

UK Regional Trade in Goods Statistics: Year Ending Q1 2021¹; Midlands Analysis

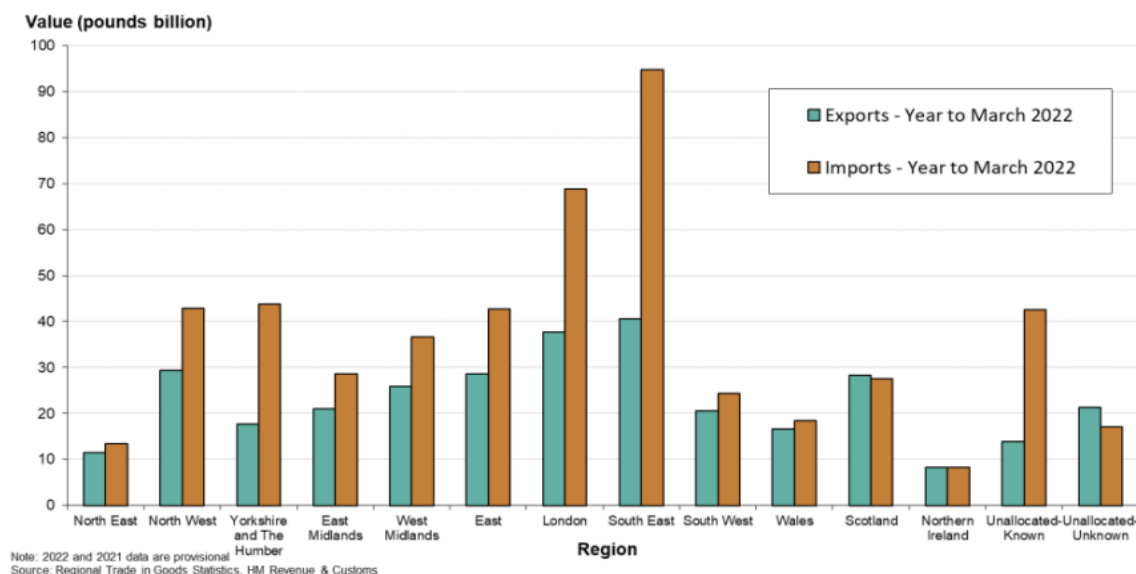
Key Points:

- In the year ending Q1 2022, the Midlands area exported £46.8bn worth of goods and imported £65.2bn; this led to a trade in goods deficit of £18.4bn.
- Goods export levels in the Midlands increased by £3.6bn (+8.3%) when compared to the year ending Q1 2021. The UK increased by a greater rate over the same period, overall by 13.3% to £321.2bn over the same period.
- The Midlands area accounted for 20.1% of England’s goods exports (11.1% West Midlands and 9.0% East Midlands) which was above London (16.2%) and the South East (17.4%).
- The largest SITC section for goods exports in the Midlands area was machinery and transport at £30.3bn – 64.6% of the total. Compared to year ending Q1 2021, overall, this SITC section increased by £2.0bn (+7.1%).
- By country group, the highest value of goods exports from the Midlands area was to the EU at £23.0bn which accounted for 49.1% of the total. The value of exports to the EU has increased by £2.4bn (+11.8%) from the year ending Q1 2021, more than that of non-EU exports (+5.2%).
- Quarterly analysis shows that when comparing Q1 2022 to Q4 2021, total goods exports from the Midlands decreased by £62m (-0.5%, UK -3.8%); this was due to the East Midlands decreasing by £283m (-4.9%), whereas the West Midlands increased strongly at +3.3%.

In Detail:

- In the year ending Q1 2022, the Midlands area exported £46.8bn worth of goods and imported £65.2bn. This represents a trade in goods deficit of £18.4bn, an increase from the trade deficit in year ending Q1 2021 which was £11.7bn.
- In the year ending Q1 2022, the West Midlands exported £25.8bn worth of goods and imported £36.6bn – a trade in goods deficit of £10.8bn. The East Midlands exported £21.0bn worth of goods and imported £28.6bn – a trade in goods deficit of £7.6bn.

The following chart shows the value of imports and exports by region in the year ending Q1 2022:

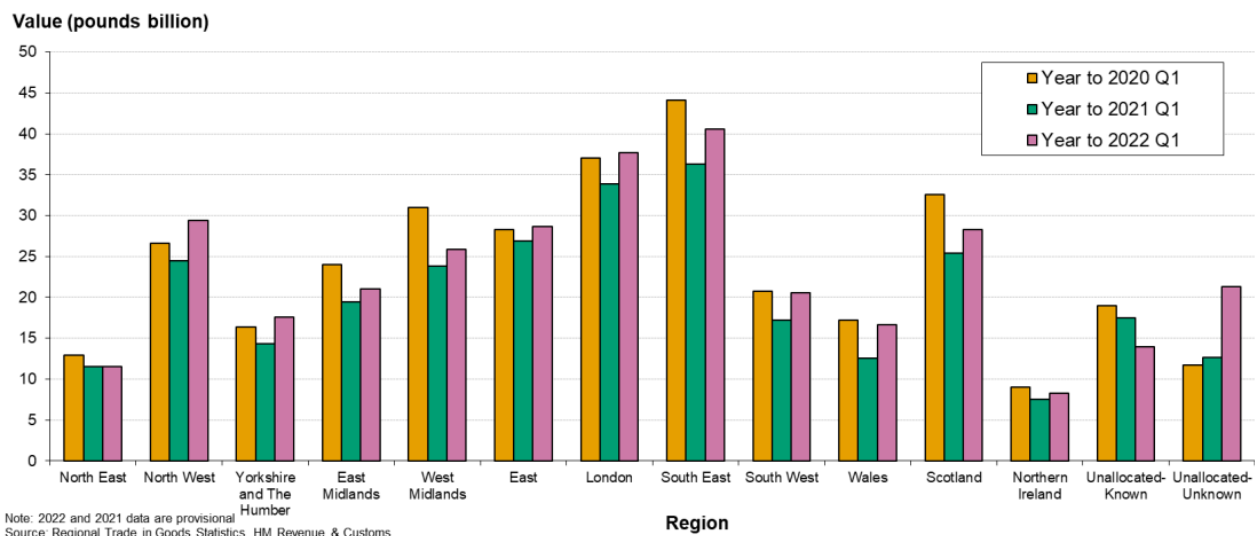


¹ Source: HM Revenue & Customs, UK Regional Trade in Goods Statistics Quarter 1 2022 – Released July 2022.

Exports

- In the year ending Q1 2022, goods exports from the Midlands area were worth £46.8bn which has increased by £3.6bn (+8.3%) since the year ending Q1 2021. The UK increased by a greater rate over the same period, overall by 13.3% to £321.2bn.
- The West Midlands region goods exports increased by £2.0bn (+8.4%) when compared to the year ending Q1 2021, to £25.8bn in the year ending Q1 2022. East Midlands goods exports increased by £1.6bn (+8.2%) to £21.0bn in the year ending Q1 2022.
- As seen in the chart below, excluding the North East, all other regions saw an increase in the annual export value in goods.
- The Midlands area accounted for 20.1% of England's exports (11.1% West Midlands and 9.0% East Midlands) which was above London (16.2%) and the South East (17.4%).

The following chart shows UK exports by region, years to Q1 2020, Q1 2021 and Q1 2022:

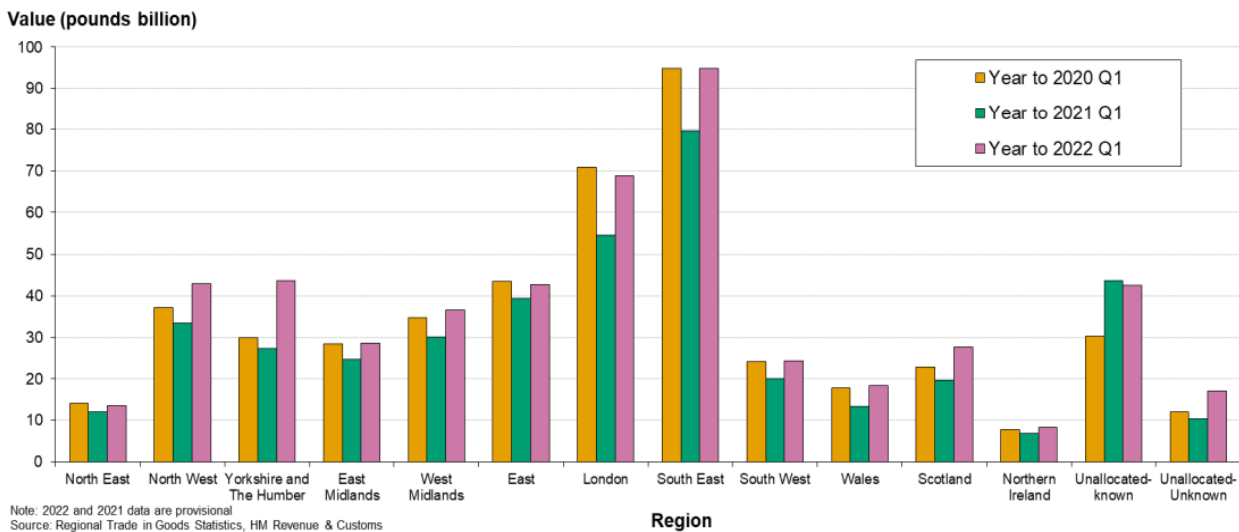


- Quarterly analysis shows that when comparing Q1 2022 to Q4 2021, total goods exports from the Midlands decreased by £62m (-0.5%, UK -3.8%), this was due to the East Midlands decreasing by £283m (-4.9%), whereas the West Midlands increased by 3.3%. EU exports from the Midlands increased by £217m (+3.7%, UK +0.3%) and Non-EU exports from the Midlands decreased by over £279m (-4.3%, UK -8.0%), again, due to the East Midlands decreasing by £301m (-10.2%).
- Quarterly analysis shows that when comparing Q1 2022 to Q1 2021, total exports from the Midlands increased by £1.2bn (+11.2%, UK +16.3%); this was primarily due to the East Midlands increasing by £957m (+21.3%). EU exports from the Midlands increased by £1bn (+20.3%, UK +30.3%). Non-EU exports from the Midlands increased by £216m (+3.6%, UK +4.0%) as the East Midlands increased by £473m (+21.7%) but the West Midlands decreased by £257m (-6.6%).

Imports

- In the year ending Q1 2022, goods imports to the Midlands area were worth £65.2bn, an increase of £10.3bn (+18.7%) when compared to the year ending Q1 2021. UK-wide total imports increased by 22.8% to £510.0bn over the same period.
- The value of West Midlands region goods imports increased by £6.4bn (+21.3%) when compared to the year ending Q1 2021 to £36.6bn in the year ending Q1 2022. East Midlands imports increased by £3.8bn (+15.5%) since the year ending Q1 2022 to £28.6bn in the year ending Q1 2022.

The following chart shows UK imports by region, years to Q1 2020, Q1 2021 and Q1 2022:



- Quarterly analysis shows that when comparing Q1 2022 to Q4 2021, total imports to the Midlands increased by £3.1bn (+19.5%, UK +16.7%). EU exports to the Midlands increased by £2.4bn (+29.3% - matching UK) and Non-EU imports to the Midlands increased by £694m (+9.0%, UK +6.7%). This was driven by an increase in Non-EU imports to the East Midlands - by £545m (+16.6%).
- Quarterly analysis shows that when comparing Q1 2022 to Q1 2021, total imports to the Midlands increased by £4.7bn (+33.0%, UK +48.6%). EU imports to the Midlands increased by £3.7bn (+11.9%, UK +48.2%) and Non-EU imports to the Midlands increased by £2.0bn (+48.9%, UK +48.9%).

Standard International Trade Classification (SITC)

- The total value of goods exports in seven of the ten SITC sections increased for the Midlands when compared to the year ending Q1 2021. The sections that declined were: beverages and tobacco, miscellaneous manufactures and other commodities nes.
- The largest SITC section for goods exports in the Midlands area was machinery and transport at £30.3bn – 64.6% of total; of which £16.9bn (55.8%) went to non-EU locations. Compared to the year ending Q1 2021, overall, this SITC section increased by £2.0bn (+7.1%) due to exports to the EU increasing by £1.9bn.
- 10.8% (£5.1bn) of goods exported from the Midlands area came from manufactured goods, (of which 61.9% of the section total, or £3.1bn went to the EU). This was followed by 9.1% (£4.3bn) for miscellaneous manufactures (of which 53.4% or £2.3bn went to EU locations).
- The total value of imports in nine of the ten SITC sections increased for the Midlands when compared to 2020. The SITC section that decreased was other commodities nes.
- The largest SITC section that was imported to the Midlands area was machinery & transport at £28.5bn, which is 43.7% of total imports (of which £15.7bn of imports for this section was from the EU). This section overall has increased since the year ending Q1 2021 by £5.3bn (+22.8%). When split between EU and non-EU, there was an increase of £1.9bn from the EU and an increase of £3.3bn from non-EU countries.
- 18.3% (£12.0bn) of goods imported to the Midlands area were manufactured goods in the year ending Q1 2022. There has been a large increase in the import of mineral fuels in the last year (+188.8%), driven by non-EU markets.

The following table shows a breakdown of exports and imports by SITC section and the percentage change between the year ending Q1 2021 and the year ending Q1 2022:

	Midlands			UK		
	Year Ending Q1 2021	Year Ending Q1 2022	% Change	Year Ending Q1 2021	Year Ending Q1 2022	% Change
Total Exports by SITC Section	£ millions			£ millions		
0 Food and Live Animals	£1,555	£1,752	12.7%	£14,014	£14,031	0.1%
1 Beverages and Tobacco	£114	£111	-2.6%	£6,275	£7,510	19.7%
2 Crude Materials	£1,141	£1,800	57.8%	£6,879	£9,887	43.7%
3 Mineral Fuels	£204	£306	50.0%	£19,059	£29,850	56.6%
4 Animal and Vegetable Oils	£63	£82	30.2%	£500	£670	34.0%
5 Chemicals	£2,977	£3,182	6.9%	£51,094	£54,469	6.6%
6 Manufactured Goods	£4,256	£5,051	18.7%	£33,418	£36,527	9.3%
7 Machinery and Transport	£28,245	£30,260	7.1%	£103,437	£112,475	8.7%
8 Miscellaneous Manufactures	£4,565	£4,263	-6.6%	£37,589	£38,696	2.9%
9 Other commodities nes	£104	£10	-90.4%	£11,208	£17,111	52.7%
Total Exports	£43,225	£46,816	8.3%	£283,472	£321,225	13.3%
Total Imports by SITC Section	£ millions			£ millions		
0 Food and Live Animals	£5,646	£5,755	1.9%	£39,628	£39,961	0.8%
1 Beverages and Tobacco	£476	£510	7.1%	£6,570	£7,026	6.9%
2 Crude Materials	£1,379	£1,681	21.9%	£12,175	£15,186	24.7%
3 Mineral Fuels	£493	£1,424	188.8%	£24,406	£71,041	191.1%
4 Animal and Vegetable Oils	£169	£198	17.2%	£1,487	£1,842	23.9%
5 Chemicals	£4,387	£5,185	18.2%	£54,344	£64,564	18.8%
6 Manufactured Goods	£9,578	£11,961	24.9%	£54,686	£64,444	17.8%
7 Machinery and Transport	£23,203	£28,487	22.8%	£146,381	£162,818	11.2%
8 Miscellaneous Manufactures	£9,594	£9,996	4.2%	£69,588	£73,909	6.2%
9 Other commodities nes	£23	£11	-52.2%	£6,141	£9,243	50.5%
Total Imports	£54,948	£65,207	18.7%	£415,406	£510,033	22.8%

Country Group

- The highest value of goods exports from the Midlands area was to the EU at £23.0bn, accounting for 49.1% of the total. The value of goods exports to the EU has increased by £2.4bn (+11.8%) from the year ending Q1 2021, lower than the UK-wide rate of +18.5%.
- When compared to year ending Q1 2021, Midland's goods exports to Asia & Oceania only increased by 3.6% (+£321m to £9.2bn) while imports increased by £3.5bn (+23.3% to £18.8bn).
- The highest value of imports to the Midlands area was from the EU at £34.8bn, which accounted for 53.4% of the total. This was an increase of £3.7bn (+11.9%) when compared to the year ending Q1 2021. Imports from Western Europe have risen particularly fast in the last year (+80.7%).

The following tables shows a breakdown of exports and imports by country Group and the percentage change between the year ending Q1 2021 and the year ending Q1 2022:

	Midlands			UK		
	Year Ending Q1 2021	Year Ending Q1 2022	% Change	Year Ending Q1 2021	Year Ending Q1 2022	% Change
Exports by Country Group	£ millions		% Change	£ millions		% Change
Asia & Oceania	£8,899	£9,220	3.6%	£49,680	£52,949	6.6%
Eastern Europe (excl EU)	£792	£942	18.9%	£4,763	£5,788	21.5%
European Union	£20,564	£22,985	11.8%	£137,022	£162,308	18.5%
Latin America and Caribbean	£529	£683	29.1%	£4,046	£4,786	18.3%
Middle East and North Africa (excl EU)	£2,086	£2,100	0.7%	£13,606	£14,945	9.8%
North America	£8,006	£8,386	4.7%	£47,106	£49,851	5.8%
Sub-Saharan Africa	£669	£742	10.9%	£4,327	£5,538	28.0%
Western Europe (excl. EU)	£1,676	£1,752	4.5%	£14,070	£13,697	-2.7%
Undefined Country Group	£3	£6	100.0%	£8,850	£11,364	28.4%
Total Exports	£43,225	£46,816	8.3%	£283,472	£321,225	13.3%
Imports by Country Group	£ millions		% Change	£ millions		% Change
Asia & Oceania	£15,210	£18,754	23.3%	£104,394	£117,445	12.5%
Eastern Europe (excl EU)	£405	£639	57.8%	£7,306	£10,125	38.6%
European Union	£31,127	£34,841	11.9%	£217,268	£240,587	10.7%
Latin America and Caribbean	£850	£1,130	32.9%	£5,141	£6,871	33.7%
Middle East and North Africa (excl EU)	£1,016	£1,365	34.4%	£7,876	£15,660	98.8%
North America	£3,803	£4,266	12.2%	£36,158	£48,292	33.6%
Sub-Saharan Africa	£635	£779	22.7%	£5,998	£9,366	56.2%
Western Europe (excl. EU)	£1,900	£3,434	80.7%	£26,258	£56,234	114.2%
Undefined Country Group	-	-	-	£5,006	£5,454	8.9%
Total Imports	£54,948	£65,207	18.7%	£415,406	£510,033	22.8%