

UK Regional Trade in Goods Statistics: Year Ending Q2 2022¹; Midlands Analysis

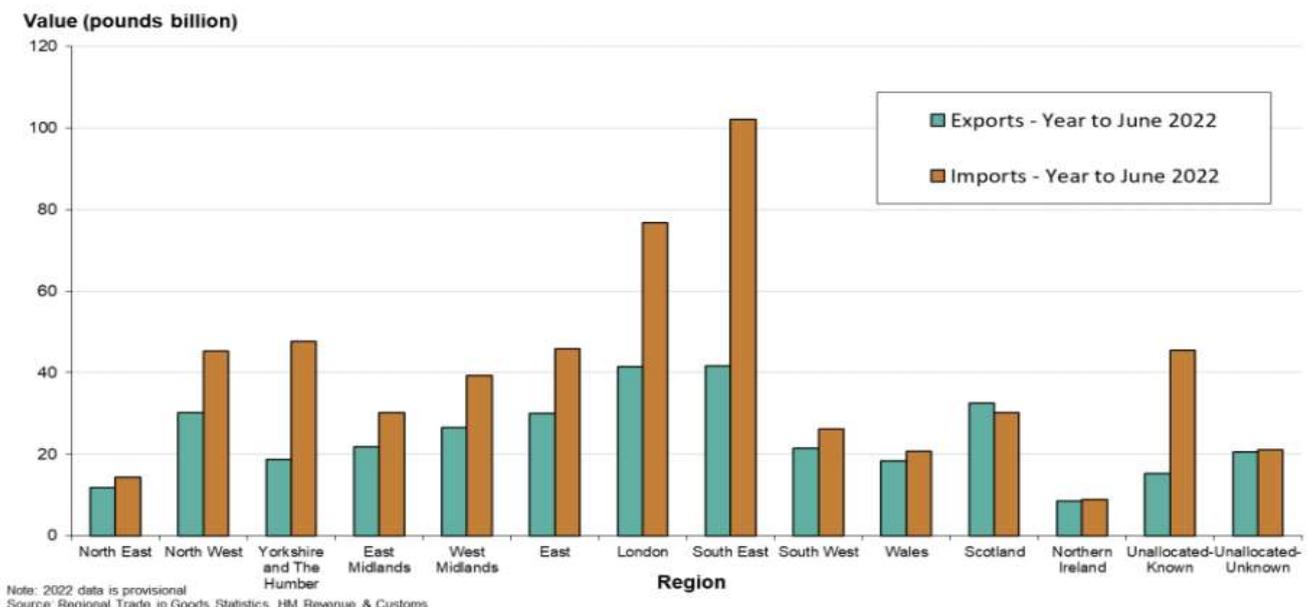
Key Points:

- In the year ending Q2 2022, the Midlands area exported £48.3bn worth of goods and imported £69.4bn; this led to a trade in goods deficit of £21.1bn – an increase of nearly £7.5bn when compared to the year ending Q2 2021.
- Goods export levels for the Midlands increased by £2.8bn (+6.0%) when compared to the year ending Q2 2021. The UK increased by a greater rate over the same period, overall by 12.3% to £338.4bn over the same period.
- Goods imported into the Midlands increased by £10.2bn (+17.3%) when compared to the year ending Q2 2021. The UK increased by a greater rate over the same period, overall by 25.0% to £338.4bn over the same period.
- The Midlands area accounted for 19.9% of England’s goods exports (10.9% West Midlands and 9.0% East Midlands) which was above London (17.0%) and the South East (17.1%).
- The largest SITC section for goods exports in the Midlands area was machinery and transport at nearly £31.2bn – 64.5% of the total. Compared to year ending Q2 2021, overall, this SITC section increased by nearly £1.1bn (+3.6%).
- By country group, the highest value of goods exports from the Midlands area was to the EU at £23.6bn which accounted for 48.9% of the total.

In Detail:

- In the year ending Q2 2022, the Midlands area exported £48.3bn worth of goods and imported £69.4bn. This represents a trade in goods deficit of £21.1bn, an increase from the trade deficit in the year ending Q2 2021 which was £13.6bn.
- In the year ending Q2 2022, the West Midlands exported £26.5bn worth of goods and imported £39.3bn – a trade in goods deficit of £12.8bn. The East Midlands exported £21.8bn worth of goods and imported £30.1bn – a trade in goods deficit of £8.3bn.

The following chart shows the value of imports and exports by region in the year ending Q2 2022:

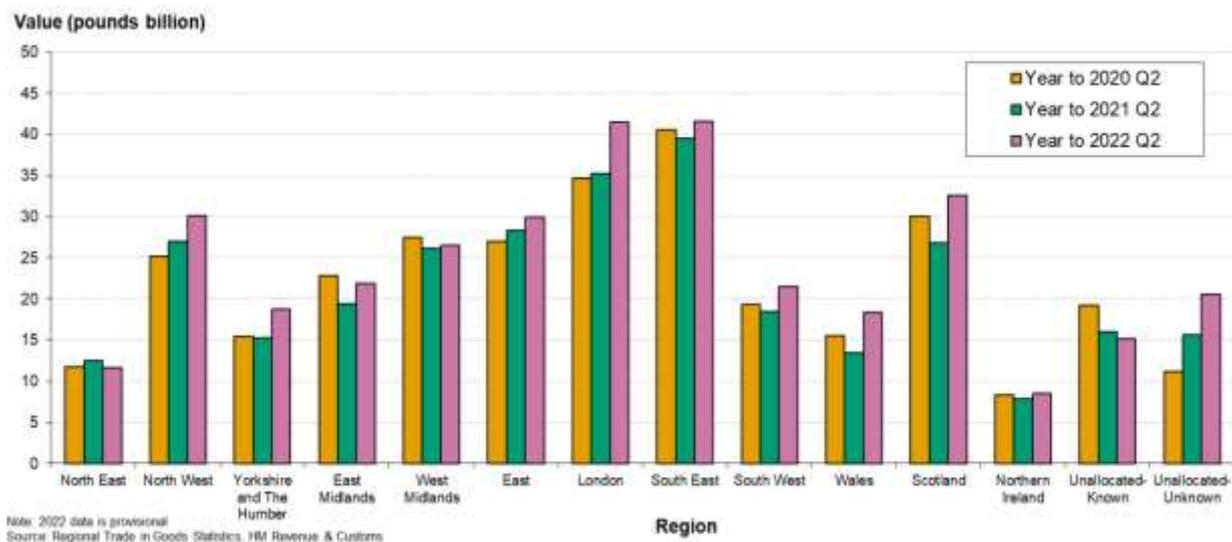


¹ Source: HM Revenue & Customs, UK Regional Trade in Goods Statistics Quarter 2 2022 – Released October 2022.

Goods Exported

- In the year ending Q2 2022, goods exports from the Midlands area were worth £48.3bn which has increased by nearly £2.8bn (+6.0%) since the year ending Q2 2021. The UK increased by a greater rate over the same period, overall by 12.3% to £338.4bn.
- The West Midlands region goods exports increased by £321m (+1.2%) when compared to the year ending Q2 2021, to £26.5bn in the year ending Q2 2022. East Midlands goods exports increased by £2.4bn (+12.5%) to £21.8bn in the year ending Q2 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 19.9% of England's exports (10.9% West Midlands and 9.0% East Midlands) which was above London (17.0%) and the South East (17.1%).

The following chart shows UK exports by region, years to Q2 2020, Q2 2021 and Q2 2022:

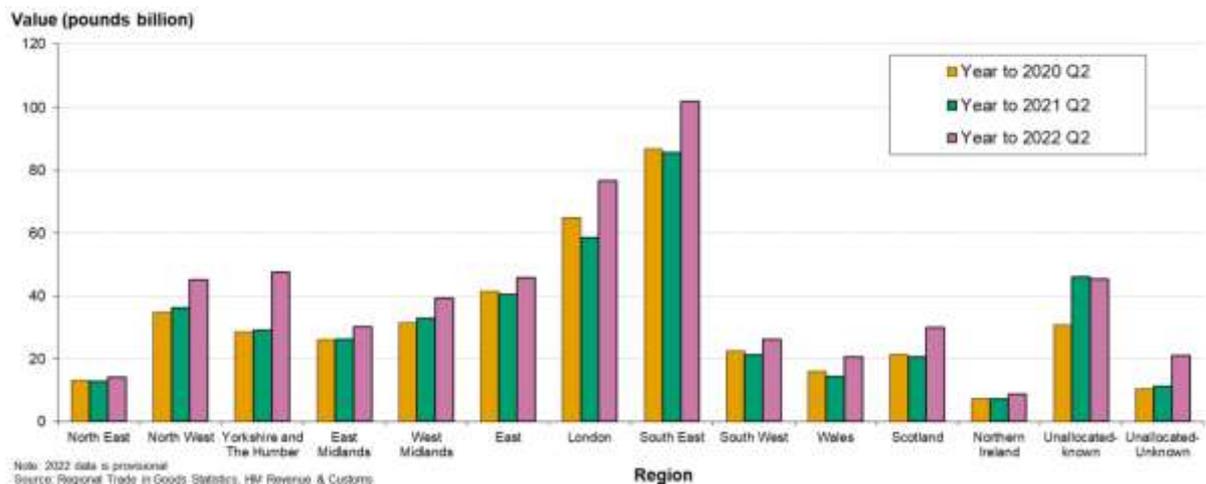


- Quarterly analysis shows that when comparing Q2 2022 to Q1 2022, total goods exports from the Midlands increased by £192m (+1.6%, UK +10.8%), this was primarily due to the East Midlands increasing by £176m (+3.2%), whereas the West Midlands increased by 0.2% (+£16m).
 - EU exports from the Midlands increased by £128m (+2.1%, UK +10.4%), the increase can be attributed to the West Midlands, which increased by £220m (+6.7%), whereas the East Midlands decreased by 3.3% (-£92m).
 - Non-EU exports from the Midlands increased by £64m (+1.0%, UK +11.4%), in this case, due to the East Midlands increasing by 10.1% (+£268m) and the West Midlands decreased by 5.6% (-£204m).
- Quarterly analysis shows that when comparing Q2 2022 to Q2 2021, total exports from the Midlands increased by £1.5bn (+13.3%, UK +18.9%); the East Midlands increasing by £829m (+17.3%) and the West Midlands increasing by £648m (+10.3%).
 - EU exports from the Midlands increased by £648m (+11.6%, UK +24.2%). The West Midlands increased by £493m (+16.3%), meaning the East Midlands increased by £155m (+6.1%).
 - Non-EU exports from the Midlands increased by £829m (+15.0%, UK +13.6%) as the East Midlands increased by £674m (+30.0%) and the West Midlands increased by £155m (+4.7%).

Goods Imported

- In the year ending Q2 2022, goods imports to the Midlands area were worth £69.4bn, an increase of £10.2bn (+17.3%) when compared to the year ending Q2 2021. UK-wide total imports increased by 25.0% to £553.6bn over the same period.
- The value of West Midlands region goods imports increased by £6.3bn (+19.2%) when compared to the year ending Q2 2021 to £39.3bn in the year ending Q2 2022. East Midlands imports increased by £3.9bn (+14.9%) since the year ending Q2 2021 to £30.1bn in the year ending Q2 2022.

The following chart shows UK imports by region, years to Q2 2020, Q2 2021 and Q2 2022:



- Quarterly analysis shows that when comparing Q2 2022 to Q1 2022, total imports to the Midlands increased by £160m (+0.8%, UK +1.3%). The increase was due to the West Midlands increasing by £222m (+2.0%) whereas the East Midlands decreased by £62m (-0.8%).
 - EU imports to the Midlands increased by £175m (+1.6%, UK +7.0%). The West Midlands increased by £134m (+2.1%) and the East Midlands increased by £41m (+0.9%).
 - Non-EU imports to the Midlands decreased by £14m (-0.2%, UK -4.2%). This was driven by a decrease in Non-EU imports to the East Midlands, by £103m (-2.7%), whereas the West Midlands increased by £89m (+2.0%).
- Quarterly analysis shows that when comparing Q2 2022 to Q2 2021, total imports to the Midlands increased by £4.3bn (+28.4%, UK +39.7%).
 - EU imports to the Midlands increased by £2.9bn (+37.2%, UK +49.9%). The West Midlands increased by £2.0bn (+46.0%) and the East Midlands increased by £914m (+26.0%).
 - Non-EU imports to the Midlands increased by £1.3bn (+18.5%, UK +30.2%).

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 the year ending Q2 2021. The sections that declined were miscellaneous manufactures and other commodities nes.
- The largest SITC section for goods exports in the Midlands area was machinery and transport at £31.2bn – 64.5% of total; of which £17.5bn (56.2%) went to non-EU locations. Compared to the year ending Q2 2021, overall, this SITC section increased by £1.1bn (+3.6%).

- 10.9% (£5.3bn) of goods exported from the Midlands area came from manufactured goods, (of which 61.7% of the section total, or £3.3bn went to the EU). This was followed by 9.2% (£4.4bn) for miscellaneous manufactures (of which 53.5% or £2.4bn 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 Q2 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 £30.4bn, which is 43.8% of total imports (of which 56.9% or £17.3bn of imports for this section was from the EU). This section overall has increased since the year ending Q2 2021 by £4.9bn (+19.2%). When split between EU and non-EU, there was an increase of nearly £2.2bn from the EU and an increase of £2.7bn from non-EU countries.
- 18.0% (£12.5bn) of goods imported to the Midlands area were manufactured goods in the year ending Q2 2022. There has also been a large increase in the import of mineral fuels in the last year (+244.5% or +£1.4bn), 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 Q2 2021 and the year ending Q2 2022:

	Midlands Region			UK		
	Year Ending Q2 2021	Year Ending Q2 2022	% Change	Year Ending Q2 2021	Year Ending Q2 2022	% Change
Total Exports by SITC Section	£ Millions		% Change	£ Millions		% Change
0 Food and Live Animals	£1,606	£1,794	11.7%	£13,997	£14,545	3.9%
1 Beverages and Tobacco	£107	£108	0.9%	£6,889	£7,981	15.9%
2 Crude Materials	£1,399	£1,911	36.6%	£8,171	£10,316	26.3%
3 Mineral Fuels	£210	£359	71.0%	£20,783	£39,026	87.8%
4 Animal and Vegetable Oils	£73	£75	2.7%	£531	£700	31.8%
5 Chemicals	£3,043	£3,207	5.4%	£51,630	£56,829	10.1%
6 Manufactured Goods	£4,449	£5,269	18.4%	£35,673	£38,357	7.5%
7 Machinery and Transport	£30,085	£31,155	3.6%	£110,646	£115,490	4.4%
8 Miscellaneous Manufactures	£4,515	£4,437	-1.7%	£39,425	£39,651	0.6%
9 Other commodities nes	£82	£8	-90.2%	£13,539	£15,515	14.6%
Total Exports	£45,568	£48,322	6.0%	£301,284	£338,411	12.3%
Total Imports by SITC Section	£ Millions		% Change	£ Millions		% Change
0 Food and Live Animals	£5,602	£6,025	7.6%	£38,999	£42,865	9.9%
1 Beverages and Tobacco	£475	£550	15.8%	£6,589	£7,341	11.4%
2 Crude Materials	£1,490	£1,815	21.8%	£13,622	£15,557	14.2%
3 Mineral Fuels	£571	£1,967	244.5%	£29,182	£87,134	198.6%
4 Animal and Vegetable Oils	£169	£214	26.6%	£1,509	£2,125	40.8%
5 Chemicals	£4,574	£5,502	20.3%	£56,355	£69,803	23.9%
6 Manufactured Goods	£10,554	£12,516	18.6%	£59,623	£66,156	11.0%
7 Machinery and Transport	£25,539	£30,430	19.2%	£157,025	£172,337	9.8%
8 Miscellaneous Manufactures	£10,198	£10,402	2.0%	£73,845	£77,818	5.4%
9 Other commodities nes	£25	£6	-76.0%	£6,296	£12,454	97.8%
Total Imports	£59,198	£69,426	17.3%	£443,044	£553,588	25.0%

Country Group

- The highest value of goods exports from the Midlands area was to the EU at £23.6bn, accounting for 48.9% of the total. The value of goods exports to the EU has increased by nearly £1.7bn (+7.5%) from the year ending Q2 2021, lower than the UK-wide rate of 18.4%.
- There were two Country Groups where goods exports from the Midlands declined from the year ending Q2 2021. The Country Groups that declined were; Eastern Europe (excl. EU) by £89m (-10.0%) to £799m and North America by £36m (-0.4%) to £8.6bn. Whereas for these Country Groups imports to the Midlands increased by £204m (+45.2% to £655m) from the Eastern Europe and by £881m (+23.0% to £4.7bn) from North America.
- The highest value of imports to the Midlands area was from the EU at £37.8bn, which accounted for 54.4% of the total. This was an increase of £4.5bn (+13.5%) when compared to the year ending Q2 2021.

The following tables shows a breakdown of exports and imports by Country Group and the percentage change between the year ending Q2 2021 and the year ending Q2 2022:

Exports by Country Group	Midlands Region			UK		
	Year Ending Q2 2021	Year Ending Q2 2022	% Change	Year Ending Q2 2021	Year Ending Q2 2022	% Change
	£ Millions			£ Millions		
Asia & Oceania	£9,023	£9,657	7.0%	£51,825	£54,603	5.4%
Eastern Europe (excl EU)	£888	£799	-10.0%	£5,381	£5,214	-3.1%
European Union	£21,978	£23,637	7.5%	£147,054	£174,177	18.4%
Latin America and Caribbean	£591	£716	21.2%	£4,182	£5,217	24.7%
Middle East and North Africa (excl EU)	£2,040	£2,420	18.6%	£13,862	£16,567	19.5%
North America	£8,597	£8,561	-0.4%	£49,549	£52,464	5.9%
Sub-Saharan Africa	£667	£737	10.5%	£4,771	£5,645	18.3%
Western Europe (excl. EU)	£1,782	£1,790	0.4%	£14,801	£14,619	-1.2%
Undefined Country Group	£3	£5	66.7%	£9,859	£9,907	0.5%
Total Exports	£45,568	£48,322	6.0%	£301,284	£338,411	12.3%
Imports by Country Group						
Asia & Oceania	£16,573	£19,120	15.4%	£111,127	£118,762	6.9%
Eastern Europe (excl EU)	£451	£655	45.2%	£8,332	£8,789	5.5%
European Union	£33,248	£37,751	13.5%	£226,895	£266,813	17.6%
Latin America and Caribbean	£928	£1,199	29.2%	£5,271	£8,093	53.5%
Middle East and North Africa (excl EU)	£1,122	£1,513	34.8%	£9,100	£20,584	126.2%
North America	£3,825	£4,706	23.0%	£38,438	£52,788	37.3%
Sub-Saharan Africa	£701	£890	27.0%	£7,478	£9,966	33.3%
Western Europe (excl. EU)	£2,349	£3,593	53.0%	£31,324	£61,899	97.6%
Undefined Country Group	-	-	-	£5,081	£5,896	16.0%
Total Imports	£59,198	£69,426	17.3%	£443,044	£553,588	25.0%