

Non-EU Overseas Trade Statistics - February 2012

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Summary

- UK's Non EU imports have decreased by £0.7 billion (4.4 per cent) compared to January 2012, to £16.0 billion. Compared to February 2011, imports have increased by £1.3 billion (8.9 per cent).
- UK's Non EU exports have increased by £0.9 billion (7.9 per cent) compared to January 2012, to £11.8 billion. Compared to February 2011 exports have decreased by £0.3 billion (2.5 per cent).
- The UK remains a net importer (imports are greater than exports). The size of the difference between imports and exports has decreased by 27.2 per cent compared to January 2012 but has increased from February 2011 by 61.1 per cent.
- The February 2011 Non EU OTS incorporated a processing change to exports data required for compliance with [EU legislation](#). If the effect of the processing change is excluded, the value for February 2011 exports would have been £10.3 billion. Comparing this figure to the February 2012 data would have shown a 13.8 per cent increase in exports. This would have also meant the difference between imports and exports decreased compared to the February 2011 figure by 2.6 per cent.



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.

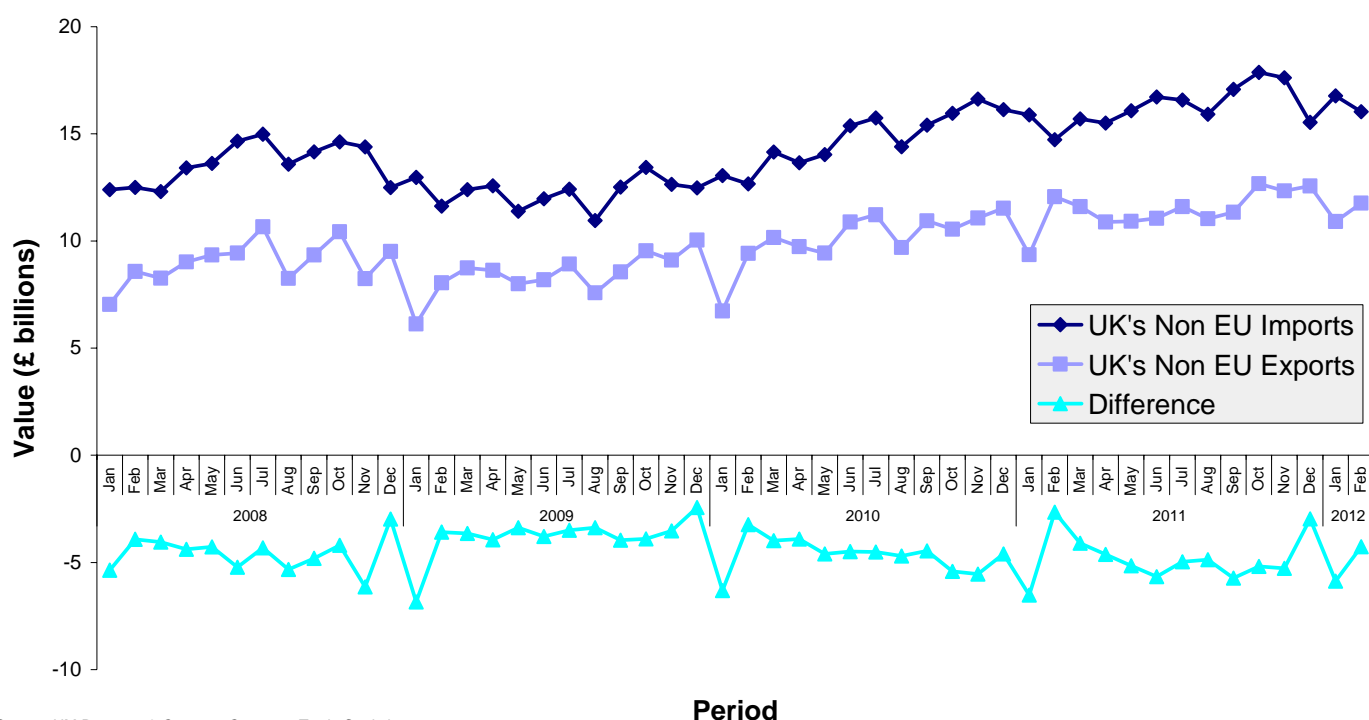
You can find details of how users interested in import and export markets for specific goods make use of the detailed OTS data in '[The Customer Story](#)'. You can also access the detailed data in our interactive database [here](#).

Key Points

For the month of February 2012:

The value of imports decreased in February 2012 while the value of exports rose, decreasing the difference between Non EU imports and exports. This has been the trend for February for a number of years.

Fig. 1: Total Monthly UK Trade with Non EU Countries



Source: HM Revenue & Customs Overseas Trade Statistics
 Note: 2011 and 2012 data are provisional

Exports

- UK's Non EU exports have increased by £0.9 billion (7.9 per cent) compared to January 2012, to £11.8 billion. Compared to February 2011, exports have decreased by £0.3 billion (2.5 per cent). If the effect of the processing change¹ is excluded, the value for February 2011 is estimated to have been £10.3 billion. If this is taken into account, there is an estimated increase from February 2011 of 13.8 per cent.
- The top five commodities are the similar to the previous month.
- The largest contributing commodity group remains HS2 84 (Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof). It contributed £2.2 billion, 18.5 per cent of the total value of UK's Non EU export trade and increased in export value by £130.2 million, 6.3 per cent on the January 2012 value. The largest contribution to this chapter was £897.0 million from HS4 8411 (Turbo-jets, Turbo-propellers and other gas turbines).
- The largest value increase from the previous month, of £266.6 million, was in HS2 71 (Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin). This is one of the top five commodity types of the UK exports from the UK to non-EU countries. This is a 36.2 per cent increase compared to January 2012. This increase is driven by HS4 7113 (jewellery and precious metal or of metal clad with precious metal (excluding articles greater than 100 years old)) up £317.7 million, although this was partially offset by a decrease of £160.3 million in HS4 7106 (Silver, including silver plate).
- The largest decrease from the previous month was £397.1 million in HS2 27 (Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes), a decrease of 31.7 per cent. This follows the January 2012 figure which was the highest export value in this commodity type since June 2008.
- USA remains the Non EU country for which the value of UK exports is largest, accounting for 28.4 per cent of the total value of UK's Non EU export trade. The USA had the largest increase, compared to January 2012, in the value of exports by £249.2 million, 8.1 per cent. The largest decrease in exports compared to January 2012 was to South Korea which decreased by £156.3 million, 38.4 per cent.
- The total value of UK exports to non-EU countries for January 2012 is £10.9 billion, which has been upwardly revised by £33.7 million. This is an increase of 0.3 per cent.

¹ Previously, the non EU export reference periods did not relate exactly to the calendar month – between 2-6 days of trade were not included in the current month but carried forward to the following month. This was for operational reasons that are no longer required. The change to bring the reference periods in line with the exact calendar month, as required in EU legislation, affected February 2011 data which included an additional five days of trade (approx £1.8 billion)

Imports

- The value of the UK's Non EU imports has decreased by £0.7 billion (4.4 per cent) compared to January 2012, to £16.0 billion. Compared to February 2011 imports have increased by £1.3 billion (8.9 per cent).
- The top four commodities are the same as the previous month, although there were decreases compared to January 2012 in the value of imports for three of the top five commodity types. HS2 88 (Aircraft, spacecraft, and parts thereof) has increased to become the fifth largest imported commodity by value. In January it was the tenth. In contrast, HS2 87 (Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof) has fallen to seventh place, having previously been fifth in January 2012.
- The largest contributing commodity group remains HS27 (Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes) despite experiencing the largest value decrease compared to the previous month, of £0.5 billion (11.2 per cent).
- The largest increase at HS2 level from the previous month was in HS2 71 (Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin) with an increase of £402.9 million. Within HS2 71, the largest increase over the previous month was in HS4 7102 (unmounted diamonds) with an increase of £228.8 million, an increase of 77.6 per cent.
- The top five Non EU countries from which the UK imports are similar to the previous month. The largest increase in value of import trade is for the USA, which increased by £391.4 million over the month. In contrast, China had the largest decrease, of £329.4 million and has fallen back behind USA as the top non EU country from which the UK imports goods. The USA accounted for 17.5 per cent of the total value of UK's Non EU import trade, with a total value of £2.8 billion, while China had an import value of £2.3 billion. Russia was previously in fifth place, and although it had an increase of £56.7 million, Switzerland saw an increase of £149.6 million, to become the fourth largest import partner pushing Japan and Russia into fifth and sixth place.
- The total value of UK imports from non-EU countries for January 2012 is £16.8 billion, which has been downwardly revised by £2.2 million. This is a decrease of less than 0.1 per cent.

Further Analysis: Exports

Table 1 shows a comparison of the top five commodities exported to countries outside the EU for February 2011, January 2012 and February 2012.

HS 2	Description	February 2012 Total £ millions	% Change from January 2012	% Change from February 2011 ²	% of Total February 2012 exports	Rank January 2012	Rank February 2011
-	Total Exports	11,761.5	7.9	-2.5	100.0	n/a	n/a
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	2,181.6	6.3	1.2	18.5	1	1
87	Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof	1,345.0	1.6	0.7	11.4	2	2
71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin	1,002.8	36.2	5.8	8.5	5	5
30	Pharmaceutical products	891.9	20.6	-8.9	7.6	4	4
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	857.2	-31.7	-18.3	7.3	3	3

Source: HM Revenue & Customs Overseas Trade Statistics

The overall increase compared to January 2012 in exports reflects increases in 76 per cent of HS2 chapters. Three of the top five commodity types experienced increases in excess of £100 million, totalling £549.0 million, which accounted for 64.1 per cent of the total net increase in export trade.

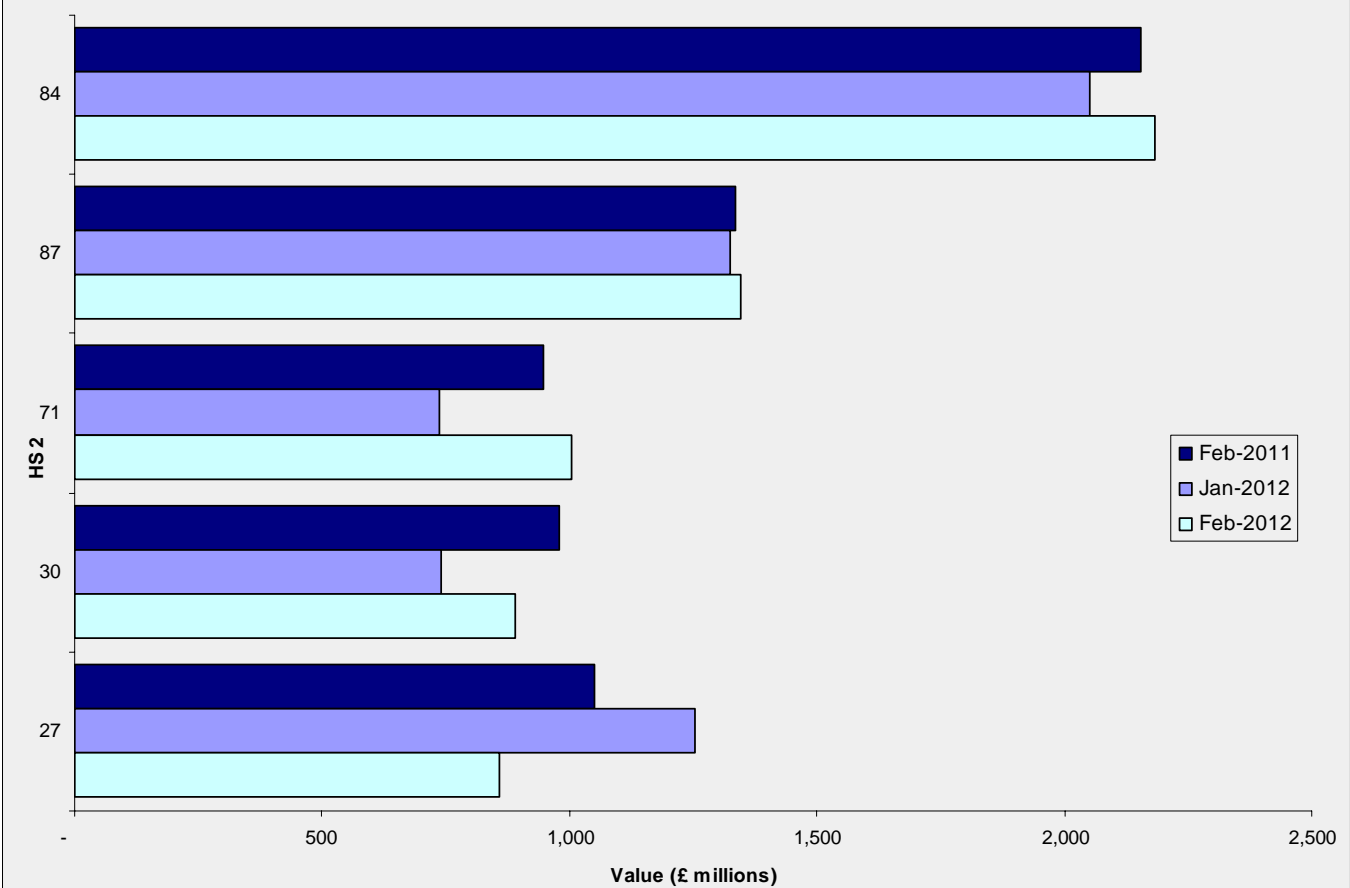
² This column shows the percentage difference between the published February 2011 figure and the published February 2012 figure. It includes the effect of the change for the February 2011 data to align non-EU exports reference periods with calendar months.

The largest change since last month is a decrease of £397.1 million in HS2 27 (Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes). The value of exports for January 2012 (£1.3 billion) was the highest value for exports in this commodity type since June 2008. The largest fall within this chapter was for HS4 2709 (Petroleum oils and oils obtained from bituminous minerals, crude) which has decreased by £283.4 million to £166.8 million, a drop of nearly 63 per cent. Also in this chapter, HS4 2710 (Petroleum oils and oils obtained from bituminous minerals excluding crude) decreased by £169.1 million to £593.7 million. The total value of exports to South Korea for HS2 27 has been low this month (less than £0.5 million), after a decrease of £231.9 million compared to January. There has also been a decrease of £136.9 million in exports to the USA, a decrease of 23.8 per cent.

The largest increase was for HS2 71, up by £266.6 million to £1.0 billion, an increase of 36.2 per cent. This is the second highest export value for this commodity type in recent years, with the highest being £1.1 billion in October 2011. Within this chapter, the HS4 level commodity types are split between increases and decreases, with the largest increase being HS4 7113 (jewellery and precious metal or of metal clad with precious metal (excluding articles greater than 100 years old)), up £317.7 million to £421.9 million, while the largest fall was for HS4 7106 (silver including silver plate) which has decreased by £160.3 million to £59.4 million.

The total export trade value has decreased by £0.3 billion compared to February 2011. However, February 2011 incorporated a processing change which had the effect of inflating the export figures. Previously, the non EU export reference periods had not related exactly to the calendar month – between two and six days of trade were not included in the current month but carried forward to the following month. This was for operational reasons that have since become redundant. The change to bring the reference periods in line with the exact calendar month, as required by EU legislation, affected February 2011 data, which included an additional five days of trade (approx £1.8 billion). Taking this into account, the estimated increase from February 2011 is 13.8 per cent for total non EU exports.

Fig 2: Top 5 commodities for UK's Non EU exports Feb 2012 compared to Jan 2012 and Feb 2011



Note: 2011 and 2012 data are provisional
 Source: HM Revenue & Customs Overseas Trade Statistics

Figure 2 above shows the top five commodities for UK's Non EU exports in February 2012, compared to January 2012 and February 2011. It shows the increase for the top four commodity types compared with January 2012 mentioned above, compared to the comparatively large decrease for HS2 27.

Table 2 shows a comparison of the value of UK export trade with our top five Non EU export trading partners for February 2011, January 2012 and February 2012.

Country	Total February 2012 £ millions	% change from January 2012	% Change from February 2011 ³	% of total February 2012 exports	Rank January 2012	Rank February 2011
Total Exports	11,761.5	7.9	-2.5	100.0	n/a	n/a
USA	3,340.4	8.1	-8.9	28.4	1	1
China	770.8	2.9	2.4	6.6	2	2
Switzerland	469.2	47.3	13.6	4.0	10	4
Hong Kong	450.9	33.7	12.8	3.8	9	7
Canada	439.1	53.8	17.0	3.7	13	10

Source: HM Revenue & Customs Overseas Trade Statistics

For all three periods, the United States was the UK's largest Non EU exporting partner country and China was the second largest.

The overall increase in exports compared to January reflects increases in the value of exports to over 60 per cent of our export partners. In addition the increases for countries were generally larger than the decreases. As the table shows, all the top five export countries had increased export values from January.

The largest change in value of export trade compared with January 2012 is the increase of £249.2 million to the USA, which remains our largest export partner. Historically the USA accounts for between an quarter and a third of the value of UK exports. A fall of £136.9 million in exports to the USA in chapter HS2 27 was counterbalanced by increases in exports to the USA of a number of other HS2 chapters, the largest being HS2 88 (Aircraft, spacecraft, and parts thereof) up by £70.1 million, and HS2 28 (Inorganic chemicals: organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes) up by £55.9 million.

The second largest value increase was for exports to Qatar, up by £202.7 million to £294.6 million. This was driven by increases in exports of HS2 71, up by £211.5 million. Rises in the value of exports in HS2 71 also drove the increases to Switzerland (up £81.6 million) and Hong Kong (up £72.9 million) shown in table 2. The increase in value of exports to Canada was in part also driven by an increase in chapter HS2 71 of £50.5 million. However, the largest increase in value of exports to Canada was in HS2 27 exports (up by £75.0 million).

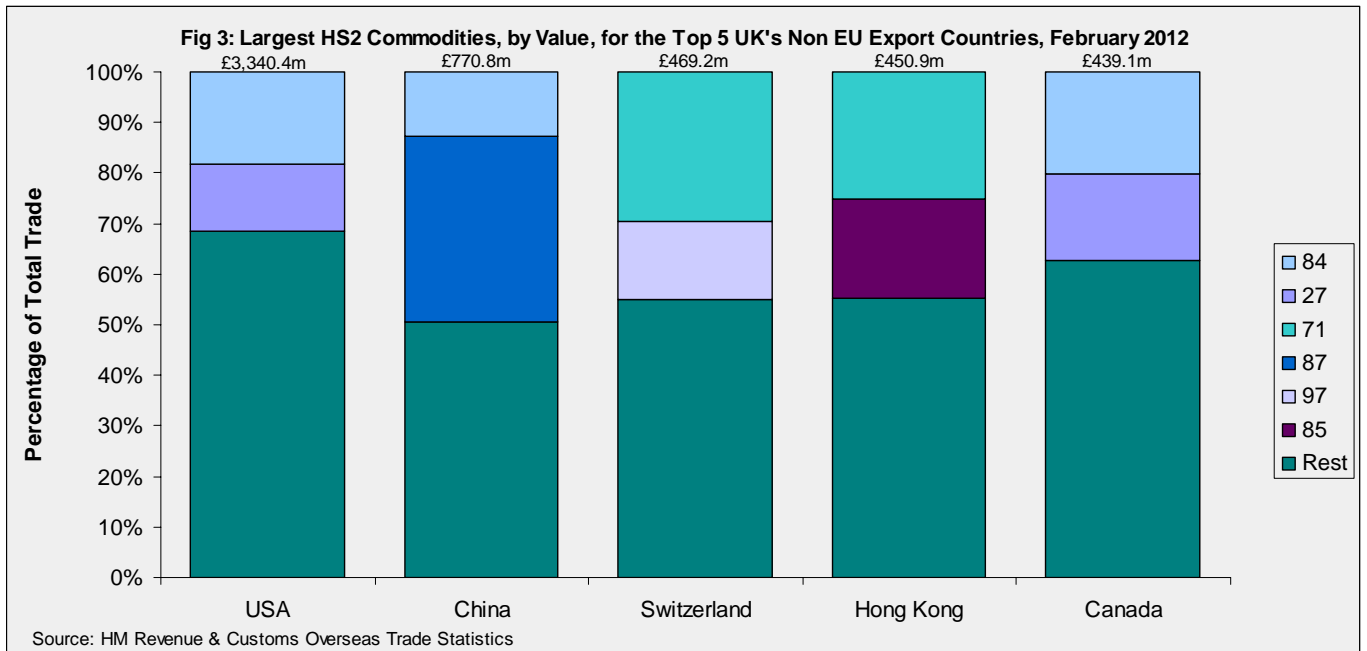
The largest decrease in the value of exports was to South Korea, down by £156.3 million to £250.2 million, a fall of 38.4 per cent. As previously mentioned, a decrease in HS2 27 of £231.9 million drove this change. This takes South Korea out of the top five, down to 17.

The second largest decrease was for the value of exports to India which was down by £148.2 million, a fall of 32.1 per cent. This was driven by a fall of £189.4 million in HS2 71, a decrease of 72.7 per cent. This is the lowest export value for India since March 2011, and drops India from third place last month to tenth this month.

Figure 3 below shows the largest commodities by value for the top five Non EU exporting partner countries. Three of the top five countries have HS2 84 (Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof) in their top two largest commodities exported from the UK. The trade with these countries accounts for

³ This column shows the percentage difference between the published February 2011 figure and the published February 2012 figure. It includes the effect of the change for the February 2011 data to align non-EU exports reference periods with calendar months.

36.6 per cent of the total value of UK Non EU export trade under this heading. Switzerland and Hong Kong together account for 25.1 per cent of the total value of exports from the UK in goods in HS2 71 in February 2012.



Further Analysis: Imports

Table 3 shows a comparison of the top five commodities imported from countries outside the EU for February 2011, January 2012 and February 2012.

HS 2	Description	February 2012 Total £ millions	% Change from January 2012	% Change from February 2011	% of Total February 2012 imports	Rank January 2012	Rank February 2011
-	Total Imports	16,032.9	-4.4	8.9	100.0	n/a	n/a
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	3,765.9	-11.2	11.9	23.5	1	1
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	1,791.1	-17.3	1.5	11.2	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	1,295.0	-16.3	0.4	8.1	3	3
71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin	1,132.0	55.3	5.0	7.1	4	4
88	Aircraft, spacecraft, and parts thereof	664.1	69.7	111.5	4.1	10	11

Source: HM Revenue & Customs Overseas Trade Statistics

The decrease of £0.7 billion in the value of imports compared to January 2012 is comprised of decreases in 70 per cent of HS2 commodities chapters. It was in the top five commodity types where the three largest decreases occurred (HS2 27, 84 and 85). The trade in these three commodity types decreased by £1.1 billion, while the two largest increases (HS2 71 and 88) offset this decrease with a combined increase of £0.7 billion.

The largest decrease in value was in HS2 27 (Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes), which decrease by £473.4 million to £3.8 billion. This follows an increase of £0.6 billion in January 2012 when imports in this commodity type reached the highest value ever. This commodity type contributed £3.8 billion, 23.5 per cent of the total value of UK's Non EU import trade in February 2012, and the decrease in this product contributed 64.0 per cent of the total net decrease over all products. Within this chapter, HS4 2711 (Petroleum gas and

other gaseous hydrocarbons) decreased by £239.0 million to £550.1 million, and HS4 2710 decreased by 178.7million to £483.0 million.

The largest increase in value was in HS71 (Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin), which rose by £402.9 million (55.3 per cent) to reach its highest monthly import value since March 2010. This was driven by increases of £228.8 million in HS4 7102 (unmounted diamonds) and £101.9 million in HS 7113 (articles of jewellery and parts thereof, of precious metal or of metal clad with precious metal).

The next largest increase, which was also in the top five imported commodities, was HS2 88 (up £272.9 million). The increase in HS2 88 was led by a rise of £327.6 million in HS4 8802 (Powered aircraft), almost entirely from the USA. This follows a decrease last month, of £346.0 million. This is a rather volatile chapter where just a few items of trade can have a major impact on the statistics.

There was also a large increase in the import of goods from HS2 97 (Works of art, collectors' pieces and antiques), up by £242.4 million. Again, because of the nature of the goods involved trade in this chapter is very volatile and just a few items of trade can have a major impact on the statistics. Because of the UK's position as one of the centres of the global art market, trade figures in these goods will reflect this volatility.

The increase in total import trade value compared to February 2011, noted above was driven by increases in over two thirds of all chapters. Within the top five chapters shown in fig 4 below, all of the chapters show increases, with HS2 88 more than double its February 2011 value, with an increase of £350.1 million. HS2 27 has the largest value increase of £401.2 million (11.9 per cent). Although there were increases in value of imports for some of the HS chapters these were comparatively smaller than the decreases mentioned above.

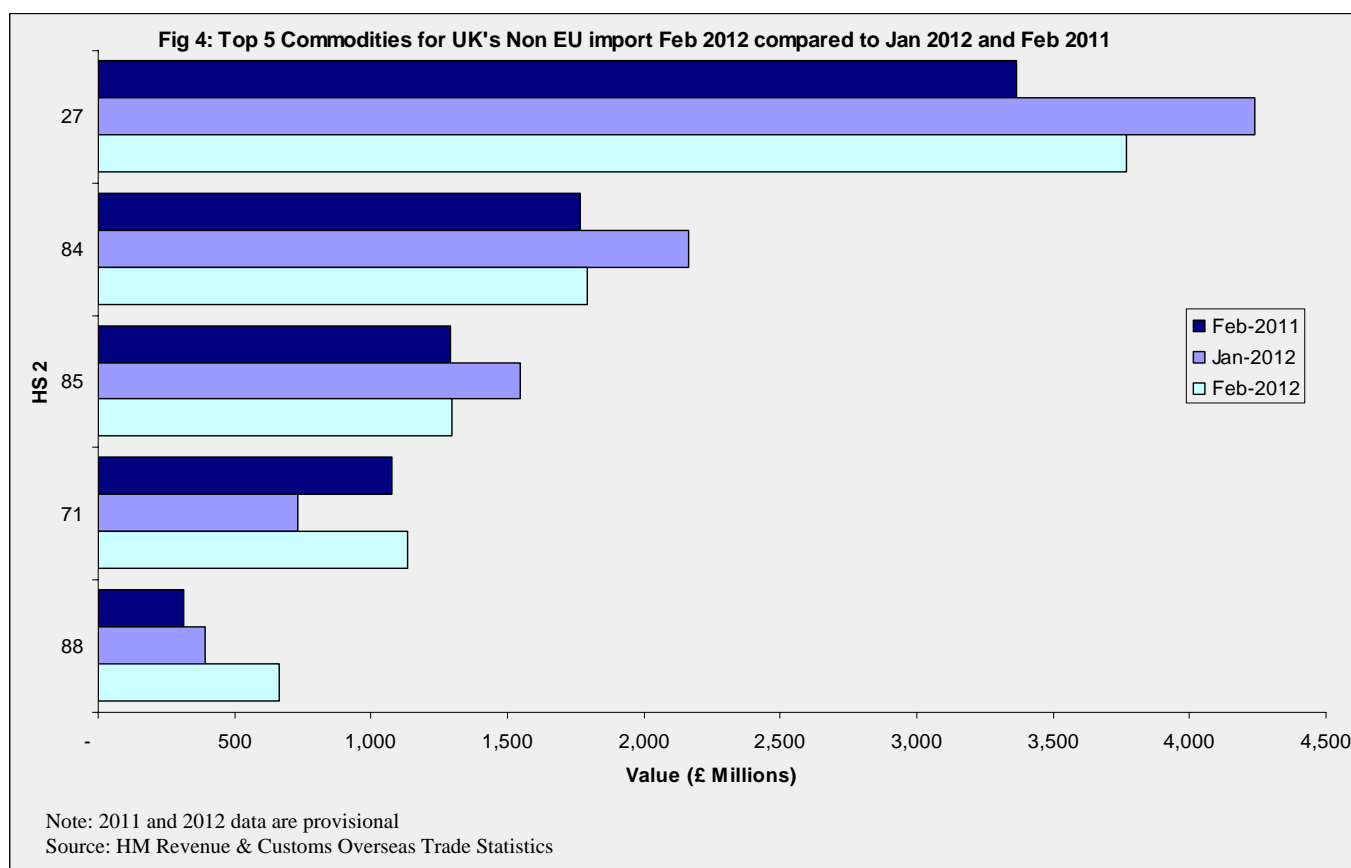


Table 4 shows comparisons of the value of UK import trade with our top five Non EU import trading partners for February 2011, January 2012, and February 2012. Imports from three of the top five imports trading partners have fallen in February compared to the previous month.

China and the USA have been the largest import partners for the UK for a number of years each accounting for between a quarter and a third of the total imports. The value of goods the UK imports from China fell in value in the last month, while the USA has increased, making the value of goods imported from the USA in February 2012 higher than from China.

The largest decrease in value of import trade compared with January 2012 is the decrease of £329.4 million from China, a drop of 12.3 per cent. This now makes a total decrease of 26 per cent since the record high of October 2011. This month's decrease is a result of a fall of £136.8 million (25.4 per cent) in HS2 85 (Electrical machinery and equipment and parts thereof) and £123.3 million (25.2 per cent) in HS2 84.

There was also a large decrease in imports from Qatar, which fell by £260.0 million compared to January 2012. The decrease was driven by a fall in imports to the UK of HS4 2711 (Petroleum gas and other gaseous hydrocarbons) which dropped from £404.0 million to £116.3 million, a reduction of 71.2 per cent. In January, HS4 2711 accounted for 95.0 per cent of the total imports from Qatar. This has decreased to 70.4 per cent. Similar decreases in value and volume of the commodity being imported suggest that less of the commodity is being imported rather than a decrease in prices.

The largest increase in value of imports was from the USA, increasing by £391.4 million, an increase of 16.2 per cent. This was driven by an increase in HS2 88, (Aircraft, spacecraft, and parts thereof), up by £365.4 million to £510.0 million, more than three times January's figure. There was also a relatively large increase in the import of goods from the USA in HS2 97 (Works of art, collectors' pieces and antiques), up by £101.7 million.

The second largest increase in the value of imports was from Switzerland, rising by £149.6 million, up 28.1 per cent. This was mainly due to an increase in HS2 97, (Works of art, collectors' pieces and antiques), up by £108.7 million to £146.4 million, more than three times January's figure.

Table 4: Top 5 Non EU import partner countries in February 2012 compared to January 2012 and February 2011

Country	Total February 2012 £ millions	% change from January 2012	% Change from February 2011	% of total February 2012 imports	Rank January 2012	Rank February 2011
Total Imports	16,032.9	-4.4	8.9	100.0	n/a	n/a
USA	2,811.0	16.2	18.2	17.5	2	1
China	2,347.5	-12.3	10.3	14.6	1	2
Norway	2,193.6	-2.3	14.3	13.7	3	3
Switzerland	681.0	28.1	-11.6	4.2	8	4
Japan	671.7	-10.6	5.4	4.2	4	5

Source: HM Revenue & Customs Overseas Trade Statistics

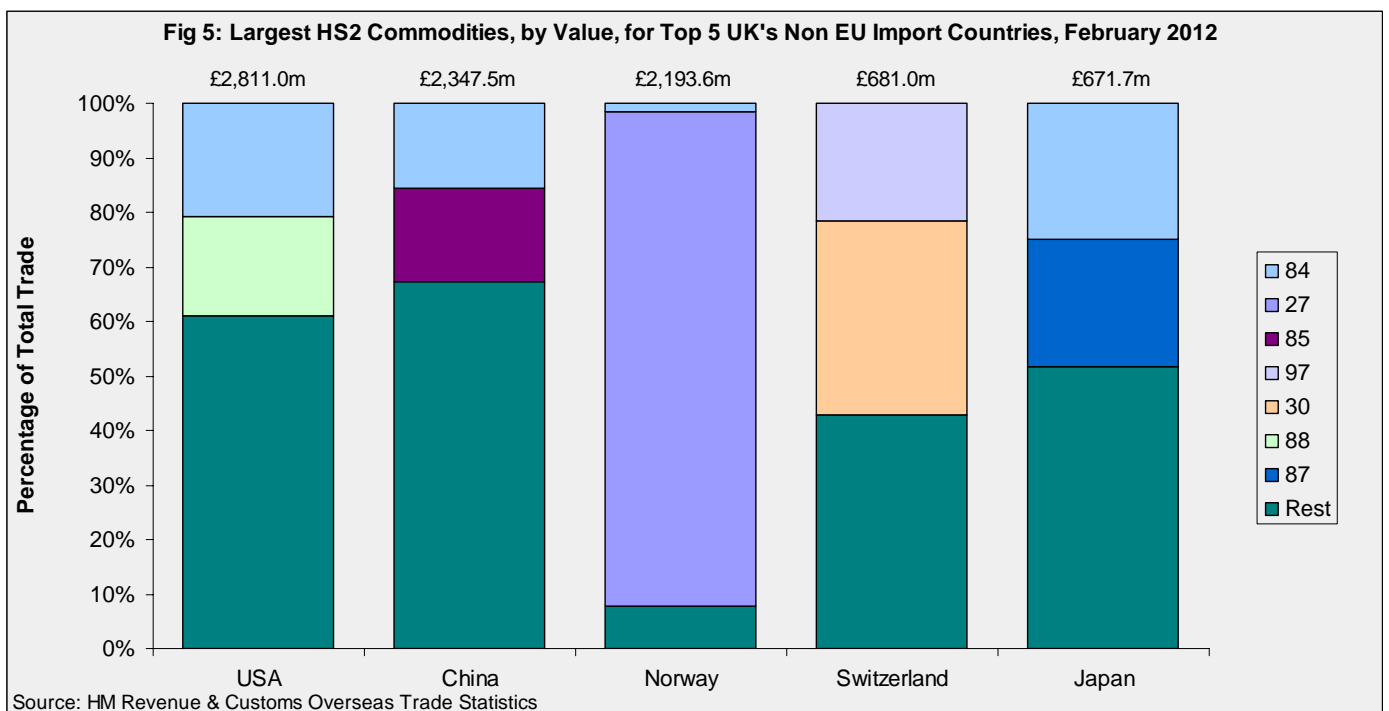
The increase in total import trade value compared to February 2011 is driven by increases in imports from the USA (up by £433.6 million), Norway (up by £273.9 million) and outside the top five, Nigeria (up by £319.4 million). The USA's increase

was due to HS2 88, while Norway and Nigeria are driven by increases in oil and gas imports. In HS2 27 imports from Norway are up by £243.7 million and Nigeria by £313.8 million.

The largest decrease in value of imports was from Qatar, down by £210.0 million to £165.5 million. This is in the lowest value of imports from Qatar since July 2010 and is due to the fall in imports of HS4 2711 (Petroleum gas and other gaseous hydrocarbons) as mentioned above.

Figure 5 shows the largest commodities by value imported from the top five Non EU import partner countries. Four of the top five non-EU import trading partners have HS2 84 (Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof) in their top two largest commodities exported to the UK. The trade with these countries accounts for 64.3 per cent of the total value of UK Non EU import trade under this commodity heading.

The trade in HS27 (Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes) from the Norwegian Continental Shelf accounts for 90.5 per cent of the total imports from Norway, and 52.7 per cent of the total Non EU import trade under this heading.



Notes:

1. HM Revenue & Customs released these latest statistics on Overseas Trade with countries outside the European Union (EU) on 12 April 2012 under arrangements set out in the [Code of Practice for Official Statistics](#).
2. This release includes the first provisional estimates of trade-in-goods between the UK and countries outside the EU for February 2012. At the same time revisions for all previously published Non EU data for 2011 and 2012 are also being released in line with the [Overseas Trade Statistics Policy on Revisions](#).
3. Detailed trade information is presented according to the [Harmonised System \(HS\)](#) 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 [Guide to UK Trade](#) as well as the detailed monthly [UK Trade Releases](#). 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. More detail about the differences between the BoP and OTS publications can be found [here](#).
5. The aggregate estimates here will differ from the Eurostat publication [Euro area external trade](#). 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 accepted into [Inwards Processing Relief](#) (IPR).
6. Information to help support users of the non-EU Overseas Trade Statistics can be found [here](#). This includes links to our policies on revision and suppression of data, descriptions of the methodology used to compile the Overseas Trade Statistics and information on the quality of the data published.
7. The OTS 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>

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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To access the detailed 8-digit data in our interactive database please log in [here](#).

Please note: there may be a delay between the availability of the aggregated data tables downloadable here and the detailed data in our interactive database. This is because of the time required to upload such a large dataset. Subscribers to our email [Alert Service](#) will be sent an alert when the interactive database has been updated. The OTS Non-EU publication occurs one week prior to the publication of the OTS EU equivalent, to allow for additional processing of the Intrastat survey.

Next release: 10 May 2012 9:30am

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