

UK Regional Trade in Goods Statistics: Year Ending Q3 2022¹; Midlands Analysis

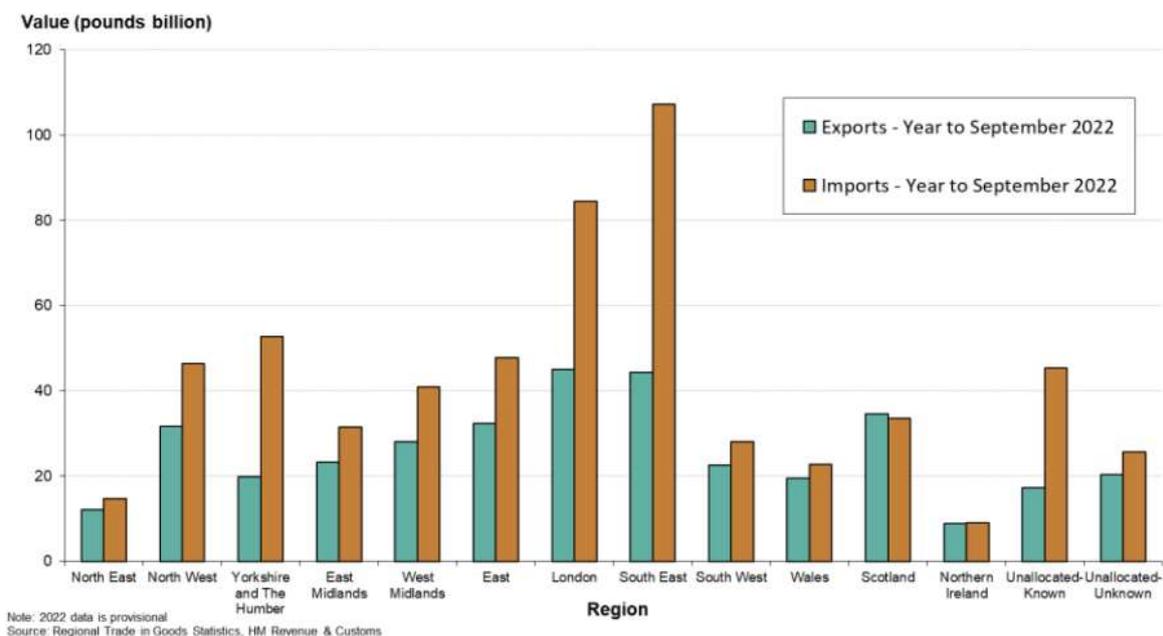
Key Points:

- In the year ending Q3 2022, the Midlands area exported £51.2bn worth of goods and imported nearly £72.4bn. This represents a trade in goods deficit of £21.1bn – an increase of £6.5bn when compared to the year ending Q3 2021.
- Goods export levels for the Midlands increased by £5.5bn (+12.1%) when compared to the year ending Q3 2021. The UK increased by a greater rate over the same period, overall by 17.4% to £359.5bn over the same period.
- Goods imported into the Midlands increased by £12.0bn (+19.9%) when compared to the year ending Q3 2021. The UK increased by a greater rate over the same period, overall by 30.0% to £589.9bn over the same period.
- The Midlands area accounted for 19.8% of England’s goods exports (10.8% West Midlands and 9.0% East Midlands) which was above London (17.3%) and the South East (17.1%).
- The largest SITC section for goods exports in the Midlands area was machinery and transport at £33.5bn – 65.3% of the total. Compared to year ending Q3 2021, overall, this SITC section increased by nearly £3.4bn (+11.2%).
- By country group, the highest value of goods exports from the Midlands area was to the EU at £24.6bn which accounted for 48.1% of the total in the year ending Q3 2022.

In Detail:

- In the year ending Q3 2022, the Midlands area exported £51.2bn worth of goods and imported nearly £72.4bn. This represents a trade in goods deficit of £21.1bn, an increase from the trade deficit in the year ending Q3 2021 which was £14.6bn.
- In the year ending Q3 2022, the West Midlands exported £28.0bn worth of goods and imported £40.9bn – a trade in goods deficit of £12.95bn. The East Midlands exported nearly £23.3bn worth of goods and imported £31.4bn – a trade in goods deficit of £8.2bn.

The following chart shows the value of imports and exports by region in the year ending Q3 2022:

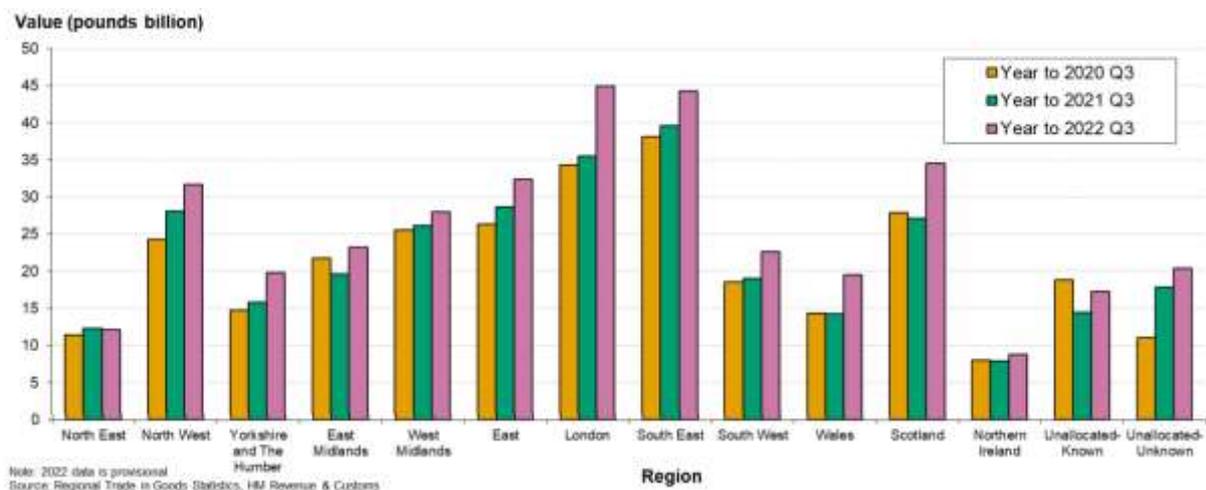


¹ Source: HM Revenue & Customs, UK Regional Trade in Goods Statistics Quarter 3 2022 – Released December 2022.

Goods Exported

- In the year ending Q3 2022, goods exports from the Midlands area were worth £51.2bn which has increased by £5.5bn (+12.1%) since the year ending Q3 2021. The UK increased by a greater rate over the same period, overall by 17.4% to £359.5bn.
- Since the year ending Q3 2021, the West Midlands region goods exports increased by nearly £1.9bn (+7.2%) to £28.0bn in the year ending Q3 2022. East Midlands goods exports increased by nearly £3.7bn (+18.7%) to nearly £23.3bn in the year ending Q3 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 19.8% of England's exports (10.8% West Midlands and 9.0% East Midlands) which was above London (17.3%) and the South East (17.1%).

The following chart shows UK exports by region, years to Q3 2020, Q3 2021 and Q3 2022:

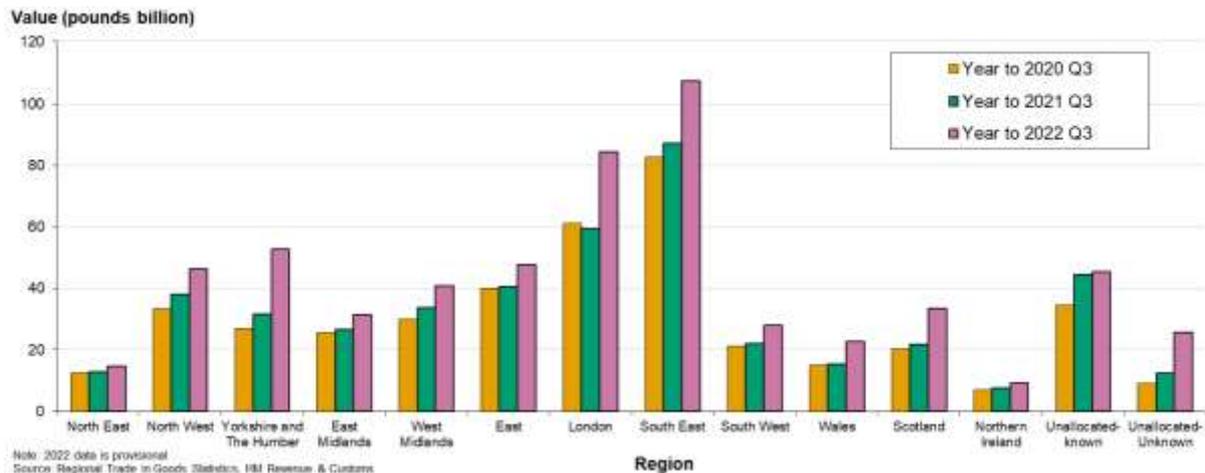


- Quarterly analysis shows that when comparing Q3 2022 to Q2 2022, total goods exports from the Midlands increased by £1.3bn (+10.2%, UK +5.4%), this was primarily due to the East Midlands increasing by £814m (+14.5%), whereas the West Midlands increased by £466m (+£6.7%).
 - EU exports from the Midlands increased by nearly £224m (+3.6%, UK +5.5%), the increase can be attributed to the East Midlands which increased by £438m (+16.2%), whereas the West Midlands decreased by 6.1% (-£214m).
 - Non-EU exports from the Midlands increased by nearly £1.1bn (+16.6%, UK +5.3%), the East Midlands increased by 12.9% (+£376m) and the West Midlands increased by 19.8% (+£680m).
- Quarterly analysis shows that when comparing Q3 2022 to Q3 2021, total exports from the Midlands increased by £2.9bn (+26.6%, UK +27.6%); the East Midlands increasing by £1.4bn (+28.4%) and the West Midlands increasing by £1.5bn (+25.1%).
 - EU exports from the Midlands increased by £1.0bn (+18.4%, UK +33.5%). The East Midlands increased by £588m (+23.0%), and the West Midlands increased by £416m (+14.4%).
 - Non-EU exports from the Midlands increased by £1.9bn (+34.6%, UK +21.7%) as the East Midlands increased by £835m (+33.9%) and the West Midlands increased by £1.1bn (+35.2%).

Goods Imported

- In the year ending Q3 2022, goods imports to the Midlands area were worth £72.4bn, an increase of £12.0bn (+19.9%) when compared to the year ending Q3 2021. UK-wide total imports increased by 30.0% to £589.9bn over the same period.
- Since the year ending Q3 2021, the value of West Midlands region goods imports increased by £7.1bn (+21.0%) to £40.9bn in the year ending Q3 2022. East Midlands imports increased by £4.9bn (+18.6%) to £31.4bn in the year ending Q3 2022.

The following chart shows UK imports by region, years to Q3 2020, Q3 2021 and Q3 2022:



- Quarterly analysis shows that when comparing Q3 2022 to Q3 2022, total imports to the Midlands decreased by £1.2bn (-6.3%, UK -0.9%). The West Midlands decreased by £1.2bn (-10.8%) and the East Midlands decreased by £3k (-0.04%).
 - EU imports to the Midlands decreased by £1.1bn (-10.2%, UK -6.4%). The West Midlands decreased by £972m (-15.1%) and the East Midlands decreased by £140m (-3.2%).
 - Non-EU imports to the Midlands decreased by £95m (-1.1%, UK +5.0%). This was driven by a decrease in Non-EU imports to the West Midlands, by £232m (-5.0%), whereas the East Midlands increased by £137m (+3.7%).
- Quarterly analysis shows that when comparing Q3 2022 to Q3 2021, total imports to the Midlands increased by £2.9bn (+19.5%, UK +31.2%).
 - EU imports to the Midlands increased by £1.9bn (+24.3%, UK +34.2%). The West Midlands increased by £1.1bn (+26.1%) and the East Midlands increased by £771m (+21.9%).
 - Non-EU imports to the Midlands increased by £1.0bn (+14.3%, UK +28.4%) – the increase was split equally between both regions.

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 Q3 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 £33.5bn – 65.3% of total; of which £19.1bn (57.2%) went to non-EU locations. Compared to the year ending Q3 2021, overall, this SITC section increased by £3.4bn (+11.2%).
- 10.8% (£5.5bn) of goods exported from the Midlands area came from manufactured goods, (of which 61.1% of the section total, or £3.4bn went to the EU). This was followed by 9.0% (£4.6bn) for miscellaneous manufactures (of which 53.4% 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 the year ending Q3 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 £32.2bn, which is 44.6% of total imports (of which 57.5% or £18.5bn of imports for this section was from the EU). This section overall has increased since the year ending Q3 2021 by £5.9bn (+22.6%). When split between EU and non-EU, there was an increase of nearly £3.5bn from the EU and an increase of £2.5bn from non-EU countries.
- 17.7% (£12.8bn) of goods imported to the Midlands area were manufactured goods in the year ending Q3 2022. There has also been a large increase in the import of mineral fuels in the last year (+229.4% or +£1.6bn), 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 Q3 2021 and the year ending Q3 2022:

	Midlands			UK		
	Year Ending Q3 2021	Year Ending Q3 2022	% Change	Year Ending Q3 2021	Year Ending Q3 2022	% Change
	£ millions			£ millions		
Total Exports by SITC Section						
0 Food and Live Animals	£1,630	£1,865	14.4%	£13,743	£15,094	9.8%
1 Beverages and Tobacco	£105	£107	1.9%	£6,942	£8,629	24.3%
2 Crude Materials	£1,576	£1,895	20.2%	£9,054	£10,310	13.9%
3 Mineral Fuels	£226	£385	70.4%	£23,286	£46,320	98.9%
4 Animal and Vegetable Oils	£82	£64	-22.0%	£556	£758	36.3%
5 Chemicals	£3,056	£3,330	9.0%	£52,063	£59,893	15.0%
6 Manufactured Goods	£4,557	£5,511	20.9%	£35,720	£41,214	15.4%
7 Machinery and Transport	£30,082	£33,464	11.2%	£110,880	£122,477	10.5%
8 Miscellaneous Manufactures	£4,334	£4,607	6.3%	£38,805	£40,674	4.8%
9 Other commodities nes	£53	£8	-84.9%	£15,178	£14,133	-6.9%
Total Exports	£45,702	£51,236	12.1%	£306,227	£359,502	17.4%
Total Imports by SITC Section						
0 Food and Live Animals	£5,618	£6,188	10.1%	£38,606	£45,015	16.6%
1 Beverages and Tobacco	£462	£578	25.1%	£6,486	£7,687	18.5%
2 Crude Materials	£1,590	£1,766	11.1%	£14,696	£15,242	3.7%
3 Mineral Fuels	£691	£2,276	229.4%	£36,456	£103,445	183.8%
4 Animal and Vegetable Oils	£174	£227	30.5%	£1,545	£2,382	54.2%
5 Chemicals	£4,778	£5,661	18.5%	£59,271	£72,763	22.8%
6 Manufactured Goods	£10,912	£12,822	17.5%	£60,791	£66,292	9.0%
7 Machinery and Transport	£26,300	£32,247	22.6%	£157,575	£180,903	14.8%
8 Miscellaneous Manufactures	£9,789	£10,600	8.3%	£72,206	£80,928	12.1%
9 Other commodities nes	£22	£4	-81.8%	£6,154	£15,255	147.9%
Total Imports	£60,338	£72,370	19.9%	£453,787	£589,911	30.0%

Country Group

- The highest value of goods exports from the Midlands area was to the EU at £24.6bn, accounting for 48.1% of the total. The value of goods exports to the EU has increased by nearly £2.5bn (+11.2%) from the year ending Q3 2021, lower than the UK-wide rate of 24.0%.
- The one Country Group where goods exports from the Midlands declined from the year ending Q3 2021 was Eastern Europe (excl. EU) by £234m (-25.2%) to £685m whereas imports to the Midlands increased by £185m (+39.4% to £654m) from the Eastern Europe (excl. EU).
- The highest value of imports to the Midlands area was from the EU at £39.7bn, which accounted for 54.8% of the total. This was an increase of £6.3bn (+19.0%) when compared to the year ending Q3 2021.

The following tables shows a breakdown of exports and imports by Country Group and the percentage change between the year ending Q3 2021 and the year ending Q3 2022:

Exports by Country Group	Midlands			UK		
	Year Ending Q3 2021	Year Ending Q3 2022	% Change	Year Ending Q3 2021	Year Ending Q3 2022	% Change
	£ millions			£ millions		
Asia & Oceania	£8,931	£10,372	16.1%	£52,127	£57,728	10.7%
Eastern Europe (excl EU)	£919	£685	-25.5%	£5,625	£4,788	-14.9%
European Union	£22,172	£24,645	11.2%	£150,870	£187,014	24.0%
Latin America and Caribbean	£611	£761	24.5%	£4,260	£5,822	36.7%
Middle East and North Africa (excl EU)	£2,021	£2,779	37.5%	£14,096	£18,231	29.3%
North America	£8,565	£9,471	10.6%	£49,854	£55,897	12.1%
Sub-Saharan Africa	£694	£728	4.9%	£4,999	£5,893	17.9%
Western Europe (excl. EU)	£1,784	£1,789	0.3%	£13,934	£15,618	12.1%
Undefined Country Group	£4	£6	50.0%	£10,461	£8,511	-18.6%
Total Exports	£45,702	£51,236	12.1%	£306,227	£359,502	17.4%
Imports by Country Group						
Asia & Oceania	£16,993	£19,526	14.9%	£113,119	£120,019	6.1%
Eastern Europe (excl EU)	£469	£654	39.4%	£8,251	£7,457	-9.6%
European Union	£33,323	£39,659	19.0%	£226,105	£285,786	26.4%
Latin America and Caribbean	£979	£1,304	33.2%	£5,417	£9,596	77.1%
Middle East and North Africa (excl EU)	£1,144	£1,658	44.9%	£10,289	£25,510	147.9%
North America	£3,910	£5,081	29.9%	£39,974	£57,502	43.8%
Sub-Saharan Africa	£722	£890	23.3%	£8,183	£10,016	22.4%
Western Europe (excl. EU)	£2,797	£3,600	28.7%	£37,479	£67,853	81.0%
Undefined Country Group				£4,971	£6,172	24.2%
Total Imports	£60,338	£72,370	19.9%	£453,787	£589,911	30.0%