

UK Regional Trade in Goods Statistics: Year Ending Q3 2023¹; Midlands Analysis

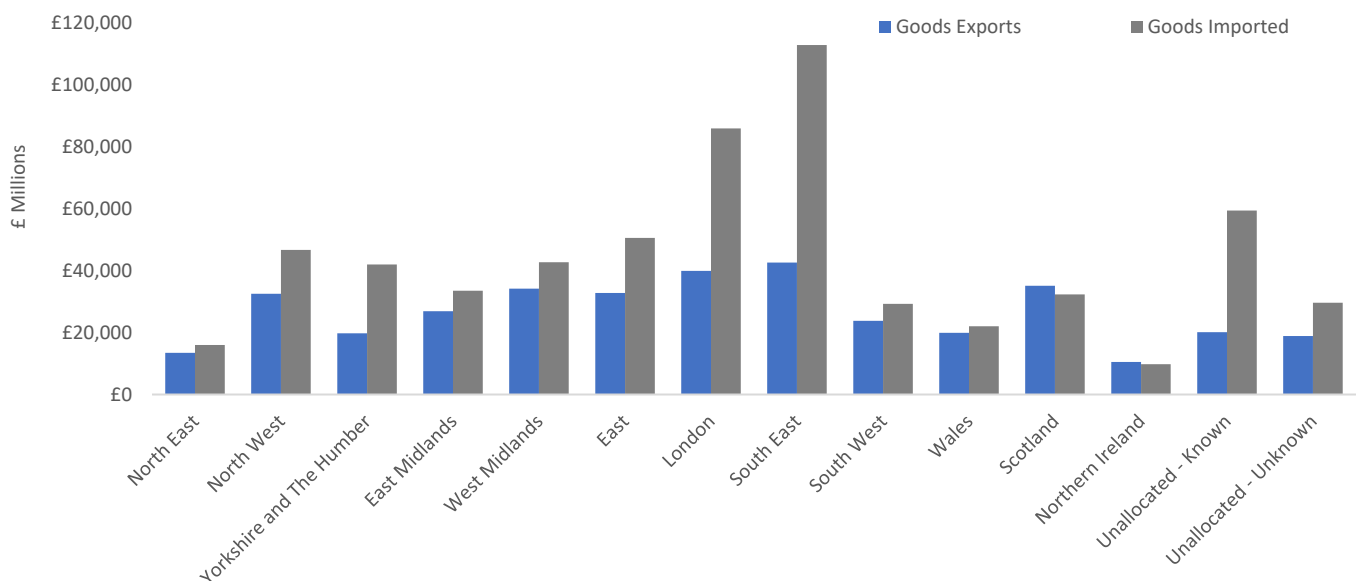
Key Points:

- In the year ending Q3 2023, the Midlands area exported £61.0bn worth of goods and imported £76.1bn. This represents a trade in goods deficit of £15.1bn, a decrease from the trade deficit in the year ending Q3 2022 which was £21.1bn.
- Goods exports from the Midlands area increased by £9.8bn (+19.0%) since the year ending Q3 2022. The UK increased by a slower rate, by 2.7% to £370.0bn.
- Goods imports to the Midlands area increased by £3.7bn (+5.1%) since year ending Q3 2022. UK-wide total imports increased by 2.2% to £611.8bn.
- The Midlands area accounted for 23.0% of England’s exports which was above London (15.0%) and the South East (16.0%).
- The largest SITC section for goods exports in the Midlands area was machinery and transport at £42.5bn – 69.6% of total; of which £26.1bn (61.4%) went to non-EU locations. Since the year ending Q3 2022, overall, this SITC section increased by £9.0bn (+26.9%), reflecting a recovery in the automotive sector and wider manufacturing industry.
- By country group, the highest value of goods exports from the Midlands area was to the EU at £26.9bn, accounting for 44.1% of the total. The value of goods exports to the EU has increased by £2.2bn (+9.1%) since the year ending Q3 2022.

In Detail:

- In the year ending Q3 2023, the Midlands area exported £61.0bn worth of goods and imported £76.1bn. This represents a trade in goods deficit of £15.1bn, a decrease from the trade deficit in the year ending Q3 2022 which was £21.1bn.
- In the year ending Q3 2023, the West Midlands exported £34.1bn worth of goods and imported £42.7bn – a trade in goods deficit of £8.5bn. The East Midlands exported £26.9bn worth of goods and imported £33.5bn – a trade in goods deficit of £6.6bn.

The following chart shows the value of goods imported and exported by region in the year ending Q3 2023:

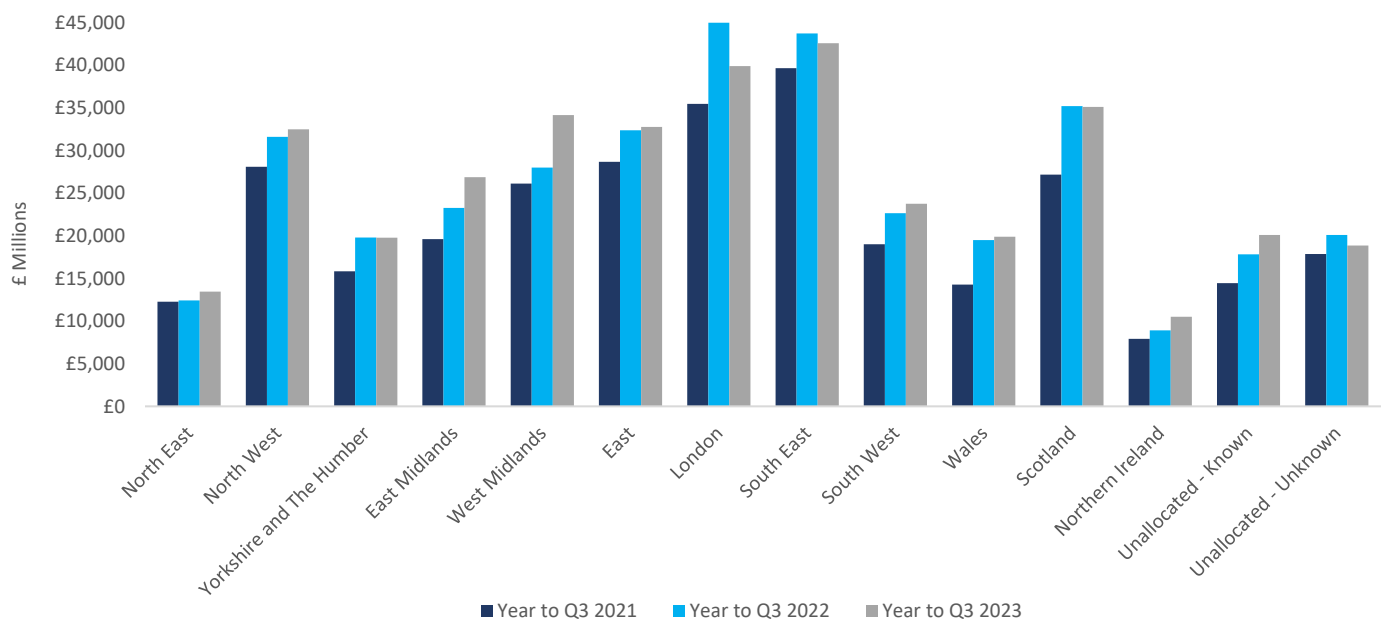


¹ Source: HM Revenue & Customs, UK Regional Trade in Goods Statistics Quarter 3 2023 – Released December 2023.

Goods Exported

- In the year ending Q3 2023, goods exports from the Midlands area were worth £61.0bn which has increased by £9.8bn (+19.0%) since the year ending Q3 2022. The UK increased by a slower rate, by 2.7% to £370.0bn.
- Since the year ending Q3 2022, the West Midlands region goods exports increased by nearly £6.2bn (+22.0%) to £34.1bn in the year ending Q3 2023. East Midlands goods exports increased by £3.6bn (+15.5%) to £26.9bn in the year ending Q3 2023.
- As seen in the chart below, there was a mixed picture for annual change across the regions. Notably, the West Midlands region had the highest annual percentage increase.
- The Midlands area accounted for 23.0% of England’s exports (12.9% West Midlands and 10.1% East Midlands) which was above London (15.0%) and the South East (16.0%).

The following chart shows UK exports by region, for the year ending Q3 2021, Q3 2022 and Q3 2023:

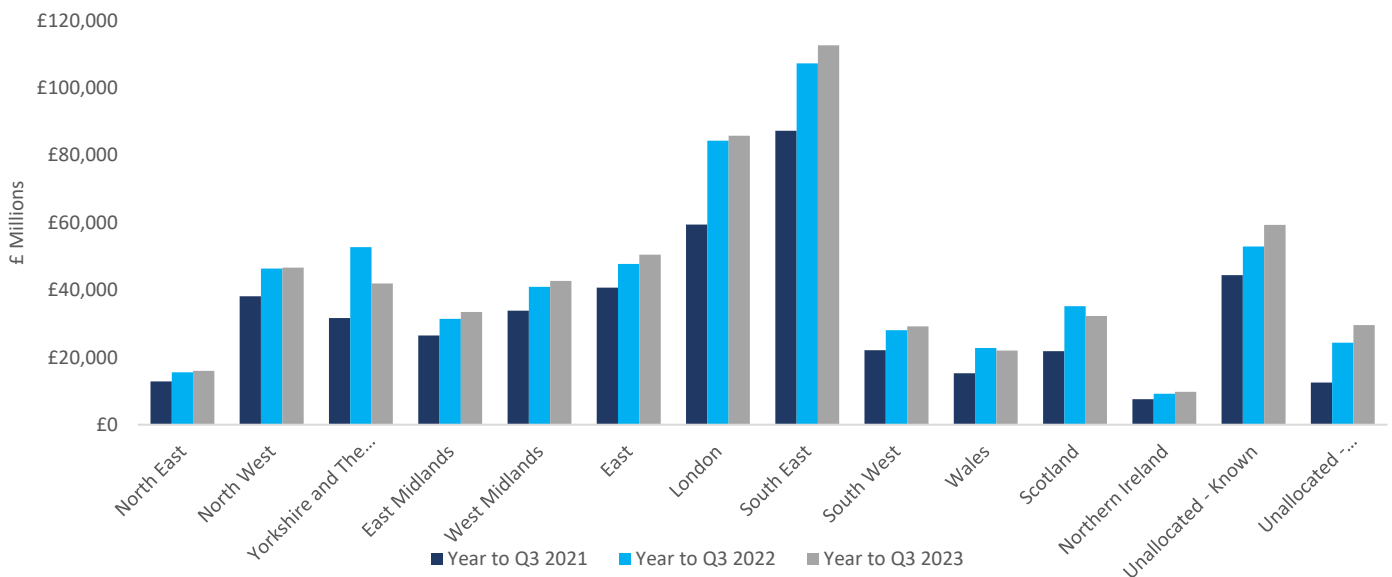


- Quarterly analysis shows that when comparing Q3 2023 to Q2 2023, total goods exports from the Midlands decreased by £828m (-5.3%, UK -4.0%) to £14.9bn. The West Midlands decreased by £607m (-6.9%) and the East Midlands decreased by £221m (-3.2%).
 - EU exports from the Midlands decreased by £340m (-4.9%, UK -2.2%); the West Midlands decreased by £221m (-5.8%) and the East Midlands decreased by £119m (-3.8%).
 - Non-EU exports from the Midlands decreased by £487m (-5.5%, UK -5.7%); the West Midlands decreased by £385m (-7.8%) and the East Midlands decreased by £102m (-2.6%).
- Quarterly analysis shows that when comparing Q3 2023 to Q3 2022, total exports from the Midlands increased by £1.0bn (+7.5%, UK -10.2%); the West Midlands increasing by £721m (+9.7%) and the East Midlands increasing by £320m (+5.0%).
 - EU exports from the Midlands increased by £113m (+1.8%, UK -13.9%). The West Midlands increased by £257m (+7.8%), whereas the East Midlands decreased by £144m (-4.6%).
 - Non-EU exports from the Midlands increased by £930m (+12.6%, UK -6.0%) as the West Midlands increased by £465 (+11.3%) and the East Midlands also increased by £465m (+14.1%).

Goods Imported

- In the year ending Q3 2023, goods imports to the Midlands area were worth £76.1bn, an increase of £3.7bn (+5.1%) since year ending Q3 2022. UK-wide total imports increased by 2.2% to £611.8bn.
- Since the year ending Q3 2022, the value of West Midlands region goods imports increased by £1.7bn (+4.2%) to £42.7bn in the year ending Q3 2023. East Midlands imports increased by £2.0bn (+6.3%) to £33.5bn in the year ending Q3 2023.

The following chart shows UK goods imports by region, for the year ending Q3 2021, Q3 2022 and Q3 2023:



- Quarterly analysis shows that when comparing Q3 2023 to Q2 2023, total imports to the Midlands decreased by £1.5bn (-7.9%, UK -6.7%). The West Midlands decreased by £791m (-7.3%) and the East Midlands decreased by £757m (-8.8%).
 - EU imports to the Midlands decreased by £865m (-7.6%, UK -6.2%). The West Midlands decreased by £430m (-6.5%) and the East Midlands decreased by £434m (-9.1%).
 - Non-EU imports to the Midlands decreased by £684m (-8.4%, UK -7.3%). The West Midlands decreased by £361m (-8.4%) and the East Midlands increased by £323m (-8.4%).
- Quarterly analysis shows that when comparing Q3 2023 to Q3 2022, total imports to the Midlands decreased by £90m (-0.5%, UK -10.3%). The West Midlands increased by £185m (+1.9%) whereas the East Midlands decreased by £275m (-3.4%).
 - EU imports to the Midlands increased by £728m (+7.4%, UK +2.5%). The West Midlands increased by £687m (+12.5%) and the East Midlands increased by £41m (+1.0%).
 - Non-EU imports to the Midlands decreased by £817m (-9.9%, UK -22.0%). The West Midlands decreased by £502m (-11.4%) and the East Midlands decreased by £315m (-8.2%).

Standard International Trade Classification (SITC)

- The total value of goods exports in four of the ten SITC sections increased for the Midlands since the year ending Q3 2022. The sections that increased were food & live animals, manufactured goods, machinery & transport and miscellaneous manufactures.

- The largest SITC section for goods exports in the Midlands area was machinery and transport at £42.5bn – 69.6% of total; of which £26.1bn (61.4%) went to non-EU locations. Since the year ending Q3 2022, overall, this SITC section increased by £9.0bn (+26.9%), reflecting a recovery in the automotive sector and wider manufacturing industry.
- 9.5% (£5.8bn) of goods exported from the Midlands area were manufactured goods, (of which 59.8% of the section total, or £3.5bn went to the EU). This was followed by 8.8% (£5.4bn) for miscellaneous manufactures (of which 51.0% or £2.7bn went to EU locations).
- The total value of imports in seven of the ten SITC sections decreased (and a further 1 was the same amount) for the Midlands when compared to the year ending Q3 2022. The two SITC sections that increased were food & live animals and machinery & transport.
- The largest SITC section for goods imports to the Midlands area was machinery & transport at £37.9bn, which is 49.7% of total imports (of which 59.7% or £22.6bn of imports for this section was from the EU). This section overall has increased since the year ending Q3 2022 by £5.6bn (+17.4%).
- 16.1% (£12.2bn) of goods imported to the Midlands area were manufactured goods in the year ending Q3 2023, a decrease of nearly £588m (-4.6%) since the year ending Q3 2022.

The following table shows a breakdown of goods exported and imported by SITC section and the percentage change between year ending Q3 2022 and Q3 2023:

Figures in Millions	Midlands Region			UK		
	Year to Q3 2022	Year to Q3 2023	% Change	Year to Q3 2022	Year to Q3 2023	% Change
Total Exports by SITC Section						
0 Food and Live Animals	£1,866	£1,972	5.7%	£15,123	£15,923	5.3%
1 Beverages and Tobacco	£107	£96	-10.3%	£8,630	£8,982	4.1%
2 Crude Materials	£1,895	£1,659	-12.5%	£10,315	£9,004	-12.7%
3 Mineral Fuels	£385	£311	-19.2%	£46,984	£38,439	-18.2%
4 Animal and Vegetable Oils	£64	£49	-23.4%	£759	£656	-13.6%
5 Chemicals	£3,330	£3,265	-2.0%	£59,768	£60,504	1.2%
6 Manufactured Goods	£5,514	£5,790	5.0%	£41,228	£34,483	-16.4%
7 Machinery and Transport	£33,468	£42,478	26.9%	£122,537	£144,824	18.2%
8 Miscellaneous Manufactures	£4,607	£5,374	16.6%	£40,684	£42,866	5.4%
9 Other commodities nes	£8	£7	-12.5%	£14,131	£14,299	1.2%
Total Exports	£51,246	£61,001	19.0%	£360,159	£369,979	2.7%
Total Imports by SITC Section						
0 Food and Live Animals	£6,192	£6,620	6.9%	£45,148	£50,069	10.9%
1 Beverages and Tobacco	£578	£557	-3.6%	£7,692	£8,188	6.4%
2 Crude Materials	£1,766	£1,559	-11.7%	£15,246	£13,386	-12.2%
3 Mineral Fuels	£2,282	£1,716	-24.8%	£104,208	£85,090	-18.3%
4 Animal and Vegetable Oils	£227	£199	-12.3%	£2,347	£2,265	-3.5%
5 Chemicals	£5,671	£5,332	-6.0%	£72,784	£70,074	-3.7%
6 Manufactured Goods	£12,821	£12,233	-4.6%	£66,328	£62,839	-5.3%
7 Machinery and Transport	£32,254	£37,860	17.4%	£188,895	£219,521	16.2%
8 Miscellaneous Manufactures	£10,600	£10,038	-5.3%	£80,970	£79,527	-1.8%
9 Other commodities nes	£4	£4	0.0%	£15,255	£20,856	36.7%
Total Imports	£72,395	£76,118	5.1%	£598,874	£611,815	2.2%

Country Group

- The highest value of goods exports from the Midlands area was to the EU at £26.9bn, accounting for 44.1% of the total. The value of goods exports to the EU has increased by £2.2bn (+9.1%) since the year ending Q3 2022.
- The highest value of imports to the Midlands area was from the EU at £44.2bn, which accounted for 58.0% of the total. Goods imports from the EU increased by £4.5bn (+11.3%) when compared to the year ending Q3 2022.
- There were two Country Groups where goods exports from the Midlands slightly declined from the year ending Q3 2022, which were Eastern Europe (excl. EU) by £38m (-5.5%) to £647m and Sub-Saharan Africa by £1m (-0.1%) to £727m. While there were declines in imports to the Midlands from five Country Groups: Asia & Oceania, Eastern Europe (excl. EU), Latin America & Caribbean, Sub-Saharan Africa and Western Europe (excl. EU).

The following tables shows a breakdown of goods exported and imported by Country Group and the percentage change between year ending Q3 2022 and Q3 2023:

Figures in Millions	Midlands Region			UK		
	Year to Q3 2022	Year to Q3 2023	% Change	Year to Q3 2022	Year to Q3 2023	% Change
Exports by Country Group						
Asia & Oceania	£10,373	£13,952	34.5%	£57,728	£57,346	-0.7%
Eastern Europe (excl EU)	£685	£647	-5.5%	£4,788	£4,073	-14.9%
European Union	£24,651	£26,891	9.1%	£187,766	£188,658	0.5%
Latin America and Caribbean	£761	£878	15.4%	£5,821	£5,955	2.3%
Middle East and North Africa (excl EU)	£2,779	£3,674	32.2%	£18,126	£22,083	21.8%
North America	£9,473	£12,209	28.9%	£55,894	£63,238	13.1%
Sub-Saharan Africa	£728	£727	-0.1%	£5,892	£5,813	-1.3%
Western Europe (excl. EU)	£1,789	£2,016	12.7%	£15,632	£15,446	-1.2%
Undefined Country Group	£6	£7	16.7%	£8,511	£7,368	-13.4%
Total Exports	£51,246	£61,001	19.0%	£360,159	£369,979	2.7%
Imports by Country Group						
Asia & Oceania	£19,526	£19,057	-2.4%	£127,676	£122,566	-4.0%
Eastern Europe (excl EU)	£654	£251	-61.6%	£7,557	£1,945	-74.3%
European Union	£39,679	£44,160	11.3%	£286,245	£318,813	11.4%
Latin America and Caribbean	£1,304	£1,115	-14.5%	£9,596	£8,463	-11.8%
Middle East and North Africa (excl EU)	£1,662	£1,740	4.7%	£25,549	£20,624	-19.3%
North America	£5,081	£5,532	8.9%	£57,509	£68,339	18.8%
Sub-Saharan Africa	£890	£856	-3.8%	£10,016	£9,837	-1.8%
Western Europe (excl. EU)	£3,600	£3,406	-5.4%	£68,553	£52,781	-23.0%
Undefined Country Group	-	-		£6,172	£8,446	36.8%
Total Imports	£72,395	£76,118	5.1%	£598,874	£611,815	2.2%