

#### About this release

This release provides a summary of the UK's trade in goods exports and imports in 2020, with a focus on the largest trading partners and commodities, and comparisons with 2019 trade.

Supporting tables, visuals and data can be found at uktradeinfo.

#### In this publication

• 2020 Exports p.2

Country analysis

Commodity analysis

• 2020 Imports p.5

Country analysis

Commodity analysis

• Methodology notes p.8



Supplement to the UK Overseas Trade in Goods Statistics December 2020 publication

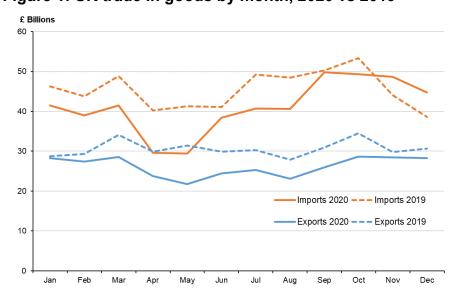
Coverage: United Kingdom Theme: Business and Energy Released: 12th February 2021 Next release: February 2022

# **UK Overseas Trade in Goods Statistics Summary of 2020 Trade in Goods**

#### Summary of Trade in Goods - 2020

- Total **exports** of goods in 2020 were £314 billion. This was a decrease of £53.6 billion (15%) compared with 2019.
- Total imports of goods in 2020 were £493 billion. This was a decrease of £52.3 billion (9.6%) compared with 2019.
- The UK was a net importer in 2020, with imports exceeding exports by £179 billion. This was a widening of the trade in goods gap by £1.3 billion on 2019.
- Due to the COVID-19 pandemic, trade in goods in 2020 experienced significant decreases, affecting our largest trade partners and commodity groups at differing magnitudes, although more recent months have shown some recovery.

Figure 1: UK trade in goods by month, 2020 vs 2019



Source: HM Revenue & Customs Overseas Trade in Goods Statistics

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## 2020 Exports: Country Analysis

- The USA remained the UK's largest export partner in 2020, despite experiencing the largest value decrease on 2019, down £12.7 billion (22%). This was led by decreases in Motor vehicles, down £3.3 billion (38%), and Art and Antiques, down £2.6 billion (50%).
- Switzerland experienced the largest value increase on 2019, up £3.1 billion (26%). This was dominated by an increase in Precious metals, up £4.8 billion (81%), partially offset by a decrease in Art and Antiques, down £1.2 billion (53%).
- China experienced the 2nd largest value decrease on 2019, down £9.1 billion (39%). This was dominated by decreases in Precious metals and Mineral fuels, down £5.3 billion (78%) and £2.8 billion (62%) respectively.
- France experienced the 3rd largest value decrease on 2019, down £5.9 billion (24%). This was led by decreases in Aircraft, down £1.5 billion (38%), and Precious metals, down £0.9 billion (63%).

- ↓ Exports to the USA down 22% on 2019
- ↓ Exports toChina down39% on 2019

Table 1: UK Exports of goods to the top 10 partner countries, 2020

Partner Country	2020 Total (£ billions)	2019 Total (£ billions)	Change on 2019 (%)	
USA	44.7	57.4	-22.1	
Germany	32.6	36.5	-10.7	
Republic of Ireland	21.8	22.1	-1.1	
Netherlands	19.8	23.9	-17.1	
France	18.9	24.8	-23.7	
Switzerland	15.2	12.1	25.6	
China	14.5	23.6	-38.7	
Belgium	10.8	13.1	-17.6	
Spain	8.8	10.8	-18.5	
Italy	8.7	10.1	-13.1	
Others	118.1	133.3	-11.4	
Total Non-EU	166.6	197.1	-15.5	
Total EU	147.4	170.5	-13.6	
Total Exports	314.0	367.6	-14.6	

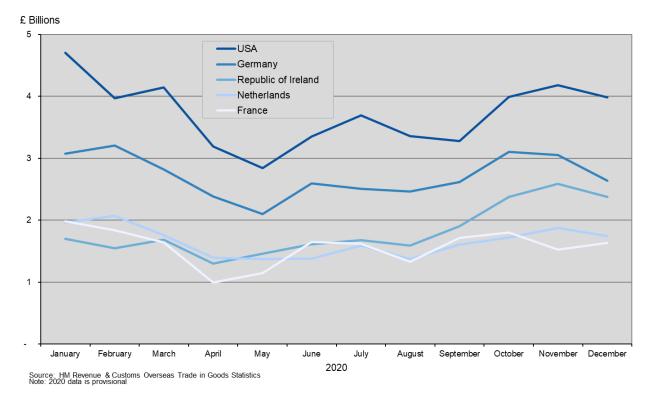
Source: HM Revenue & Customs Overseas Trade in Goods Statistics

# 2020 Exports: Country Analysis

- The USA remained the largest export partner country throughout 2020, experiencing a monthly peak in January 2020 of £4.7 billion.
- In 2020, the USA accounted for 14% of the total value of UK exports, down from 16% in 2019.
- The top 5 export partner countries accounted for 44% of total exports of goods in 2020, this dropped from a 45% share in 2019.
- The order of top 10 export partners (ranked by value) changed compared with 2019. Most notably, the Republic of Ireland rose to 3rd place from 6th, whilst France fell to 5th place from 3th.

↓ The USA accounted for 14% of total exports in 2019

Figure 2: UK Exports of goods to the top 5 partner countries, 2020



### 2020 Exports: Commodity Analysis

- Mechanical appliances remained the UK's largest export commodity in 2020, despite experiencing the 3rd largest value decrease on 2019, down £10.0 billion (17%). This was due to decreases with numerous partner countries, including the USA, down £2.1 billion (21%), and the UAE, down £0.9 billion (39%).
- Motor vehicles experienced the largest value decrease compared with 2019, down £11.1 billion (28%). There were decreases to several partner countries, including the USA, down £3.3 billion (38%), and Germany, down £1.0 billion (28%).
- Mineral fuels experienced the 2nd largest value decrease compared with 2019, down £10.8 billion (34%). This was led by decreases to several partner countries, including China and the Netherlands with falls of £2.8 billion (62%), and £1.7 billion (18%) respectively.
- Precious metals saw the largest value increase on 2019, up £1.0 billion (3.0%). This was led by increases to Switzerland, up £4.8 billion (81%), Canada, up £2.0 billion (from £0.1 billion), and Germany, up £1.7 billion (doubling in value). The overall increase was offset by decreases to several partner countries, including China, which fell by £5.3 billion (78%).

- ↓ Exports of Motor vehicles down 28% on 2019
- ↓ Exports of Mineral fuels down 34% on 2019

Table 2: UK Exports of goods by the top 10 commodities, 2020

Commodity Description	2020 Total (£ billions)		2019 Total (£ billions)	Change from 2019 (%)
Mechanical appliances	47.5		57.5	-17.5
Precious metals	34.1		33.1	3.0
Motor vehicles	28.5		39.6	-28.1
Mineral fuels	20.9		31.7	-34.1
Electronic equipment	19.7		22.4	-12.0
Pharmaceutical products	19.4		21.3	-8.7
Measuring devices and gauges	13.9		15.6	-11.4
Aircraft	10.3		14.4	-28.7
Organic chemicals	9.9		9.9	0.0
Other products	9.2		8.8	4.7
Others	100.6		113.2	-11.1
Total Exports	314.0		367.6	-14.6

Source: HM Revenue & Customs Overseas Trade in Goods Statistics

## 2020 Imports: Country Analysis

- Germany remained the UK's largest import partner in 2019, despite experiencing the largest value decrease on 2019, down £9.9 billion (15%). This decrease was led by a fall in Motor vehicles, down £4.9 billion (24%).
- Switzerland (ranked 14th) experienced the 2nd largest value decrease on 2019, down £9.7 billion (47%). The fall was dominated by a decrease in Precious metals, down £9.1 billion (58%).
- Hong Kong experienced the largest value increase on 2019, up £8.1 billion (97%). This was dominated by an increase in Precious metals, up £8.1 billion (more than 5 times the value).
- Russia experienced the 2nd largest value increase compared with 2019, up £7.9 billion (70%). This was dominated by an increase in Precious metals, up £10.0 billion (tripling in value).
- ↓ Imports from Germany down 15% on 2019
- ↓ Imports from Switzerland down 47% on 2019

Table 3: UK Imports of goods from the top 10 partner countries, 2020

Partner Country	2020 Total (£ billions)	2019 Total (£ billions)	Change from 2019 (%)	
Germany	57.1	67.0	-14.8	
China	53.4	46.4	15.2	
USA	45.2	51.1	-11.5	
Netherlands	35.9	42.6	-15.7	
France	22.6	29.9	-24.5	
Belgium	22.3	25.4	-12.0	
Russia	19.0	11.2	70.5	
Italy	17.7	20.3	-13.0	
Hong Kong	16.4	8.3	97.0	
Spain	14.3	16.8	-14.6	
Others	189.2	226.6	-16.5	
Total Non-EU	264.3	275.6	-4.1	
Total EU	229.0	269.9	-15.2	
Total Imports	493.3	545.6	-9.6	

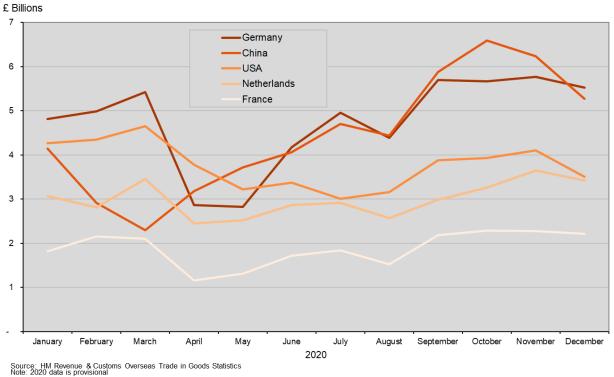
Source: HM Revenue & Customs Overseas Trade in Goods Statistics

# 2020 Imports: Country Analysis

- In 2020, the UK's largest monthly import partner alternated between Germany, China and the USA. China saw the largest monthly import value, peaking in October 2020 at £6.6 billion.
- Germany accounted for 12% of the total value of UK imports in 2020, a decrease of less than 1 percentage point on 2019.
- The top 5 import partner countries accounted for 43% of total imports of goods in 2020, a decrease of less than 1 percentage point on 2019.
- The top 10 import partners (ranked by value) changed compared with 2019. Most notably, Russia rose to 7th place from 14th whilst Hong Kong rose to 9th place from 18th.

**↓** Germany accounted for 12% of total imports in 2020

Figure 3: UK Imports of goods from the top 5 partner countries, 2020



### 2020 Imports: Commodity Analysis

- Precious metals remained the UK's largest import commodity in 2020. It experienced the largest value increase on 2019, up £14.5 billion (21%). This was largely due to increases from Russia, up £10.0 billion (tripling in value) and Hong Kong, up £8.1 billion (more than 5 times the value). The overall increase was offset by a large decrease from Switzerland, down £9.1 billion (58%).
- Mineral fuels experienced the largest value decrease compared with 2019, down £17.6 billion (40%). This was due to decreases from several countries, including Norway, down £4.6 billion (35%), and Russia, down £2.0 billion (40%).
- Motor vehicles saw the 2nd largest decrease on 2019, down £13.5 billion (23%). This was due to decreases from several countries, led by Germany, and France, down £4.9 billion (24%) and £1.4 billion (34%) respectively.
- Mechanical appliances experienced the 3rd largest decrease compared with 2019, down £11.4 billion (17%). This was led by decreases from the USA, and Germany, down £3.0 billion (26%) and £1.9 billion (19%) respectively.

- ↑ Imports of Precious metals up 21% on 2019
- ↓ Imports of Mineral fuels down 40% on 2019

Table 4: UK Imports of goods by the top 10 commodities, 2020

Commodity Description	2020 Total (£ billions)		2019 Total (£ billions)	Change from 2019 (%)
Precious metals	84.3		69.7	20.9
Mechanical appliances	55.0		66.4	-17.2
Motor vehicles	45.2		58.7	-23.0
Electronic equipment	43.7		48.7	-10.3
Mineral fuels	26.4		44.0	-40.1
Pharmaceutical products	20.3		22.0	-7.6
Measuring devices and gauges	14.8		15.1	-2.2
Plastics and plastic products	14.3		15.0	-4.9
Knitwear	9.3		9.4	-1.3
Clothes, not knitted	8.7		10.2	-15.5
Others	171.5		186.3	-8.0
Total Imports	493.3		545.6	-9.6

Source: HM Revenue & Customs Overseas Trade in Goods Statistics

### **Methodology Notes**

#### Metadata

Data behind this bulletin is available through our <u>uktradeinfo</u> web site:

- Detailed Trade Statistics data at 8-digit commodity code level is available in our interactive database.
- Aggregate OTS data is available in pre-prepared Excel tables.

#### **Data sources**

The **EU figures** provided in this publication of the 2020 Overseas Trade in Goods Statistics are collected from the Intrastat survey. They include:

- Estimates for businesses who have yet to submit detailed data on the trade they had with other EU
  Member States this month.
- Estimates for businesses who do not have to submit detailed data on the trade they have with other EU Member States.
- An adjustment for trade associated with Missing Trader Intra Community fraud. More details of this can be found in the OTS methodology paper <a href="here">here</a>.

Estimates are included in all high-level totals including commodity (HS2) and country totals.

The **Non-EU figures** provided in this publication of the 2020 Overseas Trade in Goods Statistics are presented by customs declarations and collected by the CHIEF (Customs Handling of Import and Export Freight) system. From August 2020 month of account, import declarations collected via the Customs Declaration Service (CDS) are also included.

These data sources remain unchanged as trade conducted in 2020 was within the Transition Period.

Detailed trade information is presented according to the Harmonised System (HS) nomenclature.

#### Methodology

This methodology paper covers all aspects of the Overseas Trade Statistics methodology – data sources, classifications and definitions, quality assurance, publications and governance. It is a useful companion to the trade data, providing the definitions and methodologies on which the data are based. The Overseas Trade Statistics Methodology paper (October 2019) is available here.

From the May 2016 month of account, there was a methodological change to the way our trade-in-goods statistics are compiled. Following a change in legislation, trade-in-goods statistics switched from the 'general trade' system of compilation to the 'special trade' system. More information can be found in the OTS methodology paper <a href="here">here</a>.

Non-Monetary Gold (NMG) can form a substantial part of the non-EU Overseas Trade Statistics (OTS). For further information, see <u>Inclusion of Non-Monetary Gold in OTS</u>. Data relating to monthly non-EU and EU import and export totals for January 2008 onwards with a breakdown of non-monetary gold and other trade is available in an <u>OTS time series spreadsheet</u>.

### **Methodology Notes**

#### Relationship with other statistical publications

The aggregate estimates here will differ slightly from those that are published by the Office for National Statistics (ONS) as part of the Balance of Payments (BoP), as the 2 sets of data are compiled to different sets of rules. The ONS web site provides an overview of <u>BoP</u>, where you can find their detailed monthly <u>UK Trade Releases</u>. The BoP publication shows a high-level picture of UK trade-in-goods, whereas the OTS publication shows a detailed picture of the UK's trade-in-goods by commodity and partner country.

The aggregate estimates here will differ from the Eurostat publication <u>Euro area external trade</u>. The OTS was published up until the May 2016 month of account as 'general trade' based upon goods recorded as they enter or leave the UK. This will include goods imported into and exported from a freezone or customs warehouse, regardless of their future use. The Eurostat EU external trade data are published as 'special trade' where goods are recorded as trade only when they enter free circulation or are declared to specific Customs regimes such as Inward Processing (IP) or Processing under Customs Control (PCC). Imports from a free zone or customs warehouse are similarly recorded in 'special trade'.

#### **National Statistics Publication**

HM Revenue & Customs released these latest statistics on Overseas Trade with countries on 12 February 2021 under arrangements set out in the <u>Code of Practice for Official Statistics</u>.

This release includes the 1st provisional estimates of trade-in-goods between the UK and both countries of the EU and those outside the EU for December 2020. At the same time revisions for all previously published non-EU and EU data for 2020 are also being released in line with the <a href="HM Revenue & Customs Policy on Revisions">HM Revenue & Customs Policy on Revisions</a>. Please note, the 2020 figures in this release are provisional and subject to monthly updates until closure in June 2021. For the most up to date figures, please access the interactive database on UK Trade Info.

The OTS has been reviewed as part of an assessment made of Overseas Trade in Goods Statistics by the <u>UK</u> Statistics Authority. The report of that assessment can be found here.

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics. Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- are produced according to sound methods; and
- Are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

Now that the UK has left the EU, it is important that our statistics continue to be of high quality and are internationally comparable. As this release relates to December 2020 UK trade in goods, which was before the end of the transition period, these statistics were compiled in line with EU practices and rules. Future releases based on data from after the end of the transition period will continue to be produced in accordance with the UK Statistics Authority's Code of Practice for Statistics as well as internationally agreed statistical guidance and standards.