

Non-EU Overseas Trade Statistics - October 2011

Coverage:
United Kingdom

Theme:
Business and Energy

Released:
9 December 2011

Next Release:
11 January 2012

Frequency of release:
Monthly

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Summary

- The value of UK trade continued to increase in October 2011 after a rise in the previous month of September. The value of trade is also greater when compared to the same period of October 2010.
- UK's Non EU exports have increased by £1.3 billion (11.6 per cent) compared to September 2011, to £12.7 billion. Compared to October 2010, exports have increased by £2.1 billion (19.9 per cent).
- UK's Non EU imports have increased by £0.8 billion (4.7 per cent) compared to September 2011, to £17.9 billion. Compared to October 2010 imports have increased by £1.9 billion (11.9 per cent).
- These monthly export and import figures are the highest since the OTS was first published separately for non-EU countries and EU Member States in 1993.
- The UK remains a net importer (imports are greater than exports), though the size of difference between imports and exports has decreased compared to September 2011 by 9.0 per cent and has decreased from October 2010 by 3.8 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.

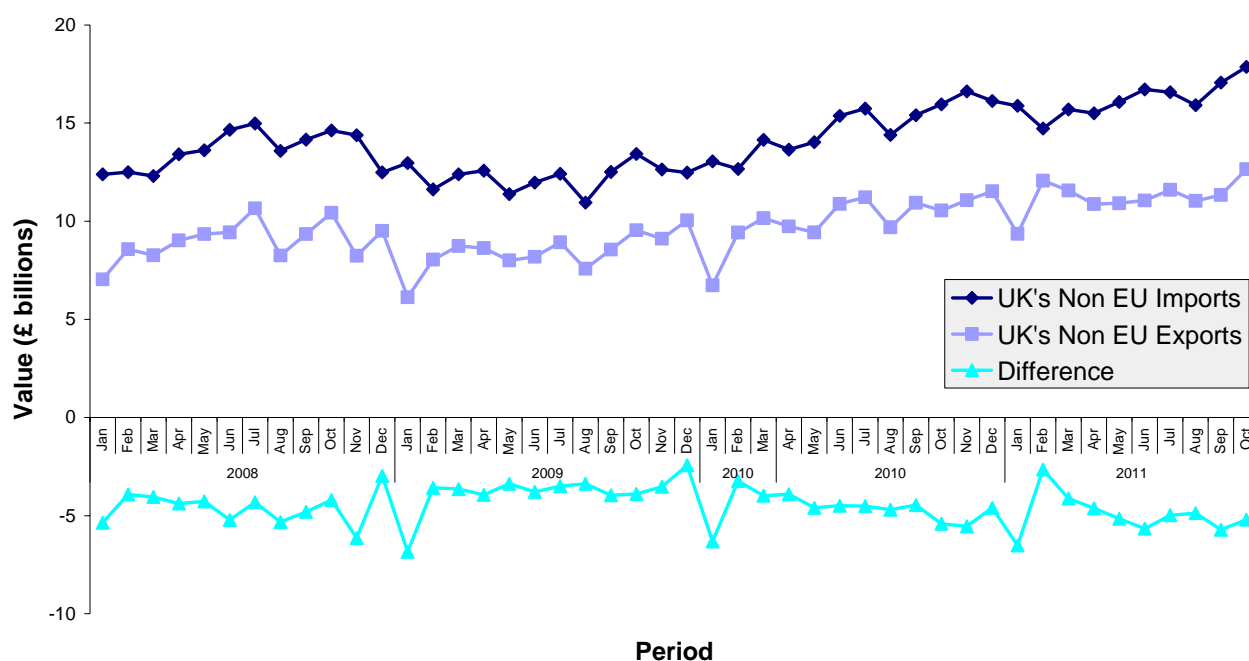
You can find details of how users interested in import and export markets for specific goods make use of the detailed OTS data in '[The Customer Story](#)'. You can also access the detailed data in our interactive database [here](#).

Key Points

For the month of October 2011:

The value of UK trade increased in October 2011 after also rising in the previous month of September. The value of exports rose more than the value of imports, reducing the difference between Non EU imports and exports. Trade also increased when compared to October 2010 as the graph below shows.

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



Source: HM Revenue & Customs Overseas Trade Statistics

Exports

- UK's Non EU exports have increased by £1.3 billion (11.6 per cent) compared to September 2011, to £12.7 billion. Compared to October 2010, exports have increased by £2.1 billion (19.9 per cent).

- The top five commodities remain the same as the previous month. The largest contributing commodity group is HS2 84 (Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof). It contributed £2.3 billion, 17.9 per cent of the total value of UK's Non EU export trade. The largest contributor to this chapter was £909.2 million from HS4 8411 (Turbo-jets, Turbo-propellers and other gas turbines).
- The largest value increase from the previous month, of £279.8 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 5 commodity types exported from the UK to non-EU countries. This is a 35.3 per cent increase compared to September 2011. The largest increase within this chapter was for Silver in HS4 7106 (Silver, including silver plated with gold or platinum, unwrought or in semi-manufactured forms, or in powder form) which showed an increase of £274.3m, an increase of 150.7 per cent on the previous month.
- The largest value decrease from the previous month, of £136.5 million, was in HS2 27 (Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes) to £557.4 million. This is now 8th in the table of commodity types exported from the UK to non-EU countries. The largest decrease at HS4 level is for HS4 2710 (Petroleum oils and oils obtained from bituminous minerals (excluding crude)), which saw a drop of £209.6 million, a fall of 33.4 per cent.
- USA remains the Non EU Country to which the UK exports most, accounting for 27.5 per cent of the total value of UK's Non EU export trade value. The largest increase in exports compared to September 2011 was to India which increased by £346.8 million, 86.3 per cent. This makes them our third largest Non EU partner for exports in October 2011. In September 2011 they were ranked sixth. The main area of increase in trade with India is in HS2 71, as above, where exports rose by £297.9 million (174.1 per cent). This is almost entirely covered by HS4 7106 (Silver) as above, which increased by £283.8 million, an increase of 232.4 per cent from September 2011. India accounted for 5.9 per cent of the UK's total Non EU export trade in October.
- The total 2011 year to date value of UK's trade-in-goods exported excluding October 2011 was £ 99.8 billion, which has been upwardly revised by £114.5 million. This is an increase of 0.1 per cent.

Imports

- The value of the UK's Non EU imports have increased by £0.8 billion (4.7 per cent) compared to September 2011, to £17.9 billion. Compared to October 2010 imports have increased by £1.9 billion (11.9 per cent).
- As with exports, the top five commodities remain the same as the previous month. The largest contributing commodity group is Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes (HS2 27). This contributed £4.0 billion, 22.2 per cent, of the total value of UK's Non EU import trade. Within this chapter, HS4 2709 (Petroleum oils and oils obtained from bituminous minerals, crude) contributed £2.5 billion.
- The largest value decrease from the previous month was in HS2 29 (Organic Chemicals) with a £172.2 million reduction, which followed an increase of £243.2 million in the previous month. HS4 2922 (Oxygen-function amino-compounds) was down by £119.8 million after an increase of £119.0 million in the previous month. Import trade value in this particular commodity type is quite volatile.
- The largest increase at HS2 level from the previous month was in HS2 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) with an increase of £566.7 million. Within this chapter, the largest increase over the previous month is in HS4 8517 (Electrical apparatus for line telephony or line telegraphy, including such apparatus for carrier-current line systems) with an increase of £378.8 million, an increase of 115.3 per cent over the previous month. This chapter includes mobile phones.

- The top 5 Non EU countries from which the UK imports remain similar to the previous month. China remains the top Non EU country from which the UK imports most goods, accounting for 18.7 per cent of the total value of UK's Non EU import trade value. The largest increase in imports compared to September 2011 was from USA which increased by £441.2 million, 18.7 per cent. £139.4 million of this was from HS2 84 (Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof).
- The total 2011 year to date value of UK's trade-in-goods imported excluding September 2011 was £ 144.1 billion, which is unchanged from the previous month.

Further Analysis: Exports

Table 1 shows a comparison of the top five commodities exported to countries outside the EU for October 2010, September 2011 and October 2011.

HS 2	Description	Oct 2011 Total £millions	% Change from Sept 2011	% Change from Oct 2010	% of Total Oct Trade	Rank Sept 2011	Rank Oct 2010
-	Total Trade	12,652.3	11.6	19.9	100.0	n/a	n/a
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	2,265.9	8.7	15.7	17.9	1	1
87	Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof	1,451.4	4.8	24.1	11.5	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	1,072.5	35.3	108.8	8.5	5	4
30	Pharmaceutical products	1,039.8	16.7	9.8	8.2	3	3
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	897.9	11.4	17.3	7.1	4	5

Source: HM Revenue & Customs Overseas Trade Statistics

The overall increase compared to September 2011 in exports reflects increases in about three quarters of the HS2 chapters. About 59 per cent of the overall net increase in value of exports noted above is as a result of increases in the top 5 commodity types shown in the table above. In total the value of exports of the top 5 commodity types increased by £0.8 billion. The commodity types where there has been a decrease in export value since last month amount to just over £175.9 million, over three quarters of this was in HS27 as noted above.

The largest increase compared to September 2011 in the top 5 commodities of £279.8 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). Within this chapter, the largest increase is in HS4 7106 (Silver, including silver plated with gold or platinum, unwrought or in semi-manufactured forms, or in powder form) which has increased by £274.3 million. The similar increase in the net mass of exports of this product suggests that the change is due to increase in volume rather than price.

In addition to the increases in the top 5 commodity types mentioned above there were also large increases in HS 97 (Works of art, collectors' pieces and antiques), £165.0 million, and HS 88 (Aircraft, spacecraft, and parts thereof), £140.9 million.

The increase in HS 97 is mostly due to an increase of £134.3 million in HS9701 (Paintings, drawings and pastels, executed entirely by hand, other than drawings of heading 4906 and other than hand-painted or hand-decorated manufactured articles; collages and similar decorative plaques). The value of exports for October in this commodity group was the highest so far in 2011 whereas the corresponding figure for September was the lowest. 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 overall increase compared to October 2010 in exports reflects increases in about three quarters of the HS2 chapters. Over 65 per cent overall net increase in exports noted above is as a result of increases in the top 5 commodity types shown in the table above.

Table 1 shows a large difference in HS71 compared to the same figure for October 2010. The actual increase is £558.8 million. This accounts for over a quarter of the net increase in the value of exports compared to last October. This was led by an increase of £433.6 million in HS4 7106 (silver, as above). In this case the corresponding increase in net mass suggests the value of trade increase is a combination of increases in volume and price over the year.

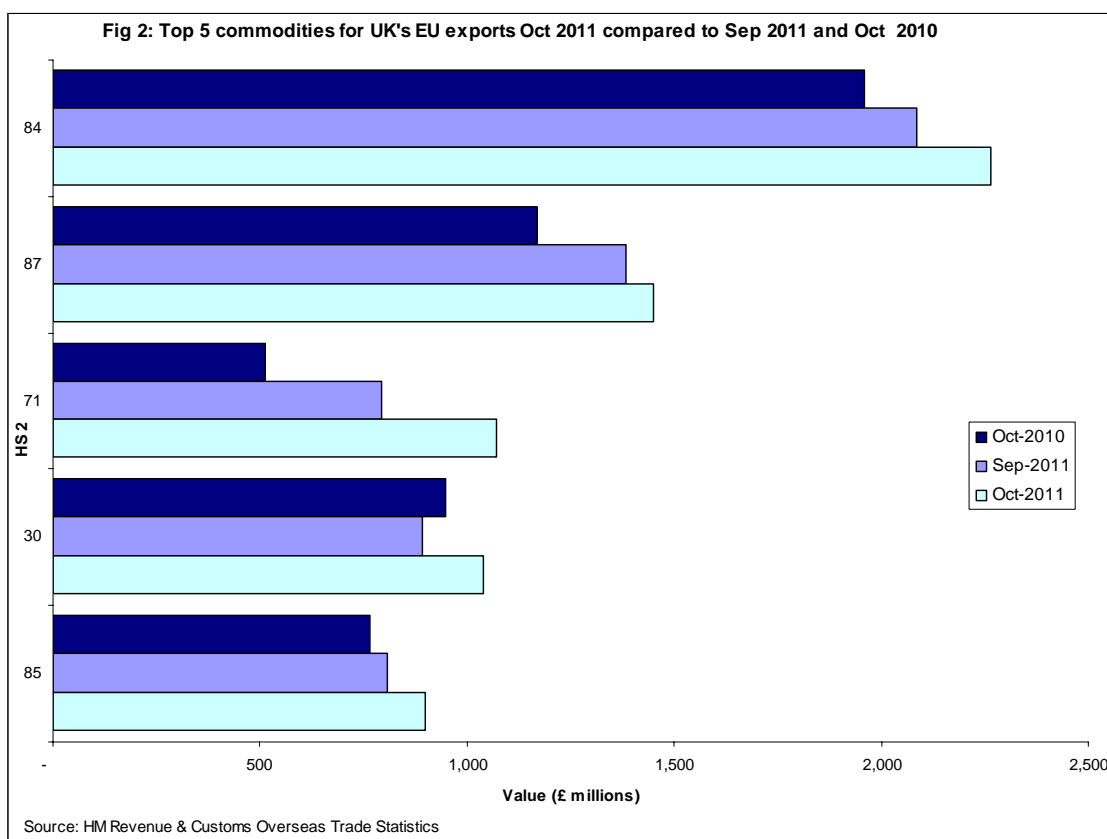


Figure 2 above shows the top 5 commodities for UK's Non EU exports in October 2011, compared to September 2011 and October 2010. The largest increase in commodities in the top 5 from the previous month was in HS2 71 with an increase of £279.8 million. All of the top five commodity codes showed an increase over last month's figure, and over the October 2010 figure.

Table 2 shows a comparison of the value of UK export trade with our top five Non EU trading partners for this month against last month and this month last year.

Table 2: Top 5 Non EU export countries

Country	Total £ millions	% Change from September 2011	% Change from October 2010	% of total Non EU trade
Total Trade	12,652.3	11.6	19.9	100.0
USA	3,477.6	10.4	-3.9	27.5
China	812.4	4.0	34.2	6.4
India	748.6	86.3	158.2	5.9
Hong Kong	503.2	11.9	39.6	4.0
Russia	494.9	7.7	39.1	3.9

Source: HM Revenue & Customs Overseas Trade Statistics

The USA has been the largest export partner for the UK for a number of years, accounting for between a quarter and a third of the total exports. China remains in second place.

The increase in exports to India compared to September 2011 shown in table 2 is mainly driven by an increase in exports 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 £297.9 million (174.1 per cent). This is

almost entirely covered by HS4 7106 (Silver) as above, which increased by £283.8 million, an increase of 232.4 per cent from September 2011. India accounted for 5.9 per cent of the UK's total Non EU export trade in October.

The total increase in export value of £346.8 million for India and £327.7 million for USA accounts for over half of the total net increase in total export value. The increase for USA is mostly driven by and increase of £164.7 million in HS2 97 (Works of art, collectors' pieces and antiques), as above. There was also a relatively large increase in value of exports to Saudi Arabia of £161.3 million mostly driven by the increase in HS8802 noted above.

The increases and decrease shown in table 2 for the top 5 countries compared to October 2010 account for over 38 per cent of the total net increase in value of exports. There was also a relatively large increase in value of exports to Saudi Arabia of £153.9 million again mostly driven by the increase in HS8802 in October 2011.

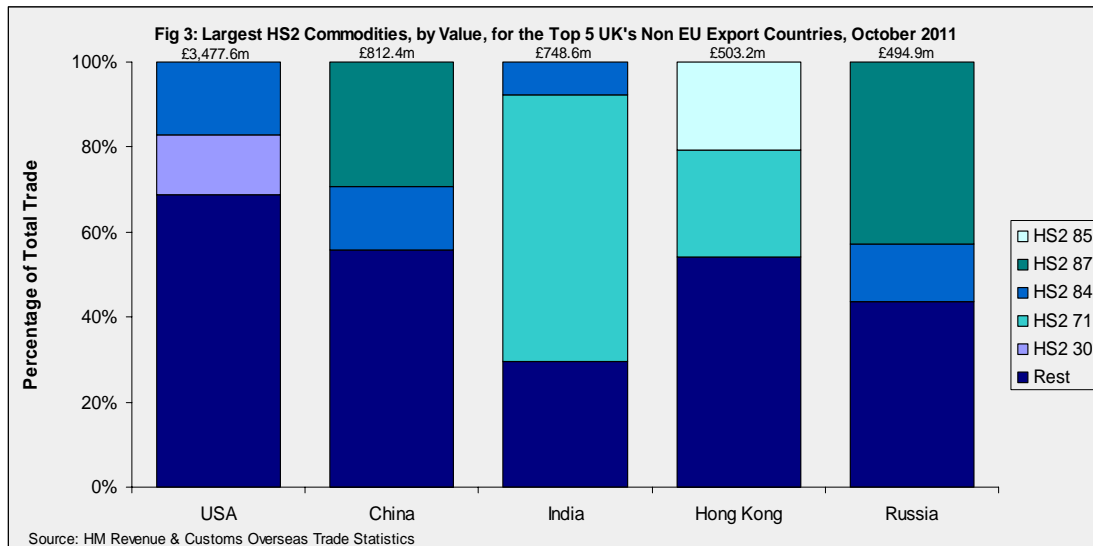
Table 3 shows the top five countries for non-EU exports in October 2010, September 2011 and October 2011.

Rank	Oct 2011	Sep 2011	Oct 2010
1	USA	USA	USA
2	China	China	China
3	India	Russia	Switzerland
4	Hong Kong	Hong Kong	Hong Kong
5	Russia	Canada	United Arab Emirates

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. In October 2011, India became the UK's third largest exporting country having previously been in seventh position in September 2011 as described above.

Figure 3 below shows the largest commodities for the top 5 Non EU countries that the UK exports to. Four 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 four countries accounts for 37.4 per cent of the total value of UK Non EU export trade under this heading. The graph also shows that of the UK's exports to India, 62.6 per cent was under chapter 71, driven by the increase in silver trade.



Further Analysis: Imports

Table 4 shows this comparison for the top five commodities imported from Non EU countries.

HS 2	Description	October 2011 Total £millions	% Change from Sep 2011	% Change from October 2010	% of Total October 2011 Trade	Rank Sep 2011	Rank Oct 2010
-	Total Trade	17,860.8	4.7	11.9	100.0	n/a	n/a
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	3,965.1	3.5	75.5	22.2	1	1
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	2,028.5	38.8	17.8	11.4	2	2
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	1,982.8	0.2	-4.6	11.1	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	1,024.4	-8.0	14.8	5.7	4	5

61	Articles of apparel and clothing accessories, knitted or crocheted	655.7	1.0	2.0	3.7	5	4
Source: HM Revenue & Customs Overseas Trade Statistics							

The overall increase compared to September 2011 in imports reflects increases in about two thirds of the HS2 chapters. Table 4 shows increases in the top 2 commodity types by value which account for an increase of £702.0 million compared to the overall net increase of £796.8 million. The commodity types where there has been a decrease in import value since last month amount to just over £484.7 million, over a third of this was in HS29 (Organic chemicals) as noted above.

The largest value increase in both the top 5 commodities and for all HS2 commodities from the previous month of £566.7 million was in HS2 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). This is largely driven by imports of mobile phones within HS4 8517, (Electrical apparatus for line telephony or line telegraphy, including such apparatus for carrier-current line systems). Both the number of units imported and the value of this commodity type have had similar percentage increases suggesting the increase in value is mainly due to an increase in the volume of goods imported.

The second largest value increase both in the top 5 commodities and overall from the previous month of £135.3 million was in HS2 27 (Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes). HS4 2709 (Petroleum oils and oils obtained from bituminous materials, crude) is the main driver of this, with an increase of £153.2 million. Both the value and net mass of trade have increased. The relatively larger increase in value of imports of this product suggests that the some of the change is due to price increases.

There was a large decrease in imports in HS2 29 (Organic Chemicals) with a drop of £172.2 million (36.4 per cent) compared with September 2011. This was driven by, a large decrease in HS4 2922 (Oxygen function amino compounds) of £119.8 million (95.9 per cent) which followed an increase of £119.0 in September, to fall back to previous levels.

The overall net increase compared to October 2010 in imports is dominated by the increase in HS27 shown in table 4. It accounts for an increase of £1.7 billion compared to the overall net increase of £1.9 billion. HS4 2709 (Petroleum oils and oils obtained from bituminous materials, crude) is the main driver of this, with an increase of £1.2 billion. Both the value and net mass of trade have increased. The relatively larger increase in value of imports of this product suggests that the some of the change is due to price increases.

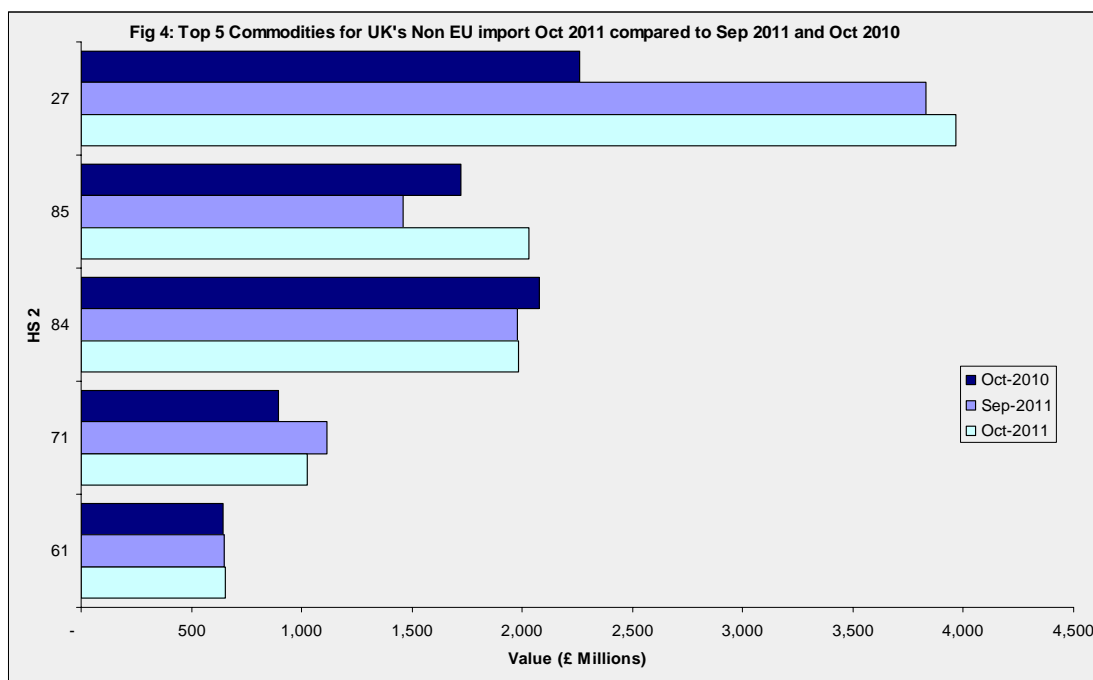


Figure 4 shows the top 5 HS2 commodity groups for UK's Non EU imports in October 2011, compared to September 2011 and October 2010. In comparison with September 2011, there was a slight decrease in import trade for HS2 71, but the other 4 of these top 5 commodities groups all showed increases.

Tables 5 and 6 show comparisons of the value of UK import trade with our top five Non EU trading partners for this month against last month and this month last year.

China and the USA have been the largest import partners for the UK for a number of years accounting for between a quarter and a third of the total imports.

The largest increase in imports compared to September 2011 was from USA of £441.2 billion, as shown in table 5, an increase of 18.7 per cent. £139.4 million of this was from HS2 84 (Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof), driven mainly by an increase of £54.7 million (125.9 per cent) from HS4 8471 (Automatic data processing machines and units thereof; magnetic or optical readers, machines for transcribing data onto data media in coded form and machines for processing such data N.E.S), and £51.6 million (21.4 per cent) from HS4 8411 (Turbo-jets, Turbo-propellers and other gas turbines).

The largest decrease in value of imports is £225.3 million from the Norwegian sector of the Continental Shelf¹ have reduced by 11.5 per cent since September 2011. The goods imported into the UK from the Norwegian Sector of the Continental Shelf all fall within HS27 (Petroleum oils and oils obtained from bituminous and Natural gas, in the gaseous state).

Although there are some relatively large increases and decreases in imports from a number of countries compared to October 2010 the overall net change is dominated by the increase of £874.5 million from the Norwegian Sector of the Continental Shelf. As table 5 shows the total import value has more than doubled since last October. The changes are driven by the volume and price of Petroleum oils and oils obtained from bituminous. Since October 2010, the mass has increased by 36.9 per cent, while the value increased by 92.6 per cent, suggesting that the some of the change is due to price increases.

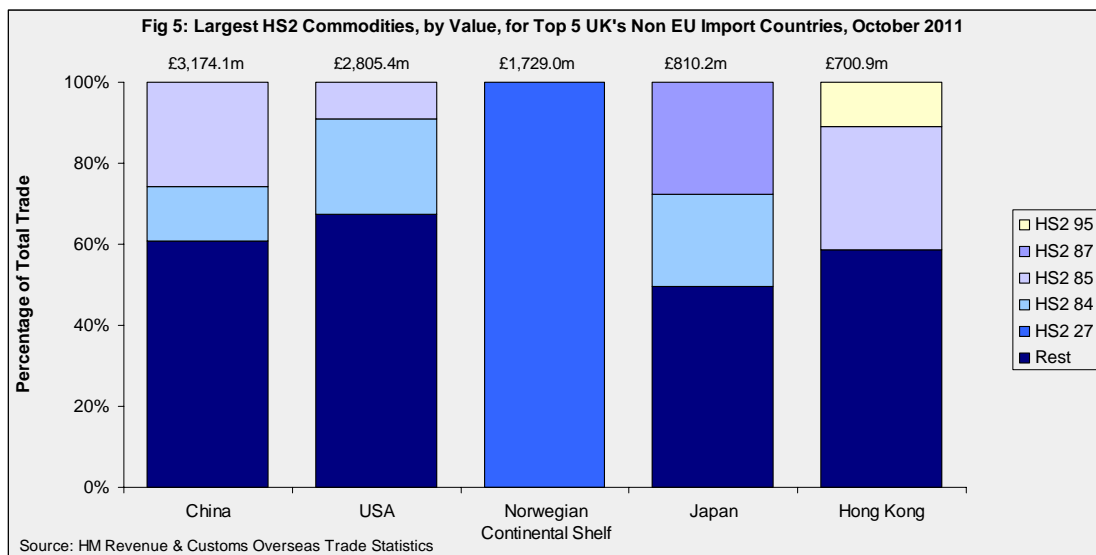
Country	Total £millions	% change from September 2011	% Change from October 2010	% of total Non EU trade
Total Trade	17,860.8	4.7	11.9	100.0
China	3,174.1	3.1	6.4	18.7
USA	2,805.4	18.7	0.7	17.4
Continental Shelf: Norwegian Sector	1,729.0	-11.5	102.4	5.4
Japan	810.2	7.2	16.3	4.4
Hong Kong	700.9	4.5	-8.1	4.8

Source: HM Revenue & Customs Overseas Trade Statistics

Rank	Oct 2011	Sep 2011	Oct 2010
1	China	China	China
2	USA	USA	USA
3	Continental Shelf: Norwegian Sector	Continental Shelf: Norwegian Sector	Continental Shelf: Norwegian Sector
4	Japan	Japan	Hong Kong
5	Hong Kong	Hong Kong	Japan

Source: HM Revenue & Customs Overseas Trade Statistics

Figure 4 shows the largest commodities for the top 5 Non EU countries from the UK imports. Three of the top five Member States have HS2 84 (Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof) in their top two largest commodities exported to the UK and three have HS2 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). The trade in HS27 (Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes) from the Continental Shelf: Norwegian Sector, accounts for 43.6 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 9 December 2011 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 October 2011. At the same time revisions for all previously published Non EU data for 2011 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>

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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: 11 January 2012 9:30am

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