

## UK Regional Trade in Goods Statistics: Year Ending Q4 2022<sup>1</sup>; Midlands Analysis

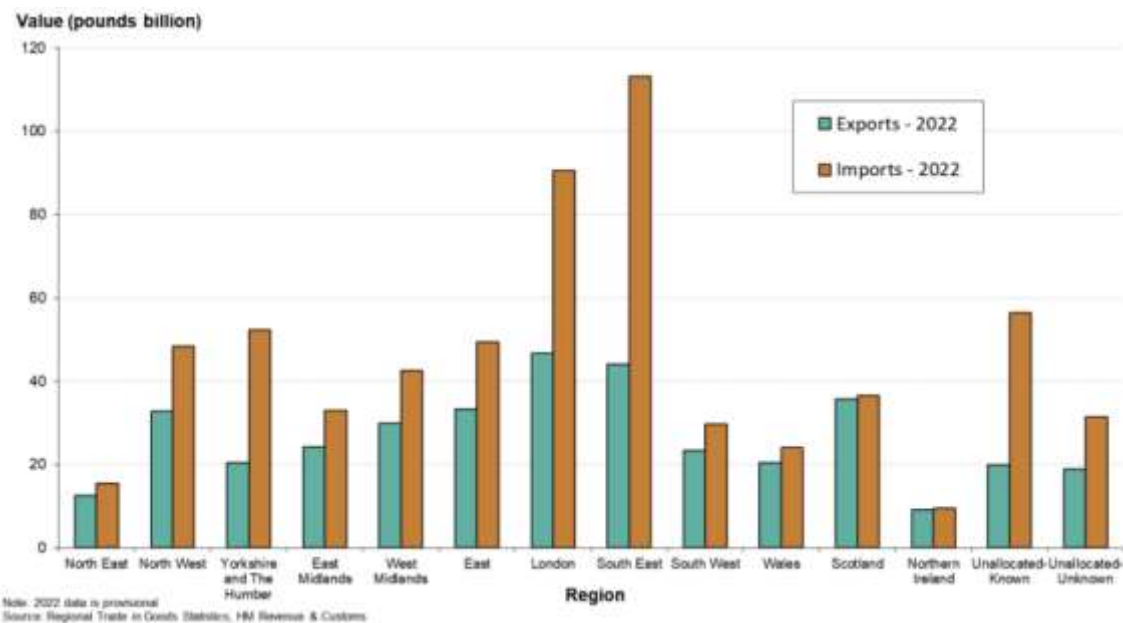
### Key Points:

- In 2022, the Midlands area exported £54.1bn worth of goods and imported nearly £75.5bn. This represents a trade in goods deficit of £21.4bn, an increase from the trade deficit in 2021 which was £14.9bn.
- Goods export levels for the Midlands increased by £8.5bn (+18.7%) since 2021. The UK increased by a greater rate over the same period, overall by 19.2% to £371.5bn.
- Goods imported into the Midlands increased by £15.1bn (+24.9%) since 2021. The UK increased by a greater rate over the same period, overall by 37.1% to £632.3bn.
- The Midlands area accounted for 20.2% of England’s goods exports, which was above London (17.4%) and the South East (16.5%).
- The largest SITC section for goods exports in the Midlands area was machinery and transport at £36.0bn – 66.5% of total; of which £21.0bn (58.5%) went to non-EU locations. Since 2021, overall, this SITC section increased by £6.1bn (+20.5%).
- By country group, the highest value of goods exports from the Midlands area was to the EU at £25.3bn, accounting for 46.8% of the total. The value of goods exports to the EU has increased by nearly £3.4bn (+15.4%) since 2021, lower than the UK-wide rate of 25.6%.

### In Detail:

- In 2022, the Midlands area exported £54.1bn worth of goods and imported nearly £75.5bn. This represents a trade in goods deficit of £21.4bn, an increase from the trade deficit in 2021 which was £14.9bn.
- In 2022, the West Midlands exported £29.9bn worth of goods and imported £42.6bn – a trade in goods deficit of £12.7bn. The East Midlands exported nearly £24.2bn worth of goods and imported £32.9bn – a trade in goods deficit of £8.7bn.

The following chart shows the value of goods imported and exported by region in 2022:

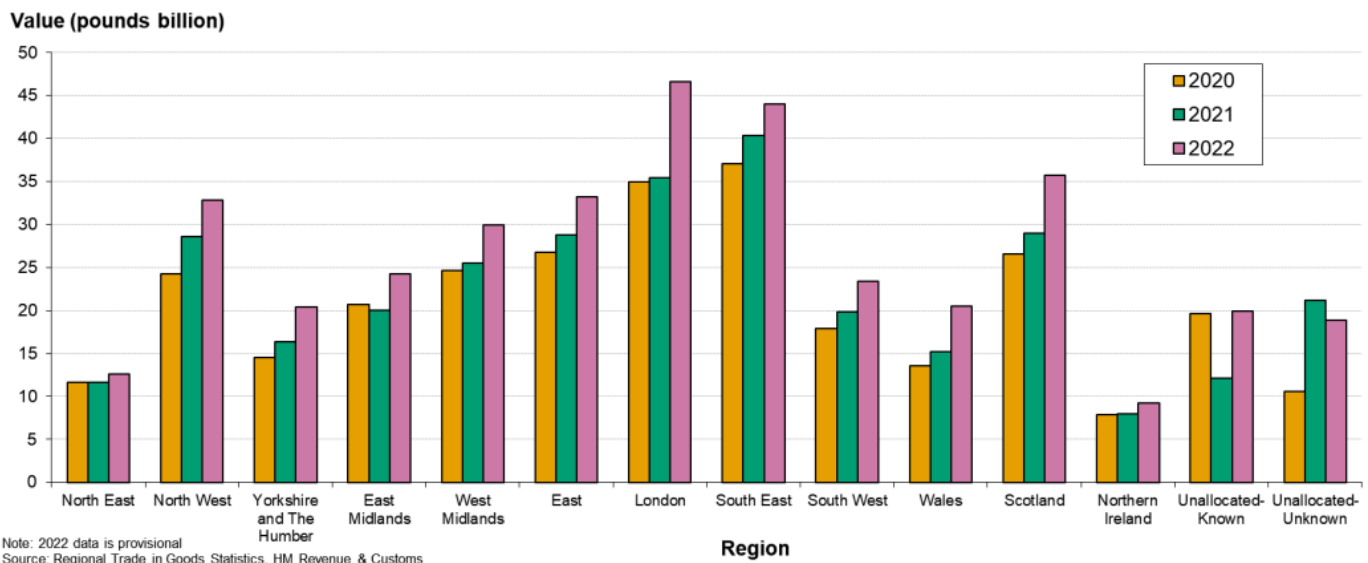


<sup>1</sup> Source: HM Revenue & Customs, UK Regional Trade in Goods Statistics Quarter 4 2022 – Released March 2023.

## Goods Exported

- In 2022, goods exports from the Midlands area were worth £54.1bn which has increased by £8.5bn (+18.7%) since 2021. The UK increased by a greater rate over the same period, overall by 19.2% to £371.5bn.
- Since 2021, the West Midlands region goods exports increased by nearly £4.4bn (+17.1%) to £29.9bn in 2022. East Midlands goods exports increased by nearly £4.2bn (+20.8%, above the UK growth rate) to £24.2bn in 2022.
- As seen in the chart below, all regions experienced an increase in the annual export value in goods.
- The Midlands area accounted for 20.2% of England's exports (11.2% West Midlands and 9.1% East Midlands) which was above London (17.4%) and the South East (16.5%).

The following chart shows UK exports by region, for 2020, 2021 and 2022:

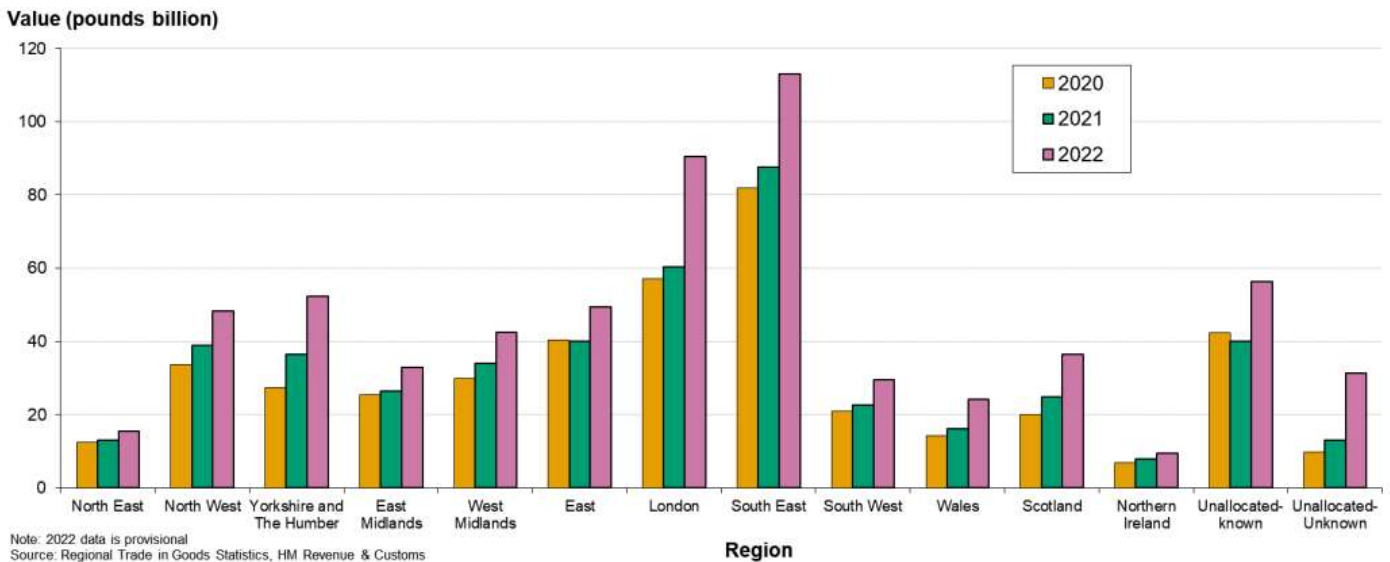


- Quarterly analysis shows that when comparing Q4 2022 to Q3 2022, total goods exports from the Midlands increased by £1.4bn (+10.2%, UK +1.0%), this was primarily due to the West Midlands increasing by nearly £1.2bn (+15.9%), notably counteracting London's £1.0bn decrease. The East Midlands increased by £237m (+£3.7%).
  - EU exports from the Midlands increased by nearly £114m (+1.8%, UK -1.9%), the increase can be attributed to the West Midlands which increased by £156m (+4.7%), whereas the East Midlands decreased by £42m (-1.3%).
  - Non-EU exports from the Midlands increased by £1.3bn (+17.5%, UK +4.2%), the West Midlands increased by £1.0bn (+24.8%) and the East Midlands increased by £280m (+8.5%).
- Quarterly analysis shows that when comparing Q4 2022 to Q4 2021, total exports from the Midlands increased by nearly £2.9bn (+23.0%, UK +13.5%); the West Midlands increasing by £1.9bn (+28.6%) and the East Midlands increasing by £949m (+16.6%).
  - EU exports from the Midlands increased by £691m (+11.8%, UK +14.6%). The West Midlands increased by £366m (+11.8%), and the East Midlands increased by £325m (+11.7%).
  - Non-EU exports from the Midlands increased by nearly £2.2bn (+33.1%, UK +12.3%) as the West Midlands increased by £1.5bn (+42.9%) and the East Midlands increased by £624m (+21.1%).

## Goods Imported

- In 2022, goods imports to the Midlands area were worth £75.5bn, an increase of £15.1bn (+24.9%) since 2021. UK-wide total imports increased by 37.1% to £632.3bn.
- Since 2021, the value of West Midlands region goods imports increased nearly by £8.7bn (+25.5%) to £42.6bn in 2022. East Midlands imports increased by £6.4bn (+24.1%) to £32.9bn in 2022.

The following chart shows UK goods imports by region, for 2020, 2021 and 2022:



- Quarterly analysis shows that when comparing Q4 2022 to Q3 2022, total imports to the Midlands increased by £1.1bn (+6.1%, UK +5.8%). The West Midlands increased by £838m (+8.5%) and the East Midlands increased by £264m (+3.2%).
  - EU imports to the Midlands increased by £929m (+9.5%, UK +8.0%). The West Midlands increased by £642m (+11.7%) and the East Midlands increased by £287m (+6.7%).
  - Non-EU imports to the Midlands increased by £174m (+2.1%, UK +3.8%). This was driven by an increase in Non-EU imports to the West Midlands, by £197m (+4.5%), whereas the East Midlands decreased by £23m (-0.6%).
- Quarterly analysis shows that when comparing Q4 2022 to Q4 2021, total imports to the Midlands increased by over £3.1bn (+19.6%, UK +25.4%).
  - EU imports to the Midlands increased by nearly £2.4bn (+28.7%, UK +39.6%). The West Midlands increased by nearly £1.5bn (+31.7%) and the East Midlands increased by £908m (+24.8%).
  - Non-EU imports to the Midlands increased by £759m (+9.9%, UK +14.4%). The West Midlands increased by £203m (+4.6%) and the East Midlands increased by £556m (+17.0%).

## Standard International Trade Classification (SITC)

- The total value of goods exports in eight of the ten SITC sections increased for the Midlands when compared to 2021. The sections that declined were animal & vegetable oils and other commodities nes.
- The largest SITC section for goods exports in the Midlands area was machinery and transport at £36.0bn – 66.5% of total; of which £21.0bn (58.5%) went to non-EU locations. Since 2021, overall, this SITC section increased by £6.1bn (+20.5%).

- 10.5% (£5.7bn) of goods exported from the Midlands area came from manufactured goods, (of which 60.5% of the section total, or £3.4bn went to the EU). This was followed by 8.9% (£4.8bn) for miscellaneous manufactures (of which 52.8% or £2.5bn went to EU locations).
- The total value of imports in nine of the ten SITC sections increased for the Midlands when compared to 2021. The SITC section that decreased was other commodities nes.
- The largest SITC section that was imported to the Midlands area was machinery & transport at £34.3bn, which is 45.5% of total imports (of which 58.5% or £20.1bn of imports for this section was from the EU). This section overall has increased since 2021 by £8.1bn (+30.9%). When split between EU and non-EU, there was an increase of £5.7bn from the EU and an increase of £2.4bn from non-EU countries.
- 17.2% (£13.0bn) of goods imported to the Midlands area were manufactured goods in 2022, an increase of nearly £1.9bn (+16.6%) since 2021. There has also been a large increase in the import of mineral fuels in the last year (+144.9% or +£1.5bn), driven by non-EU markets.

The following table shows a breakdown of goods exported and imported by SITC section and the percentage change between 2021 and 2022:

Figures in £m	Midlands Region			UK		
	2021	2022	% Change	2021	2022	% Change
<b>Total Exports by SITC Section</b>						
0 Food and Live Animals	£1,646	£1,901	15.5%	£13,270	£15,546	17.2%
1 Beverages and Tobacco	£102	£104	2.0%	£7,041	£9,222	31.0%
2 Crude Materials	£1,725	£1,871	8.5%	£9,563	£10,258	7.3%
3 Mineral Fuels	£263	£381	44.9%	£27,441	£49,477	80.3%
4 Animal and Vegetable Oils	£86	£62	-27.9%	£607	£777	28.0%
5 Chemicals	£3,055	£3,322	8.7%	£52,220	£61,402	17.6%
6 Manufactured Goods	£4,729	£5,681	20.1%	£35,272	£41,716	18.3%
7 Machinery and Transport	£29,860	£35,977	20.5%	£110,947	£129,321	16.6%
8 Miscellaneous Manufactures	£4,098	£4,797	17.1%	£37,684	£41,538	10.2%
9 Other commodities nes	£12	£9	-25.0%	£17,669	£12,216	-30.9%
<b>Total Exports</b>	<b>£45,576</b>	<b>£54,102</b>	<b>18.7%</b>	<b>£311,714</b>	<b>£371,473</b>	<b>19.2%</b>
<b>Total Imports by SITC Section</b>						
0 Food and Live Animals	£5,521	£6,373	15.4%	£37,641	£47,617	26.5%
1 Beverages and Tobacco	£465	£600	29.0%	£6,396	£7,912	23.7%
2 Crude Materials	£1,598	£1,771	10.8%	£14,726	£15,352	4.3%
3 Mineral Fuels	£1,040	£2,547	144.9%	£51,352	£111,384	116.9%
4 Animal and Vegetable Oils	£174	£229	31.6%	£1,625	£2,520	55.1%
5 Chemicals	£4,816	£5,839	21.2%	£59,655	£76,085	27.5%
6 Manufactured Goods	£11,161	£13,016	16.6%	£60,903	£67,029	10.1%
7 Machinery and Transport	£26,218	£34,328	30.9%	£153,900	£201,533	31.0%
8 Miscellaneous Manufactures	£9,451	£10,806	14.3%	£68,987	£83,929	21.7%
9 Other commodities nes	£15	£3	-80.0%	£6,018	£18,905	214.1%
<b>Total Imports</b>	<b>£60,459</b>	<b>£75,510</b>	<b>24.9%</b>	<b>£461,202</b>	<b>£632,267</b>	<b>37.1%</b>

### Country Group

- The highest value of goods exports from the Midlands area was to the EU at £25.3bn, accounting for 46.8% of the total. The value of goods exports to the EU has increased by nearly £3.4bn (+15.4%) since 2021, lower than the UK-wide rate of 25.6%.

- The one Country Group where goods exports from the Midlands declined from 2021 was Eastern Europe (excl. EU) by £398m (-39.8%) to £603m. Notably, imports to the Midlands from Eastern Europe (excl. EU) was the only Country Group to decrease and this was by £100m (-16.9% to £490m).
- The highest value of imports to the Midlands area was from the EU at £42.0bn, which accounted for 55.7% of the total. This was an increase of nearly £10.0bn (+31.0%) when compared to 2021.

The following tables shows a breakdown of goods exported and imported by Country Group and the percentage change between 2021 and 2022:

Figures in £m

	Midlands Region			UK		
	2021	2022	% Change	2021	2022	% Change
<b>Exports by Country Group</b>						
Asia & Oceania	£9,187	£11,111	20.9%	£52,476	£59,159	12.7%
Eastern Europe (excl EU)	£1,001	£603	-39.8%	£5,957	£4,342	-27.1%
European Union	£21,960	£25,342	15.4%	£154,267	£193,700	25.6%
Latin America and Caribbean	£598	£826	38.1%	£4,362	£6,250	43.3%
Middle East and North Africa (excl EU)	£2,019	£3,229	59.9%	£14,534	£20,012	37.7%
North America	£8,402	£10,407	23.9%	£49,642	£59,535	19.9%
Sub-Saharan Africa	£704	£726	3.1%	£5,151	£6,067	17.8%
Western Europe (excl. EU)	£1,699	£1,852	9.0%	£13,542	£15,934	17.7%
Undefined Country Group	£5	£7		£11,783	£6,474	-45.1%
<b>Total Exports</b>	<b>£45,576</b>	<b>£54,102</b>	<b>18.7%</b>	<b>£311,714</b>	<b>£371,473</b>	<b>19.2%</b>
<b>Imports by Country Group</b>						
Asia & Oceania	£17,773	£19,816	11.5%	£114,614	£129,828	13.3%
Eastern Europe (excl EU)	£590	£490	-16.9%	£9,474	£5,173	-45.4%
European Union	£32,079	£42,039	31.0%	£216,289	£309,058	42.9%
Latin America and Caribbean	£1,074	£1,292	20.3%	£5,616	£10,420	85.5%
Middle East and North Africa (excl EU)	£1,238	£1,735	40.1%	£12,792	£26,778	109.3%
North America	£3,867	£5,625	45.5%	£41,461	£65,708	58.5%
Sub-Saharan Africa	£724	£940	29.8%	£8,503	£11,006	29.4%
Western Europe (excl. EU)	£3,114	£3,572	14.7%	£47,496	£67,325	41.7%
Undefined Country Group				£4,959	£6,970	40.6%
<b>Total Imports</b>	<b>£60,459</b>	<b>£75,510</b>	<b>24.9%</b>	<b>£461,202</b>	<b>£632,267</b>	<b>37.1%</b>