

UK Regional Trade in Goods Statistics: Year Ending Q1 2023¹; Midlands Analysis

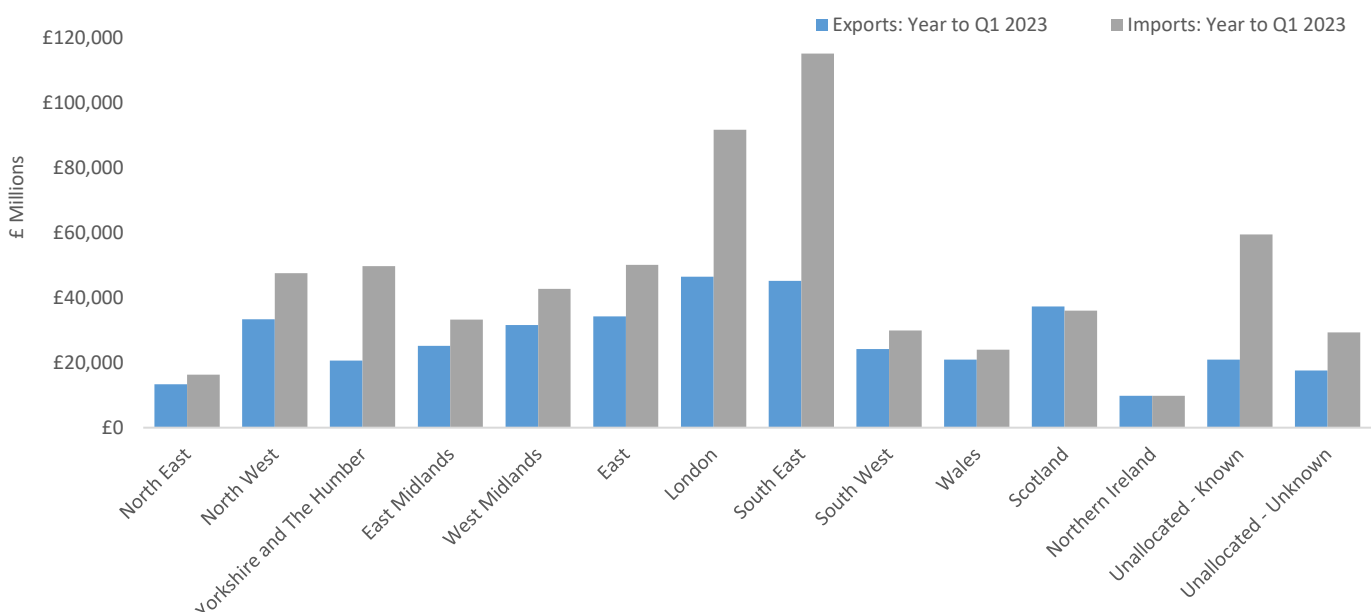
Key Points:

- In the year ending Q1 2023, the Midlands area exported £56.8bn worth of goods and imported £75.9bn. This represents a trade in goods deficit of £19.1bn, an increase from the trade deficit in the year ending Q1 2022 which was £18.3bn.
- Goods exports from the Midlands area were worth £56.8bn and has increased by £9.9bn (+21.2%) since the year ending Q1 2022. The UK increased by a slower rate, by 17.5% to £380.6bn.
- Goods imports to the Midlands area were worth £75.9bn, an increase of £10.7bn (+16.5%) since year ending Q1 2022. UK-wide total imports increased by 23.5% to £634.6bn.
- The Midlands area accounted for 20.7% of England’s exports which was above London (16.9%) and the South East (16.5%).
- The largest SITC section for goods exports in the Midlands area was machinery and transport at £38.2bn – 67.4% of total; of which £22.8bn (59.6%) went to non-EU locations. Since the year ending Q1 2022, overall, this SITC section increased by £8.0bn (+26.3%).
- By country group, the highest value of goods exports from the Midlands area was to the EU at £26.1bn, accounting for 46.0% of the total. The value of goods exports to the EU has increased by £3.1bn (+13.5%) since the year ending Q1 2022.

In Detail:

- In the year ending Q1 2023, the Midlands area exported £56.8bn worth of goods and imported £75.9bn. This represents a trade in goods deficit of £19.1bn, an increase from the trade deficit in the year ending Q1 2022 which was £18.3bn.
- In 2022, the West Midlands exported £31.6bn worth of goods and imported £42.7bn – a trade in goods deficit of £11.1bn. The East Midlands exported £25.2bn worth of goods and imported £33.2bn – a trade in goods deficit of £8.1bn.

The following chart shows the value of goods imported and exported by region in the year ending Q1 2023:

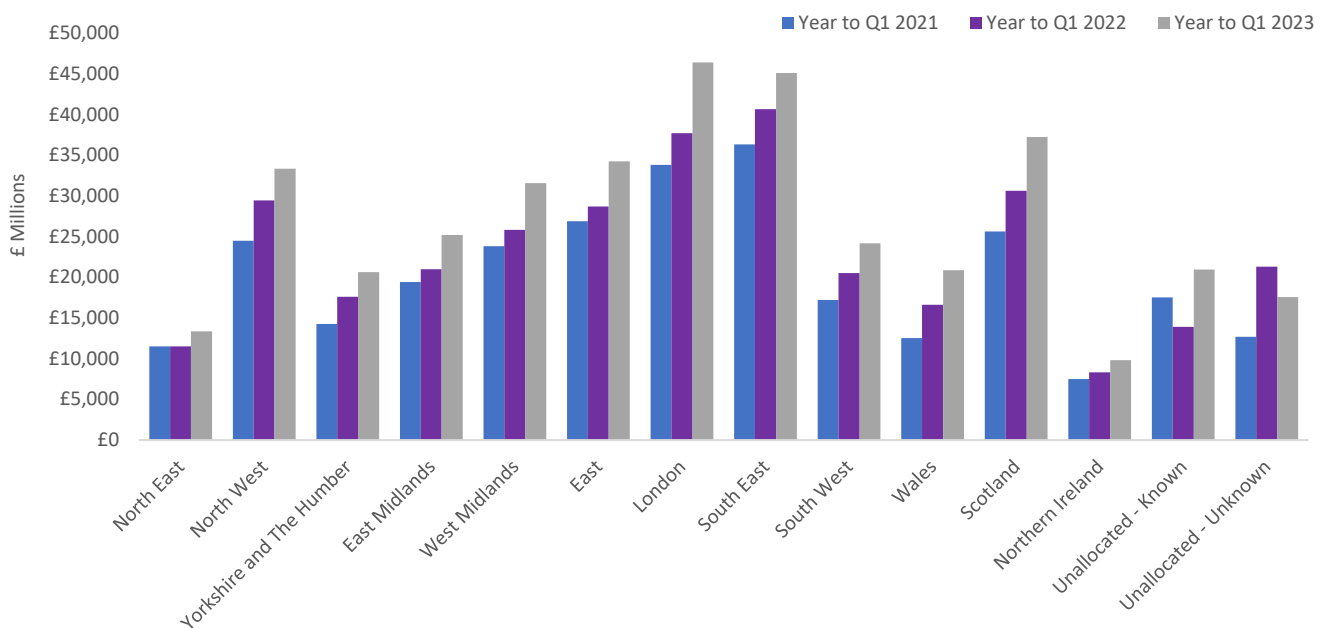


¹ Source: HM Revenue & Customs, UK Regional Trade in Goods Statistics Quarter 1 2023 – Released June 2023.

Goods Exported

- In the year ending Q1 2023, goods exports from the Midlands area were worth £56.8bn which has increased by £9.9bn (+21.2%) since the year ending Q1 2022. The UK increased by a slower rate, by 17.5% to £380.6bn.
- Since the year ending Q1 2022, the West Midlands region goods exports increased by £5.7bn (+22.2%) to £31.6bn in the year ending Q1 2023. East Midlands goods exports increased by £4.2bn (+19.9%) to £25.2bn in the year ending Q1 2023.
- As seen in the chart below, all regions experienced an increase in the annual export value in goods.
- The Midlands area accounted for 20.7% of England’s exports (11.5% West Midlands and 9.2% East Midlands) which was above London (16.9%) and the South East (16.5%).

The following chart shows UK exports by region, for the year ending Q1 2021, Q1 2022 and Q1 2023:

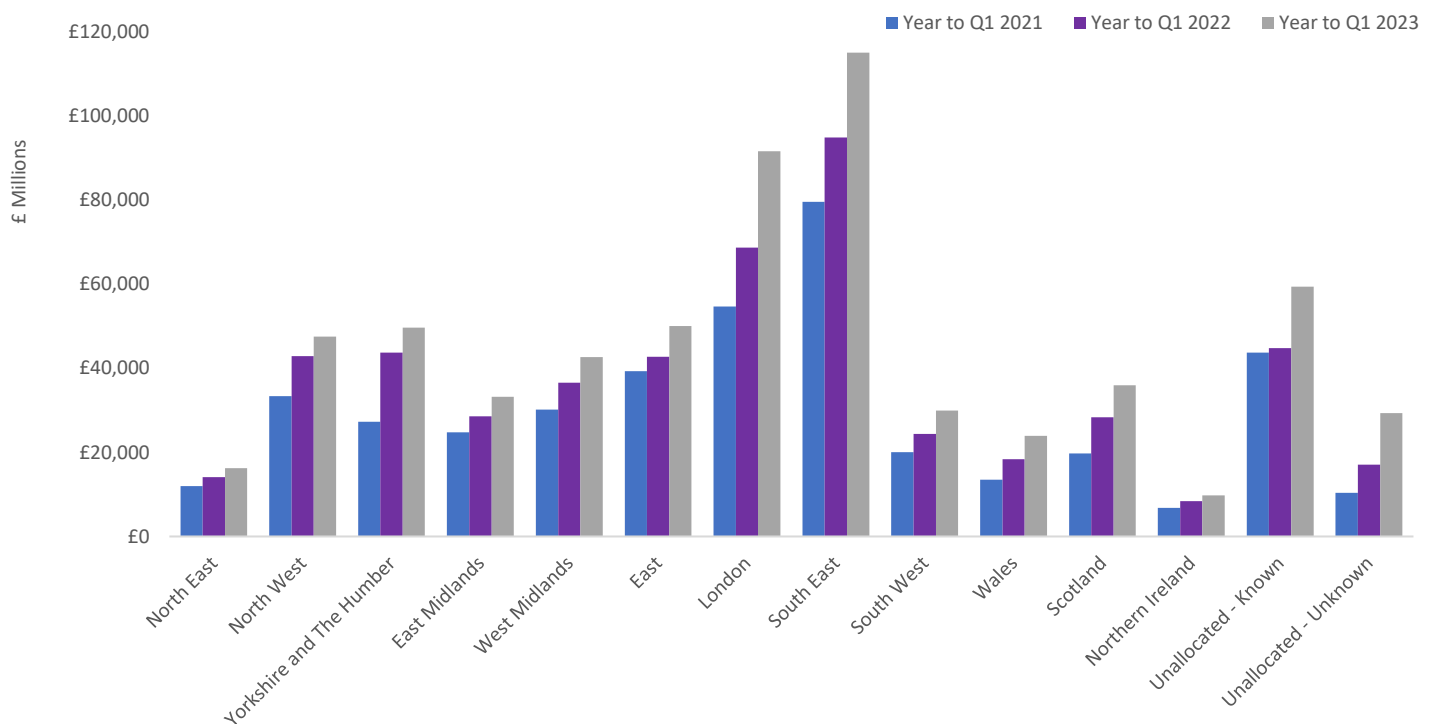


- Quarterly analysis shows that when comparing Q1 2023 to Q4 2022, total goods exports from the Midlands decreased by £323m (-2.1%, UK -7.2%) to £15.0bn. The West Midlands decreased by £68m (-0.8%) and the East Midlands decreased by £255m (-3.8%).
 - EU exports from the Midlands increased by nearly £275m (+4.2%, UK -4.8%), the increase can be attributed to the West Midlands which increased by £441m (+12.7%), whereas the East Midlands decreased by £166m (-5.3%).
 - Non-EU exports from the Midlands decreased by £598m (-6.8%, UK -9.6%), the West Midlands decreased by £509m (-9.8%) and the East Midlands decreased by £89m (-2.5%).
- Quarterly analysis shows that when comparing Q1 2023 to Q1 2022, total exports from the Midlands increased by £2.6bn (+21.2%, UK +10.1%); the West Midlands increasing by £1.6bn (+23.7%) and the East Midlands increasing by £976m (+17.9%).
 - EU exports from the Midlands increased by £750m (+12.3%, UK +9.7%). The West Midlands increased by £610m (+18.5%), and the East Midlands increased by £140m (+5.0%).
 - Non-EU exports from the Midlands increased by nearly £1.9bn (+29.8%, UK +10.6%) as the West Midlands increased by £1.0bn (+28.5%) and the East Midlands increased by £836m (+31.5%).

Goods Imported

- In the year ending Q1 2023, goods imports to the Midlands area were worth £75.9bn, an increase of £10.7bn (+16.5%) since year ending Q1 2022. UK-wide total imports increased by 23.5% to £634.6bn.
- Since the year ending Q1 2022, the value of West Midlands region goods imports increased by £6.1bn (+16.7%) to £42.7bn in the year ending Q1 2023. East Midlands imports increased by £4.6bn (+16.2%) to £33.2bn in the year ending Q1 2023.

The following chart shows UK goods imports by region, for the year ending Q1 2021, Q1 2022 and Q1 2023:



- Quarterly analysis shows that when comparing Q1 2023 to Q4 2022, total imports to the Midlands increased by £299m (+1.6%, UK -4.7%). The West Midlands increased by £181m (+1.7%) and the East Midlands increased by £118m (+1.4%).
 - EU imports to the Midlands increased by £874m (+8.2%, UK +0.3%). The West Midlands increased by £630m (+10.3%) and the East Midlands increased by £244m (+5.3%).
 - Non-EU imports to the Midlands decreased by £573m (-6.8%, UK -9.5%). The West Midlands decreased by £448m (-9.7%) and the East Midlands decreased by £125m (-3.3%).
- Quarterly analysis shows that when comparing Q1 2023 to Q1 2022, total imports to the Midlands increased by £361m (+1.9%, UK +1.4%).
 - EU imports to the Midlands increased by £870m (+8.1%, UK +8.4%). The West Midlands increased by £436m (+6.9%) and the East Midlands increased by £434m (+9.9%).
 - Non-EU imports to the Midlands decreased by £508m (-6.1%, UK -5.0%). The West Midlands decreased by £394m (-8.6%) and the East Midlands decreased by £114m (-3.0%).

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 2022. The sections that declined were beverages & tobacco, animal & vegetable oils and other commodities nes.
- The largest SITC section for goods exports in the Midlands area was machinery and transport at £38.2bn – 67.4% of total; of which £22.8bn (59.6%) went to non-EU locations. Since the year ending Q1 2022, overall, this SITC section increased by £8.0bn (+26.3%).
- 10.2% (£5.8bn) of goods exported from the Midlands area came from manufactured goods, (of which 60.3% of the section total, or £3.5bn went to the EU). This was followed by 8.9% (£5.0bn) for miscellaneous manufactures (of which 52.8% or £2.7bn went to EU locations).
- The total value of imports in nine of the ten SITC sections increased for the Midlands when compared to the year ending Q1 2022. The SITC section that decreased was other commodities nes.
- The largest SITC section that was imported to the Midlands area was machinery & transport at £35.3bn, which is 46.5% of total imports (of which 59.0% or £20.8bn of imports for this section was from the EU). This section overall has increased since the year ending Q1 2022 by £6.9bn (+24.1%). When split between EU and non-EU, there was an increase of £5.2bn from the EU and an increase of £1.7bn from non-EU countries.
- 16.7% (£12.7bn) of goods imported to the Midlands area were manufactured goods in the year ending Q1 2023, an increase of nearly £702m (+5.9%) since the year ending Q1 2022. There has also been a large increase in the import of mineral fuels in the last year (+68.1% or +£969m).

The following table shows a breakdown of goods exported and imported by SITC section and the percentage change between year ending Q1 2022 and Q1 2023:

Figures in £m	Midlands			UK		
	Year Ending Q1 2022	Year Ending Q1 2023	% Change	Year Ending Q1 2022	Year Ending Q1 2023	% Change
Total Exports by SITC Section						
0 Food and Live Animals	£1,754	£1,965	12.0%	£14,117	£16,000	13.3%
1 Beverages and Tobacco	£111	£98	-11.7%	£7,510	£9,332	24.3%
2 Crude Materials	£1,800	£1,872	4.0%	£9,889	£10,170	2.8%
3 Mineral Fuels	£306	£370	20.9%	£32,239	£49,645	54.0%
4 Animal and Vegetable Oils	£82	£56	-31.7%	£673	£746	10.8%
5 Chemicals	£3,182	£3,349	5.2%	£54,484	£62,617	14.9%
6 Manufactured Goods	£5,053	£5,790	14.6%	£36,540	£40,887	11.9%
7 Machinery and Transport	£30,285	£38,242	26.3%	£112,542	£136,578	21.4%
8 Miscellaneous Manufactures	£4,265	£5,027	17.9%	£38,706	£42,934	10.9%
9 Other commodities nes	£10	£8	-20.0%	£17,110	£11,649	-31.9%
Total Exports	£46,847	£56,778	21.2%	£323,808	£380,558	17.5%
Total Imports by SITC Section						
0 Food and Live Animals	£5,752	£6,553	13.9%	£40,004	£48,786	22.0%
1 Beverages and Tobacco	£509	£578	13.6%	£6,947	£7,956	14.5%
2 Crude Materials	£1,682	£1,755	4.3%	£15,185	£15,055	-0.9%
3 Mineral Fuels	£1,423	£2,392	68.1%	£71,650	£107,933	50.6%
4 Animal and Vegetable Oils	£198	£225	13.6%	£1,841	£2,542	38.1%
5 Chemicals	£5,179	£5,781	11.6%	£64,525	£75,896	17.6%
6 Manufactured Goods	£11,959	£12,661	5.9%	£64,438	£65,054	1.0%
7 Machinery and Transport	£28,470	£35,328	24.1%	£165,901	£208,299	25.6%
8 Miscellaneous Manufactures	£9,988	£10,622	6.3%	£73,877	£83,580	13.1%
9 Other commodities nes	£11	£3	-72.7%	£9,243	£19,458	110.5%
Total Imports	£65,172	£75,897	16.5%	£513,612	£634,559	23.5%

Country Group

- The highest value of goods exports from the Midlands area was to the EU at £26.1bn, accounting for 46.0% of the total. The value of goods exports to the EU has increased by £3.1bn (+13.5%) since the year ending Q1 2022.
- There were two Country Groups where goods exports from the Midlands declined from the year ending Q1 2022 which was Eastern Europe (excl. EU) by £373m (-39.6%) to £569m and Sub-Saharan Africa by £57m (-7.7%) to £685m. Notably, imports to the Midlands from Eastern Europe (excl. EU) was the only Country Group to decrease and this was by £250m (-39.1% to £389m).
- The highest value of imports to the Midlands area was from the EU at £42.9bn, which accounted for 56.6% of the total. This was an increase of £8.1bn (+23.4%) when compared to the year ending Q1 2022.

The following tables shows a breakdown of goods exported and imported by Country Group and the percentage change between year ending Q1 2022 and Q1 2023:

Figures in £m

	Midlands			UK		
	Year Ending Q1 2022	Year Ending Q1 2023	% Change	Year Ending Q1 2022	Year Ending Q1 2023	% Change
Exports by Country Group						
Asia & Oceania	£9,220	£12,193	32.2%	£52,949	£59,445	12.3%
Eastern Europe (excl EU)	£942	£569	-39.6%	£5,788	£4,121	-28.8%
European Union	£22,992	£26,095	13.5%	£164,811	£198,635	20.5%
Latin America and Caribbean	£683	£806	18.0%	£4,786	£6,267	30.9%
Middle East and North Africa (excl EU)	£2,100	£3,459	64.7%	£14,964	£21,855	46.1%
North America	£8,410	£11,097	32.0%	£49,903	£62,288	24.8%
Sub-Saharan Africa	£742	£685	-7.7%	£5,536	£6,060	9.5%
Western Europe (excl. EU)	£1,752	£1,866	6.5%	£13,706	£16,317	19.1%
Undefined Country Group	£6	£6	0.0%	£11,364	£5,571	-51.0%
Total Exports	£46,847	£56,778	21.2%	£323,808	£380,558	17.5%
Imports by Country Group						
Asia & Oceania	£18,755	£19,285	2.8%	£120,305	£126,946	5.5%
Eastern Europe (excl EU)	£639	£389	-39.1%	£10,201	£2,876	-71.8%
European Union	£34,806	£42,935	23.4%	£240,606	£315,404	31.1%
Latin America and Caribbean	£1,130	£1,314	16.3%	£6,871	£10,223	48.8%
Middle East and North Africa (excl EU)	£1,365	£1,767	29.5%	£15,660	£27,042	72.7%
North America	£4,265	£5,676	33.1%	£48,300	£69,650	44.2%
Sub-Saharan Africa	£779	£934	19.9%	£9,366	£11,127	18.8%
Western Europe (excl. EU)	£3,434	£3,597	4.7%	£56,849	£63,924	12.4%
Undefined Country Group	-	-	-	£5,454	£7,366	35.1%
Total Imports	£65,172	£75,897	16.5%	£513,612	£634,559	23.5%