

Regional Trade Statistics – Second Quarter 2012

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Summary

- In the year ending June 2012, there was a rise in annual export value in all UK countries and regions apart from the South East and the North West. There was a rise in annual import value during the year in all UK countries and regions apart from the unknown region. Scotland had the highest annual growth rate of the UK countries for both imports and exports.
- The value of UK exports and imports both decreased in Quarter 2 2012. Scotland was the only country where exports rose between Quarter 1 2012 and Quarter 2 2012. Wales was the only country where imports increased in the last quarter. Exports decreased in all English regions. Imports decreased in all English regions apart from the North West and the West Midlands.
- The number of exporters increased between Quarter 2 2011 and Quarter 2 2012 in all UK countries and regions apart from the East Midlands and the South East. The number of importers increased in all UK countries and regions except the South East and Scotland.
- For England, the value of exports to Germany increased most in the year ending June 2012; for Scotland and Wales exports to the USA increased the most, while for Northern Ireland exports to Australia increased most. For imports, the largest increases were in goods from Norway (England and Scotland), Canada (Wales) and Spain (Northern Ireland).
- For exports, the commodity groups with the largest annual value increases were 'Road vehicles' (England) 'Petroleum, petroleum products & related materials' (Wales), 'Beverages' (Scotland) and 'Electrical machinery, apparatus & appliances' (Northern Ireland).
- For imports to England the largest annual value increase was in 'Petroleum, petroleum products & related materials'. Scotland's biggest value increase was in 'Coal, coke & briquettes'. For Wales the largest increase was in 'Metalliferous ores & metal scrap' and for Northern Ireland 'Other transport equipment' increased most in value.

If you have any comments regarding the new format release and expanded commentary, please email our Customer Services team on uktradeinfo@hmrc.gsi.gov.uk

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 government office regions and devolved administrations.

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

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

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

Overview of UK trade

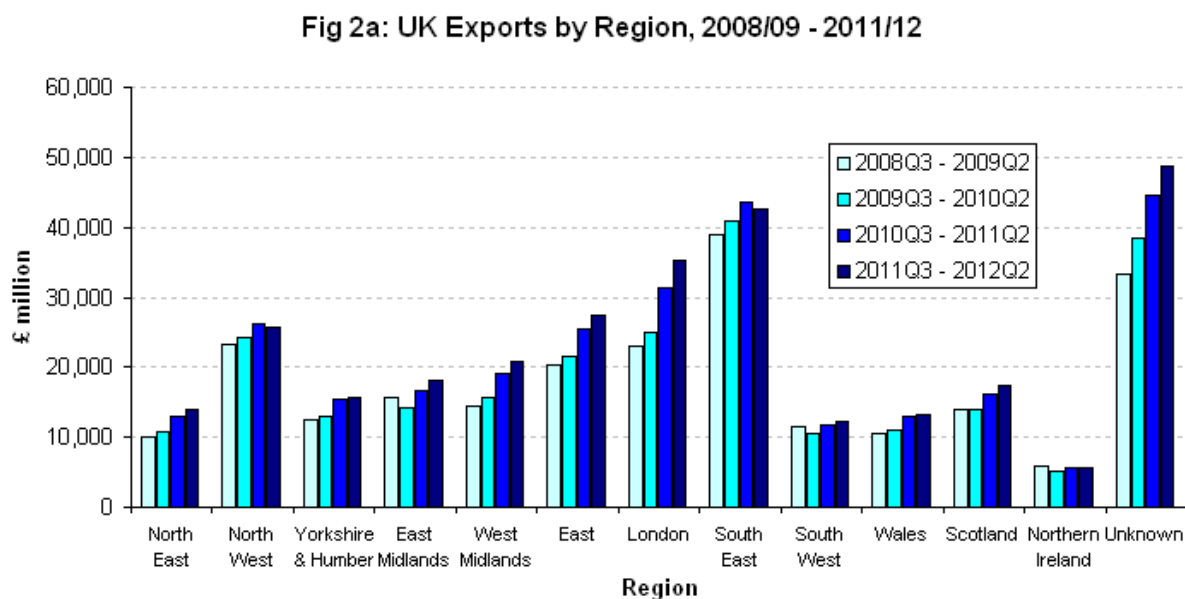
Figure 1 shows the quarterly values of imports to and exports from the UK since 2009. The value of both imports and exports decreased during the second quarter of 2012, increasing the trade deficit to £27.4 billion for the quarter. The 5.8 and 2.4 per cent decreases in the value of exports and imports during quarter 2 of 2012 are the largest quarterly decreases in both flows over the last three years.

¹ See note 3



Overview - Exports

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



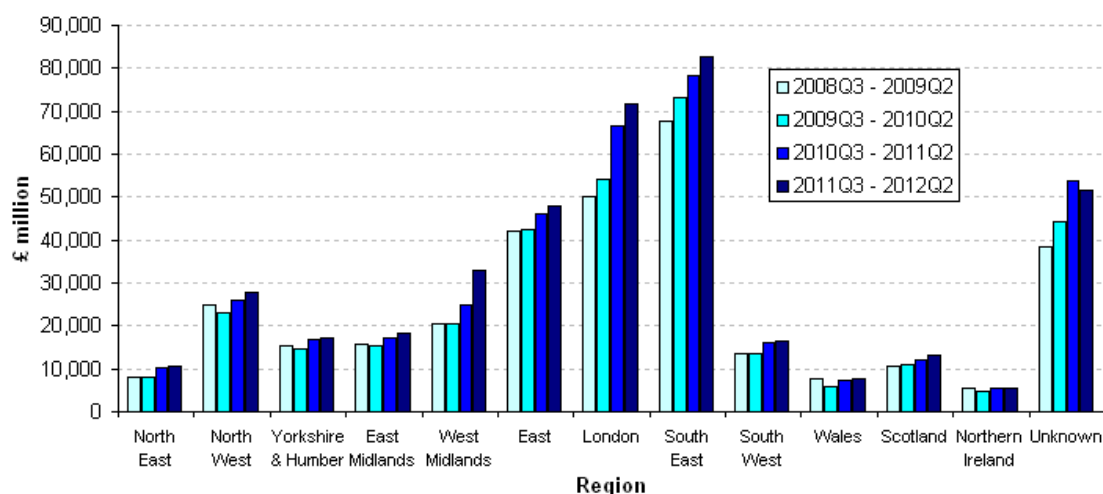
- The total value of UK exports increased by 5.6 per cent to £297.4 billion between June 2011 and June 2012. There was a rise in the value of exports across all countries and regions of the UK apart from the North West and South East in the year ending June 2012. The total value of exports from England rose by 4.9 per cent to £212.3 billion during the year, the largest increase coming from the 'Machinery & transport equipment' sector. Exports from Scotland rose by 8.9 per cent to £17.5 billion, the largest percentage increase of the four UK countries; this was due mainly to increases in the 'Beverages & tobacco' and 'Chemicals & related products' sectors. Exports from Wales rose marginally by 0.6 per cent to £13.2 billion; most of the overall value increase for the year came from the 'Mineral Fuels' sector. Exports from Northern Ireland similarly rose by a marginal 0.6 per cent to £5.7 billion, with the 'Food & live animals' and 'Chemicals & related products' sectors contributing most of the value increase. Exports allocated to the 'Unknown region'² amounted to £48.8 billion in the year ending June 2012.
- The South East continues to have the largest total export value of all the English regions, £42.7 billion for the year ending June 2012; this is despite a 2.1 per cent value decrease over the annual period, the only decrease experienced across the English regions apart from the North West. Nevertheless the South East still accounts for 20 per cent of total exports from England.
- Year on year, the largest percentage increase in the English regions was for London, whose exports increased by 12.4 per cent to £35.2 billion during the year. However, after a peak in the fourth quarter of 2011, there has been a successive decline in the subsequent quarters. This is in marked contrast to the strong growth in London's exports seen over the last two years.
- The South West had the smallest total value of exports of £12.4 billion for the year ending June 2012, 5.8 per cent of England's total. There was a decrease for exports from the South West in the second quarter of 2012 compared to the first quarter, as in most other regions of the UK.

² See note 4

Overview - Imports

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

Fig 2b: UK Imports by Region, 2008/09 - 2011/12



Note: 2012 data are provisional

Source: Regional Trade Statistics, HM Revenue & Customs

- The total value of UK imports for the year ending June 2012 increased by 5.8 per cent to £402.9 billion compared with the year ending June 2011. There was a rise in import value during the year for Wales, Scotland, Northern Ireland and every English region. The total value of imports to England rose by 7.5 per cent to £325.0 billion, largely accounted for by sharp increases in the 'Mineral fuels, lubricants & related materials' sector. The total value of imports to Scotland rose by 9.7 per cent to £13.0 billion, the highest growth rate of the four UK countries; this was driven by increases in both the 'Manufactured goods classified chiefly by material' sector, and the 'Mineral fuels, lubricants & related materials' sector. The total value of imports to Wales rose by 6.9 per cent to £7.9 billion, this was driven by a marked increase in imports from the 'Crude materials' sector. Total imports to Northern Ireland increased by 3.2 per cent to £5.6 billion; here, growth was largely fuelled by the 'Food & live animals' sector. Imports allocated to the 'Unknown region'³ amounted to £51.4 billion in the year ending June 2012.
- Within England, the South East continues to have the largest total value of imports. For the year ending June 2012 this was £82.8 billion, 25.5 per cent of England's total. Imports to the South East increased moderately in value by 5.5

³ See note 4

per cent during the year, whereas imports to London increased by 7.4 per cent. Growth rates for both these regions were lower than in the previous year.

- The largest year-on-year increase among the English regions was for the West Midlands, where imports increased by 31.5 per cent to £32.8 billion. The West Midlands now accounts for 10.1 per cent of England's imports, compared with only 8.2 per cent a year ago.
- The smallest year-on-year increase among the English regions was for the South West, where imports increased by 2.3 per cent to £16.4 billion. The South West now accounts for 5.0 per cent of England's imports, compared with 5.3 per cent a year ago. However, quarter 2 of 2012 saw a 5 per cent increase in imports to the South West compared with quarter 2 of 2011.
- The North East continues to have the smallest total value of imports of £10.6 billion; imports to the North East have risen in value by only 4.9 per cent during the last 12 months, with a slight decrease of 2.7 per cent for quarter 2 of 2012 compared with quarter 2 of 2011.

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 - main export partners

Country	Year ending June 2012 Total £ millions	Year ending June 2011 Total £ millions	% Change from June 2011	% Total Exports in year ending June 2012
USA	29,221.2	30,029.1	-2.7	13.8
Germany	23,407.3	21,093.8	11	11.0
Top 5 France	15,956.8	15,479.5	3.1	7.5
Netherlands	12,745.0	12,389.5	2.9	6.0
Belgium	10,270.3	9,634.5	6.6	4.8
Others	120,717.8	113,740.5	6.1	56.9
Total EU	103,147.9	100,820.7	2.3	48.6
Total Non-EU	109,170.5	101,546.3	7.5	51.4
Grand Total	212,318.4	202,367.0	4.9	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

England's top export partner, the USA, is the only one of its top five partners to have seen a decrease in export value over the last 12 months. This has reduced the USA's share of England's export market from 14.8 per cent to 13.8 per cent during the year. This has mainly been caused by a decline in exports within SITC division 54 'Medicinal & pharmaceutical products' (down £1.1 billion).

The partner countries where exports from England have decreased in value the most over the last 12 months are the USA (down £0.8 billion), and Spain (down £0.5 billion). The partner countries with the largest increase in exports over the 12 months were Germany (up £2.3 billion) along with China and South Korea (both up by £1.4 billion). There was one other partner country that experienced an increase in excess of £1.0 billion – Russia (up £1.2 billion). For Germany the majority of the growth came from SITC divisions 54 'Medicinal & pharmaceutical products' and 33 'Petroleum, petroleum products & related materials'. For China and Russia these

risers stemmed from an increase in exports of goods within SITC division 78 'Road vehicles' whereas for South Korea the overwhelming contributor was division 33.

Partner country analysis - English regions

Table 2a: Top 5 export partners for the English regions, year ending June 2012

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

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 2a shows the top five export trading partners for each of the English regions in the year ending April 2012. There has been little change in the membership of the top five partners for any of the regions during the past year with the top country for all regions remaining unchanged. There are some regional variations in the relative proportions of export trade going to EU and non-EU countries. For the East, nearly 60 per cent of exports go to EU countries, closely followed by the South West where it is 57.3 per cent. For Yorkshire and Humberside and the North West, export trade is split fairly evenly between EU countries and non-EU countries and for the remaining regions, the balance is in favour of Non-EU countries with the proportion of Non-EU export ranging from 53.1 to 56.3 per cent.

The majority of the English regions continue to follow a similar pattern to England as a whole, with the USA featuring as the top export partner for seven of the nine regions. This is in spite of a minor decrease in the value of exports from England to the USA during the last year. The East and the South West continue to be the only English regions where exports to Germany exceed those going to the USA. Six of the nine English regions saw increases in exports to the USA; the three regions which experienced decreases were the North West, the South East and the West Midlands. The higher magnitude of the decreases in comparison with the increases in the remaining six regions led to the overall marginal decrease.

The value of exports increased for all English regions apart from the North West and South East during the year ending June 2012. The decline in exports from both of these regions was mainly due to a sharp decline in goods going to the USA, the top export partner for both regions. Nevertheless, the South East also saw a decrease in exports to Chile, Italy and France, and the North West also experienced significant decreases for Spain and the Netherlands. London had the largest increase in export value (up 12.4 per cent to £35.2 billion) of all the English regions, driven mainly by increased exports to South Korea (up £0.8 billion to £0.9 billion, over seven times the level on the previous year) and the Netherlands (up £0.8 billion, a rise of 40.4 per cent). In contrast, London's largest decline in export value was in goods going to Poland (down 57.0 per cent, with exports from SITC division 33 'Petroleum, petroleum products & related materials' down £226 million).

Exports to France and Germany have increased for most English regions during the year. However, there were falls in exports to Germany from the North East, South East and Yorkshire and Humberside. There were also decreases in exports to France for the North West and South East. Exports to China and Russia have also increased consistently across the English regions apart from in London, the South West and the North East where exports to China declined.

Exports to Greece and Spain have declined for most English regions over the past year and in the cases where there were increases, these were all very marginal (i.e. less than 2%). Exports to Libya have also decreased dramatically, with a loss in every English region during the period ranging from between 28 to 80 per cent; this is likely to be an effect of the conflict in the Middle East during the year, which caused trade with Libya to stop during the middle of 2011. Although exports to Libya began to recover from the fourth quarter of 2011, they continue to remain at a much lower level than a year ago.

Partner country analysis - Wales

Table 3a: Wales - main export partners

Country	Year ending June 2012 Total £ millions	Year ending June 2011 Total £ millions	% Change from June 2011	% Total Exports in year ending June 2012
USA	3,442.5	3,174.9	8.4	26.1
Irish Republic	1,475.0	1,320.1	11.7	11.2
Top 5 Germany	869.3	1,017.5	-14.6	6.6
Netherlands	748.7	768.8	-2.6	5.7
United Arab Emirates	644.7	663.5	-2.8	4.9
Others	5,989.8	6,144.0	-2.5	45.5
Total EU	5,272.8	5,693.5	-7.4	40.0
Total Non-EU	7,897.1	7,395.4	6.8	60.0
Grand Total	13,169.9	13,088.9	0.6	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 3a shows that total export value from Wales has increased very marginally by 0.6 per cent during the past year. This growth rate is considerably lower than the 5.0 per cent year on year increase seen at the end of the last quarter; this was partly due to a decrease in exports in the second quarter of 2012 compared with the second quarter of 2011. Wales' top five partner countries remain the same, although exports to all these countries have slowed during the last quarter for three of these countries. Nevertheless, there have been increases for the USA (8.4 per cent) and the Irish Republic (11.7 per cent).

Non-EU partner countries continue to dominate the export market in Wales, receiving 60.0 per cent of goods exported. The USA's share of the export market rose to 26.1 per cent annually by the end of the first quarter of 2012. The majority of this export value comes from SITC divisions 33 'Petroleum, petroleum products & related materials' (up £153.4 million) and 71 'Power generating machinery & equipment' (up £108.8 million). Although the Welsh export market is more focused on Non-EU countries, the Irish Republic remains Wales' second largest partner country with SITC division 33 (up £139.1 million) being the main export commodity.

The United Arab Emirates remains Wales' fifth largest export partner, despite a decline in exports of 2.8 per cent since the year ending June 2011. Most of the reduction was in division 71 'Power generating machinery & equipment' (down £43.4 million) although this was offset by an increase in division 33 'Petroleum, petroleum products & related materials' (up £16.5 million).

Exports from Wales to Germany and Spain decreased sharply over the last year by £148.2 million (14.6 per cent) and £138.1 million (35.6 per cent) respectively. The decrease for Germany was led by drops in a number of SITC divisions – 72 machinery specialized for particular industries' £35.6 million, 77 'Electrical machinery' and 33 'Petroleum, petroleum products & related materials' both down £29.6 million and 67 'Iron and steel' down £21.0 million. For Spain, however, the fall was largely due to a decrease in exports under division 33 'Petroleum, petroleum products & related materials' (down £63.8 million)

Apart from the USA and the Irish Republic, partner countries where export values have increased most during the year are Brazil, where exports more than doubled and Ecuador, where trade has increased by a factor of almost 400 compared to the year ending June 2011. Both of the increases are primarily due to a new market in goods under SITC division 33, which have increased from almost zero trade for the year ending June 2011 to £182.5 million for Brazil and £174.7 million for Ecuador.

Partner country analysis – Scotland

Table 4a: Scotland - main export partners

Country	Year ending June 2012 Total £ millions	Year ending June 2011 Total £ millions	% Change from June 2011	% Total Exports in year ending June 2012
USA	3,131.9	2,696.8	16.1	17.9
France	1,193.5	1,156.8	3.2	6.8
Top 5 Germany	970.4	798.1	21.6	5.6
Norway	914.8	758.9	20.5	5.2
Belgium	860.0	639.9	34.4	4.9
Others	10,413.9	10,007.7	4.1	59.6
Total EU	6,154.7	5,700.3	8.0	35.2
Total Non-EU	11,329.8	10,357.9	9.4	64.8
Grand Total	17,484.5	16,058.2	8.9	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Exports from Scotland have increased in value by 8.9 per cent during the 12 months to June 2012 (Table 4a), a higher growth rate than for any other UK country. This is despite a slowing of growth in exports over the last two quarters. Non-EU partner countries continue to dominate exports from Scotland and the annual growth rate has been slightly stronger for partner countries outside the EU: (9.4 as opposed to 8.0 per cent). Scotland's five largest export partner countries are the same as they were for the year ending March 2012.

Much of the growth during the year has come from increased exports to the USA (up £435.1 million, with exports from SITC division 11 'Beverages' up £260.5 million). Norway continues to feature as Scotland's fourth largest export partner, with growth rate of 20.5 per cent for the year ending June 2012; the commodity group gaining the most value during the year was SITC division 72 'Machinery specialized for particular industries' (up £60.1 million).

Apart from the USA, the partner countries with the largest increases in exports from Scotland over the year were Belgium (up £220.1 million, with SITC division 66 'Non-metallic mineral manufactures' up £96.8 million) and Germany (up £172.4 million, with SITC division 51 'Organic chemicals' up £81.9 million).

The biggest value decreases in exports from Scotland were in goods going to Greenland (down £71.6 million – 88.8 per cent, with SITC division 72 'Machinery specialized for particular industries' down £32.8 million) and Angola (down £54.8 million, with SITC division 74 'General industrial machinery & equipment & machine parts' down £51.1 million).

Partner country analysis – Northern Ireland

Table 5a: Northern Ireland - main export partners

	Country	Year ending June 2012 Total £ millions	Year ending June 2011 Total £ millions	% Change from June 2011	% Total Exports in year ending June 2012
Top 5	Irish Republic	2,081.7	2,095.6	-0.7	36.8
	USA	497.3	474.0	4.9	8.8
	Canada	372.4	578.6	-35.6	6.6
	France	241.4	208.2	16	4.3
	Germany	216.4	200.7	7.8	3.8
	Others	2,245.4	2,065.9	8.7	39.7
	Total EU	3,197.6	3,194.3	0.1	56.5
	Total Non-EU	2,457.1	2,428.6	1.2	43.5
	Grand Total	5,654.6	5,623.0	0.6	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Exports from Northern Ireland have increased in value by 0.6 per cent during the 12 months to June 2012, the joint smallest increase with Wales of the four UK countries (Table 5a). After a peak in the second quarter of 2011, growth in Northern Ireland's exports has been on a downward trend, which has been sustained by a further decline in the second quarter of 2012, which explains this very marginal increase.

Exports to Canada saw a second successive quarterly drop which led to an overall decrease of over 35.0 per cent for the year ending June 2012, mainly due to a reduction in exports from SITC division 71 'Power generating machinery & equipment' (down £181.9 million). This has resulted in the USA overtaking Canada for two consecutive end-of-year quarters, becoming Northern Ireland's second largest export partner.

Although Northern Ireland's exports continue to be dominated by goods going to the Irish Republic, there has been a marginal decrease of £13.9 million (0.7 per cent) during the last year. In particular, there have been reductions in exports to the Irish Republic under SITC divisions 11 'Beverages' (down £17.1 million), 66 'Non-metallic mineral manufactures' (down £16.7 million) and '89 miscellaneous manufactured articles' (down £15.3 million), which have been offset by increases in 02 'Dairy

products & birds' eggs' (up £19.7 million), 59 'Chemical materials & products' (up £15.1 million) and 01 'Meat & meat preparations' (up £13.8 million).

The partner countries with the largest increase in exports from Northern Ireland during the 12 months were Australia (up £37.3 million, with SITC division 72 'Machinery specialized for particular industries' up £28.7 million) and France (up £33.2 million, with SITC division 79 'Other transport equipment' up £33.0 million).

Canada and the Irish republic experienced the first and third largest decrease respectively. The partner country that saw the second largest decrease in exports from Northern Ireland during the period was Greece (down £14.7 million, a fall of 59 per cent) with no exports at all from SITC division 12 'Tobacco' during the last year, which represented a drop in trade of £12.3 million.

Commodity analysis - England

Table 6a: Top 5 commodities for England's exports, year ending June 2012 compared to year ending June 2011

SITC section	Description	Year to June 2012 Total £ millions	Year to June 2011 Total £ millions	% Change from June 2011	% Total Exports in year ending June 2012
7	Machinery & transport equipment	83,913.6	78,644.8	6.7	39.5
5	Chemicals & related products	38,194.8	39,167.8	-2.5	18.0
8	Miscellaneous manufactured articles	28,206.0	26,595.0	6.1	13.3
6	Manufactured goods classified chiefly by material	25,857.2	24,785.6	4.3	12.2
3	Mineral fuels, lubricants & related materials	19,330.1	17,230.7	12.2	9.1
Other SITCs		16,816.6	15,943.2	5.5	7.9
All SITCs		212,318.4	202,367.0	4.9	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 6a shows that SITC section 7 'Machinery & transport equipment' continues to dominate exports from England, making up 39.5 per cent of export value. Although section 7 also continues to account for the largest annual value increase of any SITC section, growth was less in the first two quarters of 2012. This reduced the annual

increase in section 7 to £5.3 billion, compared with £5.6 billion at the end of the first quarter of 2012. Most of the increase in section 7 during the year came from exports of goods within SITC divisions 78 'Road vehicles' (up £2.6 billion) and 71 'Power generating machinery & equipment' (up £1.7 billion), although both these increases were slightly lower than those reported at the end of the last quarter.

Exports from SITC section 5 'Chemicals & related products' decreased slightly in value during the year. This decrease was led by a drop of £527.2 million (16.0 per cent) in division 52 'Inorganic chemicals'.

Seventeen of the sixty-five SITC divisions decreased in export value during the period. The biggest decrease was in division 75 'Office machines & ADP machines' (down £537.6 million). The second largest decrease was in division 52 as mentioned above and this was followed by further decreases in section 5 with divisions 51 'Organic chemicals' down £417.4 million, 54 'Medicinal & pharmaceutical products' (down £190.7 million) and 57 'Plastics in primary forms' (down £142.1 million). These large decreases in SITC 5 were partly offset by increases within divisions 59 'Chemical materials & products' (up £185.2 million) and 55 'Essential oils & perfume materials; toilet preps etc' (up £132.4 million).

The SITC section with the second biggest increase was section 3 'Mineral fuels, lubricants & related materials' (up £2.1 billion), although this increase was over 50 per cent less than that reported at the end of the first quarter of 2012. Most of the increase came from SITC division 33 'Petroleum, petroleum products & related materials' (up £2.1 billion), largely due to increased exports to South Korea (up £1.3 billion) and Germany (up £0.9 billion).

Commodity analysis – English regions

Table 7a - Top 5 commodities for export from English regions - 12 months ending June 2012

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

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 7a shows the top five export SITC section commodity groups by value for the English regions. There has been no change in the order of the top five commodity groups in the last quarter.

SITC section 7 'Machinery & transport equipment' is the top export section by value for seven of the nine English regions. In the West Midlands, East Midlands and South West this section continues to dominate the market, accounting for over 60 per cent of goods exported. In the North East this section has also gained prominence over the past year and now accounts for over 58.4 per cent of goods exported. In the West Midlands and North East, division 78 'Road vehicles' dominates the exports from this section. For the South West, division 79 'Other transport equipment' contributes the majority of export value within section 7, and for the East Midlands division 71 'Power generating machinery & equipment' dominates the section.

The North West remains the top English region for exports within section 5 'Chemicals and related products', despite a decrease of 5.8 per cent in the value of exports from this section over the past year. Decreases in section 5 during the year were also seen in the South East, the East and Yorkshire & Humberside. These perceived decreases were partly the result of an upward revision of 2010 export figures in April 2012, which resulted in additions to section 5.

London is the most important region for exports within SITC section 3 'Mineral fuels, lubricants & related materials'. London and the East have again seen large increases in export value within this section during the year (up £2.5 billion and £0.9 billion respectively) although these increases were significantly less than those reported at the end of the first quarter of 2012. For both these regions, much of the increase was in goods from division 33 'Petroleum, petroleum products & related materials' going to Germany and South Korea (up £1.0 billion and £0.7 billion respectively) for London, and to Belgium and the USA (up £224.0 million and £201.7 million respectively) for the East. Yorkshire & Humberside again saw its largest increase in export value coming from SITC division 33 (up £234.3 million), primarily in exports going to the USA, France and the Netherlands (up £257.7 million, £249.8 million and £144.8 million respectively). In contrast, the North East and South East saw large reductions in exports from section 3 (down £231.3 million and £1.1 billion respectively). For the South East exports from section 3 peaked in the first quarter of 2012 after a slump in the second half of 2011 and then dropped again in the second quarter of 2012. The erratic nature of trade in section 3 is partly governed by the price of petroleum products within division 33, which have risen during the past year.

For SITC section 6 'Manufactured goods classified chiefly by material' and SITC section 8 'Miscellaneous manufactured articles' London is the dominant exporting region. For SITC section 6 London has seen an increase in export value over the last year (up £170.6 million, 1.9 per cent), although this is considerably less than the increase reported at the end of the first quarter of 2012 (£1.6 billion, 20 per cent). SITC section 8, however, experienced a significant increase in comparison with the year ending June 2011 - £989.2 million, 10.8 per cent.

The South West and East Midlands continue to be the only regions with SITC section 0 'Food & live animals' in their top five. Both regions have seen a rise in exports from this section during the year (up 5.9 per cent and 5.6 per cent respectively). The North

West and West Midlands continue to be the only regions with SITC section 2 'Crude materials' in their top five although the North West experienced a decrease of 3.9 per cent in section 2 during the year. Despite the sizeable quarterly fluctuations for this section, the overall trend appears to be static.

All English regions saw a rise in export value for the majority of the sixty-five SITC divisions. For the London, the East and Yorkshire & Humberside the biggest increase was in division 33 'Petroleum, petroleum products & related materials' while for all other regions the largest rises were in divisions within section 7.

For the North East, South East and South West, the biggest decreases at division level during the year were in division 33 'Petroleum, petroleum products & related materials' lost the most value, For the East and the North West the biggest decreases were both under SITC section 5, specifically division 54 'Medicinal & pharmaceutical products' and division 51 'Organic chemicals' For the remaining three regions, the divisions that experienced the largest decreases were London (79 'Other transport equipment'), the East Midlands (27 – 'crude fertilizers & crude minerals excluding fuels etc') and the West Midlands (11 – 'beverages').

Commodity analysis - Wales

Table 8a: Top 5 commodities for Wales exports year ending June 2012 compared to year ending June 2011

SITC section	Description	Year to June 2012 Total £ millions	Year to June 2011 Total £ millions	% Change from June 2011	% Total Exports in year ending June 2012
7	Machinery & transport equipment	4,700.0	4,880.6	-3.7	35.7
3	Mineral fuels, lubricants & related materials	4,194.8	3,514.4	19.4	31.9
6	Manufactured goods classified chiefly by material	1,923.6	2,090.9	-8.0	14.6
5	Chemicals & related products	1,281.0	1,462.7	-12.4	9.7
8	Miscellaneous manufactured articles	759.2	766.0	-0.9	5.8
	Other SITCs	311.1	374.2	-16.9	2.4
	All SITCs	13,169.9	13,088.9	0.6	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 8a shows that exports from Wales continue to be dominated by goods from section 7 'Machinery & transport equipment' and section 3 'Mineral fuels, lubricants & related materials'. Exports from section 7 continue to decline in the second quarter of 2012 and are 3.7 per cent lower than at the year ending June 2011. Most of this reduction was in division 77 'Electrical machinery, apparatus & appliances' (down £96.8 million during the last year) and division 72 'Machinery specialized for particular industries' (down £81.7 million). The largest increase in exports over the 12 months was for section 3 up £680.4 million (19.4 per cent). Much of this growth was due to an increase in division 33 'Petroleum, petroleum products & related materials', up £663.6 million where much of the increase was in goods going to Brazil and Ecuador due to the opening up of a new market with these countries for this commodity type.

Apart from SITC division 33 the biggest increase in export value during the year came from division 87 'Professional, scientific & controlling instruments & apparatus' (up £56.6 million) and division 34 'Gas, natural & manufactured' (up £49.9 million).

Over half of the sixty-five SITC divisions decreased in export value over the year. The commodity group with the biggest decrease in exports was SITC section 5 'Chemicals & related products', which reduced in value by 12.4 per cent (down £181.6 million). This decrease began in the second quarter of 2011 and continued into the second quarter of 2012; it was largely due to decreases in exports of goods from divisions 57 'Plastics in primary forms' and 59 'Chemical materials & products' which declined in value by £70.2 million and £38.2 million respectively during the year; for these cases much of the reduction was in goods going to Belgium and the USA respectively.

Commodity analysis - Scotland

Table 9a: Top 5 commodities for Scotland exports year ending June 2012 compared to year ending June 2011

SITC section	Description	Year to June 2012 Total £ millions	Year to June 2011 Total £ millions	% Change from June 2011	% Total Exports in year ending June 2012
7	Machinery & transport equipment	5,467.1	5,141.6	6.3	31.3
1	Beverages & tobacco	4,273.4	3,780.8	13.0	24.4
6	Manufactured goods classified chiefly by material	2,166.9	1,885.9	14.9	12.4
5	Chemicals & related products	1,774.2	1,316.9	34.7	10.1
8	Miscellaneous manufactured articles	1,433.2	1,395.4	2.7	8.2
	Other SITCs	2,369.7	2,537.6	-6.6	13.6
	All SITCs	17,484.5	16,058.2	8.9	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 9a shows that Scotland's exports are dominated by goods from section 7 'Machinery & transport equipment' and section 1 'Beverages & tobacco'. In section 7 exports continued to increase in the second quarter of 2012 compared to the first but only very marginally. The increases in section 7 came largely from SITC divisions 74 'General industrial machinery & equipment & machine parts' (up £221.6 million) in goods going to the Norway, USA and China. Exports from SITC section 1 have increased during the second quarter of 2012 compared to the first, although they are below the levels of the third and fourth quarter of 2011; the £492.6 million increase during the past year was entirely due to division 11 'Beverages' (up by £492.6 million, 13.0 per cent), where exports to the USA increased by £260.5 million (31.3 per cent). Scotland is the most important region of the UK for exports of 'Beverages', maintaining its 63 per cent share of the UK's export value in the second quarter of 2012.

Exports from Scotland within SITC section 5 'Chemicals & related products' have seen a large increase in value of 37.4 per cent during the year (up £457.3 million); The increase was mainly due to a rise in exports from divisions 51 'Organic

chemicals' and 57 'Plastics in primary forms', which together more than doubled over the past year. These increases were mainly due to growth in exports to Germany and Belgium (division 51), and Belgium (division 57).

Two of Scotland's SITC sections decreased in export value during the 12 months. The largest decrease was for SITC section 0 'Food & live animals', which fell by £94.4 million, 8.1 per cent, which was led by drops in division 03 'Fish, crustaceans, molluscs & aquatic invertebrates', down £76.0 million, and division 02 'Dairy products & birds' eggs', down £19.1 million. The second largest decrease was for section 3 'Mineral fuels, lubricants & related materials' where the value of exports reduced by £79.5 million (7.9 per cent); this was due to a decline in exports within SITC division 33 'Petroleum, petroleum products & related materials' of £105.7 million (11.0 per cent). The biggest decrease in division 33 over the year was in exports to the Netherlands, which declined by £52.0 million (50.0 per cent).

Commodity analysis – Northern Ireland

Table 10a: Top 5 commodities for Northern Ireland exports year ending June 2012 compared to year ending June 2011

SITC section	Description	Year to June 2012 Total £ millions	Year to June 2011 Total £ millions	% Change from June 2011	% Total Exports in year ending June 2012
7	Machinery & transport equipment	2,331.90	2,335.40	-0.1	41.2
0	Food & live animals	908.8	833.5	9.0	16.1
8	Miscellaneous manufactured articles	685.1	681.8	0.5	12.1
5	Chemicals & related products	611.0	567.7	7.6	10.8
6	Manufactured goods classified chiefly by material	471.8	491.9	-4.1	8.3
Other SITCs		646.1	712.7	-9.3	11.4
All SITCs		5,654.6	5,623.0	0.6	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 10a shows that Northern Ireland's exports continue to be dominated by goods from section 7 'Machinery & transport'. However, growth in this section has declined over the last year, resulting in a marginal decrease of 0.1 per cent. The decline was largely due to a fall in exports from SITC divisions 71 'Power generating machinery &

equipment' and 75 'Office machines & ADP machines', down £179.8 million (21.5 per cent) and £178.5 million (94.4 per cent) respectively, with a reduction in goods going to Canada (£181.9 million) for division 71 and to Thailand and Malaysia (£87.0 million and £85.3 million respectively) for division 75. This loss was offset by a large increase in division 77 'Electrical machinery, apparatus & appliances' during the year (up £174.1 million) with much of the growth in goods going to Malaysia and Thailand (£87.4 million and £86.7 million respectively).

Northern Ireland is the only UK country to have section 0 'Food & live animals' among its top five sections by value. This section had the strongest growth rate of the top five SITC sections during the year, up by £75.3 million (9.0 per cent). Within section 0, the most valuable subgroups are division 01 'Meat & meat preparations' (up £30.2 million, with exports to the Irish Republic up £19.7 million) and division 02 'Dairy products & birds' eggs' (up £27.7 million, with exports to the Irish Republic up £13.8 million).

While SITC section 7 had the largest increases in export value during the year, the largest section level decrease was in section 1 'Beverages & tobacco' (down £73.6 million, a 21.1 per cent reduction). This was caused almost entirely by a decrease of £62.1 million in the value of goods exported within division 12 'Tobacco & tobacco manufactures' which suffered a 98.3 per cent loss during the year, mainly in exports to Germany, Greece, the Irish Republic and Belgium. The other large value decrease during the year was in section 6 'Manufactured goods classified chiefly by material', where exports declined by £20.1 million. This was mainly due to a reduction in exports from division 66 'Non-metallic mineral manufactures' going to the Irish Republic.

Number of Businesses - Exports

The following analysis compares the number of active exporters in quarter 2 2012 with the number in quarter 2 2011. A quarterly analysis is more appropriate here than an annual analysis, as summing the number of active businesses over a year could produce ambiguous results. A quarter-on-quarter comparison enables us to measure seasonal movement of businesses, such as the increase/decrease in number of active businesses over the Christmas season (quarter 4). The number of businesses

counted excludes businesses with the EU 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 2 2011 and quarter 2 2012.

Fig 3a: Percentage Change in Number of Exporters between Q2 2011 and Q2 2012



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

For the UK as a whole, the number of exporting businesses increased by 1.1 per cent between quarter 2 2011 and quarter 2 2012 from 48,373 to 48,919. This is a larger increase compared to the results of the last quarter.

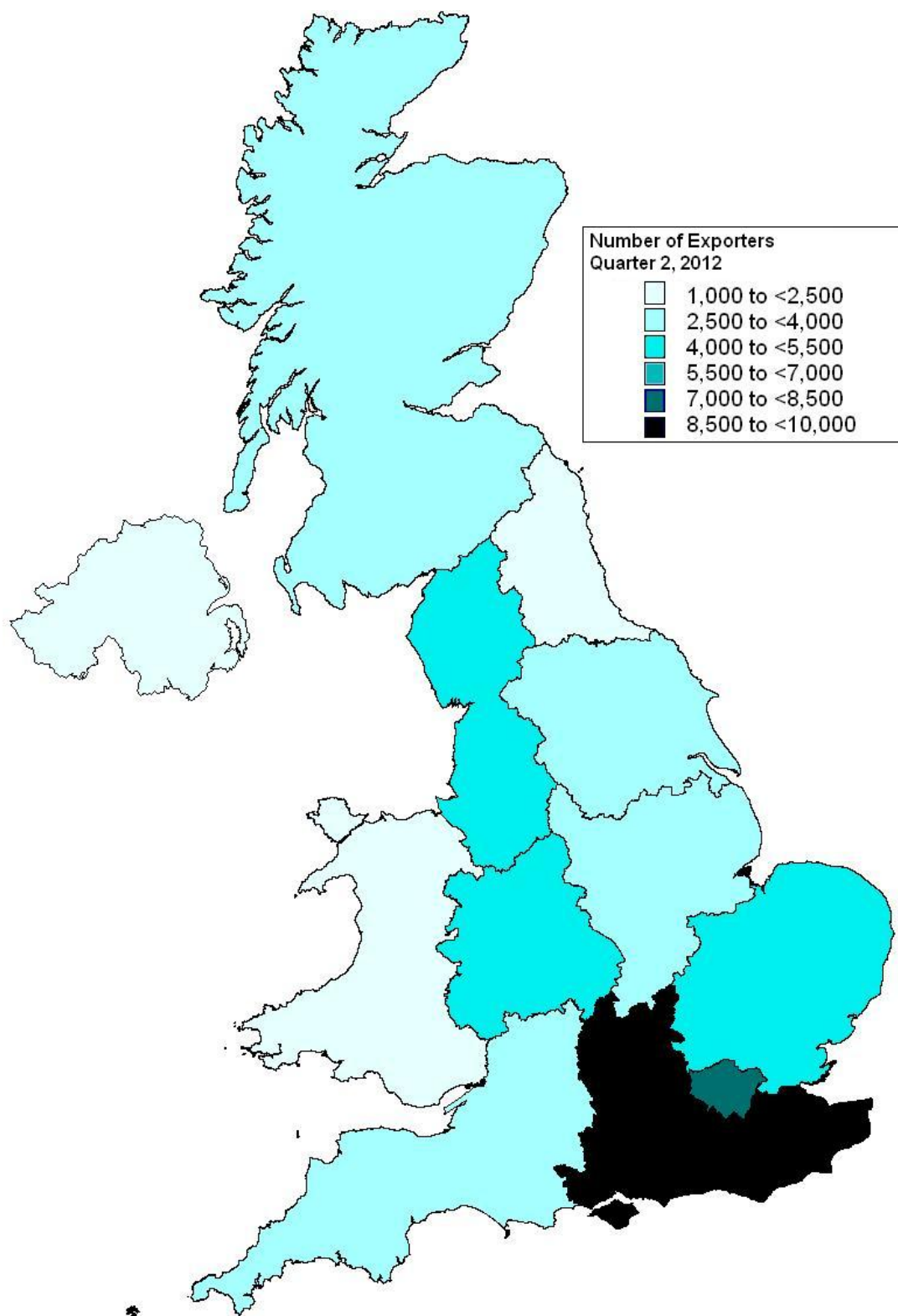
Figure 3a shows that the number of active exporters has increased in all regions of the UK apart from the East Midlands, the South East and Northern Ireland between quarter 2 2011 and quarter 2 2012. London experienced the largest percentage rise in export business numbers, 3.1 per cent, whereas the Northern Ireland saw the largest decline in both numbers and percentage (3.4 per cent).

Most regions saw an improvement in business numbers at the end of the second quarter of 2012 compared with the change reported at the end of the first quarter of

2012. The only exceptions were London, the South East, Wales and Northern Ireland.

Figure 4a shows the total number of UK export businesses in each region for quarter 2 2012. The South East, London and the East are the three regions with the largest count of businesses, accounting respectively for 17.5 per cent, 16.9 per cent and 11.1 per cent of all UK businesses. There has been little change since quarter 2 of 2011 apart from a slight increase in the proportion of UK businesses exporting from London.

Fig 4a: Number of UK export businesses by region - Quarter 2, 2012



Note: 2012 data are provisional

Source: Regional Trade Statistics, HM Revenue & Customs

Rolling 12 Month Overview – Imports

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

Partner country analysis – England

Table 1b: England - main import partners

	Country	Year ending June 2012 Total £ millions	Year ending June 2011 Total £ millions	% Change from June 2011	% Total Imports in year ending June 2012
Top 5	Germany	41,553.2	37,969.9	9.4	12.8
	China	27,016.9	25,061.4	7.8	8.3
	USA	26,361.8	26,359.9	0.0	8.1
	Norway	22,270.3	17,293.2	28.8	6.9
	Netherlands	20,047.1	18,798.9	6.6	6.2
	Others	187,706.2	176,831.7	6.1	57.8
	Total EU	152,528.1	144,408.2	5.6	46.9
	Total Non-EU	172,427.4	157,906.8	9.2	53.1
	Grand Total	324,955.5	302,315.0	7.5	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 1b shows that Germany remains the top import partner for England and China remains the second highest after attaining this position at the end of 2011. Imports from the USA decreased slightly in value during the year, while imports from China rose by 7.8 per cent. Imports from Norway increased by 28.8 per cent during the year, maintaining its position as England's fourth largest import partner. This increase was driven by growth in imports from SITC division 33 'Petroleum, petroleum products & related materials' (up £4.8 billion). Imports from Germany have seen a 9.4 per cent annual increase, led by a rise of £1.9 billion in division 78 'Road vehicles'.

Overall, England's imports increased by 7.5 per cent over the 12 month period. The value of imports from outside the EU has risen more sharply than that from EU countries. Norway and China were the two countries that contributed most to the overall increase in imports. However, China experienced the third largest increase

(up £2.0 billion, with SITC division 75 'Office machines & ADP machines' up £748.5 million, and division 76 'Telecomms & sound recording equipment' up £710.8 million).

The partner countries where the value of imports decreased the most were Canada (down £895.5 million) led by a decrease in SITC division 28 'Metalliferous ores & metal scrap' of £485.0 million and South Africa (down £530.6 million) led by decreases in SITC divisions 66 'Chemical materials & products' and 68 'Non-ferrous metals' of £349.0 million and £306.7 million respectively.

Partner country analysis – English regions

Table 2b: Top 5 import partners for the English regions in the year ending June 2012

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

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 2b shows the top partner countries for imports to the English regions for the annual period ending June 2012. Unlike the pattern for exports, where the English regions are broadly similar to England as a whole, the pattern for imports shows more differences between the regions. Unlike exports where the manufacture of goods is typically more regionally concentrated, imports are based on the purchase of goods, which is far more regionally dispersed. Nevertheless, there are a number of partner countries that appear consistently among the top five for most regions. The USA and Germany are among the top five import partners for every English region, and China is in the top five for all regions except the North East and the East. Imports from the USA have risen for all regions apart from the East and London. Imports from Germany have risen for all regions apart from London and the South West. For the

North West, Germany has overtaken China as the top partner country, owing to a 7.7 per cent increase in imports from Germany coupled with only a marginal increase of 1.7 per cent in imports from China. Similarly for the East Midlands, Germany has overtaken China as the top partner country, with a 7.9 per cent increase in imports from Germany coupled with a smaller increase of 3.6 per cent in imports from China.

Every region of England saw an increase in the value of imports during the year to June 2012. By far the largest percentage increase was in the West Midlands, where imports were up 31.5 per cent due to a sharp rise in imports from SITC division 33 'Petroleum, petroleum products & related materials' coming from Norway (up £5.0 billion).

England's import trade continues to be dominated by the South East and London; the South East accounted for 25.5 per cent of England's imports by value during the year, while London accounted for 22.0 per cent. London's imports increased in value by 7.4 per cent during the year, while the South East saw an increase of 5.5 per cent.

For the majority of regions most of the import value comes from goods received from outside the EU. The East is the region where imports from the EU are the most dominant, accounting for 61.2 per cent of import value; here, non-EU imports have increased by just 0.7 per cent during the year while EU imports have increased by 5.5 per cent. London, the North East and the South West continue to be the three regions where non-EU imports are most prevalent; for these regions non-EU imports have grown more strongly than EU imports during the year.

London continues to receive imports from a diverse range of countries, with almost two-thirds of goods received from countries outside the top five. The most important of these are France, Switzerland, Qatar and Hong Kong. London's imports from China have increased in value by 21.2 per cent during the year, compared with only a 0.4 per cent rise in Yorkshire and Humberside.

For the North East, a 25 per cent increase in imports from Japan during the year has increased Japan's share of its imports to 18.5 per cent (up from 15.5 per cent in the previous 12 months). This has been mainly due to a growth in imports from division 78 'Road vehicles' (up £180.9 million) and division 72 'Machinery specialized for particular industries' (up £105.1 million). The North East was also the region with the highest growth rate in imports from the USA.

Within the top five countries for all the English regions, the biggest growth for the year for the South East, the East Midlands and the North West was in imports from Germany. The South West and London were the only English regions where imports from Germany decreased during the year. The East saw its largest increase in goods coming from the Irish Republic (up £1.2 billion, 41.1 per cent), mainly due to a rise of £813.2 million in goods within SITC division 51 'Organic chemicals'.

Partner country analysis – Wales

Table 3b: Wales - main import partners

	Country	Year ending June 2012 Total £ millions	Year ending June 2011 Total £ millions	% Change from June 2011	% Total Imports in year ending June 2012
Top 5	Canada	962.1	510.8	88.4	12.3
	Germany	753.7	632.7	19.1	9.6
	USA	714.9	695.4	2.8	9.1
	Brazil	590.3	687.6	-14.2	7.5
	China	563.8	632.3	-10.8	7.2
	Others	4,268.5	4,186.1	2.0	54.4
	Total EU	2,774.9	2,613.2	6.2	35.3
	Total Non-EU	5,078.4	4,731.6	7.3	64.7
	Grand Total	7,853.3	7,344.8	6.9	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Imports to Wales increased in value by 6.9 per cent during the year, slightly higher than the UK's average increase of 5.8 per cent. Most of the increase was due to rapid growth in imports from Canada, which remains Wales' top import partner; this rise was driven by an increase of £423.8 million in goods imported from SITC division 28 'Metalliferous ores & metal scrap' over the last 12 months. Imports from Brazil and China have both declined during the year, maintaining the positions of Brazil in fourth and China in fifth place. Brazil's decrease was also in division 28, down £116.5 million, while China's decrease was mainly in division 84 'Clothing' and 52 'Inorganic chemicals'.

Wales has also seen decreases in goods imported from the Netherlands and Australia during the year. For the Netherlands, much of the decrease was in SITC division 67 'Iron and steel' while for the Australia, SITC division 32 'Coke, coal & briquettes' contributed most to the decrease.

Apart from Canada, the partner countries whose imports to Wales increased the most during the 12 month period were South Africa, where imports more than doubled, and Germany, up £121.1 million. South Africa's increase was led by a rise of £116.1 million in division 28 'Metalliferous ores & metal scrap', while the Germany's was in SITC division 89 'Miscellaneous manufactured articles not specified elsewhere' up £52.7 million).

Partner country analysis – Scotland

Table 4b: Scotland - main import partners

		Year ending June 2012 Total £ millions	Year ending June 2011 Total £ millions	% Change from June 2011	% Total Imports in year ending June 2012
	Country				
Top 5	USA	2,092.5	1,981.8	5.6	16.0
	Norway	1,634.0	1,315.3	24.2	12.5
	China	1,116.8	1,084.4	3.0	8.6
	Germany	676.4	618.5	9.4	5.2
	Netherlands	666.5	712.9	-6.5	5.1
	Others	6,862.7	6,180.8	11.0	52.6
	Total EU	3,833.7	3,587.8	6.9	29.4
	Total Non-EU	9,215.2	8,305.9	10.9	70.6
	Grand Total	13,049.0	11,893.7	9.7	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Imports to Scotland have increased in value by almost 10 per cent during the year, a higher rate of increase than the 5.8 per cent average for the UK. The USA remains Scotland's top import partner, with an increase of 5.6 per cent over the year. Imports from the USA that increased most during the year were in SITC division 32 'Coal, coke & briquettes'; those that decreased the most were from SITC division 71 'Power generating machinery & equipment'. Imports from Norway increased by 24.2 per cent during the year. Most of the annual increase in imports from Norway came from SITC

division 34 'Gas, natural & manufactured' up £70.5 million and division 33 'Petroleum, petroleum products & related materials' up £62.7 million.

Scotland's imports from China continued to recover during the second quarter of 2012, increasing by 3 per cent during the year as a whole although there was a substantial reduction in goods coming from SITC division 75 'Office machines & ADP machines' (down £56.7 million). Imports from the Netherlands have declined during the year; here the decrease was also largely due to reduced imports from SITC division 75 (down £143.0 million). Apart from the Netherlands, the partner countries whose imports to Scotland have decreased most in value are Colombia (SITC 32 'Coal, coke & briquettes' down £65.8 million), Argentina (SITC division 08 'Feeding stuff for animals' down £52.1 million) and Brazil (also SITC division 08 down £49.9 million).

Over 70 per cent of Scotland's imports now come from non-EU countries. Imports from Russia increased by 46.1 per cent during the year, with much of the increase coming from SITC division 32 'Coal, coke & briquettes', up £153.3 million. Imports from Nigeria from SITC division 33 'Petroleum, petroleum products & related materials' also increased during the year (up £114.6 million).

Partner country analysis – Northern Ireland

Table 5b: Northern Ireland - main import partners

Country		Year ending June 2012 Total £ millions	Year ending June 2011 Total £ millions	% Change from June 2011	% Total Imports in year ending June 2012
Top 5	Irish Republic	1,587.0	1,656.7	-4.2	28.4
	China	916.9	874.5	4.8	16.4
	USA	413.0	421.1	-1.9	7.4
	Germany	309.0	281.2	9.9	5.5
	France	285.9	241.4	18.4	5.1
Others		2,083.8	1,945.2	7.1	37.2
Total EU		3,191.6	3,096.8	3.1	57.0
Total Non-EU		2,403.8	2,323.2	3.5	43.0
Grand Total		5,595.5	5,420.0	3.2	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 5b shows that Northern Ireland has seen relatively low growth of 3.2 per cent in the value of its imports during the year. This increase is less than that in other UK countries. Although imports to Northern Ireland are dominated by goods from the Irish Republic, there has been a decrease in the value of imports from here during the year; the main contributor was SITC division 89 'Miscellaneous manufactured articles not specified elsewhere' where imports fell by £79.0 million.

Northern Ireland's imports from China grew by 4.8 per cent during the year. Imports from SITC division 84 'Articles of apparel & clothing accessories' went up by £26.8 million, and imports in division 77 'Electrical machinery, apparatus & appliances' went up by £22.4 million. Imports from the USA have continued to decline, resulting in negative growth of 1.9 per cent for the year. This was mainly due to a reduction in goods from SITC division 72 'Machinery specialized for particular industries' which declined by £17.7 million and division 08 'Feeding stuff for animals' which fell by £14.6 million.

The largest increases in imports to Northern Ireland during the year were from Spain (SITC division 79 'Other transport equipment' up £61.9 million) and France (SITC division 04 'Cereals & cereal preparations' up £17.6 million).

Commodity analysis - England

Table 6b: Top 5 commodities for England imports - year ending June 2012 compared to year ending June 2011

SITC section	Description	Year to June 2012 Total £ millions	Year to June 2011 Total £ millions	% Change from June 2011	% Total Imports in year ending June 2012
7	Machinery & transport equipment	107,483.2	103,366.2	4.0	33.1
3	Mineral fuels, lubricants & related materials	51,111.6	38,739.7	31.9	15.7
8	Miscellaneous manufactured articles	50,572.3	49,756.4	1.6	15.6
6	Manufactured goods classified chiefly by material	39,967.6	37,760.8	5.8	12.3
5	Chemicals & related products	38,718.3	36,633.1	5.7	11.9
	Other SITCs	37,102.4	36,058.7	2.9	11.4
	All SITCs	324,955.5	302,315.0	7.5	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 6b shows that section 7 'Machinery & transport equipment' continues to dominate England's imports, accounting for almost one third of total import value. Section 7 has shown an increase of 4.0 per cent over the year, compared with an average growth rate of 7.5 per cent across all sections. Within this section, division 78 (road vehicles (including air cushion vehicles)) increased by 2.7 billion; division 71 (power generating machinery & equipment) increased by £1.0 billion; while imports from SITC division 79 'Other transport equipment' decreased by £2.4 billion with imports from the USA in this section down £1.1 billion).

All of the top five SITC sections increased in value during the year. The largest section-level value increase over the year was in section 3 'Mineral fuels, lubricants & related materials', which rose by £12.4 billion; this 31.9 per cent increase was mainly due to division 33 'Petroleum, petroleum products & related materials' (up £11.9 billion, with imports from Norway up £4.8 billion).

Section 6 'Manufactured goods classified chiefly by material' increased in value by 5.8 per cent during the year; this rise was driven by increases in imports from division 68 'Non-ferrous metals' (up £1.4 billion). The majority of this increase was in imports

from Taiwan, up £638.9 million. Imports from section 5 'Chemicals & related products' increased by 5.7 per cent during the 12 months; much of the increase came from division 51 'Organic chemicals' (up £853.3 million, with imports from the Irish Republic up £860.5 million) and division 54 'Medicinal & pharmaceutical products' (up £766.1 million, with imports from Israel up £710.5 million).

Seventeen of the sixty-five SITC divisions decreased in import value over the 12 months. Apart from division 79 'Other transport equipment', the biggest decreases were in division 28 'Metalliferous ores & metal scrap' (down £564.3 million, 17.5 per cent) and division 34 'Gas, natural & manufactured' (down £425.7 million, a 6.3 per cent decline). For division 28 this is in contrast to Wales, where imports rose by 46.9 per cent during the year.

Commodity analysis – English regions

Table 7b - Top 5 commodities for import to English regions - 12 months ending June 2012

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

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 7b shows the top five import sections by value for the English regions. There have been no changes in the order of the top five sections in the last quarter.

Section 3 'Mineral fuels, lubricants & related materials' has seen large rises in import value during the year in virtually all English regions. The main exception is the North East, where imports have decreased in value by 23.9 per cent. The most dramatic increase was for the West Midlands, where imports from section 3 more than doubled in value to £10.0 billion during the year. The East, the North West, Yorkshire and Humberside, and the South West all saw increases of 30-40 per cent in the value of imports from section 3. For the East and the North West, the increase came from division 33 'Petroleum, petroleum products & related materials', while for Yorkshire and Humberside and the South West, the increase came from division 32 'coal, coke & briquettes'.

Section 7 'Machinery & transport equipment' remains the most dominant section for imports in the majority of regions, as it is for exports. Some regions have seen a rise in import value for section 7 during the year while others have experienced a decline. The regions with the most significant increases were the North East (up 22.0 per cent), the West Midlands (up 17.8 per cent), the North West (up 10.2 per cent) and the East Midlands (up 8.8 per cent). For all these regions except the East Midlands SITC division 78 'Road vehicles' contributed most of the value increase. The regions with the biggest decreases in section 7 were the East (down 7.4 per cent) and the South West (down 0.7 per cent). In the East, SITC division 79 'Other transport equipment' contributed most to the decline, while in the South West SITC division 76 'Telecomms & sound recording & reproducing apparatus & equipment' lost the most value, though this was offset by an increase in division 71 'power generating machinery & equipment'.

For section 5 'Chemicals & related products' the South East, East and North West remain the top importing regions. The East has seen a rise of 25.0 per cent over the year, mainly due to increased imports from SITC division 51 'Organic chemicals' (up £819.1 million, with imports from the Irish Republic up £813.2 million), and division 54 'Medicinal & pharmaceutical products' (up £602.3 million, with imports from the Irish Republic up £382.2 million). Imports to the North West rose by 4.7 per cent with much of the increase coming from SITC division 54 (up £543.1 million).

Imports from section 6 'Manufactured goods classified chiefly by material', increased for six of the nine regions, the largest being in the North East (up 16.4 per cent), London (up 10.8 per cent) and the West Midlands (up 9.1 per cent). For London the increase was driven by goods from SITC division 68 'Non-ferrous metals' from Taiwan, whereas for the North East a large portion of the increase was from goods in SITC division 67 'Iron & steel' coming from Germany. For the West Midlands, the increase was split among several products from different countries.

Imports from section 8 'Miscellaneous manufactured articles' increased for five of the nine regions. The largest value increase was for London (up £805.9 million, 5.3 per cent) where SITC division 89 'Miscellaneous manufactured articles not specified elsewhere' increased by 5.7 per cent, mainly in goods coming from the USA and Switzerland. The region with the biggest decrease in imports from section 8 was the South East (down £122.5 million), mainly due to a reduction in goods within division 89 coming from China.

Commodity analysis – Wales

Table 8b: Top 5 commodities for Wales imports - year ending June 2012 compared to year ending June 2011

SITC section	Description	Year to June 2012 Total £ millions	Year to June 2011 Total £ millions	% Change from June 2011	% Total Imports in year ending June 2012
2	Crude materials, inedible, except fuels	2,059.3	1,443.4	42.7	26.2
6	Manufactured goods classified chiefly by material	1,804.9	1,723.6	4.7	23.0
7	Machinery & transport equipment	1,443.3	1,593.5	-9.4	18.4
5	Chemicals & related products	1,003.5	1,005.0	-0.1	12.8
8	Miscellaneous manufactured articles	689.1	693.1	-0.6	8.8
	Other SITCs	853.3	886.3	-3.7	10.9
	All SITCs	7,853.3	7,344.8	6.9	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 8b shows that section 2 'Crude materials, inedible, except fuels' is the top commodity group for Wales, up from third position last year. This section had a 42.7

per cent increase in value during the past year; almost entirely due to a large rise in SITC division 28 'Metalliferous ores & metal scrap, up 46.9 per cent in value over the 12 months. This increase was driven by growth in imports from Canada (up £423.7 million). Wales now accounts for over 40 per cent of the UK's imports from this division.

Wales saw its other large value increase in section 6 (up £81.3 million) where the growth was mainly triggered by a rise in division 68 'Non-ferrous metals' (up £165.4 million, with imports from South Africa increasing by £75.3 million) balanced by a decrease of £118.8 million, 14.6 per cent, in division 67 'Iron & steel', with imports from the Netherlands and Russia falling by £100.0 million and £95.6 million respectively, which more than covered this decrease.

Section 7 'Machinery & transport equipment' had the biggest yearly decrease in value (down 9.4 per cent) while remaining the third biggest import value. The decline was brought about by reductions in SITC division 76 'Telecomms & sound recording & reproducing apparatus & equipment' (down £108.3 million), mainly in goods coming from Mexico.

The value of imports from section 3 'Mineral fuels, lubricants & related materials' has decreased by £86.9 million, 15.9 per cent during the year. This is primarily driven by a decrease of £87.6 million, 16.3 per cent, in SITC division 32 'coal, coke & briquettes'. This is the third largest fall at division level, after division 67 and 76 previously mentioned.

Commodity analysis – Scotland

Table 9b: Top 5 commodities for Scotland imports - year ending June 2012 compared to year ending June 2011

SITC section	Description	Year to June 2012 Total £ millions	Year to June 2011 Total £ millions	% Change from June 2011	% Total Imports in year ending June 2012
7	Machinery & transport equipment	4,916.1	4,861.7	1.1	37.7
3	Mineral fuels, lubricants & related materials	2,532.1	1,969.7	28.6	19.4
6	Manufactured goods classified chiefly by material	1,790.8	1,344.3	33.2	13.7
8	Miscellaneous manufactured articles	1,616.8	1,461.9	10.6	12.4
0	Food & live animals	930.0	1,086.0	-14.4	7.1
	Other SITCs	1,263.2	1,170.1	8.0	9.7
	All SITCs	13,049.0	11,893.7	9.7	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 9b shows that Scotland's imports continue to be dominated by goods from SITC section 7, with a slight increase of 1.1 per cent in import value for this section over the year. There was a reduction in imports from SITC division 75 'Office machines & ADP machines' (down £214.6 million, 14.1 per cent) mainly in goods coming from the Netherlands (down £143.0 million) while division 74 'General industrial machinery' increased by £165.1 million and division 72 'Machinery specialized for particular industries' increased by £109.9 million.

The SITC section that increased most over the year was section 3 'Mineral fuels, lubricants & related materials' (up £562.4 million) with imports from division 32 'Coal, coke & briquettes' up 42.7 per cent, primarily due to growth in imports from Russia (up £153.3 million). SITC division 33 'Petroleum, petroleum products & related materials' has seen an increase of 16.8 per cent during the year; most of this increase was from imports from Nigeria and Algeria, up £114.6 million and £100.7 respectively.

Scotland's top five import sections have remained the same since the end of 2011. Section 6 'Manufactured goods classified chiefly by material' has seen its sixth consecutive period of growth, with an annual increase of £446.5 million, 33.2 per cent. Over the 12 month period there were large increases in imports from SITC divisions 67 'Iron & steel' (up £195.1 million) and 62 'Rubber manufactures' (up £81.0 million). For division 67 the increase was mainly in goods from Japan, Italy, the USA and Germany, whereas for division 69 most of the increase was in goods from Norway, Italy and China.

The section with the largest decline in value during the year was section 0 'Food & live animals' which went down by £156.0 million, although it rose by £35.0 million in the last quarter. The reduction over the year was mainly attributable to division 08 'Feeding stuff for animals' (down £111.1 million, with Argentina down £52.1 million and Brazil £49.9 million) and division 02 'Dairy products & birds' eggs' (down £74.8 million, with a £57.7 million reduction from France)

Commodity analysis – Northern Ireland

Table 10b: Top 5 commodities for Northern Ireland imports - year ending June 2012 compared to year ending June 2011

SITC section	Description	Year to June 2012 Total £ millions	Year to June 2011 Total £ millions	% Change from June 2011	% Total Imports in year ending June 2012
8	Miscellaneous manufactured articles	1,516.6	1,585.1	-4.3	27.1
7	Machinery & transport equipment	1,110.4	1,039.2	6.8	19.8
0	Food & live animals	931.3	791.8	17.6	16.6
6	Manufactured goods classified chiefly by material	793.8	748.6	6.0	14.2
5	Chemicals & related products	473.1	486.9	-2.8	8.5
Other SITCs		770.3	768.4	0.2	13.8
All SITCs		5,595.5	5,420.0	3.2	100.0

Note: 2012 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Section 8 'Miscellaneous manufactured articles' remains Northern Ireland's top import section by value, despite a fall of 4.3 per cent over the last year. The majority

of the decline came from SITC division 89 'Miscellaneous manufactured articles not specified elsewhere' (down £87.5 million, a 29.0 per cent decrease) with a reduction of £79.0 million in goods coming from the Irish Republic. Northern Ireland also saw a decline in imports from section 5 'Chemicals & related products'; the 2.8 per cent decrease was chiefly caused by a reduction in imports from SITC divisions 57 'Plastics in primary forms' (down £20.9 million, a 31.4 per cent decrease) and 59 'Chemical materials and products' (down £20.5 million, 27.6 per cent).

Apart from division 89 'Miscellaneous manufactured articles not specified elsewhere' the biggest decrease at division level was for division 72 'Machinery specialized for particular industries' (down £29.6 million) with imports from the USA, Japan and Germany declining in value during the year.

Section 0 'Food & live animals' had by far the largest increase in value for the year (up £139.5 million, 17.6 per cent); this was spread between imports within SITC divisions 04 'Cereals & cereal preparations' up by £41.1 million (imports from the Irish Republic up £21.2 million), 08 'Feeding stuff for animals' up by £35.2 million (imports from the Irish Republic up £26.4 million) and 01 'Meat and meat preparations' up by £33.7 million (imports from the Irish Republic up £19.5 million).

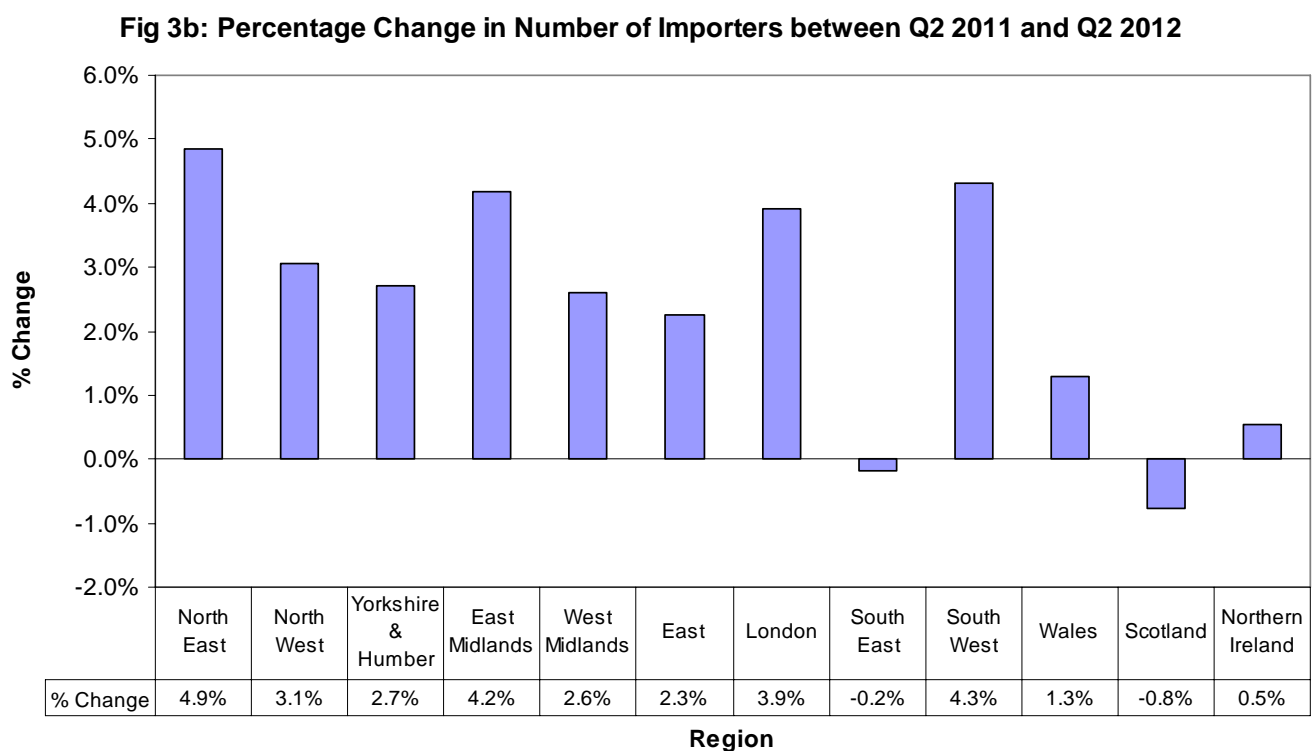
The largest value increase at division level was for SITC division 79 'Other transport equipment' where imports rose by 53.4 per cent during the year (up £59.7 million, with imports from Spain up £61.9 million). There was also a large increase in value for imports from SITC division 84 'Articles of apparel & clothing accessories' (up £53.4 million, mainly due to increased imports from China and Pakistan).

Outside of the top five SITC sections, there was a £19.5 million (9.7 per cent) decrease in section 2 'Crude materials, inedible, except fuels'. This decrease was mainly due to imports from SITC divisions 27 'Crude fertilizers & crude minerals (excluding fuels etc)' down £11.5 million, 43.3 per cent, and 24 'Cork and wood', down £8.7 million, 9.6 per cent.

Number of Businesses – Imports

The following analysis compares the number of active importers in quarter 2 2012 with the number in quarter 2 2011. A quarterly analysis is more appropriate here than an annual analysis, since summing the number of active businesses over a year could produce ambiguous results. A quarter-on-quarter comparison enables us to measure seasonal movement of businesses, such as the increase/decrease in number of importers over the Christmas season (quarter 4). The number of businesses counted excludes businesses with the EU 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 2 2011 and quarter 2 2012.



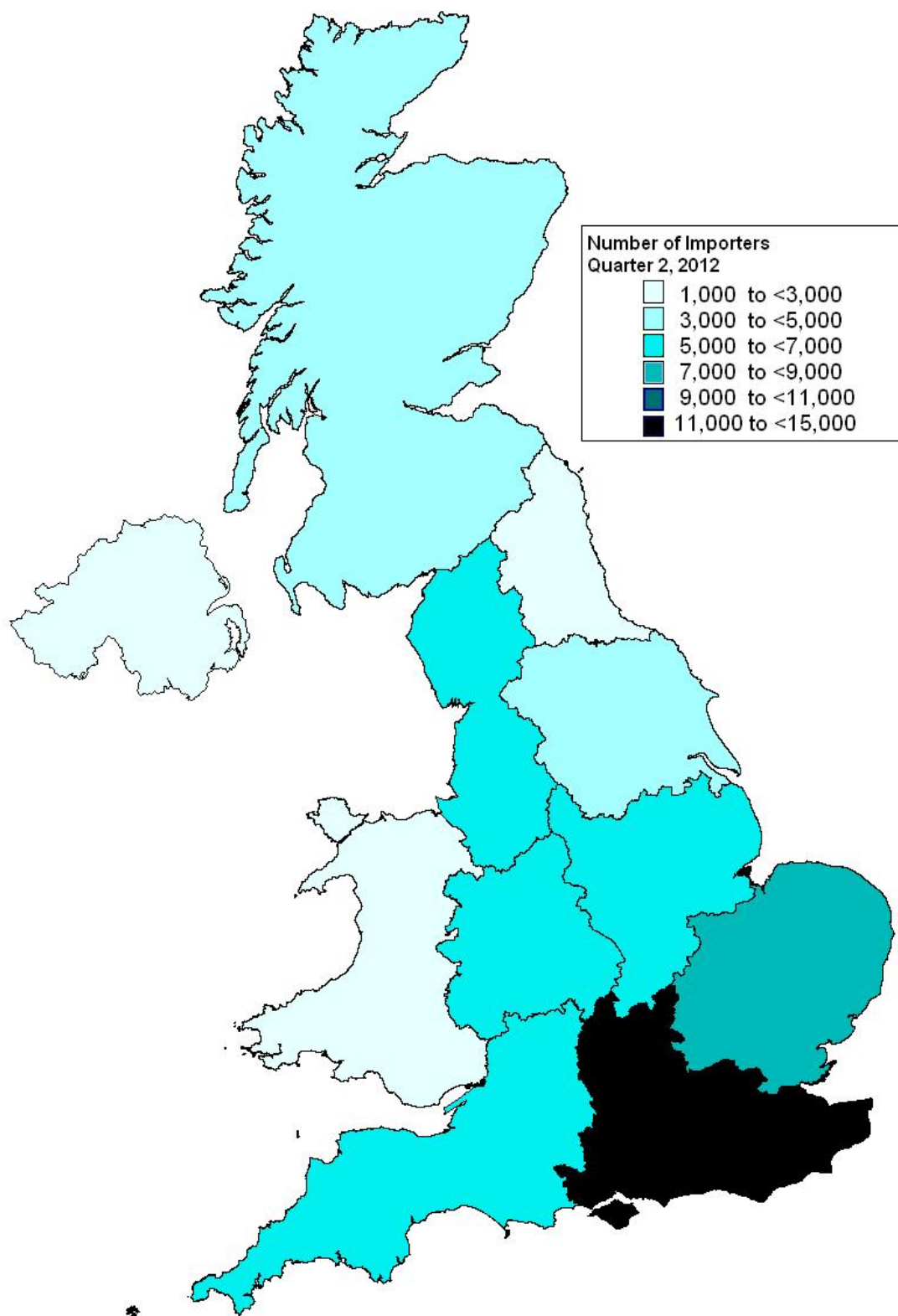
Note: 2012 data are provisional
Source: Regional Trade Statistics, HM Revenue & Customs

In the UK as a whole, the number of importing businesses increased by 2.4 per cent between quarter 2 2011 and quarter 2 2012 to 68,541.

Figure 3b shows that the number of active importers increased in every region of the UK apart from the South East and Scotland between quarter 2 2011 and quarter 2 2012. The largest increase in importers was in London (up 503, 3.9 per cent).

Figure 4b shows the total number of UK import businesses in each region for quarter 2, 2012. London, the South East and the East are the three regions with the largest count of businesses, accounting for 19.5 per cent, 17.0 per cent and 10.8 per cent of all UK businesses respectively. The North East has the smallest number of importing businesses for the quarter, making up 2 per cent of all UK importers.

Fig 4b: Number of UK import businesses by region - Quarter 2, 2012



Note: 2012 data are provisional

Source: Regional Trade Statistics, HM Revenue & Customs

Notes

1. The latest statistics on Regional Trade were released on 06 September 2012 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 2 2012. At the same time revisions for all previously published regional data for 2011 are also being released.
2. Data is taken primarily from Customs systems (for non-EU trade) and the Intrastat survey (for EU trade). HMRC does not receive information in respect of goods that move wholly within the UK, nor in intangibles and services such as banking or tourism. Trade is mainly allocated to a region by the postcode associated with a company's VAT registration.
3. Some adjustments have been necessary in the production of export statistics by region to ensure manufacturing that takes place at branch premises is properly allocated to the region where the branch is situated. This adjustment is based on the results of periodic surveys of the top 200 businesses by value of exports (both EU and non-EU), to determine the values and proportions of trade generated by each branch. Therefore, for businesses who have provided a response to the survey, their trade is split by value to various regions in line with the information provided by the survey. For all other businesses the region where the head office is located is used by default. For imports, such adjustments cannot be made, as businesses would not be able to produce a reasonable assessment of the final regional destination for their goods. Unlike exports where the manufacture of goods is typically more regionally concentrated, imports are based on the sale of goods, which is far more regionally dispersed.
4. Not all trade can be assigned to one of the 9 English Regions, Wales, Scotland and Northern Ireland. Where appropriate, this is referred to in the tables as the 'Unknown region' and includes:
 - a. Trade carried out by persons or entities which cannot be matched to a region.
 - b. Low Value Trade and estimates made for EU trade below the Intrastat threshold.

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

More information can be found in the RTS methodology document.

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

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

8. Aggregated tables are produced to allow time series analysis; these tables are provided in a separate document released in conjunction with this Release.
9. The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics. Designation can be broadly interpreted to mean that the statistics:
 - meet identified user needs;
 - are well explained and readily accessible;
 - are produced according to sound methods, and
 - are managed impartially and objectively in the public interest.Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.
10. The Regional Trade in Goods figures undergo regular quality assurance reviews to ensure they meet customer needs. The latest Government Statistical Service Quality report can be found [here](#).
11. The RTS has recently 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>

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

Next release: 06 December 2012 9:30am

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