

UK Regional Trade in Goods Statistics: 2021¹

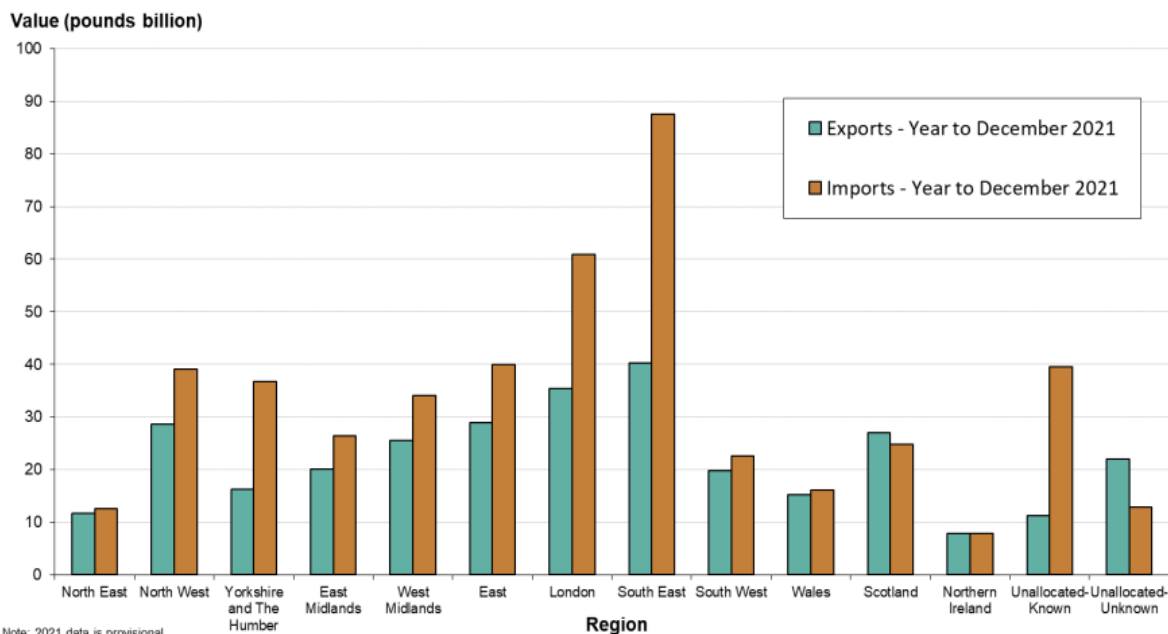
Key Points:

- In 2021, the Midlands area exported £45.6bn worth of goods and imported nearly £60.5bn; this led to a trade in goods deficit of £14.9bn.
- The export levels in the Midlands increased by £259m (+0.6%) when compared to 2020. The UK increased overall by 6.6% to £309.9bn over the same period.
- The Midlands area accounted for 20.1% of England’s exports (11.3% West Midlands and 8.8% East Midlands) which was above London (15.6%) and the South East (17.8%).
- In 2021, the largest SITC section for exports in the Midlands area was machinery and transport at £29.9bn – 65.5% of total. Compared to 2020, this SITC section increased by £87m (+0.3%).
- The highest value of exports from the Midlands area was to the EU at £22bn which accounted for 48.2% of the total in 2021. The value of exports to the EU has increased by £483m (+2.2%) from 2020. This is considerably lower than the UK overall rate (+6.9%) and below the rate of all other exporter regions excluding North America. It is also the lowest EU export growth between 2020 and 2021 of all English regions outside of London.

In Detail:

- In 2021, the Midlands area exported £45.6bn worth of goods and imported £60.5bn. This represents a trade in goods deficit of £14.9bn, an increase from the trade deficit in 2020 which was £10.1bn.
- In 2021, the West Midlands exported £25.5bn and imported £34bn – a trade in goods deficit of £8.5bn. The East Midlands exported £20.1bn and imported £26.5bn – a trade in goods deficit of £6.4bn.

The following chart shows the value of imports and exports by region in 2021:

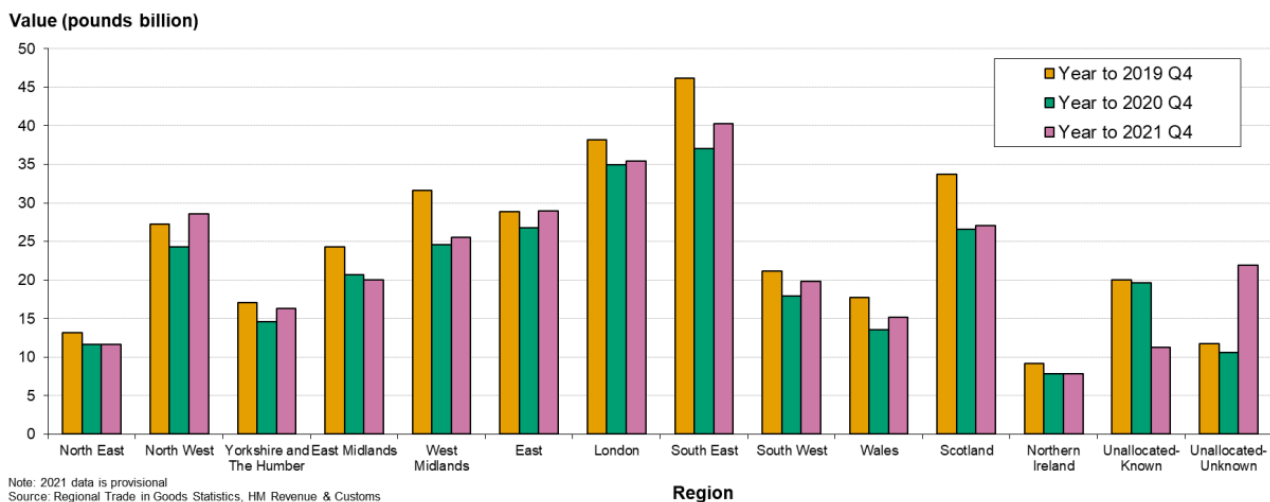


¹ Source: HM Revenue & Customs, UK Regional Trade in Goods Statistics Quarter 4 2021 – Released April 2022.

Exports

- In 2021 exports from the Midlands area were worth £45.6bn which has increased by £259m (+0.6%) since 2020. The increase can be attributed to £483m (+2.2%) more exports to EU locations as Non-EU exports decreased by £224m (-0.9%). The UK increased overall by 6.6% to £309.9bn over the same period.
- The West Midlands region exports increased by £931m (+3.8%) when compared to 2020 to £25.5bn in 2021. While the East Midlands exports decreased by £672 (-3.2%) to £20.1bn in 2021.
- As seen in the chart below, excluding the East Midlands and Northern Ireland, all other regions saw an increase in the annual export value.
- The Midlands area accounted for 20.1% of England's exports (11.3% West Midlands and 8.8% East Midlands) which was above London (15.6%) and the South East (17.8%).

The following chart shows UK exports by region, years to Q4 2019, Q4 2020 and Q4 2021:

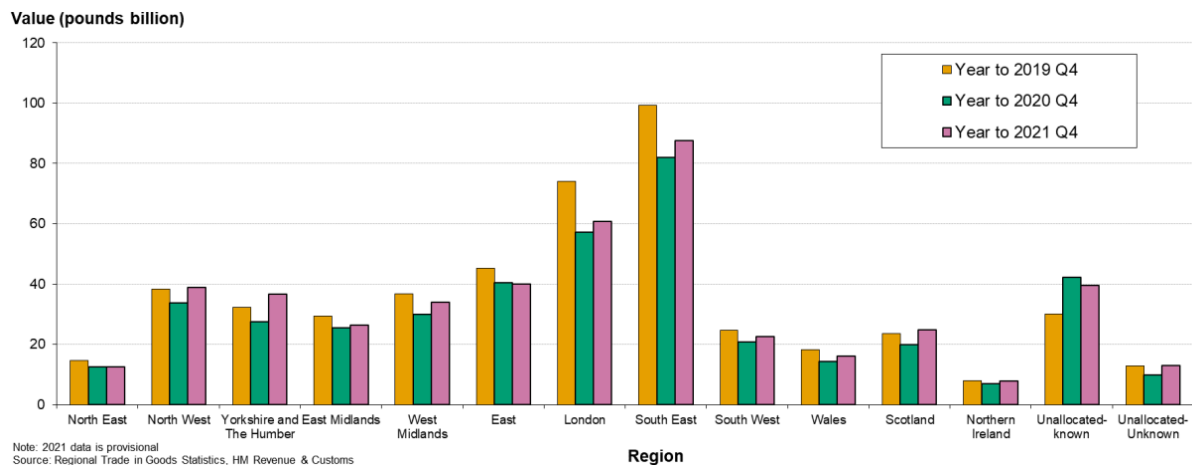


- Quarterly exports analysis shows that when comparing Q4 2021 to Q3 2021, total exports from the Midlands increased by nearly £1.5bn (+13.4%, UK +13.3%). EU exports from the Midlands increased by £432m (+7.9%, UK +13.8%) and Non-EU exports from the Midlands increased by over £1bn (+18.8%, UK +12.9%).
- However, quarterly exports analysis shows that when comparing Q4 2021 to Q4 2020, total exports from the Midlands decreased by £127m (-1.0%, UK +5.6%), the small decline was due to the East Midlands increasing by £449m (+8.5%) which was offset from the £576m (-7.9%) decline in the West Midlands. EU exports from the Midlands decreased by £204m (-3.4%, UK +6.1%). Non-EU exports from the Midlands increased by £76m (+1.2%, UK +5.0%) as the East Midlands increased by £498 (+20.3%) but the West Midlands decreased by £422m (-10.5%).

Imports

- In 2021, imports to the Midlands area were worth £60.5bn which is an increase of £5.1bn (+9.2%) when compared to 2020. The East of England was the only location that decreased over the period, decreasing by £385m (-1.0%) but still imported a total value of nearly £40bn in 2021. UK-wide total imports increased by 9.0% to £461.2bn over the same period.
- The value of the West Midlands region imports increased by £4bn (+13.5%) when compared to 2020 to £34bn in 2021. The East Midlands imports increased by £1.1bn (+4.2%) since 2020 to £26.5bn in 2021.

The following chart shows UK imports by region, years to Q4 2019, Q4 2020 and Q4 2021:



- Quarterly imports analysis shows that when comparing Q4 2021 to Q3 2021, total imports to the Midlands increased by £921m (+6.1%, UK +12.2%). EU exports to the Midlands increased by £470m (+6.0%, UK +4.2%) and Non-EU imports to the Midlands increased by £450m (+6.2%, UK +19.5%); notably the East Midlands declined by £44m (-1.3%).
- Quarterly imports analysis shows that when comparing Q4 2021 to Q4 2020, total imports to the Midlands increased by £148m (+0.9%, UK +5.4%), as the East Midlands declined by £9m (-0.1%). EU imports to the Midlands decreased by £1.2bn (-12.7%, UK -14.1%) and Non-EU imports to the West Midlands increased by nearly £1.4bn (+21.6%, UK +28.4%).

Standard International Trade Classification (SITC)

- The total value of exports in seven of the ten SITC sections increased for the Midlands when compared to 2020. The sections that declined were: beverages and tobacco, miscellaneous manufactures and other commodities nes.
- The largest SITC section for exports in the Midlands area was machinery and transport at £29.9bn – 65.5% of total; of which £16.9bn (56.6%) went to non-EU locations. Compared to 2020, overall this SITC section increased by £87m (+0.3%) due to exports to the EU increasing by over £1.1bn but this was offset due to the decreases to Non-EU locations.
- 10.4% (£4.7bn) of goods exported from the Midlands area came from manufactured goods, (of which 60.9% of the section total or £2.9bn went to the EU). This was followed by 9.0% (£4.1bn) for miscellaneous manufactures (of which 53.4% or £2.2bn went to EU locations).
- The decrease in exports from East Midlands is driven by declines in trade related to manufactured goods, machinery and transport, and miscellaneous manufactures.
- The total value of imports in five of the ten SITC sections decreased for the Midlands when compared to 2020. The SITC sections that decreased were; food and live animals, beverages and tobacco, animal and vegetable oils, miscellaneous manufactures and other commodities nes.
- The largest SITC section that was imported across the Midlands area was machinery & transport at £26.3bn, which is 43.5% of total imports (of which £14.4bn of imports for this section was from the EU). This section overall has increased since 2020 by nearly £2.8bn (+11.7%). When split between EU and non-EU, there was an increase of £552m from the EU and an increase of £2.2bn from non-EU countries.
- 18.4% (£11.2bn) of goods imported to the Midlands area were manufactured goods.

The following table shows a breakdown of exports and imports by SITC section and the percentage change between 2020 and 2021:

	Midlands			UK		
	2020	2021	% Change	2020	2021	% Change
Total Exports by SITC Section	£ millions		% Change	£ millions		% Change
0 Food and Live Animals	£1,613	£1,647	2.1%	£14,947	£13,252	-11.3%
1 Beverages and Tobacco	£121	£102	-15.7%	£6,404	£7,041	9.9%
2 Crude Materials	£1,065	£1,725	62.0%	£6,389	£9,563	49.7%
3 Mineral Fuels	£220	£264	20.0%	£20,487	£25,462	24.3%
4 Animal and Vegetable Oils	£60	£87	45.0%	£523	£606	15.9%
5 Chemicals	£3,037	£3,057	0.7%	£52,450	£52,208	-0.5%
6 Manufactured Goods	£4,471	£4,738	6.0%	£32,941	£35,281	7.1%
7 Machinery and Transport	£29,774	£29,861	0.3%	£107,588	£111,108	3.3%
8 Miscellaneous Manufactures	£4,850	£4,104	-15.4%	£39,646	£37,704	-4.9%
9 Other commodities nes	£126	£12	-90.5%	£9,246	£17,670	91.1%
Total Exports	£45,336	£45,595	0.6%	£290,620	£309,894	6.6%
Total Imports by SITC Section	£ millions		% Change	£ millions		% Change
0 Food and Live Animals	£5,747	£5,518	-4.0%	£40,671	£37,604	-7.5%
1 Beverages and Tobacco	£482	£465	-3.5%	£6,680	£6,514	-2.5%
2 Crude Materials	£1,337	£1,596	19.4%	£11,646	£14,721	26.4%
3 Mineral Fuels	£542	£1,040	91.9%	£26,170	£51,087	95.2%
4 Animal and Vegetable Oils	£179	£174	-2.8%	£1,497	£1,624	8.5%
5 Chemicals	£4,400	£4,814	9.4%	£53,719	£59,615	11.0%
6 Manufactured Goods	£9,395	£11,154	18.7%	£53,626	£60,849	13.5%
7 Machinery and Transport	£23,555	£26,307	11.7%	£151,064	£154,251	2.1%
8 Miscellaneous Manufactures	£9,770	£9,447	-3.3%	£71,528	£68,902	-3.7%
9 Other commodities nes	£21	£15	-28.6%	£6,451	£6,017	-6.7%
Total Imports	£55,428	£60,529	9.2%	£423,052	£461,184	9.0%

Country Group

- When compared to 2020, exports from the Midlands to the Middle East and North Africa (excl. EU), North America and Western Europe (excl. EU) have decreased.
- The highest value of exports from the Midlands area was to the EU at £22bn which accounted for 48.2% of the total. The value of exports to the EU has increased by £483m (+2.2%) from 2020. This is considerably lower than the UK overall rate (+6.9%) and below the rate of all other exporter regions excluding North America. It is also the lowest EU export growth between 2020 and 2021 of all English regions outside of London.
- EU exports increased between Q3 2021 and Q4 2021 from the Midlands (£5.5bn to £5.9bn), but when compared to Q4 2020 (£6.1bn) there has been a decline.
- When compared to 2020, Midlands imports decreased from North America by 6.5%.
- The highest value of imports to the Midlands area was from the EU at £32bn, which accounted for 53.1% of the total. This was an increase of £369m (+1.2%) when to 2020, whilst the UK overall figure reflected a decrease of -4.0%. These findings, together with the modest EU export growth, might reflect Brexit-related issues and re-alignments within international trade.
- EU Imports increased between Q3 2021 and Q4 2021 from the Midlands (£7.9bn to £8.3bn), but when compared to Q4 2020 (£9.6bn) there has been a decline.

The following tables shows a breakdown of exports and imports by country Group and the percentage change between 2020 2021:

	Midlands			UK		
	2020	2021	% Change	2020	2021	% Change
Exports by Country Group	£ millions		% Change	£ millions		% Change
Asia & Oceania	£9,055	£9,185	1.4%	£49,262	£52,501	6.6%
Eastern Europe (excl EU)	£780	£1,001	28.3%	£4,600	£5,957	29.5%
European Union	£21,505	£21,988	2.2%	£142,623	£152,453	6.9%
Latin America and Caribbean	£553	£598	8.1%	£4,159	£4,362	4.9%
Middle East and North Africa (excl EU)	£2,218	£2,019	-9.0%	£14,555	£14,536	-0.1%
North America	£8,752	£8,395	-4.1%	£48,703	£49,613	1.9%
Sub-Saharan Africa	£673	£704	4.6%	£4,499	£5,147	14.4%
Western Europe (excl. EU)	£1,797	£1,698	-5.5%	£14,269	£13,542	-5.1%
Undefined Country Group	£3	£5	66.7%	£7,950	£11,783	48.2%
Total Exports	£45,336	£45,595	0.6%	290,620	309,894	6.6%
Imports by Country Group	£ millions		% Change	£ millions		% Change
Asia & Oceania	£14,674	£17,773	21.1%	£99,543	£113,895	14.4%
Eastern Europe (excl EU)	£441	£590	33.8%	£7,602	£9,392	23.5%
European Union	£31,780	£32,149	1.2%	£226,320	£217,349	-4.0%
Latin America and Caribbean	£851	£1,074	26.2%	£5,387	£5,616	4.3%
Middle East and North Africa (excl EU)	£1,131	£1,238	9.5%	£8,764	£12,792	46.0%
North America	£4,137	£3,867	-6.5%	£39,495	£41,449	4.9%
Sub-Saharan Africa	£625	£724	15.8%	£6,026	£8,503	41.1%
Western Europe (excl. EU)	£1,791	£3,114	73.9%	£24,603	£47,231	92.0%
Undefined Country Group				£5,311	£4,959	-6.6%
Total Imports	£55,428	£60,529	9.2%	£423,052	£461,184	9.0%

For more analysis of recent international trade trends, see our [Midlands Engine Observatory's Brexit Impact Monitor \(January 2022\)](#).