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# HM Revenue and Customs

## Regional Trade

## Statistics

# Third Quarter 2013

### Summary

- In the year to September 2013, there was a fall in annual export value in Wales, the East, London, the South East, the North East and the North West; the value of exports rose in the remaining UK regions. There was a fall in annual import value during the year in all UK countries and regions apart from Scotland, the East Midlands, the North West and the South West. Of the four UK countries, Scotland was the only one to see an increase in both imports and exports. Wales had the highest rate of decrease for both imports and exports.
- The value of UK exports decreased in Quarter 3 2013 compared with Quarter 3 2012, while imports increased. The value of exports rose for all UK countries apart from England between Quarter 3 2012 and Quarter 3 2013; the value of imports rose for all UK countries except Wales. Exports increased in Yorkshire & Humberside, the East Midlands, the West Midlands and the South West but decreased in all other English regions. Imports decreased in the North East, the North West and London but increased in all other English regions.
- The number of exporters fell between Quarter 3 2012 and Quarter 3 2013 in all UK regions apart from the North East, the North West, the East Midlands and London. The number of importers decreased in all UK regions.
- For England, the value of exports to China increased most in the year ending September 2013; for Wales exports to the United Arab Emirates increased the most; for Scotland exports to Belgium increased the most, while for Northern Ireland exports to the USA increased most. For imports, the largest increases were in goods from the Netherlands (England), Nigeria (Scotland), France (Wales) and China (Northern Ireland).
- For exports, the commodity groups with the largest annual value increases were 'Road vehicles' (England) 'Petroleum, petroleum products & related materials' (Scotland), 'Power generating machinery & equipment' (Wales) and 'Medicinal and pharmaceutical products' (Northern Ireland).
- For imports, the commodity groups with the largest annual value increases were 'Road vehicles' (England and Wales), 'Petroleum, petroleum products and related materials' (Scotland) and 'Articles of apparel & clothing accessories' (Northern Ireland).

*HM Revenue & Customs (HMRC) are responsible for collecting the UK's international trade in goods data, which are published as two National Statistics series - the 'Overseas Trade Statistics (OTS)' and the 'Regional Trade Statistics (RTS)'. The RTS are published quarterly showing trade at summary product and country level, split by UK regions and devolved administrations.*

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

*RTS data is compiled by linking trade data collected by HMRC with Office for National Statistics postcode data to obtain the region in which the VAT registered business (importer or exporter) is based. Because the trade is regionalised according to the location of the VAT registered business some of the trade may be allocated to the region where the head office of the business is located<sup>1</sup>.*

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

With Croatia having joined the EU on 1 July 2013, this RTS release is the first to incorporate trade with Croatia within EU trade. For data relating to Quarter 3 2013 onwards, trade with Croatia will be recorded within EU trade; for data prior to this, trade with Croatia will continue to be recorded within non-EU trade, forming part of the Eastern Europe total.

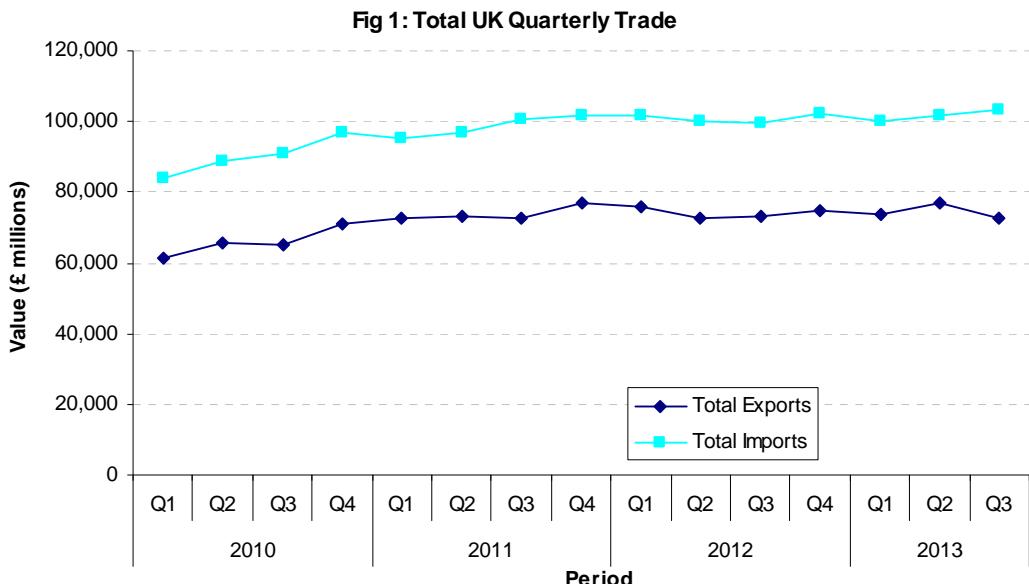
## Overview of UK trade

Figure 1 shows the quarterly values of imports to and exports from the UK since 2010. The value of imports increased by 1.2 per cent during the third quarter of 2013, while the value of exports decreased by 5.4 per cent. This increased the trade deficit to a record high of £30.4 billion, an increase of 21.5 per cent compared to the previous quarter. This is the largest quarterly percentage change in trade balance since 2006<sup>2</sup>.

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<sup>1</sup> See note 3

<sup>2</sup> Based on RTS figures

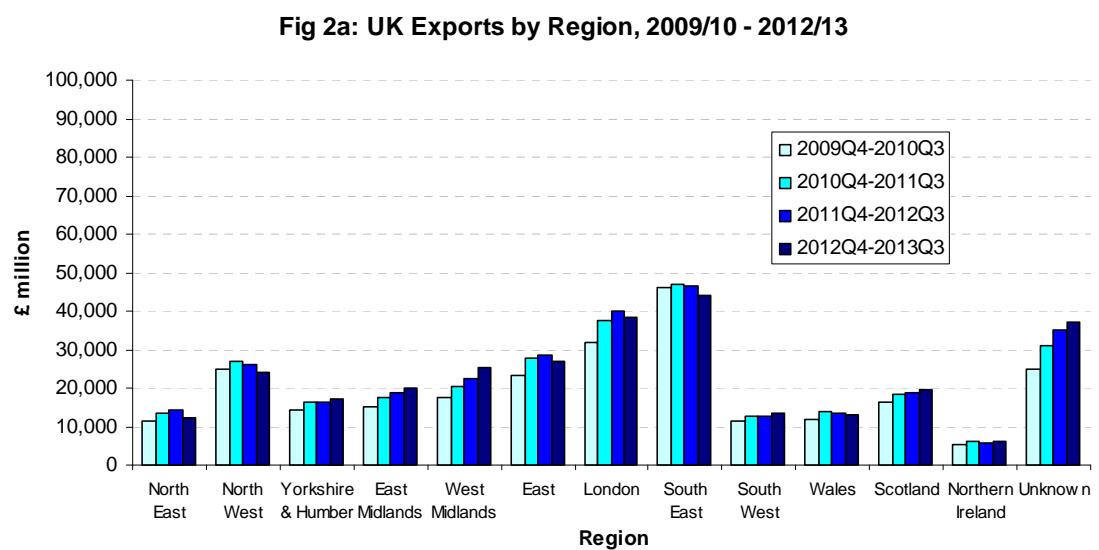


Note: 2013 data are provisional

Source: Regional Trade Statistics, HM Revenue & Customs

## Overview - Exports

Figure 2a shows the total value of UK exports by region for the four annual periods ending September 2010, September 2011, September 2012 and September 2013.



Note: 2013 data are provisional

Source: Regional Trade Statistics, HM Revenue & Customs

- The total annual value of UK exports marginally decreased by 0.2 per cent to £297.9 billion in the year ending September 2013; this is in contrast to the 3.3 per

<sup>3</sup> amounted to £37.1 billion in the year ending September 2013.

- The South East continues to have the largest total export value of all the English regions (£44.3 billion for the year ending September 2013) accounting for 19.9 per cent of total exports from England. There was a value decrease of 4.6 per cent in exports from the South East over the annual period.
- The North East had the smallest total value of exports, totalling £12.3 billion for the year ending September 2013; this was 5.6 per cent of England's total. This region also saw the largest percentage decrease in the English regions with this quarter's exports being the lowest since the first quarter of 2010.
- Year on year, the largest percentage increase in the English regions was for the West Midlands, whose exports increased by 14.0 per cent to £25.4 billion during the year.

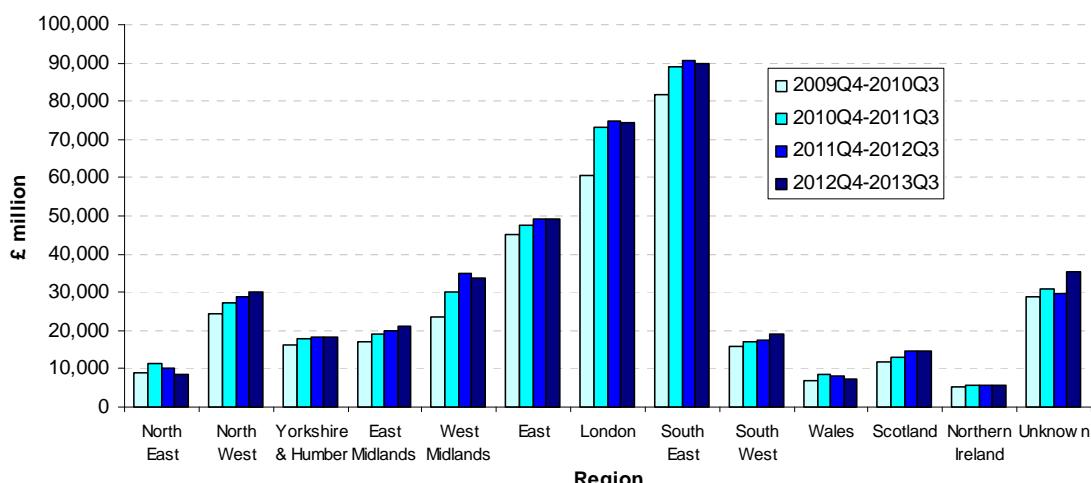
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<sup>3</sup> See note 4

## Overview - Imports

Figure 2b shows the total value of UK imports by region for the four annual periods ending September 2010, September 2011, September 2012 and September 2013.

**Fig 2b: UK Imports by Region, 2009/10 - 2012/13**



Note: 2013 data are provisional

Source: Regional Trade Statistics, HM Revenue & Customs

- The total annual value of UK imports for the year ending September 2013 increased marginally by 0.9 per cent to £407.1 billion compared with the year ending September 2012. There was a fall in import value during the year for all UK regions apart from Scotland, the East Midlands, the North West and the South West. The total value of imports to England fell by 0.5 per cent to £343.7 billion during the year, the largest value decreases coming from the 'Mineral fuels, lubricants & related materials' sector. The total value of imports to Scotland rose by 2.1 per cent to £14.8 billion, the only positive import growth rate of the four UK countries; this was driven by increases in the 'Mineral fuels, lubricants & related materials' sector. The total value of imports to Wales fell by 8.7 per cent to £7.4 billion; this was driven by a decrease in imports from the 'Manufactured goods classified chiefly by material' and 'Crude materials, inedible, except fuel' sectors. Total imports to Northern Ireland decreased marginally by 0.4 per cent to £5.7 billion; the decline was largely due to the 'Machinery & transport equipment' sector. Imports allocated to the 'Unknown region'<sup>4</sup> amounted to £35.5 billion in the year ending September 2013.

<sup>4</sup> See note 4

- Within England, the South East continues to have the largest total value of imports. For the year ending September 2013 this was £89.8 billion, 26.1 per cent of England's total. There was a decrease of 1.1 per cent in the value of imports to the South East during the year. Imports to London decreased by 0.6 per cent.
- The largest year-on-year percentage increase among the English regions was for the South West, where imports increased by 9.4 per cent to £19.1 billion. Much of this growth came in imports from the 'Machinery & transport equipment' sector.
- The largest year-on-year decrease among the English regions was for the North East, where imports declined by 17.9 per cent. The North East continues to have the smallest total value of imports of all the English regions, making up just 2.5 per cent of England's total.

## Rolling 12 Month Overview - Exports

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

### ***Partner country analysis - England***

Table 1a: England - Top five export partners, year ending September 2013

	Country	Year ending September 2013 Total £ millions	Year ending September 2012 Total £ millions	% Change from September 2012	% Total Exports in year ending September 2013
Top 5	USA	29,308.8	29,916.0	-2.0	13.2
	Germany	23,808.9	26,120.6	-8.9	10.7
	France	16,967.0	17,503.0	-3.1	7.6
	Netherlands	14,791.5	14,968.2	-1.2	6.7
	Irish Republic	11,291.3	11,131.9	1.4	5.1
Others		125,925.8	125,686.6	0.2	56.7
Total EU		110,302.1	113,456.1	-2.8	49.7
Total Non-EU		111,791.2	111,870.1	-0.1	50.3
Grand Total		222,093.3	225,326.2	-1.4	100.0

Note: 2013 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 1a shows that the total value of exports from England has declined by 1.4 per cent during the year ending September 2013. England's top five export partners for the year were the same as in the previous annual period. Of the top five export partners, only the Irish Republic saw an increase in export value over the last 12 months (up 1.4 per cent). Germany's share of England's exports has declined from 11.6 per cent to 10.9 per cent in the year ending September 2013, while the share for the other partners in the top five has remained approximately the same since the previous year. There were large decreases in exports to Germany within SITC division 33 'Petroleum, petroleum products & related materials' (down 42.1 per cent during the year). Exports to the USA declined by 2.0 per cent over the year; this decrease was primarily due to a reduction within SITC division 51 'Organic chemicals' (down 47.0 per cent).

England's exports to the EU have decreased by 2.8 per cent during the last year, while exports to non-EU countries have decreased only marginally by 0.1 per cent.

Exports to non-EU countries continue to account for over half of England's exports by value. The EU partner countries where exports from England have decreased most are Germany (down 8.9 per cent), France (down 3.1 per cent) and Italy (down 3.4 per cent). The EU partner countries where exports from England increased most during the year were the Irish Republic (up 1.4 per cent) and Belgium (up 1.5 per cent).

The non-EU partner countries where exports from England decreased in value the most over the last 12 months were South Korea (down 21.1 per cent) and Senegal (down 73.2 per cent). The non-EU partner countries with the largest increase in value of goods exported from England were China (up 11.9 per cent) and Switzerland (up 12.6 per cent). For Switzerland the increase came mainly from SITC division 68 'Non-ferrous metals', while for China the largest rise was in exports from SITC division 78 'Road vehicles'.

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

Table 2a: Top five export partners for the English regions, year ending September 2013

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

Note 2013 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 September 2013. There has been little change in the order of the top five partners since the previous quarter. For London, the Netherlands has become the third largest export partner, overtaking Switzerland. For the North West, Germany has become the top export partner having overtaking the USA, and France has become the fourth largest export partner, overtaking China.

For all English regions apart from the South East, North East and the North West, the proportion of exports going to EU countries has decreased over the last year. The majority of the English regions continue to follow a similar pattern to England as a whole; the USA features as the top export partner for six of the nine regions and Germany is one of the top two export partners for six of the nine regions. The North East is the only region to have the Netherlands as its top export partner; this is largely due to a high value of exports within SITC division 78 'Road vehicles', although there has been a decline of 19.7 per cent in exports to the Netherlands from this division during the year.

During the year ending September 2013, export value decreased for five of the nine English regions and increased for the remaining four. The regions with the largest increases were the West Midlands (up 14.0 per cent) and the East Midlands (up 8.2 per cent). For the West Midlands the largest increases were in goods going to China (up 34.4 per cent) and the USA (up 25.7 per cent). For the East Midlands much of the increase was in exports to the USA (up 12.0 per cent) and Singapore (up 20.7 per cent). The largest percentage decreases in exports were seen in the North East (down 13.7 per cent) and the North West (down 7.8 per cent). For both these regions this was largely attributable to a sharp decrease in exports to the USA (down 57.9 per cent for the North East and down 32.5 per cent for the North West). The other regions where exports decreased were the East (down 4.9 per cent), London (down 4.8 per cent) and the South East (down 4.6 per cent). For the East much of the decline was due to a fall in exports to France (down 23.4 per cent) while for London a large proportion of the decrease was due to a fall in exports to Germany (down 24.3 per cent). For the South East the decline was driven by a reduction in goods going to Senegal (down 75.3 per cent) and South Korea (down 60.1 per cent).

Exports to China, which had the largest rise in exports for England as a whole, have risen for six of the nine English regions. Exports to Saudi Arabia have also increased for six of the nine regions. Exports to Switzerland increased for five regions, as did exports to India.

Exports to the major EU partners – Germany, the Netherlands and France - have declined in the majority of English regions over the past year. However, the Irish Republic has seen an increase in exports from six of the nine regions. Exports to Spain and Italy have recovered somewhat since the end of the previous quarter;

exports to Italy increased in four regions and exports to Spain increased in five regions over the 12 month period.

### ***Partner country analysis - Wales***

Table 3a: Wales - Top five export partners, year ending September 2013

	Country	Year ending September 2013 Total £ millions	Year ending September 2012 Total £ millions	% Change from September 2012	% Total Exports in year ending September 2013
Top 5	USA	2,740.4	3,311.2	-17.2	20.9
	Irish Republic	1,592.2	1,645.8	-3.3	12.2
	United Arab Emirates	978.8	632.9	54.7	7.5
	Germany	900.7	892.9	0.9	6.9
	Netherlands	868.8	792.6	9.6	6.6
Others		6,007.3	6,291.3	-4.5	45.9
Total EU		5,699.1	5,746.5	-0.8	43.5
Total Non-EU		7,389.1	7,820.1	-5.5	56.5
Grand Total		13,088.3	13,566.6	-3.5	100.0

Note: 2013 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 3a shows that the total export value for Wales has decreased by 3.5 per cent during the past year, although this was largely due to a drop in exports in the fourth quarter of 2012; in each quarter of 2013 there has been an increase compared with the same quarter of the previous year. Wales' top five partner countries remain the same as at the end of the previous quarter, apart from the United Arab Emirates moving up to third place. This is the second quarter in succession that the United Arab Emirates has moved up the rankings with an increase of 54.7 per cent in exports from Wales over the last year. In contrast, the value of exports to the USA has declined by 17.2 per cent over the 12 month period. The 9.6 per cent increase in exports to the Netherlands during the year is in contrast to the 2.8 per cent decrease reported at the end of the previous quarter.

Non-EU partner countries continue to dominate the export market in Wales, receiving 56.5 per cent of goods exported, although this percentage has decreased from 57.6 per cent in the previous annual period. Exports to non-EU partners have declined by 5.5 per cent per cent during the last year while exports to EU partners only

decreased marginally (down 0.8 per cent). The USA's share of the export market in Wales has fallen from 24.4 per cent to 20.9 per cent over the past year; the decline in exports to the USA was led by decreases in goods from SITC division 33 'Petroleum, petroleum products & related materials' (down 36.1 per cent) and division 71 'Power generating machinery & equipment' (down 13.7 per cent). The Irish Republic remains Wales' second largest partner country, taking a 12.2 per cent share of its exports. The decrease of 3.3 per cent in exports to the Irish Republic during the last year was led by a decline in SITC division 33, although this was partially offset by an increase in division 69 'Manufactures of metal'.

The United Arab Emirates has now become Wales' third largest export partner. Much of the 54.7 per cent increase in exports in the last year was attributable to SITC division 71 'Power generating machinery & equipment' (up 61.9 per cent).

Apart from the USA, the partner countries with the largest value decrease in exports from Wales over the year were Canada, Japan and Brazil. As for the USA, the decreases for Canada and Brazil were driven by declines in SITC division 33 'Petroleum, petroleum products & related materials'. For Japan the decrease was mainly in division 71 'Power generating machinery & equipment' (down 39.4 per cent).

The partner countries where export values have increased most during the year are the United Arab Emirates and China. The 60.8 per cent increase in exports to China during the year was driven by strong growth in SITC division 71 'Power generating machinery & equipment', which almost trebled in export value.

## **Partner country analysis – Scotland**

Table 4a: Scotland - Top five export partners, year ending September 2013

Country	Year ending September 2013 Total £ millions	Year ending September 2012 Total £ millions	% Change from September 2012	% Total Exports in year ending September 2013
Top 5	USA	3,220.8	3,108.6	3.6
	Netherlands	1,324.0	1,245.6	6.3
	Belgium	1,310.6	912.5	43.6
	France	1,253.6	1,368.5	-8.4
	Germany	1,092.8	1,132.2	-3.5
	Others	11,448.5	11,167.3	2.5
	Total EU	7,834.1	7,480.2	4.7
	Total Non-EU	11,816.3	11,454.5	3.2
	Grand Total	19,650.4	18,934.7	3.8
				100.0

Note: 2013 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 4a shows that exports from Scotland rose in value by 3.8 per cent during the year to September 2013; this was the largest increase among the four UK countries. The value of exports from Scotland has increased in each of the last four quarters compared with the same quarter in the previous year. Non-EU partner countries continue to dominate exports from Scotland, with over 60 per cent of Scotland's total exports. Despite this EU exports increased at a greater rate (4.7 per cent) than non-EU exports (3.2 per cent) during the year. The only change to Scotland's five largest export partner countries since the end of the previous quarter is that Belgium has moved up into third place, overtaking France. Scotland has seen an increase of 43.6 per cent in goods going to Belgium during the year, while its exports to France have declined by 8.4 per cent.

Although Scotland's exports to France and Germany decreased in value during the year, there were increases for both of the top two partners; exports to the USA increased by 3.6 per cent and those to the Netherlands increased by 6.3 per cent. For the USA there was a large increase in goods from SITC division 11 'Beverages' (up 16.7 per cent), while for the Netherlands the largest increase came from SITC division 33 'Petroleum, petroleum products & related materials' (up 56.2 per cent). The largest value increase among Scotland's exports was in goods going to Belgium; this was led by a sevenfold rise in SITC division 33.

The largest value decreases among Scotland's exports were in exports to France, Chile (down 59.6 per cent) and Russia (down 23.4 per cent). For all three of these partner countries the decline was led by large reductions in SITC division 33 'Petroleum, petroleum products & related materials'.

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

Table 5a: Northern Ireland - Top five export partners, year ending September 2013

	Country	Year ending September 2013 Total £ millions	Year ending September 2012 Total £ millions	% Change from September 2012	% Total Exports in year ending September 2013
Top 5	Irish Republic	2,191.2	2,118.1	3.4	36.8
	USA	603.9	502.1	20.3	10.1
	Canada	358.7	356.4	0.6	6.0
	France	309.9	282.2	9.8	5.2
	Germany	239.2	238.1	0.4	4.0
	Others	2,253.9	2,302.6	-2.1	37.8
	Total EU	3,428.5	3,312.5	3.5	57.6
	Total Non-EU	2,528.4	2,487.2	1.7	42.4
	Grand Total	5,956.8	5,799.7	2.7	100.0

Note: 2013 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 5a shows that exports from Northern Ireland have increased in value by 2.7 per cent during the year to September 2013; Northern Ireland was one of only two UK countries to experience an increase during the 12 month period. The top five export partners have remained the same since the end of the previous quarter. The Irish Republic continues to dominate Northern Ireland's export market; its share of Northern Ireland's exports increased slightly during the year due to a 3.4 per cent increase in exports. In contrast with other UK countries, the majority of Northern Ireland's exports go to the EU. The EU share of Northern Ireland's exports has increased from 57.1 per cent to 57.6 per cent during the year; although this is largely due to the Irish Republic's increased dominance as a partner country, there was also a substantial increase in exports to France (up 9.8 per cent).

There were increases in exports to all of the top five partner countries during the year. The largest increase, both in value and percentage terms, was for the USA (up

20.3 per cent). Here, a large proportion of the increase was attributable to SITC division 54 'Medicinal & pharmaceutical products', where exports more than doubled. The smallest value increases among the top five were for Canada (up 0.6 per cent) and Germany (up 0.4 per cent).

The partner country with the largest value decrease in exports from Northern Ireland was the United Arab Emirates (down 30.2 per cent). Here, a substantial proportion of the decline came from SITC division 71 'Power generating machinery & equipment' (down 34.5 per cent).

After the USA, the partner country with the largest increase in exports from Northern Ireland during the year was the Irish Republic. This was mainly due to rises in goods exported from SITC division 02 'Dairy products & birds' eggs' (up 12.4 per cent), division 08 'Feeding stuff for animals' (up 26.3 per cent) and division 01 'Meat & meat preparations' (up 12.8 per cent).

## Commodity analysis - England

Table 6a: Top five commodities for export from England - year ending September 2013

SITC section	Description	Year to September 2013 Total £ millions	Year to September 2012 Total £ millions	% Change from September 2012	% Total Exports in year ending September 2013
7	Machinery & transport equipment	90,225.5	87,857.0	2.7	40.6
5	Chemicals & related products	35,453.2	39,016.9	-9.1	16.0
8	Miscellaneous manufactured articles	31,405.5	30,054.2	4.5	14.1
6	Manufactured goods classified chiefly by material	26,684.5	26,413.1	1.0	12.0
3	Mineral fuels, lubricants & related materials	20,881.8	23,630.4	-11.6	9.4
Other SITCs		17,442.8	18,354.6	-5.0	7.9
All SITCs		222,093.3	225,326.2	-1.4	100.0

Note: 2013 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; its share of England's exports has risen from 39.0 per cent to 40.6 per cent over the last year, with an increase of 2.7 per cent by value during the 12 month period. Most of the increase in section 7 during the year came from exports of goods within SITC division 78 'Road vehicles' (up 5.7 per cent, with exports to China up 24.7 per cent and exports to the USA up 18.7 per cent) and division 71 'Power generating machinery & equipment' (up 4.4 per cent, with exports to the USA up 9.1 per cent).

Among the top five export commodity groups, both section 5 'Chemicals & related products' and section 3 'Mineral fuels & related materials' saw substantial decreases during the year. For section 3 most of the decrease was within SITC division 33 'Petroleum, petroleum products & related materials' (down 11.4 per cent, with exports to Germany down 42.1 per cent). For section 5 the largest decreases were in division 54 'Medicinal & pharmaceutical products' (down 12.9 per cent) and division 51 'Organic chemicals' (down 21.3 per cent); for both these divisions the largest value decreases were in exports to the USA and Germany.

After section 7 the biggest value increase during the year was in section 8 'Miscellaneous manufactured articles' (up 4.5 per cent); here, much of the increase was due to division 84 'Articles of apparel & clothing accessories' (up 13.3 per cent, with exports to Germany up 26.7 per cent) and division 87 'Professional, scientific & controlling instruments & apparatus' (up 5.4 per cent, with exports to the United Arab Emirates and South Korea gaining the most value).

After section 5 and section 3 the largest decrease was in exports from section 2 'Crude materials, inedible, except fuels' (down 12.7 per cent). Most of the reduction came from division 28 'Metalliferous ores & metal scrap' (down 10.1 per cent) and division 22 'Oil seeds & oleaginous fruits' (down 56.6 per cent).

Thirty-one of the sixty-five SITC divisions decreased in export value during the year; this was a lower number than that reported at the end of the previous two quarters. After divisions 33, 54, 51 and 28, the next largest reduction was in division 66 'Non-metallic mineral manufactures' (down 4.9 per cent). After divisions 78, 71, 84 and 87 the next largest increase at division level was in division 67 'Iron & steel' (up 8.9 per cent).

## Commodity analysis – English regions

Table 7a - Top five commodities for export from English regions, year ending September 2013

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	9 – Commodities/ transactions not classified elsewhere
North West	5 - Chemicals & related products	7 - Machinery & transport equipment	6 - Manufactured goods classified chiefly by material	8 - Miscellaneous manufactured articles	2 - Crude materials, inedible, except fuels
Yorkshire & the Humber	7 - Machinery & transport equipment	3 - Mineral fuels, lubricants & related materials	5 - Chemicals & related products	6 - Manufactured goods classified chiefly by material	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: 2013 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 very little change in the order of the top five commodity groups since the end of the previous quarter. For the North West, exports from section 8 have exceeded those from section 2 over the last 12 months, making section 8 the fourth largest export commodity group by value. There were no changes to the order of the top five commodities for any of the other regions.

SITC section 7 ‘Machinery & transport equipment’ remains the top export section by value for seven of the nine English regions, the only exceptions being the North West and London. 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; the market share for this section has increased during the year for all three of these regions. Furthermore, these were the only regions to experience an increase in this

section with the East Midlands up 14.1 per cent, the West Midlands up 20.6 per cent and the South West up 9.3 per cent. In the West Midlands, exports from division 78 'Road vehicles' increased the most within section 7 (up 34.5 per cent), mainly due to an increase in goods going to China and the USA; for the East Midlands exports from division 71 'Power generating machinery & equipment' increased the most (up 8.8 per cent), with a large rise in goods going to Singapore, Japan and Hong Kong; for the South West exports from division 79 'Other transport equipment' increased the most (up 14.7 per cent) with a substantial rise in exports to France, Germany and India.

The North West remains the top English region for exports within section 5 'Chemicals and related products', accounting for 28.7 per cent of England's exports from this section. However, this share has reduced considerably over the past year, with a 20.0 per cent decrease in the value of section 5 exports from the North West. Most of this decrease was attributable to division 54 'Medicinal & pharmaceutical products' (down 24.9 per cent) and division 51 'Organic chemicals' (down 35.5 per cent); much of the reduction was in goods going to Germany (division 54) and the USA (division 51). The only regions to see an increase in section 5 exports during the year were London (up 3.4 per cent), the South West (up 5.6 per cent) and Yorkshire & Humberside (up 30.1 per cent), although these three regions together only account for 18.7 per cent of England's total exports from section 5.

London, the South East, the East and Yorkshire & Humberside are the dominant regions for exports within SITC section 3 'Mineral fuels, lubricants & related materials'. London, the South East and the East have all seen decreases in export value within this section during the year, by far the largest being in the London region (down 24.2 per cent). For London much of the decline was in exports from division 33 'Petroleum, petroleum products & related materials' going to Germany and the Netherlands. For the South East the decreases in section 3 were mainly in division 33 exports going to South Korea and Senegal. For the East the largest decreases were in division 33 exports going to France and South Korea. In contrast, Yorkshire & Humberside saw a 3.4 per cent increase in exports from section 3 during the year, with most of the growth in division 33 exports to the USA.

For SITC section 6 'Manufactured goods classified chiefly by material' and section 8 'Miscellaneous manufactured articles' London continues to be the dominant exporting region, accounting for 31.9 per cent and 37.5 per cent of England's total exports in

these two sections respectively. For section 8, London has seen a 5.9 per cent increase in export value over the last year; this was London's largest section-level value increase and was led by a rise in goods from division 84 'Articles of apparel & clothing accessories' going to Germany and the USA. All regions apart from the East experienced an increase in exports from section 8 during the year. London's exports from section 6 increased by 2.0 per cent, with exports of division 68 'Non-ferrous metals' up by 14.6 per cent (exports to Switzerland up from £24.2 million to £559.6 million). While London, the East Midlands, the North East and the South West saw increases in exports from section 6 during the year, there were decreases for the other five regions.

The South West and East Midlands continue to be the only regions with SITC section 0 'Food & live animals' in their top five. For both these regions exports from section 0 have decreased considerably over the past year (down 20.9 per cent for the South West and down 15.4 per cent for the East Midlands). The North West remains the most dominant region for exports within section 2 'Crude materials' despite a decrease of 9.9 per cent during the year. This reduction was primarily due to the decline in exports from division 28 'Metalliferous ores & metal scrap' (down 9.7 per cent), mainly in goods going to India, China and Germany, though offset to a degree by an increase to the USA.

Apart from the East, the North East, the North West and the South East all English regions saw an increase in export value for the majority of the sixty-five SITC divisions. For the East, the East Midlands, the South West and the West Midlands the biggest increases at division level were in divisions within section 7, while for London, the North East and the South East the largest increases were in divisions of sections 6 and 8. For Yorkshire & Humberside the largest increase came from within section 5, while for the North West the largest increase was in division 33 'Petroleum, petroleum products & related materials'.

For the North West the largest decreases at division level during the year were in divisions of section 5. For the East and North East the biggest decrease was in division 78 'Road vehicles', while London and the South East saw their largest decline in division 33 'Petroleum, petroleum products & related materials'. For the East Midlands and the South West the greatest reductions in export value were in divisions of section 0. For the West Midlands and Yorkshire & Humberside the biggest decreases were in divisions of section 6.

## Commodity analysis - Wales

Table 8a: Top five commodities for export from Wales, year ending September 2013

SITC section	Description	Year to September 2013 Total £ millions	Year to September 2012 Total £ millions	% Change from September 2012	% Total Exports in year ending September 2013
7	Machinery & transport equipment	5,021.1	4,747.6	5.8	38.4
3	Mineral fuels, lubricants & related materials	3,288.8	4,250.4	-22.6	25.1
6	Manufactured goods classified chiefly by material	2,052.1	1,956.0	4.9	15.7
5	Chemicals & related products	1,400.8	1,392.7	0.6	10.7
8	Miscellaneous manufactured articles	861.9	795.7	8.3	6.6
Other SITCs		463.5	424.2	9.3	3.5
All SITCs		13,088.3	13,566.6	-3.5	100.0

Note: 2013 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 and section 3. Annual exports from Wales have increased for four of the top five SITC sections during the past year. The only decrease at section level was for section 3 (down 22.6 per cent), but this large value reduction was enough to give Wales an overall net decrease in export value over the year. The annual decline for section 3 was predominantly due to a decrease in SITC division 33 'Petroleum, petroleum products & related materials' (down 22.6 per cent), with exports to the USA down 36.1 per cent and exports to Brazil down from £133.8 million to nil. Much of the annual decrease in section 3 was caused by a temporary slump in exports in the fourth quarter of 2012.

For Wales' top export commodity group, section 7, there was a 5.8 per cent increase in export value over the year, with much of the increase coming from division 71 'Power generating machinery & equipment' (up 14.5 per cent); division 71 exports to the United Arab Emirates rose by 61.9 per cent during the year. The largest percentage increase among the top five was for section 8 (up 8.3 per cent) with

exports from division 82 'Furniture & parts thereof' increasing by 81.9 per cent during the year.

Thirty-two of the sixty-five SITC divisions decreased in export value over the year; this is a smaller number than that reported at the end of the previous quarter. By far the largest annual decrease at division level was in division 33 'Petroleum, petroleum products & related materials' (see above). After division 33, the biggest decreases in export value came from division 78 'Road vehicles', primarily in goods going to France, and division 79 'Other transport equipment' (exports to the USA down 25.5 per cent).

The commodity groups with the biggest increases at division level were SITC division 71 'Power generating machinery & equipment' (see above), followed by division 67 'Iron & steel' where exports to France, the Netherlands and Brazil increased most during the year.

### ***Commodity analysis - Scotland***

Table 9a: Top five commodities for export from Scotland, year ending September 2013

SITC section	Description	Year to September 2013 Total £ millions	Year to September 2012 Total £ millions	% Change from September 2012	% Total Exports in year ending September 2013
7	Machinery & transport equipment	6,087.1	5,783.8	5.2	31.0
1	Beverages & tobacco	4,482.1	4,315.7	3.9	22.8
6	Manufactured goods classified chiefly by material	2,420.6	2,268.1	6.7	12.3
5	Chemicals & related products	1,900.7	1,997.0	-4.8	9.7
3	Mineral fuels, lubricants & related materials	1,846.2	1,606.9	14.9	9.4
Other SITCs		2,913.6	2,963.3	-1.7	14.8
All SITCs		19,650.4	18,934.7	3.8	100.0

Note: 2013 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 9a shows that annual exports from Scotland increased for four of the top five SITC sections over the last year. Scotland's exports continue to be dominated by

goods from section 7 'Machinery & transport equipment' and section 1 'Beverages & tobacco'. The 5.2 per cent annual growth in exports from section 7 accounted for the largest value increase at section level, and exceeded the average export growth rate for the UK for this section (2.9 per cent). Much of the increase for section 7 came from SITC division 71 'Power generating machinery & equipment' (up 16.0 per cent, with exports to United Arab Emirates up by 49.2 per cent).

Exports from SITC section 1 have seen a 3.9 per cent increase during the year. The vast majority of this increase was due to division 11 'Beverages' (up 3.9 per cent) where exports to the USA rose by 16.7 per cent. Scotland is the most important country of the UK for exports of 'Beverages', taking a 63.4 per cent share of the UK export value over the last year.

Scotland also saw an annual rise in exports from its third largest SITC section, section 6 'Manufactured goods classified chiefly by material'. The 6.7 per cent year-on-year increase in this section was led by division 66 'Non-metallic mineral manufactures' (up 11.5 per cent, with exports to Belgium up 15.8 per cent) and division 69 'Manufactures of metal' (up 15.5 per cent, with exports to Norway up 95.5 per cent).

Section 5 'Chemicals & related products' was the only top five section to see a fall in exports from Scotland during the year, accounting for the largest value decrease at section level. The 4.8 per cent decrease was led by a decline in exports from division 54 'Medicinal & pharmaceutical products' (down 13.3 per cent, with large reductions in the value of goods going to Germany and Sweden).

The remaining SITC section in the top five, section 3 'Mineral fuels, lubricants & related materials', experienced a rise of 14.9 per cent. This was in contrast to the overall UK decline of 8.1 per cent in exports from this section. The increase was driven by SITC division 33 'Petroleum, petroleum products & related materials' (up 19.0 per cent, with exports to Belgium and the Netherlands increasing most).

Twenty-four of the sixty-five SITC divisions decreased in export value over the year. The largest division-level decreases were for SITC division 77 'Electrical machinery, apparatus & appliances' (down 8.9 per cent) and division 87 'Professional, scientific & controlling instruments & apparatus' (down 7.9 per cent). The largest increases at division level were for division 33 'Petroleum, petroleum products & related

materials', division 71 'Power generating machinery & equipment' and division 11 'Beverages' (see above).

### ***Commodity analysis – Northern Ireland***

Table 10a: Top five commodities for export from Northern Ireland, year ending September 2013

SITC section	Description	Year to September 2013 Total £ millions	Year to September 2012 Total £ millions	% Change from September 2012	% Total Exports in year ending September 2013
7	Machinery & transport equipment	2,303.9	2,414.7	-4.6	38.7
0	Food & live animals	1,068.9	968.7	10.3	17.9
5	Chemicals & related products	758.0	622.6	21.7	12.7
8	Miscellaneous manufactured articles	650.0	677.0	-4.0	10.9
6	Manufactured goods classified chiefly by material	517.8	479.2	8.0	8.7
Other SITCs		658.3	637.5	3.3	11.1
All SITCs		5,956.8	5,799.7	2.7	100.0

Note: 2013 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 equipment'. However, exports in this section have declined by 4.6 per cent over the last year, the largest section-level value decrease. This was largely due to a fall in exports from SITC division 71 'Power generating machinery & equipment' (down 24.8 per cent, with a very large reduction in goods going to Canada).

In contrast, Section 5 'Chemicals & related products', the third largest section, experienced a substantial increase in exports during the year (up 21.7 per cent). This was mainly due to growth in division 54 'Medicinal & pharmaceutical products' (up 42.9 per cent, with exports to the USA more than doubling).

After section 5, the largest section-level increase during the year was for section 0 'Food & live animals' (up 10.3 per cent). This was primarily caused by growth in

exports from division 01 'Meat & meat preparations' (up 9.3 per cent) and division 08 'Feeding stuff for animals' (up 28.3 per cent); in both cases much of the increase was in goods going to the Irish Republic).

Twenty-four of the sixty-five SITC divisions decreased in export value during the year. After division 54, the largest value increase at division level was for division 79 'Other transport equipment' (up 11.3 per cent). After division 71, the largest value decreases at division level were for division 59 'Chemical materials & products' (down 37.3 per cent) and division 72 'Machinery specialized for particular industries' (down 5.5 per cent).

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

The following analysis compares the number of active exporters in quarter 3 2013 with the number in quarter 3 2012. A quarterly analysis is more appropriate here than an annual analysis, as summing the number of active businesses over a year could produce ambiguous results. A quarter-on-quarter comparison enables us to measure seasonal movement of businesses, such as the increase/decrease in number of active businesses over the Christmas season (quarter 4). The number of businesses counted excludes those who trade only with the EU and whose trade is below the Intrastat Exemption Threshold (see note 6).

Figure 3a shows the percentage change in number of exporters per region between quarter 3 2012 and quarter 3 2013.

**Fig 3a: Percentage Change in Number of Exporters between Q3 2012 and Q3 2013**



Source: Regional Trade Statistics, HM Revenue & Customs

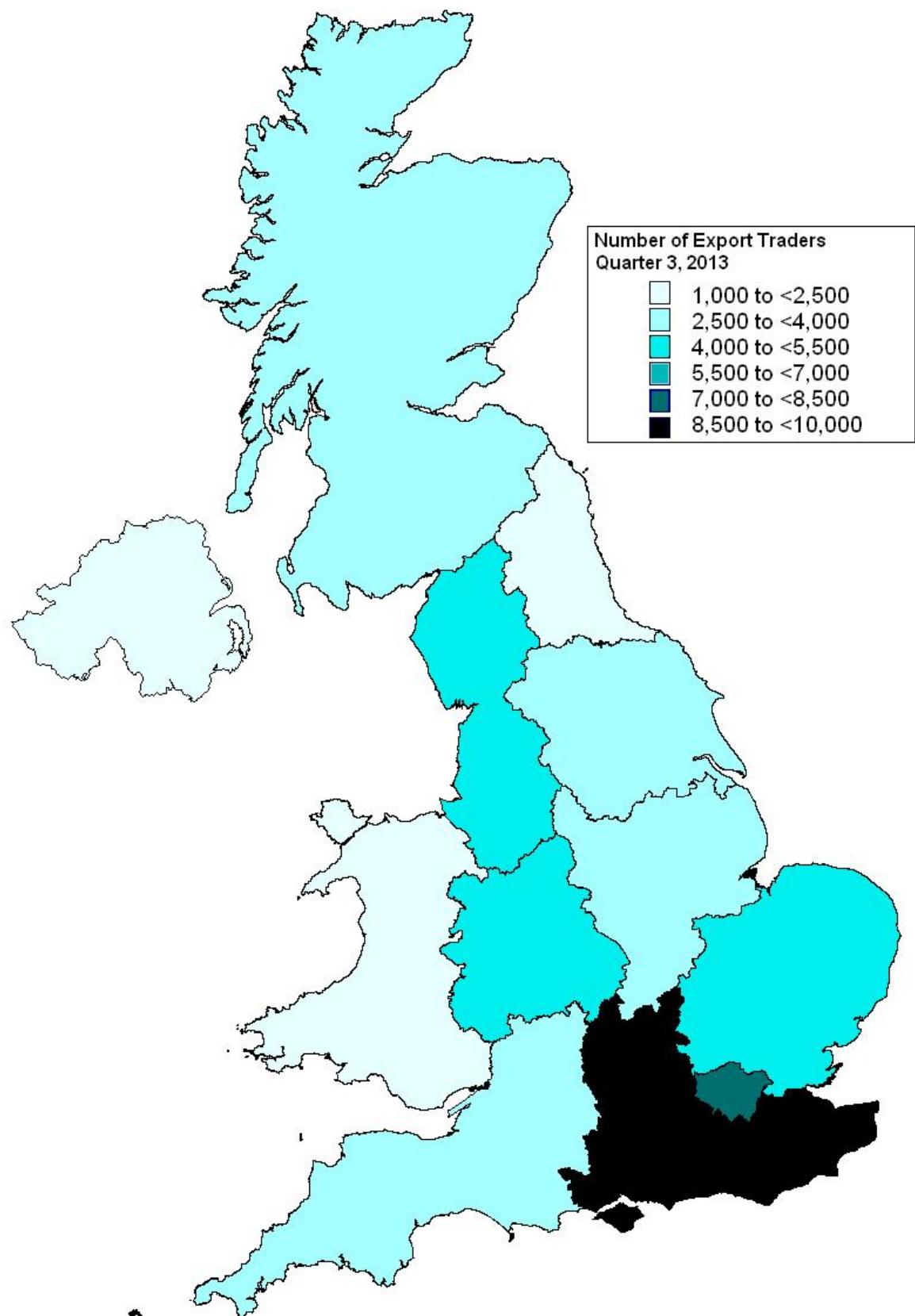
For the UK as a whole, the number of exporting businesses decreased by 0.6 per cent between quarter 3 2012 and quarter 3 2013, from 49,736 to 49,453.

Figure 3a shows that the number of active exporters decreased in all regions of the UK apart from the North East, the North West, the East Midlands and London between quarter 3 2012 and quarter 3 2013. The North West experienced the largest percentage rise in exporting businesses, 0.9 per cent, while Northern Ireland saw the largest percentage decline, 5.8 per cent.

For all regions apart from Yorkshire & Humberside, the percentage growth in business numbers between quarter 3 2012 and quarter 3 2013 was less than the growth between quarter 2 2012 and quarter 2 2013.

Figure 4a shows the total number of active UK exporters in each region for quarter 3 2013. The South East, London and the East are the three regions with the largest count of businesses, accounting respectively for 17.5 per cent, 17.0 per cent and 11.1 per cent of all UK businesses. There has been little change since quarter 3 of 2012 apart from a slight increase in the proportion of UK businesses exporting from London and the North West, and a slight decrease in those exporting from the West Midlands, the East, the South West, Scotland and Northern Ireland.

**Fig 4a: Number of UK export businesses by region - Quarter 3, 2013**



Note: 2013 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 - Top five import partners, year ending September 2013

	<b>Country</b>	<b>Year ending September 2013 Total £ millions</b>	<b>Year ending September 2012 Total £ millions</b>	<b>% Change from September 2012</b>	<b>% Total Imports in year ending September 2013</b>
Top 5	Germany	47,360.2	45,424.2	4.3	13.8
	China	26,715.0	26,951.3	-0.9	7.8
	Netherlands	26,264.9	23,720.0	10.7	7.6
	USA	26,029.6	26,616.4	-2.2	7.6
	France	19,598.0	19,226.3	1.9	5.7
	Others	197,747.0	203,429.9	-2.8	57.5
	Total EU	175,531.7	172,928.3	1.5	51.1
	Total Non-EU	168,183.1	172,439.8	-2.5	48.9
	Grand Total	343,714.7	345,368.1	-0.5	100.0

Note: 2013 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

With England receiving over 92 per cent of the UK's allocated imports<sup>5</sup> by value, the pattern of imports to England largely determines that for the UK as a whole. Table 1b shows that the total value of imports to England has decreased by 0.5 per cent during the year ending September 2013. England's top five import partners for the year have remained the same as those reported for the year ending June 2013, apart from the Netherlands overtaking the USA to become the fourth largest partner. This change was due to a 10.7 per cent increase in imports from the Netherlands during the year, together with a 2.2 per cent decrease in imports from the USA.

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<sup>5</sup> ‘Allocated imports’ exclude those assigned to the Unknown region.

Germany remains the top import partner for England by a wide margin. Imports from here have risen by 4.3 per cent during the year. There was a large increase in goods from Germany within SITC division 78 'Road vehicles'

Just under half of England's imports come from non-EU partner countries; this proportion has fallen slightly compared to the previous annual period; imports from the EU have increased while imports from non-EU partners have decreased.

The largest increase in import value among the top five partners was for the Netherlands, where imports from SITC division 76 'Telecomms & sound recording & reproducing apparatus & equipment' rose by 67.0 per cent. Imports from China have decreased by 0.9 per cent over the year; this decrease for China was largely attributable to SITC division 76 (down 16.8 per cent), although it was partly offset by a rise in goods coming from division 84 'Articles of apparel & clothing accessories' (up 3.2 per cent)

The decrease in imports from the USA (down 2.2 per cent) was led by reductions in goods received from SITC division 54 'Medicinal & pharmaceutical products' and division 52 'Inorganic chemicals', offset by rises in division 33 'Petroleum, petroleum products & related materials' and division 79 'Other transport equipment'.

After the Netherlands and Germany the partner country with the biggest increase in imports to England during the year was Switzerland (up 31.6 per cent). This increase was driven by a rise in goods imported from SITC division 68 'Non-ferrous metals'.

The partner country where the value of imports decreased the most during the year was Norway (down 25.2 per cent). This was predominantly due to a fall in imports from SITC division 33 'Petroleum, petroleum products & related material' (down 34.1 per cent). This dramatic decrease has led to Norway moving down from fifth to seventh largest import partner for England over the last year. Belgium is now England's sixth largest import partner, with an increase of 1.8 per cent during the year.

## **Partner country analysis – English regions**

Table 2b: Top five import partners for the English regions, year ending September 2013

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

Note: 2013 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 2b shows the top partner countries for imports to the English regions for the year ending September 2013. Unlike the pattern for exports, where the English regions are broadly similar to England as a whole, the pattern for imports shows more differences between the regions. For exports the manufacture of goods is typically more regionally concentrated, whereas imports are based on the purchase of goods, which is more regionally dispersed. Nevertheless, there are a number of partner countries that appear consistently among the top five for most regions. Germany is among the top five import partners for every English region apart from London, and China is in the top five for all regions except the North East. The USA is among the top five for all regions apart from the North West and the West Midlands, while the Netherlands is in the top five for all regions except London and the North East. France is among the top five for six of the nine regions.

There have been a number of changes in the order and membership of the top five since the end of the previous quarter. For the West Midlands, Germany has become the top import partner, overtaking Norway. For the East, the USA has become the second largest import partner, overtaking the Netherlands. For London, Germany has dropped out of the top five, while France has moved up into fourth position and Switzerland has overtaken Norway to become the third largest import partner. For the South West, the United Arab Emirates has overtaken France to become the fifth

largest import partner, while the Netherlands has moved up into second position having overtaken China.

Imports from the Netherlands have risen for six of the nine regions, with the highest growth rates in the South West (up 66.0 per cent) and the South East (up 17.0 per cent). Imports from Germany have risen for all regions apart from the South West; the largest percentage increases occurred in the West Midlands (up 10.5 per cent) and the North East (up 7.0 per cent). Imports from Norway have decreased for six of the nine regions, the exceptions being the East, the South West and the North West. The largest value decreases in imports from Norway were in the West Midlands (down 31.3 per cent) and London (down 28.2 per cent).

Six of the nine English regions saw a decrease in the value of imports during the year, the exceptions being the East Midlands (up 5.2 per cent), the North West (up 3.5 per cent) and the South West (up 9.4 per cent). The largest percentage decrease was in the North East (down 17.9 per cent); this was driven by a large decline in the value of imports from Japan (down 35.2 per cent, with SITC division 78 'Road vehicles' down 47.6 per cent). The increase in imports to the South West stemmed primarily from rises in goods coming from the Netherlands (SITC division 76 'Telecomms & sound recording & reproducing apparatus & equipment' almost trebling in value) and the United Arab Emirates (SITC division 71 'Power generating machinery & equipment' up 96.6 per cent). The increase in imports to the North West was led by growth in imports from Russia (SITC division 33 'Petroleum, petroleum products & related materials' more than doubling in value) and the Netherlands (SITC division 33 up 10.9 per cent). The increase in imports to the East Midlands was driven by a rise in goods coming from Japan within SITC division 71 'Power generating machinery & equipment' and division 78 'Road vehicles'.

England's import trade continues to be dominated by the South East and London, although both these regions experienced negative growth rates. The South East accounted for 26.1 per cent of England's imports by value during the year, while London accounted for 21.7 per cent. London's imports declined in value by 0.6 per cent during the year, the largest value decreases occurring in imports from Norway (SITC division 33 'Petroleum, petroleum products & related materials' down 58.8 per cent), Singapore (SITC division 51 'Organic chemicals' down 63.5 per cent) and Qatar (SITC division 34 'Gas, natural & manufactured' down 29.9 per cent); these decreases were offset by an increase in goods coming from Switzerland (SITC

division 68 ‘Non-ferrous metals’ more than trebling in value) and Botswana (SITC division 66 ‘Non-metallic mineral manufactures’ up 47.6 per cent). For the South East there was a decrease in imports of 1.1 per cent. Here, the decrease was driven by a reduction in goods coming from Norway (SITC division 33 down 36.4 per cent), Russia (SITC division 33 down 38.8 per cent) and the USA (SITC division 54 ‘Medicinal & pharmaceutical products’ down 51.5 per cent); these decreases were partly offset by an increase in imports to the South East from the Netherlands (SITC division 76 ‘Telecomms & sound recording & reproducing apparatus & equipment’ up 63.7 per cent), Germany (SITC division 78 ‘Road vehicles’ up 12.1 per cent) and Saudi Arabia (SITC division 33 more than trebling in value).

For the majority of regions most of the import value comes from goods received from within the EU; the exceptions are London, the North East and the South West. The EU market share increased in all regions apart from the East and the East Midlands during the year. For the East there was a 3.8 per cent decrease in EU imports, with large reductions in goods coming from the Irish Republic; this was coupled with a 4.8 per cent increase in imports from non-EU partners, most notably from Nigeria and Norway. For the East Midlands EU imports rose by 5.2 per cent during the year, while non-EU imports rose by 5.3 per cent; the largest value increase in the East Midlands among non-EU partners was for Japan, while the largest increases among EU partners were for Germany, Poland and France.

## **Partner country analysis – Wales**

Table 3b: Wales - Top five import partners, year ending September 2013

	Country	Year ending September 2013 Total £ millions	Year ending September 2012 Total £ millions	% Change from September 2012	% Total Imports in year ending September 2013
Top 5	Canada	815.4	882.3	-7.6	11.1
	Germany	788.7	856.1	-7.9	10.7
	USA	661.6	730.1	-9.4	9.0
	France	610.9	574.3	6.4	8.3
	China	508.2	513.1	-1.0	6.9
	Others	3,994.2	4,524.8	-11.7	54.1
	Total EU	3,331.2	3,397.4	-1.9	45.1
	Total Non-EU	4,047.8	4,683.2	-13.6	54.9
	Grand Total	7,379.0	8,080.7	-8.7	100.0

Note: 2013 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Imports to Wales decreased in value by 8.7 per cent during the year, the largest percentage decline among the four UK countries. This decrease was driven by reductions in goods from non-EU partners, the largest value decreases coming from Australia (down 58.4 per cent), Brazil (down 26.2 per cent) and South Africa (down 40.4 per cent). For Australia much of the reduction has been in goods from SITC division 32 'Coal, coke & briquettes'. For Brazil and South Africa the decrease was led by a reduction in SITC division 28 'Metalliferous ores & metal scrap'.

The most noticeable change in the top five since the end of the previous quarter is that Canada has re-established itself as top import partner for Wales, overtaking Germany. Although imports from both these countries declined during the year, the decrease for Canada was marginally less. Germany's reduction was driven by SITC division 67 'Iron & steel' (down 72.1 per cent) and division 89 'Miscellaneous manufactured articles not specified elsewhere' (down 47.0 per cent).

France was the only top five partner country to see a positive growth rate in imports to Wales, and was also the partner country where imports to Wales increased the most in value over the year (up 6.4 per cent). Imports from France within SITC division 55 'Essential oils & perfume materials' and division 77 'Electrical machinery, apparatus & appliances' increased the most in value. France's share of Wales' imports has increased from 7.1 per cent to 8.3 per cent over the last year.

The USA remains Wales' third largest import partner. Imports from the USA decreased in value by 9.4 per cent during the year, with the largest value reduction coming from SITC division 67 'Iron and steel' (down 84.4 per cent). Despite the general decrease in imports from the USA, its share of Wales' total imports remained constant at 9.0 per cent year-on-year due to the large decreases seen in imports from other partner countries.

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

Table 4b: Scotland - Top five import partners, year ending September 2013

	Country	Year ending September 2013 Total £ millions	Year ending September 2012 Total £ millions	% Change from September 2012	% Total Imports in year ending September 2013
Top 5	USA	1,941.0	2,160.8	-10.2	13.1
	Norway	1,400.5	1,755.1	-20.2	9.5
	Nigeria	1,119.7	591.7	89.3	7.6
	China	1,117.0	1,157.4	-3.5	7.5
	Germany	944.0	898.6	5.0	6.4
	Others	8,293.9	7,940.7	4.4	56.0
	Total EU	5,158.1	4,989.0	3.4	34.8
	Total Non-EU	9,658.1	9,515.4	1.5	65.2
	Grand Total	14,816.1	14,504.4	2.1	100.0

Note: 2013 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Imports to Scotland have increased in value by 2.1 per cent during the year, the only increase among the four UK countries. This was despite a decrease in imports for three of the top five partners. Imports from EU partners have increased at a higher rate than those from outside the EU, although non-EU partners still supply almost two-thirds of Scotland's imports by value. The USA remains Scotland's top import partner, despite a decrease in imports of 10.2 per cent over the last year. Imports from the USA that reduced the most in value were from SITC division 71 'Power generating machinery & equipment'.

Imports from Norway decreased by 20.2 per cent during the year. Most of this decrease came from SITC division 33 'Petroleum, petroleum products & related

materials'. This has reduced Norway's share of Scotland's import market to 9.5 per cent compared with 12.1 per cent a year ago.

The most striking change in the top five over the year is the rise of Nigeria from seventh largest to third largest import partner, with an increase of 89.3 per cent in import value. The rise was driven by a dramatic increase in imports from SITC division 33 'Petroleum, petroleum products & related materials' (up 92.7 per cent). In contrast, the Netherlands has moved from fifth to sixth largest import partner for Scotland during the 12 month period. Imports from the Netherlands rose by only 2.9 per cent; here the largest increase was in SITC division 08 'Feeding stuff for animals' which more than doubled in value.

Outside of the top five partner countries, Scotland has seen large increases in imports from Algeria (up 90.2 per cent during the year, with SITC division 33 'Petroleum, petroleum products & related materials' up 92.5 per cent), Finland (up 64.5 per cent, with SITC division 64 'Paper, paperboard & manufactures thereof' up 87.2 per cent) and Ghana (with a more than sevenfold increase, almost entirely due to SITC 33).

After Norway and the USA the largest value decreases during the 12 months were for Poland and Colombia. For Poland the decline was mainly the result of reductions in SITC division 75 'Office machines & automatic data processing machines', whereas for Colombia the decrease was led by a decline in division 32 'Coal, coke & briquettes'.

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

Table 5b: Northern Ireland - Top five import partners, year ending September 2013

	Country	Year ending September 2013 Total £ millions	Year ending September 2012 Total £ millions	% Change from September 2012	% Total Imports in year ending September 2013
Top 5	Irish Republic	1,584.9	1,610.8	-1.6	27.6
	China	979.9	918.6	6.7	17.0
	USA	422.1	430.8	-2.0	7.3
	Germany	321.7	327.5	-1.8	5.6
	Netherlands	318.2	308.9	3.0	5.5
	Others	2,120.8	2,173.9	-2.4	36.9
	Total EU	3,166.0	3,326.9	-4.8	55.1
	Total Non-EU	2,581.6	2,443.6	5.6	44.9
	Grand Total	5,747.6	5,770.5	-0.4	100.0

Note: 2013 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 5b shows that the majority of imports to Northern Ireland come from EU partners; the proportion of imports coming from the EU is higher than in England, Wales and Scotland, although this share has fallen from 57.7 per cent to 55.1 per cent over the past year. This has been due to a decrease of 4.8 per cent in EU imports, together with a 5.6 per cent increase in imports from non-EU partners. The most dominant import partner in value terms is the Irish Republic, although its share of Northern Ireland's imports has decreased slightly over the past year.

Northern Ireland has seen a marginal decline of 0.4 per cent in the value of its imports during the year; this is a similar decrease to that seen in England during the year. Much of the decrease for Northern Ireland was caused by reduced imports from Spain (down 45.4 per cent) and France (down 25.4 per cent). These reductions were led by decreases in imports from SITC division 79 'Other transport equipment' (Spain) and division 71 'Power generating machinery & equipment' (France). Among the top five partners, decreases in goods coming from the Irish Republic also contributed to the decline in EU imports; this was mainly due to reductions in SITC division 89 'Miscellaneous manufactured articles not specified elsewhere', division 11 'Beverages' and division 72 'Machinery specialized for particular industries', although these were partially offset by a rise in division 01 'Meat & meat preparations'.

Northern Ireland's imports from China increased by 6.7 per cent during the year, the largest value increase of all its import partners. Imports from China from SITC division 84 'Articles of apparel & clothing accessories' went up by 6.4 per cent, with imports from division 77 'Electrical machinery, apparatus & appliances & electrical parts thereof' up 23.9 per cent. Outside the top five, Northern Ireland saw an increase of 28.1 per cent in imports from India; this was led by growth in SITC division 84 'Articles of apparel & clothing accessories' (up 33.9 per cent). The largest value increase among EU partners was in imports from Belgium (up 11.7 per cent); this was driven by increases in SITC division 63 'Cork & wood manufactures' and division 57 'Plastics in primary forms'.

### **Commodity analysis - England**

Table 6b: Top five commodities for import to England, year ending September 2013

SITC section	Description	Year to September 2013 Total £ millions	Year to September 2012 Total £ millions	% Change from September 2012	% Total Imports in year ending September 2013
7	Machinery & transport equipment	120,400.3	116,861.0	3.0	35.0
8	Miscellaneous manufactured articles	53,239.0	52,613.3	1.2	15.5
3	Mineral fuels, lubricants & related materials	49,405.9	53,921.4	-8.4	14.4
6	Manufactured goods classified chiefly by material	41,577.7	41,795.8	-0.5	12.1
5	Chemicals & related products	37,579.5	40,371.2	-6.9	10.9
Other SITCs		41,512.3	39,805.5	4.3	12.1
All SITCs		343,714.7	345,368.1	-0.5	100.0

Note: 2013 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 over 35 per cent of total import value; this proportion has risen over the past year. Imports from section 7 have increased by 3.0 per cent during the year, the largest increases coming from SITC division 78 'Road vehicles' (up 7.2 per cent) and division 76 'Telecomms & sound recording &

reproducing apparatus & equipment' (up 5.3 per cent); these increases were led by goods coming from Germany (division 78) and the Netherlands (division 76).

Section 8 was the only other top five section to increase in value during the year (up 1.2 per cent). The largest rise was in division 87 'Professional, scientific & controlling instruments & apparatus' (up 5.9 per cent, with imports from Germany up 11.9 per cent) although this was partially offset by a decrease in division 89 'Articles of apparel & clothing accessories' (down 2.7 per cent, with imports from Hong Kong down 18.7 per cent).

Section 3 imports declined in value by 8.4 per cent during the year, largely due to a decrease of 8.8 per cent in division 33 'Petroleum, petroleum products & related materials', with imports from Norway losing the most value (down 34.1 per cent). Division 33 accounts for 12.2 per cent of England's total imports, making it the most valuable import commodity at division level.

Section 5 imports decreased by 6.9 per cent during the year. The largest decreases were in SITC division 51 'Organic chemicals' (down 23.2 per cent, with large reductions in imports from the Irish Republic and Singapore).

Twenty-four of the sixty-five SITC divisions decreased in import value over the 12 months; this was a lower number than that reported at the end of the previous quarter. After divisions 33 and 51 the largest division-level value decrease was in division 67 'Iron & steel' (down 15.0 per cent). The largest division-level value increases were in imports of division 78 'Road vehicles' (see above) and division 68 'Non-ferrous metals' (up 12.1 per cent).

## **Commodity analysis – English regions**

Table 7b - Top five commodities for import to English regions, year ending September 2013

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

Note: 2013 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 has been very little change in the order and membership of the top five sections since the end of the previous quarter. The North East has seen a large decline in imports from section 8, with section 8 moving down from second highest to fourth highest section over the last quarter. There have been no changes in the order of the top five for the remaining regions since the end of the previous quarter.

For section 3 'Mineral fuels, lubricants & related materials' there have been large fluctuations in import value during the year for a number of English regions. The 24.9 per cent increase in import value in section 3 for the North West was the largest value increase in this section among all the English regions, while London and the West Midlands saw the largest value decreases (down 11.2 per cent and 22.5 per

cent respectively). The North East also saw a large decrease in section 3 imports (down 66.6 per cent). Virtually all of these fluctuations in value were largely attributable to SITC division 33 ‘Petroleum, petroleum products & related materials’. For the North West the increase was driven by a rise in division 33 imports from Russia and Lithuania. The decrease in division 33 imports to London, the West Midlands and the North East was primarily due to reductions in imports from Norway. London remains the dominant region for imports from section 3, although its share of England’s imports from this section has dropped from 36.3 per cent to 35.2 per cent over the past year.

Section 7 ‘Machinery & transport equipment’ is the dominant section for imports in six of the nine regions. Six regions have seen an increase in import value for section 7 during the year, the exceptions being the East (down 0.4 per cent), the North East (down 20.4 per cent) and Yorkshire & Humberside (down 5.1 per cent). The largest value increase was in the South West (up 16.4 per cent with division 71 ‘Power generating machinery & equipment’ up 27.9 per cent). The largest value decrease for section 7 was in imports to the North East (down 20.4 per cent, with division 78 ‘Road vehicles’ down 25.8 per cent). The South East remains the dominant region for imports of section 7, accounting for 38.1 per cent of England’s imports within this section. There was an increase of 2.7 per cent in section 7 imports to the South East during the last year, the largest rise coming from division 78.

For section 5 ‘Chemicals & related products’ the South East, the North West and the East remain the top importing regions. These three regions have all seen a decrease in imports from section 5 over the year. For the East there was a decline of 7.6 per cent, mainly due to a reduction in imports of SITC division 51 ‘Organic chemicals’ (down 46.5 per cent, with imports from the Irish Republic down 77.9 per cent). The North West and South East saw decreases of 2.6 per cent and 9.3 per cent respectively in imports of section 5 during the year. For these regions the decline was led by a reduction in goods from division 54 ‘Medicinal & pharmaceutical products’ coming from the USA.

Imports from section 6 ‘Manufactured goods classified chiefly by material’ decreased for seven of the nine regions, the exceptions being London (up 6.5 per cent) and the North East (up 1.2 per cent). For London the vast majority of the increase was in division 68 ‘Non-ferrous metals’ (up 29.7 per cent), mainly in goods coming from Switzerland. For the North East the largest increase was in division 69 ‘Manufactures

of metal' coming from Japan and Austria. The region with the largest value decrease in section 6 imports was the North West (down 8.6 per cent); here the decline was largely due to a 21.9 per cent decrease in division 64 'Paper, paperboard & manufactures thereof', mainly in goods coming from Finland.

Imports from section 8 'Miscellaneous manufactured articles' increased for six of the nine regions. The biggest value increase was in London (up 1.4 per cent) where the largest rise was in division 84 'Articles of apparel & clothing accessories'; the largest increases here were in goods coming from China and Bangladesh. The region with the biggest decrease in imports from section 8 was the North East (down 13.7 per cent), mainly due to a reduction in goods within division 84 coming from Belgium.

Eight of the nine regions experienced an increase in imports from section 0 'Food & live animals' during the year, the only exception being the South West. Virtually all regions received substantial rises in imports of division 04 'Cereals & cereal preparations'. London, the East Midlands and the North West are the dominant importing regions for division 04; for these regions imports of division 04 increased by 16.5 per cent, 68.7 per cent and 23.7 per cent respectively. The likely reason for this growth in cereal imports across the English regions is the poor cereal harvest in the UK in 2012 caused by adverse weather conditions, which has necessitated a greater level of imports to meet the needs of the UK.

## **Commodity analysis – Wales**

Table 8b: Top five commodities for import to Wales, year ending September 2013

SITC section	Description	Year to September 2013 Total £ millions	Year to September 2012 Total £ millions	% Change from September 2012	% Total Imports in year ending September 2013
7	Machinery & transport equipment	1,689.0	1,522.6	10.9	22.9
2	Crude materials, inedible, except fuels	1,564.3	1,913.4	-18.2	21.2
5	Chemicals & related products	1,376.4	1,273.0	8.1	18.7
6	Manufactured goods classified chiefly by material	1,362.6	1,831.1	-25.6	18.5
8	Miscellaneous manufactured articles	572.9	659.4	-13.1	7.8
Other SITCs		813.7	881.1	-7.6	11.0
All SITCs		7,379.0	8,080.7	-8.7	100.0

Note: 2013 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Table 8b shows that Wales has seen large decreases in imports from section 2 ‘Crude materials, inedible, except fuels’ and section 6 ‘Manufactured goods classified chiefly by material’ during the year, while section 7 ‘Machinery and transport equipment’ has become the top import. The decline of 18.2 per cent in section 2 was mainly due to SITC division 28 ‘Metalliferous ores & metal scrap’ (down 19.3 per cent), with imports from Brazil, South Africa and Russia decreasing the most. The fall of 25.6 per cent in section 6 was mainly due to a decrease in SITC division 67 ‘Iron & steel’ (down 48.7 per cent) which was driven by a reduction in imports from Germany and Austria. The decrease for section 6 together with an 8.1 per cent increase in section 5 ‘Chemicals & related products’, has resulted in section 5 moving up to the third highest import section, overtaking section 6.

The value of imports declined for five of the ten SITC sections during the year. Among the top five SITC sections, section 8 ‘Miscellaneous manufactured articles’ fell 13.1 per cent, the largest reduction coming from SITC division 84 ‘Articles of apparel & clothing accessories’ (down 40.8 per cent) with imports from China halving in value. Outside of the top five sections there was a large decrease in imports from section 3 ‘Mineral fuels, lubricants & related materials’ (down 19.6 per cent), with

division 32 'Coal, coke & briquettes' down 20.3 per cent, mainly in imports from Australia.

The largest value increase of all the SITC sections was for section 7 'Machinery & transport equipment' where imports rose by 10.9 per cent; this was led by growth in division 78 'Road vehicles' (up 35.3 per cent) with goods coming from Germany contributing most of the value increase. The increase in section 5 imports was driven by growth in division 55 'Essential oils & perfume materials', with large increases in goods coming from France.

Twenty-seven of the sixty-five SITC divisions decreased in import value during the year, the largest decreases coming from division 67 'Iron & steel', division 28 'Metalliferous ores & metal scrap' and division 32 'Coal, coke & briquettes' (see above). The largest increases at division level were in division 78 'Road vehicles' and division 55 'Essential oils & perfume materials' (see above), followed by division 75 'Office machines & automatic data processing machines' (up 21.4 per cent), where imports from Taiwan, China and Hong Kong contributed most to the increase.

### ***Commodity analysis – Scotland***

Table 9b: Top five commodities for import to Scotland, year ending September 2013

SITC section	Description	Year to September 2013 Total £ millions	Year to September 2012 Total £ millions	% Change from September 2012	% Total Imports in year ending September 2013
7	Machinery & transport equipment	5,011.4	5,158.7	-2.9	33.8
3	Mineral fuels, lubricants & related materials	3,284.2	2,778.6	18.2	22.2
6	Manufactured goods classified chiefly by material	2,004.9	1,999.6	0.3	13.5
8	Miscellaneous manufactured articles	1,598.7	1,719.1	-7.0	10.8
0	Food & live animals	1,261.3	1,184.3	6.5	8.5
Other SITCs		1,655.8	1,664.0	-0.5	11.2
All SITCs		14,816.1	14,504.4	2.1	100.0

Note: 2013 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, although imports from this section have decreased by 2.9 per cent during the year. This was mainly due to a reduction in imports of SITC division 75 'Office machines & automatic data processing machines' (down 14.6 per cent), particularly from Poland and China.

Scotland saw increases in the value of imports during the year for three of the top five SITC sections. The section that increased most in value over the year was section 3 'Mineral fuels, lubricants & related materials' (up 18.2 per cent), with imports from division 33 'Petroleum, petroleum products & related materials' up 41.1 per cent; the growth in this division was primarily due to a rise in imports from Nigeria and Algeria.

Section 0 'Food & live animals' increased in value by 6.5 per cent during the 12 month period. The largest increase was in imports of division 04 'Cereals & cereal preparations' which more than doubled during the year. This is likely to be the result of the poor cereal harvest experienced throughout the UK following adverse weather conditions in 2012; the need for greater levels of imported cereal to cover the shortfall has been reflected similarly in the increased cereal imports in other areas of the UK.

The value of imports from section 6 'Manufactured goods classified chiefly by material' has increased marginally by 0.3 per cent during the year. Over the 12 month period there was a large increase in imports from division 64 'Paper, paperboard & manufactures thereof' (up 47.2 per cent). Here, most of the increase was in goods from Finland and Germany.

More than half of the SITC divisions decreased in import value during the year. After division 75 'Office machines & automatic data processing machines' the largest value decreases were in division 34 'Gas, natural & manufactured' (down 80.2 per cent) and division 32 'Coal, coke & briquettes' (down 16.4 per cent), notably in goods from Norway (division 34) and Colombia (division 32). The largest value increases at division level were in division 33 'Petroleum, petroleum products & related materials' and division 64 'Paper, paperboard & manufactures thereof' (see above).

## **Commodity analysis – Northern Ireland**

Table 10b: Top five commodities for import to Northern Ireland, year ending September 2013

SITC section	Description	Year to September 2013 Total £ millions	Year to September 2012 Total £ millions	% Change from September 2012	% Total Imports in year ending September 2013
8	Miscellaneous manufactured articles	1,567.3	1,532.7	2.3	27.3
7	Machinery & transport equipment	1,047.9	1,166.9	-10.2	18.2
0	Food & live animals	1,026.7	1,022.5	0.4	17.9
6	Manufactured goods classified chiefly by material	792.7	783.3	1.2	13.8
5	Chemicals & related products	529.9	506.7	4.6	9.2
Other SITCs		783.0	758.3	3.3	13.6
All SITCs		5,747.6	5,770.5	-0.4	100.0

Note: 2013 data are provisional

Source: HM Revenue & Customs Regional Trade Statistics

Section 8 ‘Miscellaneous manufactured articles’ remains Northern Ireland’s top import section by value, with a 27.3 per cent share of the import market. There was a 2.3 per cent increase in imports from section 8 over the year, the largest value increase coming from division 84 ‘Articles of apparel & clothing accessories’ (up 5.6 per cent), mainly in goods coming from China, India and Bangladesh. This was partially offset by a decrease in division 89 ‘Miscellaneous manufactured articles not specified elsewhere’ (down 9.4 per cent), primarily in goods coming from the Irish Republic.

Within the top five sections, Northern Ireland saw its only decrease in section 7 ‘Machinery & transport equipment’ (down 10.2 per cent). This was the largest value decrease of all the SITC sections. The decline was led by a reduction in imports of division 79 ‘Other transport equipment’ (down 41.2 per cent) coming from Spain. Outside of the top five there was a 3.8 per cent decrease in imports of section 1 ‘Beverages & tobacco’, led by a reduction in goods from division 11 ‘Beverages’ coming from the Irish Republic and Germany.

The largest value increase during the year was in section 3 ‘Mineral fuels, lubricants & related materials’ (up 34.5 per cent). Here the rise was led by an increase in imports of division 32 ‘Coal, coke & briquettes’ (up 37.2 per cent) coming from Russia and the Netherlands. Within the top five sections the largest value increase came from section 8 ‘Miscellaneous manufactured articles’ (see above).

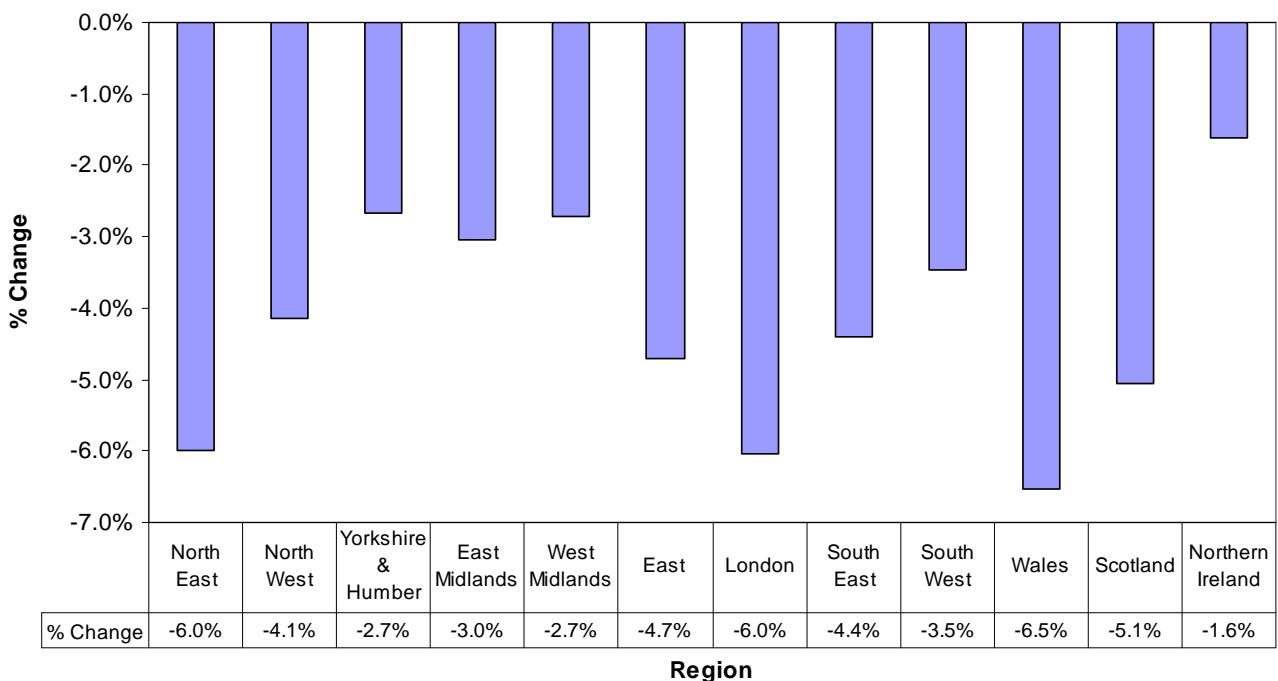
More than half of the SITC divisions decreased in value during the year. The largest decreases in import value at division level were in division 79 ‘Other transport equipment’ (see above), division 72 ‘Machinery specialized for particular industries’ (down 17.8 per cent) and division 71 ‘Power generating machinery & equipment’ (down 12.8 per cent). For division 72 most of the decrease was due to reductions in goods coming from the Irish Republic and the USA, while for division 71 the decrease was led by a decline in goods from France and the USA. The largest value increases at division level were in division 84 ‘Articles of apparel & clothing accessories’ and division 32 ‘Coal, coke & briquettes’ (see above).

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

The following analysis compares the number of active importers in quarter 3 2013 with the number in quarter 3 2012. A quarterly analysis is more appropriate here than an annual analysis, since summing the number of active businesses over a year could produce ambiguous results. A quarter-on-quarter comparison enables us to measure seasonal movement of businesses, such as the increase/decrease in number of importers over the Christmas season (quarter 4). The number of businesses counted excludes those who trade only with the EU and whose trade is below the Intrastat Exemption Threshold (see note 6).

Figure 3b shows the percentage change in the number of importers in the UK between quarter 3 2012 and quarter 3 2013.

**Fig 3b: Percentage Change in Number of Importers between Q3 2012 and Q3 2013**



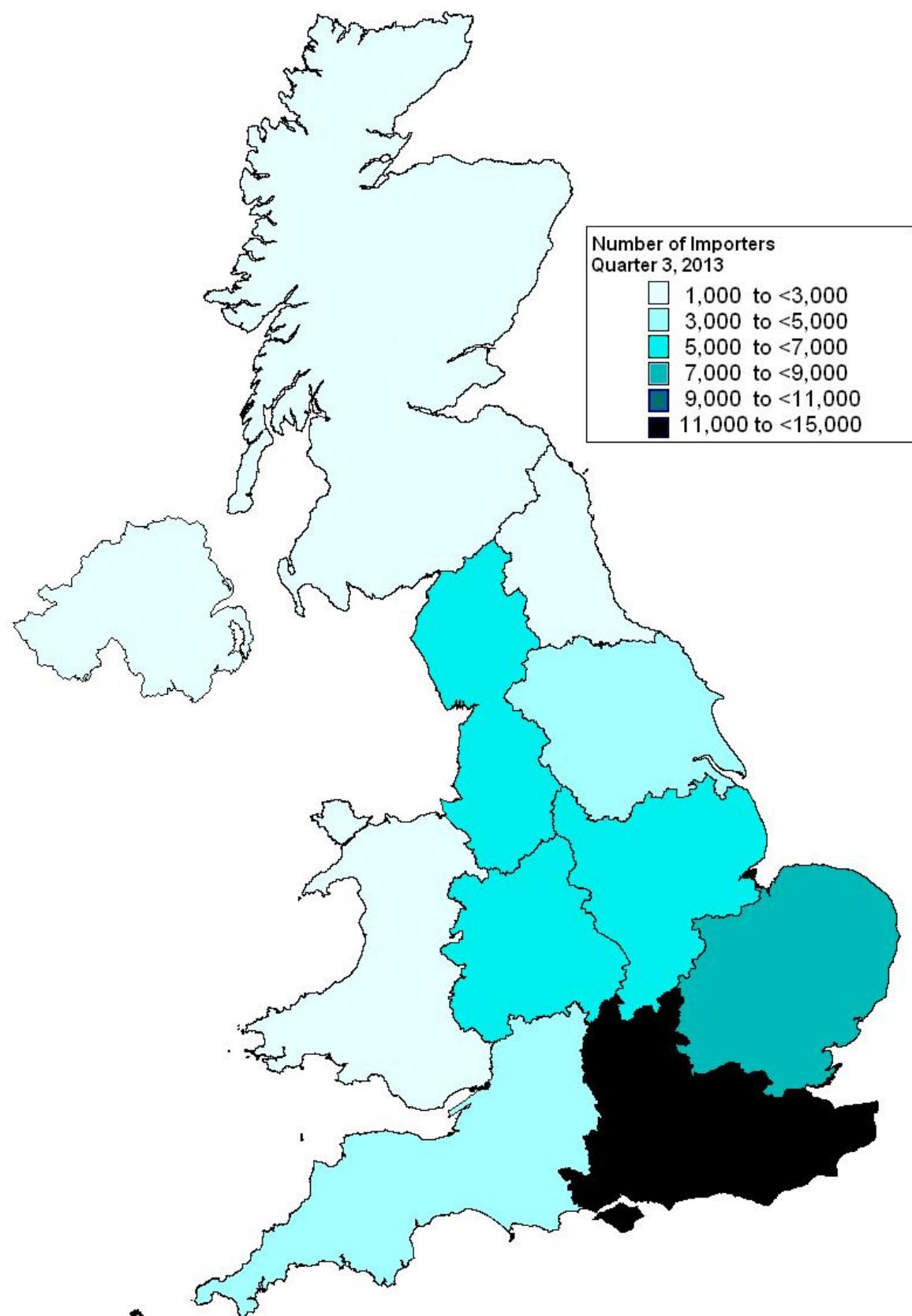
Source: Regional Trade Statistics, HM Revenue & Customs

In the UK as a whole, the number of importing businesses decreased by 4.3 per cent between quarter 3 2012 and quarter 3 2013 from 68,815 to 65,834. This is the second quarter in succession to see a fall in the number of importers.

Figure 3b shows that the number of active importers decreased in all of the twelve UK regions between quarter 3 2012 and quarter 3 2013. The greatest percentage decreases were in Wales (down 6.5 per cent), London (down 6.0 per cent) and the North East (down 6.0 per cent). The smallest decrease was for Northern Ireland (down 1.6 per cent).

Figure 4b shows the total number of active UK importers in each region for quarter 3, 2013. London, the South East and the East are the three regions with the largest count of importers, accounting for 19.1 per cent, 17.2 per cent and 10.8 per cent of all UK importers respectively. The North East has the smallest number of importing businesses for the quarter, making up 2.0 per cent of all UK importers. The proportion of UK importers in each region has remained virtually the same over the past year, apart from slight decreases in the proportions in London, Wales and the North East and slight increases in Yorkshire & Humberside, the East Midlands, the West Midlands and the South West.

**Fig 4b: Number of UK import businesses by region - Quarter 3, 2013**



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

## Notes

1. The latest statistics on Regional Trade were released on 05 December 2013 by HM Revenue & Customs under arrangements set out in the [Code of Practice for Official Statistics](#). This release includes the first provisional estimates of trade-in-goods for Quarter 3 2013. At the same time revisions for all previously published regional data for 2013 are also being released. In this release trade with Croatia is included in EU data for the first time since Croatia joined the EU on 1 July 2013. Trade with Croatia forms part of EU trade from Quarter 3 2013 onwards; for data prior to this, trade with Croatia remains part of non-EU (Eastern Europe) trade.
2. Data is taken primarily from Customs systems (for non-EU trade) and the Intrastat survey (for EU trade). HMRC does not receive information in respect of goods that move wholly within the UK, nor in intangibles and services such as banking or tourism. Trade is mainly allocated to a region by the postcode associated with a company's VAT registration.
3. Some adjustments have been necessary in the production of export statistics by region to ensure manufacturing that takes place at branch premises is properly allocated to the region where the branch is situated. This adjustment is based on the results of periodic surveys of the top 200 businesses by value of exports (both EU and non-EU), to determine the values and proportions of trade generated by each branch. Therefore, for businesses who have provided a response to the survey, their trade is split by value to various regions in line with the information provided by the survey. For all other businesses the region where the head office is located is used by default unless the export is assigned to a specific branch. For imports, such adjustments cannot be made, as businesses would not be able to produce a reasonable assessment of the final regional destination for their goods. Unlike exports where the manufacture of goods is typically more regionally concentrated, imports are based on the sale of goods, which is far more regionally dispersed.
4. Not all trade can be assigned to one of the 9 English Regions, Wales, Scotland and Northern Ireland. Where appropriate, this is referred to in the tables as the 'Unknown region' and includes:
  - a. Trade carried out by persons or entities which cannot be matched to a region.

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

More information can be found in the RTS methodology document.

<https://www.uktradeinfo.com/Statistics/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, and are published as a [Government Statistical Service Quality report](#).
11. The RTS has been reviewed as part of an assessment made of Overseas Trade Statistics by the [UK Statistics Authority](#). The report of that assessment can be found at  
<http://www.statisticsauthority.gov.uk/assessment/assessment/assessment-reports/assessment-report-93---uk-trade-in-goods.pdf>

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

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