacecraft, and parts thereof), up £218.2 million (47.0 per cent). This was dominated by a rise of £242.4 million (a doubling) in imports from the USA.

The second biggest increase was a rise of £182.7 million (8.1 per cent) in the second biggest import chapter, HS2 84 (Mechanical appliances). This was spread over a number of import countries, led by an increase of £67.6 million (12.7 per cent) in imports from the USA.

The third biggest increase was for HS2 85 (Electronic equipment) up £145.9 (9.8 per cent). This was led by a rise of £107.1 million in imports from China.

The fourth largest increase was a rise of £121.2 million from £3.3 million to £124.5 million for HS2 89 (Ships, boats and floating structures). This was driven by a rise of £95.8 million from zero trade in November 2012 in imports from the Cayman Islands.

The next biggest increase was £68.3 million (21.4 per cent) for HS2 95 (Toys, games and sports requisites; parts and accessories thereof).

Figure 4 below shows the top five commodities for the UK's non-EU imports in November 2013, compared to October 2013 and November 2012. It shows that chapter 27 has significantly decreased in comparison with both October 2013 and November 2012. In contrast, chapters 84, 85 and 88 increased in comparison with both October 2013 and November 2012. However, chapter 61 increased in comparison with November 2012 but decreased in comparison with October 2013. This chart also illustrates how there were more increases compared with both previous periods, but the scale of the decreases was much larger.

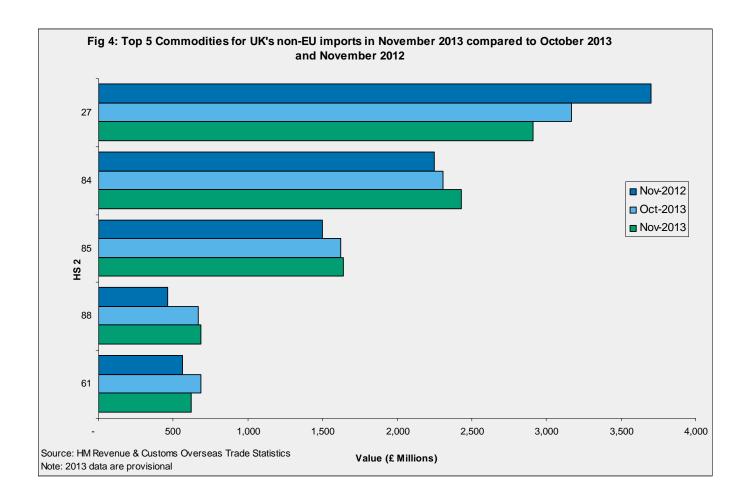


Table 4 shows comparisons of the value of UK non-EU import trade from our top five import trading partners for November 2013, October 2013, and November 2012. Imports from four of the top five trading partners decreased in November 2013 compared to the previous month and three countries experienced falls in comparison with November 2012.

	November 2013 Total	% change from October	% Change from November	% of Total November 2013	Rank October	Rank November
Country	£ millions	2013	2012	Imports	2013	2012
Total Imports	16,010.8	-3.8	-3.3	100.0	n/a	n/a
China	3,056.7	-4.0	16.4	19.1	1	1
USA	2,637.6	-0.4	5.9	16.5	2	2
Norway	1,000.0	-22.3	-35.0	6.2	3	3
Hong Kong	608.8	-19.4	-9.6	3.8	5	6
Switzerland	608.3	1.8	-32.0	3.8	8	4

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Note: 2013 data are provisional

The top three countries are unchanged from last month, with China remaining ahead of the USA for a fifth month. Hong Kong rose to fourth from fifth place, while Switzerland moved from eighth to fifth place. Russia fell out of the top five to eighth place. China, the USA, and Norway have been the UK's largest import partners for a number of years, collectively accounting for 41.8 per cent of the UK's import trade.

Country Analysis: comparison with previous month

Compared to October 2013, the decrease in the value of imports is composed of decreases in exactly half (50 per cent) of the UK's import partner countries but the magnitude of the decreases were greater than that of the increases. Five countries had decreases of £100 million or more, while only one had an increase above this level.

The biggest decrease in the value of imports was from Russia, down £429.6 million (46.3 per cent) to £499.0 million. Last month was the second highest import value on record, while this month is the lowest since June 2013. The decrease is dominated by a fall of £341.3 million (50.6 per cent) in HS2 27 (Mineral fuels), driven by falls of £162.2 million (67.2 per cent) in crude oil (HS4 2709) and £147.2 million (44.1 per cent) in refined oil (HS4 2710). This takes Russia from fourth to eighth place.

The second biggest decrease in the value of imports was from the third biggest import country, Norway, down £287.0 million (22.3 per cent) to £1.0 billion. This decrease is also driven by falls in HS2 27 (Mineral fuels), down £285.6 million (26.3 per cent). This is dominated by a fall of £353.9 million (36.7 per cent) in crude oil (HS4 2709).

The third biggest decrease was from Hong Kong, down £146.5 million (19.4 per cent) to £608.8 million. Despite this fall, Hong Kong has risen from fifth to fourth place, due to the large fall for Russia. Last month was a three year high for imports from Hong Kong. The decrease is led by falls of £45.9 million (33.7 per cent) in HS2 84 (Mechanical appliances) and £42.4 million (43.3 per cent) in HS2 95 (Toys, games and video consoles). In both cases, this follows large increases last month.

The fourth biggest decrease in the value of imports was from India, down £130.5 million (21.8 per cent) to £469.6 million. The fall is spread over several chapters, led by a fall of £44.1 million (64.5 per cent) in HS2 27 (Mineral fuels).

The next biggest decrease in the value of imports was from the top import country, China, down £126.7 million (4.0 per cent) to £3.1 billion. This is driven by clothing imports, with falls of £45.2 million (22.6 per cent) in HS2 62 (Articles of clothing, not knitted or crocheted) and £39.0 million (15.5 per cent) in HS2.61 (Articles of clothing, knitted or crocheted).

Just outside the £100 million level, there was also a large fall in the value of imports from Algeria, down by £91.3 million (39.5 per cent), with imports of HS2 27 (Mineral fuels) falling by £87.8 million (38.9 per cent).

The largest increase in imports was from South Korea, up by £136.3 million (47.1 per cent) to £425.8 million this month. This is dominated by imports of refined oil (HS4 2710), up £116.6 million (almost five-fold). This is the highest import value on record for South Korea, ahead of November 2008's total of £362.6 million.

This was the only increase over £100 million, but just outside this level, the second biggest increase in the value of imports was from the Cayman Islands, up £95.9 million from under £1 million. This was almost entirely due to imports in HS2 89 (Ships, boats and floating structures).

Country Analysis: comparison with the same month in the previous year

Compared to November 2012 there was a decrease of £548.0 million (3.3 per cent) in the total value of imports. This was composed of 48 per cent of the UK's import partner countries decreasing in value, but the decreases being generally larger in value than the increases. There were six decreases and five increases in excess of £100 million. Three of the UK's top five import trading partners for November 2013 have decreased when compared to November 2012, and two have increased.

The largest decrease in the value of imports was for Norway, down by £537.3 million (35.0 per cent), accounting for 98.1 per cent of the total net decrease. This is dominated by a fall of £540.3 million (40.3 per cent) in HS2.27 (Mineral fuels). This was composed of falls of £398.5 million (39.5 per cent) in crude oil (HS4 2709) and £119.3 million (42.8 per cent) in petroleum gas (HS4 2711). This is the lowest monthly import from Norway since May 2009.

Three of the remaining five decreases over £100 million were driven by imports of oil and gas in HS2 27. These were Nigeria, down £296.1 million (63.2 per cent); Russia, down by £174.3 million (25.9 per cent); and the United Arab Emirates, down by £104.7 million (31.4). These were driven by falls of £292.4 million (63.8 per cent) in crude oil (HS4 2709) from Nigeria; £129.4 million (62.0 per cent) in crude oil from Russia; and £156.1 million (100 per cent) in refined oil (HS4 2710) from the UAE.

The other two decreases over £100 million were led by falls within HS2 71 (Precious metals, stones, pearls and jewellery). Switzerland fell by £285.6 million (32.0 per cent), with a fall of £207.9 million (99.4 per cent) in platinum (HS4 7110); and Japan fell by £145.0 million (20.1 per cent), with a fall of £61.2 million (98.5 per cent) in silver (HS4 7106).

Just outside the £100 million level, there was also a decrease of £88.7 million (81.1 per cent) in imports from Botswana, led by a fall of £89.9 million (82.2 per cent) in diamonds (HS4 7102).

The largest increase in the value of imports was from China, up by £430.5 million (16.4 per cent). This was led by a rise of £107.1 million (24.7 per cent) in HS2 85 (Electronic equipment). This in turn was led by an increase of £78.7 million (83.8 per cent) in HS4 8517 (Telephone sets, including mobile phones).

Three of the remaining four partner country increases over £100 million were driven by imports of oil and gas in HS2 27. These were South Korea, up £178.4 million (72.1 per cent); Kuwait, up by £161.6 million (an almost five-fold rise); and Equatorial Guinea, up by £107.0 million, from £1.5 million. These were driven by rises of £148.5 million in refined oil (HS4 2710) from South Korea; £133.3 million in refined oil from Kuwait; and £107.6 million (from zero) in crude oil (HS4 2709) from Equatorial Guinea.

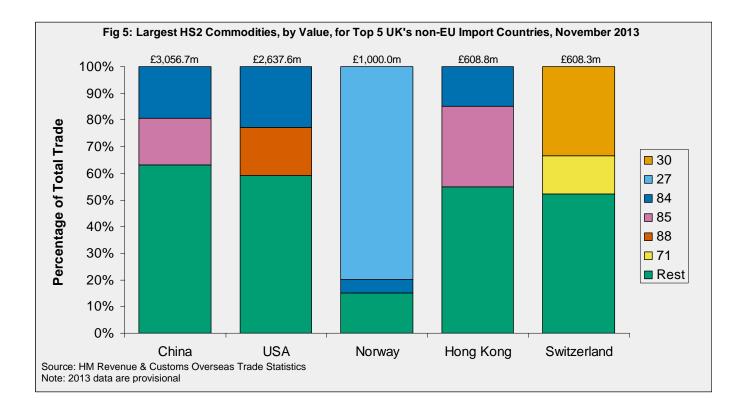
The only other increase over £100 million was from the USA, up by £146.4 million (5.9 per cent), with a rise of £242.4 million (more than double) in HS2 88 (Aircraft, spacecraft, and parts thereof), partially offset by a fall of £161.8 million (46.8 per cent) in HS2 27 (Mineral fuels).

Just outside the £100 million level, the sixth largest increase in the value of imports was from the Cayman Islands, up by £95.9 million from less than £1 million. As with the comparison with last month, this is entirely due to large imports within HS2 89 (Ships, boats and floating structures).

Figure 5 shows the two largest commodities by value imported from each of the top five non-EU import partner countries. This month, HS2 84 (Mechanical appliances) is in the top two chapters for four of the top five importing countries, with the trade with China, the USA, Norway and Hong Kong accounting for 54.6 per cent of the total import value in this chapter.

Two countries, China and Hong Kong, both have HS2 85 (Electronic equipment) in their top two largest imported commodities, accounting for 44.1 per cent of the total import value for this chapter.

The trade in HS2 27 (Mineral fuels) accounts for 80.0 per cent of the total imports from Norway, specifically the Norwegian Continental Shelf; and the trade with the USA in HS2 88 (Aircraft) accounts for 70.0 per cent of the UK's total import value for this chapter.



Notes:

- 1. HM Revenue & Customs (HMRC) released these latest statistics on Overseas Trade with countries outside the European Union (EU) on 7 January 2014 under arrangements set out in the <u>Code of Practice for Official Statistics</u>. The first release is published in HMRC's trade data website <u>www.uktradeinfo.com</u>.
- 2. This release includes the first provisional estimates of trade-in-goods between the UK and countries outside the EU for November 2013. At the same time revisions for all previously published non-EU data for 2013 are also being released in line with the <u>HM Revenue & Customs Policy on Revisions</u>.
- 3. Detailed trade information is presented according to the <u>Harmonised System (HS)</u> nomenclature.
- 4. The aggregate estimates here will differ slightly from those that are published by the Office for National Statistics (ONS) as part of the Balance of Payments (BoP), as the two sets of data are compiled to different sets of rules. The ONS web site provides an overview of BoP at the <u>Guide to UK Trade</u> as well as the detailed monthly <u>UK Trade Releases</u>. The BoP publication shows a high level picture of UK trade-in-goods, whereas the OTS publication shows a detailed picture of the UK's trade-in-goods by commodity and partner country. uktradeinfo.com provides more detail about the <u>differences between BoP and OTS publications</u>.
- 5. The aggregate estimates here will differ from the Eurostat publication <u>Euro area</u> <u>external trade</u>. The OTS is published as 'general trade' based upon goods recorded as they enter or leave the UK. This will include goods imported into and exported from a freezone or customs warehouse, regardless of their future use. The Eurostat EU external trade data are published as 'special trade' where goods are recorded as trade only when they enter free circulation or are declared to specific Customs regimes such as Inward Processing (IP) or Processing under Customs Control (PCC). Imports from a free zone or customs warehouse are similarly recorded in 'special trade'.
- HMRC publishes <u>additional information</u> to help support users of this data. This
 includes links to our policies on revision and suppression of data, descriptions of
 the methodology used to compile the OTS and information on the quality of the
 data published.
- The OTS has been reviewed as part of an assessment made of Overseas Trade Statistics by the <u>UK Statistics Authority</u>. 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

8. 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.

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The OTS and RTS data series are published in HMRC's trade data website <u>www.uktradeinfo.com</u>. Detailed data is available within an <u>interactive database</u> and <u>'The User Story'</u> explains how users utilise it to analyse import and export markets.

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