

## UK Regional Trade in Goods Statistics: Year Ending Q2 2023<sup>1</sup>; Midlands Analysis

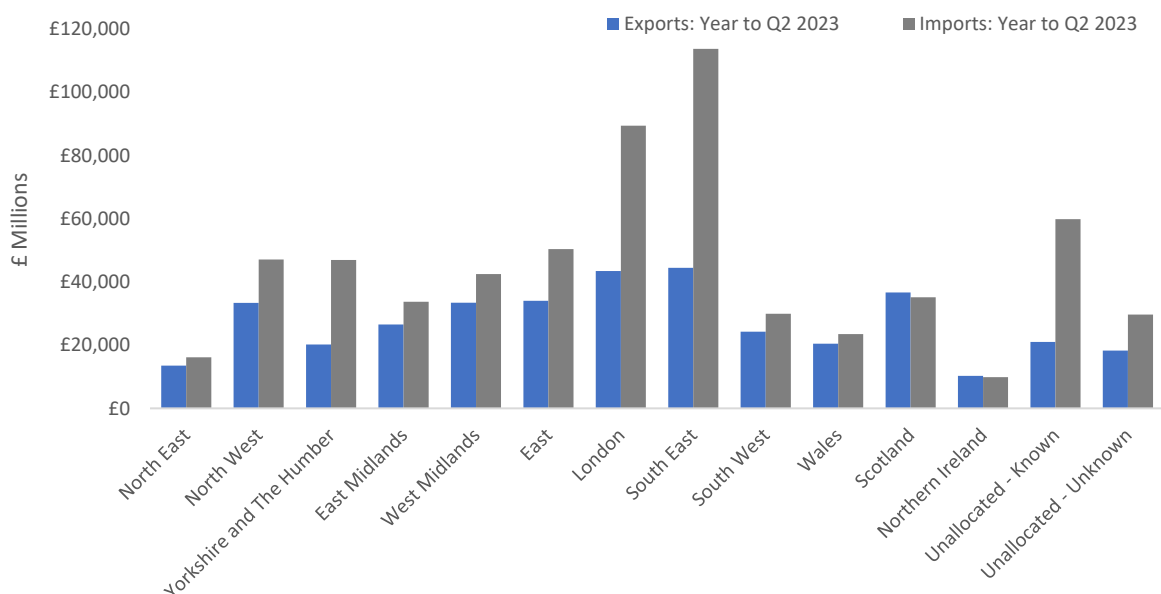
### Key Points:

- In the year ending Q2 2023, the Midlands area exported nearly £60.0bn worth of goods and imported £76.2bn. This represents a trade in goods deficit of £16.2bn, a decrease from the trade deficit in the year ending Q2 2022 which was £21.1bn.
- Goods exports from the Midlands area were worth nearly £60.0bn and have increased by £11.6bn (+24.1%) since the year ending Q2 2022. The UK increased by a slower rate, by 12.2% to £379.8bn.
- Goods imports to the Midlands area were worth £76.2bn, an increase of £6.8bn (+9.7%) since year ending Q2 2022. UK-wide total imports increased by 12.2% to £627.8bn.
- The Midlands area accounted for 22.0% of England’s exports which was above London (15.9%) and the South East (16.3%).
- The largest SITC section for goods exports in the Midlands area was machinery and transport at £41.2bn – 68.7% of total; of which £25.1bn (60.9%) went to non-EU locations. Since the year ending Q2 2022, overall, this SITC section increased by £10.0bn (+32.1%).
- By country group, the highest value of goods exports from the Midlands area was to the EU at £26.8bn, accounting for 44.7% of the total. The value of goods exports to the EU has increased by £3.1bn (+13.3%) since the year ending Q2 2022.

### In Detail:

- In the year ending Q2 2023, the Midlands area exported nearly £60.0bn worth of goods and imported £76.2bn. This represents a trade in goods deficit of £16.2bn, a decrease from the trade deficit in the year ending Q2 2022 which was £21.1bn.
- In the year ending Q2 2023, the West Midlands exported £33.4bn worth of goods and imported £42.5bn – a trade in goods deficit of £9.1bn. The East Midlands exported £26.5bn worth of goods and imported £33.7bn – a trade in goods deficit of £7.2bn.

The following chart shows the value of goods imported and exported by region in the year ending Q2 2023:

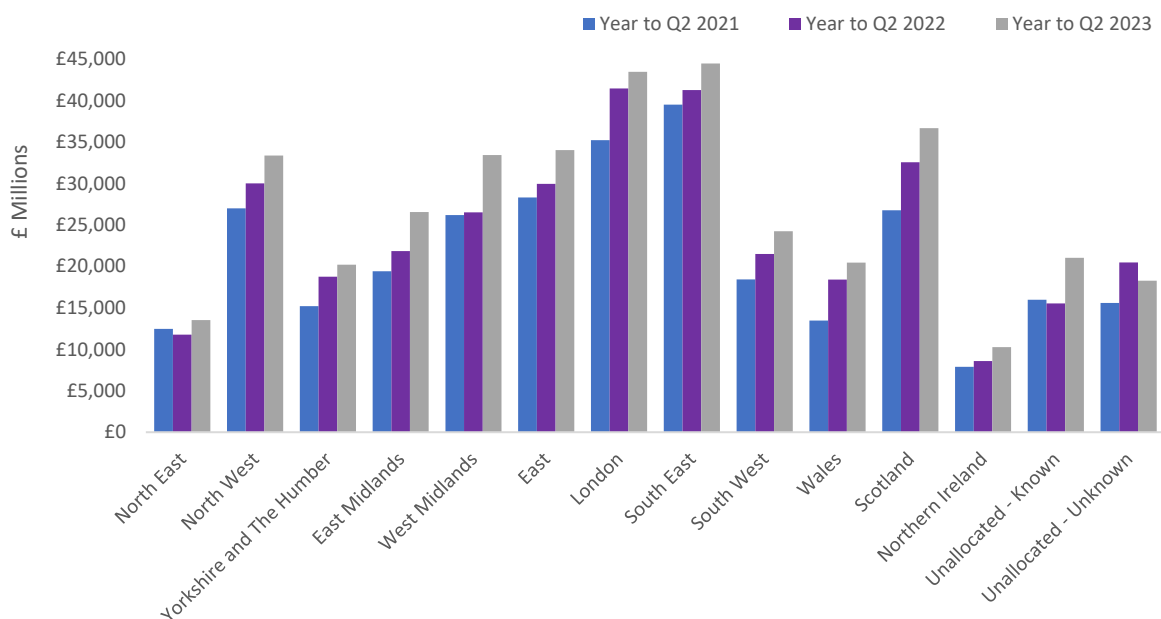


<sup>1</sup> Source: HM Revenue & Customs, UK Regional Trade in Goods Statistics Quarter 2 2023 – Released September 2023.

## Goods Exported

- In the year ending Q2 2023, goods exports from the Midlands area were worth nearly £60.0bn which has increased by £11.6bn (+24.1%) since the year ending Q2 2022. The UK increased by a slower rate, by 12.2% to £379.8bn.
- Since the year ending Q2 2022, the West Midlands region goods exports increased by £6.9bn (+26.1%) to £33.4bn in the year ending Q2 2023. East Midlands goods exports increased by £4.7bn (+21.6%) to £26.5bn in the year ending Q2 2023.
- As seen in the chart below, all regions saw an increase in the annual export value; notably the Midlands regions had the highest increases.
- The Midlands area accounted for 22.0% of England's exports (12.2% West Midlands and 9.7% East Midlands) which was above London (15.9%) and the South East (16.3%).

The following chart shows UK exports by region, for the year ending Q2 2021, Q2 2022 and Q2 2023:

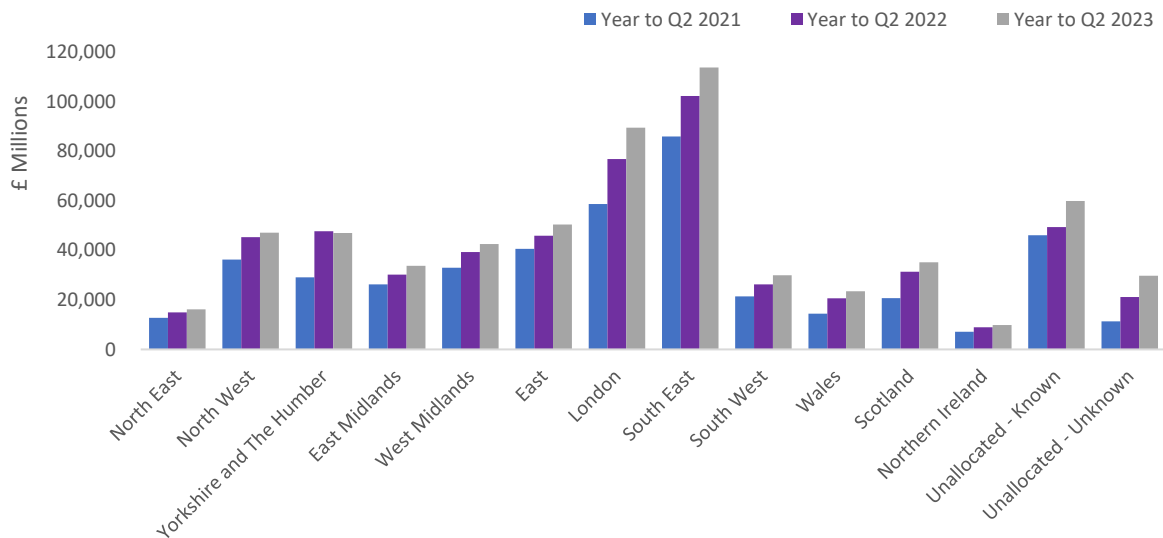


- Quarterly analysis shows that when comparing Q2 2023 to Q1 2023, total goods exports from the Midlands increased by £701m (+4.7%, UK -0.1%) to £15.7bn. The West Midlands increased by £145m (+1.7%) and the East Midlands increased by £556m (+8.6%).
  - EU exports from the Midlands increased by £57m (+0.8%, UK -5.7%); the increase can be attributed to the East Midlands which increased by £181m (+6.2%), whereas the West Midlands decreased by £124m (-3.2%).
  - Non-EU exports from the Midlands increased by £642m (+7.8%, UK +6.1%); the West Midlands increased by £268m (+5.7%) and the East Midlands increased by £374m (+10.7%).
- Quarterly analysis shows that when comparing Q2 2023 to Q2 2022, total exports from the Midlands increased by nearly £3.2bn (+25.1%, UK -0.8%); the West Midlands increasing by £1.8bn (+25.9%) and the East Midlands increasing by £1.4 (+24.1%).
  - EU exports from the Midlands increased by £680m (+10.9%, UK -6.2%). The West Midlands increased by £266m (+7.6%), and the East Midlands increased by £414m (+15.3%).
  - Non-EU exports from the Midlands increased by nearly £2.5bn (+39.0%, UK +5.3%) as the West Midlands increased by £1.5bn (+44.6%) and the East Midlands increased by £943m (+32.3%).

## Goods Imported

- In the year ending Q2 2023, goods imports to the Midlands area were worth £76.2bn, an increase of £6.8bn (+9.7%) since year ending Q2 2022. UK-wide total imports increased by 12.2% to £627.8bn.
- Since the year ending Q2 2022, the value of West Midlands region goods imports increased by £3.2bn (+8.1%) to £42.5bn in the year ending Q2 2023. East Midlands imports increased by £3.6bn (+11.9%) to £33.7bn in the year ending Q2 2023.

The following chart shows UK goods imports by region, for the year ending Q2 2021, Q2 2022 and Q2 2023:



- Quarterly analysis shows that when comparing Q2 2023 to Q1 2023, total imports to the Midlands increased by £28m (+0.1%, UK -4.8%). The West Midlands decreased by £68m (-0.6%) and the East Midlands increased by £96m (+1.1%).
  - EU imports to the Midlands decreased by £221m (-1.9%, UK +0.6%). The West Midlands decreased by £161m (-2.4%) and the East Midlands decreased by £60m (-1.2%).
  - Non-EU imports to the Midlands increased by £249m (+3.2%, UK -10.4%). The West Midlands increased by £93m (+2.2%) and the East Midlands increased by £156m (+4.2%).
- Quarterly analysis shows that when comparing Q2 2023 to Q2 2022, total imports to the Midlands increased by £258m (+1.3%, UK -4.2%). The West Midlands decreased by £223m (-2.0%) and the East Midlands increased by £481m (+5.9%).
  - EU imports to the Midlands increased by £480m (+4.4%, UK +2.2%). The West Midlands increased by £145m (+2.2%) and the East Midlands increased by £335m (+7.6%).
  - Non-EU imports to the Midlands decreased by £223m (-2.7%, UK -10.8%). The West Midlands decreased by £369m (-7.9%) and the East Midlands increased by £146m (+3.9%).

## Standard International Trade Classification (SITC)

- The total value of goods exports in five of the ten SITC sections increased (and a further 1 remained the same) for the Midlands when compared to the year ending Q2 2022. The sections that declined were beverages & tobacco, crude materials, mineral fuels and animal & vegetable oils.
- The largest SITC section for goods exports in the Midlands area was machinery and transport at £41.2bn – 68.7% of total; of which £25.1bn (60.9%) went to non-EU locations. Since the year

ending Q2 2022, overall, this SITC section increased by £10.0bn (+32.1%), reflecting a recovery in the automotive sector and wider manufacturing industry.

- 9.7% (£5.8bn) of goods exported from the Midlands area came from manufactured goods, (of which 59.9% of the section total, or £3.5bn went to the EU). This was followed by 9.0% (£5.4bn) for miscellaneous manufactures (of which 51.1% or £2.7bn went to EU locations).
- The total value of imports in six of the ten SITC sections increased for the Midlands when compared to the year ending Q2 2022. The SITC sections that decreased were: crude materials, manufactured goods, miscellaneous manufactures and other commodities nes.
- The largest SITC section for goods imports to the Midlands area was machinery & transport at £36.9bn, which is 48.5% of total imports (of which 58.7% or £21.7bn of imports for this section was from the EU). This section overall has increased since the year ending Q2 2022 by £6.5bn (+21.4%). When split between EU and non-EU, there was an increase of £4.5bn from the EU and an increase of £2.1bn from non-EU countries.
- 16.4% (£12.5bn) of goods imported to the Midlands area were manufactured goods in the year ending Q2 2023, a decrease of nearly £54m (-0.4%) since the year ending Q2 2022.

The following table shows a breakdown of goods exported and imported by SITC section and the percentage change between year ending Q2 2022 and Q2 2023:

Figures in £m	Midlands Region			UK		
	Year to Q2 2022	Year to Q2 2023	% Change	Year to Q2 2022	Year to Q2 2023	% Change
<b>Total Exports by SITC Section</b>						
0 Food and Live Animals	£1,795	£1,997	11.3%	£14,570	£16,032	10.0%
1 Beverages and Tobacco	£108	£98	-9.3%	£7,981	£9,166	14.8%
2 Crude Materials	£1,911	£1,719	-10.0%	£10,320	£9,425	-8.7%
3 Mineral Fuels	£359	£338	-5.8%	£39,063	£45,534	16.6%
4 Animal and Vegetable Oils	£75	£50	-33.3%	£700	£714	2.0%
5 Chemicals	£3,206	£3,358	4.7%	£56,704	£61,784	9.0%
6 Manufactured Goods	£5,273	£5,844	10.8%	£38,370	£37,993	-1.0%
7 Machinery and Transport	£31,156	£41,172	32.1%	£115,545	£142,798	23.6%
8 Miscellaneous Manufactures	£4,437	£5,376	21.2%	£39,662	£43,434	9.5%
9 Other commodities nes	£8	£8	0.0%	£15,514	£12,904	-16.8%
<b>Total Exports</b>	<b>£48,328</b>	<b>£59,958</b>	<b>24.1%</b>	<b>£338,431</b>	<b>£379,783</b>	<b>12.2%</b>
<b>Total Imports by SITC Section</b>						
0 Food and Live Animals	£6,026	£6,570	9.0%	£42,951	£49,391	15.0%
1 Beverages and Tobacco	£550	£565	2.7%	£7,342	£8,115	10.5%
2 Crude Materials	£1,815	£1,607	-11.5%	£15,563	£14,092	-9.5%
3 Mineral Fuels	£1,967	£1,998	1.6%	£87,809	£99,241	13.0%
4 Animal and Vegetable Oils	£214	£216	0.9%	£2,098	£2,422	15.4%
5 Chemicals	£5,509	£5,525	0.3%	£69,797	£73,009	4.6%
6 Manufactured Goods	£12,514	£12,460	-0.4%	£66,186	£63,887	-3.5%
7 Machinery and Transport	£30,433	£36,940	21.4%	£177,529	£216,067	21.7%
8 Miscellaneous Manufactures	£10,403	£10,318	-0.8%	£77,850	£81,592	4.8%
9 Other commodities nes	£6	£4	-33.3%	£12,454	£19,974	60.4%
<b>Total Imports</b>	<b>£69,438</b>	<b>£76,205</b>	<b>9.7%</b>	<b>£559,578</b>	<b>£627,791</b>	<b>12.2%</b>

### Country Group

- The highest value of goods exports from the Midlands area was to the EU at £26.8bn, accounting for 44.7% of the total. The value of goods exports to the EU has increased by £3.1bn (+13.3%) since the year ending Q2 2022.
- There was one Country Group where goods exports from the Midlands declined from the year ending Q2 2022, which was Eastern Europe (excl. EU) by £174m (-21.8%) to £625m. While there were declines in imports to the Midlands from three Country Groups; Eastern Europe (excl. EU)

decreased by £351m (-53.6% to £304m), Sub-Saharan Africa by 33m (-3.7% to £857m) and Western Europe by £46m (-1.3% to £3.5bn).

- The highest value of imports to the Midlands area was from the EU at £43.4bn, which accounted for 57.0% of the total. Goods imports from the EU increased by £5.7bn (+15.0%) when compared to the year ending Q2 2022.

The following tables shows a breakdown of goods exported and imported by Country Group and the percentage change between year ending Q2 2022 and Q2 2023:

Figures in £m	Midlands Region			UK		
	Year to Q2 2022	Year to Q2 2023	% Change	Year to Q2 2022	Year to Q2 2023	% Change
<b>Exports by Country Group</b>						
Asia & Oceania	£9,657	£13,344	38.2%	£54,603	£59,342	8.7%
Eastern Europe (excl EU)	£799	£625	-21.8%	£5,214	£4,221	-19.0%
European Union	£23,643	£26,778	13.3%	£174,312	£195,685	12.3%
Latin America and Caribbean	£716	£831	16.1%	£5,217	£6,211	19.1%
Middle East and North Africa (excl EU)	£2,420	£3,587	48.2%	£16,430	£22,215	35.2%
North America	£8,561	£12,158	42.0%	£52,464	£63,247	20.6%
Sub-Saharan Africa	£737	£737	0.0%	£5,643	£6,082	7.8%
Western Europe (excl. EU)	£1,790	£1,892	5.7%	£14,641	£15,969	9.1%
Undefined Country Group	£5	£7	40.0%	£9,907	£6,811	-31.3%
<b>Total Exports</b>	<b>£48,328</b>	<b>£59,958</b>	<b>24.1%</b>	<b>£338,431</b>	<b>£379,783</b>	<b>12.2%</b>
<b>Imports by Country Group</b>						
Asia & Oceania	£19,121	£19,257	0.7%	£123,599	£125,927	1.9%
Eastern Europe (excl EU)	£655	£304	-53.6%	£8,880	£2,204	-75.2%
European Union	£37,762	£43,428	15.0%	£267,198	£316,863	18.6%
Latin America and Caribbean	£1,199	£1,241	3.5%	£8,093	£9,667	19.4%
Middle East and North Africa (excl EU)	£1,513	£1,786	18.0%	£20,584	£24,073	17.0%
North America	£4,706	£5,785	22.9%	£52,796	£71,049	34.6%
Sub-Saharan Africa	£890	£857	-3.7%	£9,966	£10,245	2.8%
Western Europe (excl. EU)	£3,593	£3,547	-1.3%	£62,567	£59,895	-4.3%
Undefined Country Group				£5,896	£7,867	33.4%
<b>Total Imports</b>	<b>£69,438</b>	<b>£76,205</b>	<b>9.7%</b>	<b>£559,578</b>	<b>£627,791</b>	<b>12.2%</b>