



Asymmetries in International Trade in Goods Statistics: UK measured against EU partners, 2018 to 2020

About this release

This release includes commentary on the asymmetries between the UK and its EU trading partners. Detailed tables of the asymmetries can be found at www.uktradeinfo.com

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Summary

- This release includes commentary on the asymmetries between the UK and the UK's top trading partners.
- Asymmetries are the differences between the published trade statistics of the reporting country and its partner countries. Each country collects data on their own international trade-in-goods for both imports and exports. Theoretically, the 'mirror flow' collected by the partner countries should match, i.e. one country's export should mirror the partner country's import. In reality, it is often the case that the figures do not match and this is referred to as 'asymmetry'.
- The total absolute asymmetry in 2020 between UK-reported exports to the EU and EU-reported imports from the UK was \$21.2 billion. The total absolute asymmetry was \$31.0 billion in 2018 and \$29.6 billion in 2019.
- The total absolute asymmetry in 2020 between UK-reported imports from the EU and EU-reported exports to the UK was \$30.3 billion. The total absolute asymmetry was \$39.6 billion in 2018 and \$36.4 billion in 2019.

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1. Introduction

Asymmetries are the differences between the published trade statistics of the reporting country and its partner countries. Each country collects data on their own international trade-in-goods for both imports and exports. Theoretically, the 'mirror flow' collected by the partner countries should match, i.e. one country's export should mirror the partner country's import. In reality, it is often the case that the figures do not match and this is referred to as 'asymmetry'.

For example, there may be a difference between what the United Kingdom (UK) records as imports from Croatia and what Croatia records as exports to the UK. This difference or asymmetry can be measured. Further information on how asymmetries are measured can be found in Annex 1: Measures of asymmetry.

There are numerous reasons for the occurrence of asymmetries, such as methodological discrepancies and misclassification of commodities among others. For more information on the causes of asymmetries, see HMRC's 2012 'Overview of Asymmetries' paper which can be found [here](#).

This paper is an asymmetry study covering trade in goods between the UK and EU Member States for the calendar years 2018, 2019, and 2020. For this release our source of data is UN Comtrade, the United Nations International Trade Statistics Database, rather than Eurostat's [Comext database](#) which has been used for previous EU Asymmetry releases. This is to align sources going forward across all releases in the asymmetry series; and also to ensure consistent, quality (accuracy and coverage) data throughout the time periods within individual releases.

As the data used in the compilation of this report has been extracted from UN Comtrade, all figures are in USD (\$), as published by UN Comtrade, for comparability. Additional tables supporting this paper can be found in the accompanying statistical dataset.

Up until the end of 2020, international trade-in-goods data detailing trade between the UK and EU Member States were collected via the Intrastat survey and controlled by EU Statistical legislation which aims to harmonise the classification and collection. This data was provided to UN Comtrade on a monthly basis and an average annual exchange rate is applied on an annual basis. This calculation weights the monthly rate with the monthly volume of trade for each country's dataset.

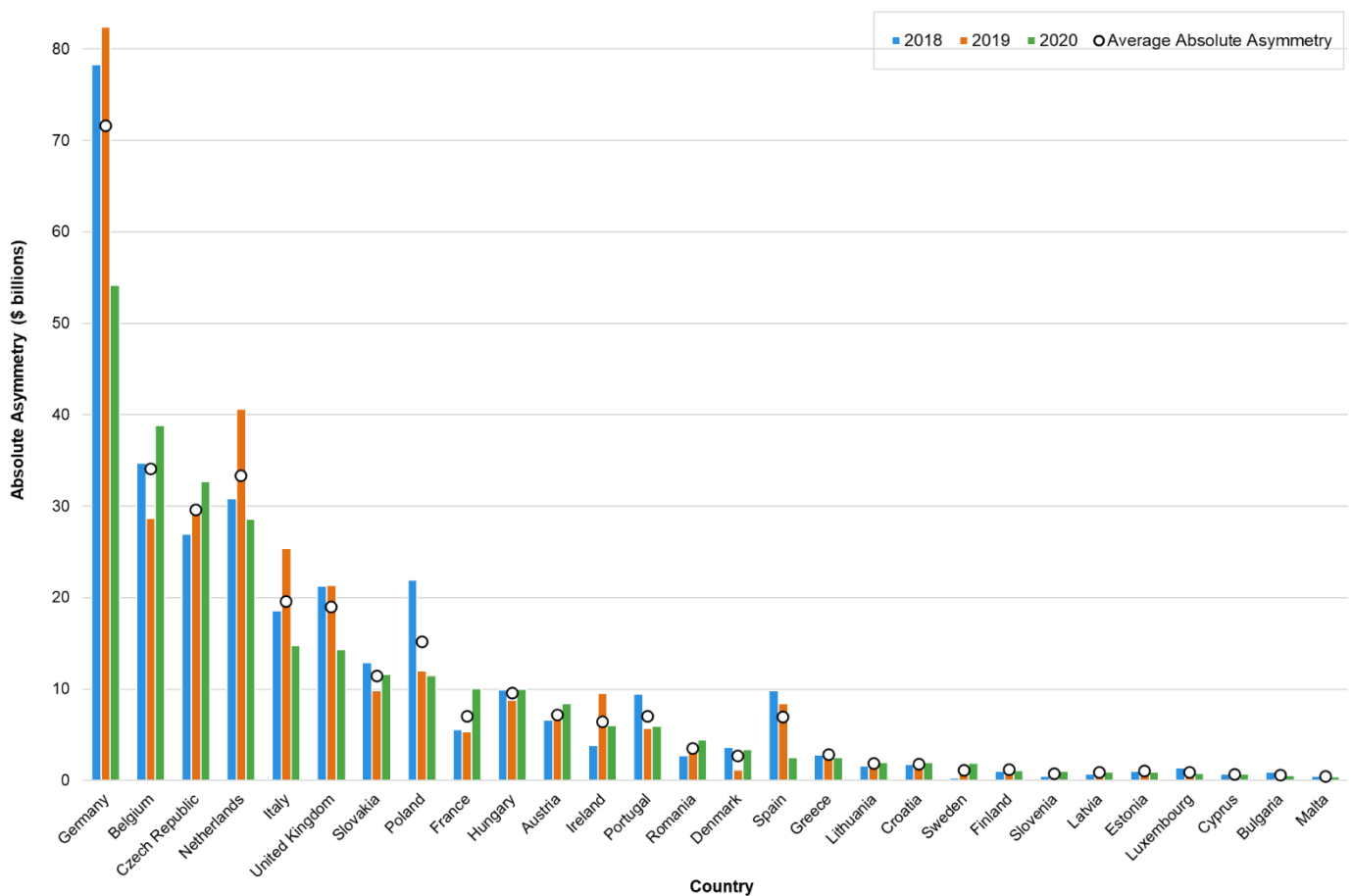
There are numerous measurements of asymmetries – in this report we will be using absolute asymmetry and share of absolute total asymmetry, and in the detailed dataset we will include relative asymmetry for expert users. To understand the definitions, calculations, and significance of each of these measurements, please see the explanations provided in Annex 1.

2. Trade in goods asymmetries between EU Member States, 2018-2020

This section explores the asymmetries of the UK and its EU trading partners, comparing each partner's trade flow against the mirror flow of the remaining 27 partner countries. This is shown in the diagram below.



Graph 1: Exports: Absolute asymmetries between EU Member States 2018 to 2020, sorted largest to smallest by 2020 absolute asymmetry.



The absolute asymmetries between EU Member States on the export flow 2018 to 2020 are as follows:

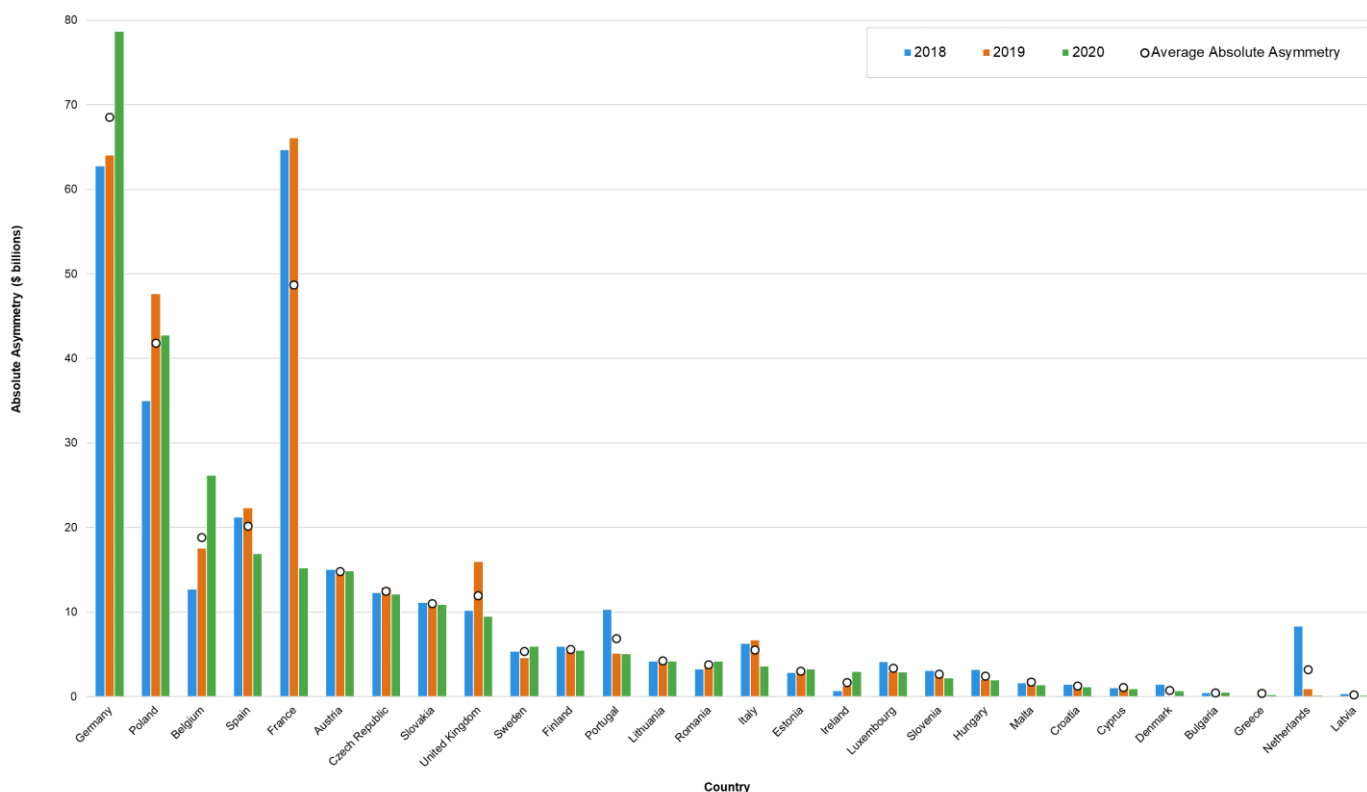
- Germany had the largest absolute asymmetry in 2020 at \$54.1 billion, despite experiencing the largest decrease over the 3 years, down from \$78.3 billion in 2018 and \$82.4 billion in 2019.
- Poland experienced the 2nd largest decrease in absolute asymmetry over the 3 years, down to \$11.5 billion in 2020 from \$21.9 billion in 2018 and \$12.0 billion in 2019.

- The Czech Republic experienced the largest increase in absolute asymmetry over the 3 years, up to \$32.7 billion in 2020 from \$26.9 billion in 2018 and \$29.3 billion in 2019.

The average annual trade values compared with the average absolute asymmetries between EU Member States on the export flow 2018 to 2020 are as follows:

- France, on average, contributed 8.6% (\$318 billion) of the total export value but only 2.3% (\$7.0 billion) of the total absolute asymmetry.
- Belgium, on average, contributed 5.9% (\$217 billion) of the total export value but 11% (\$34.1 billion) of the total absolute asymmetry.
- The Czech Republic, on average, contributed 4.5% (\$166 billion) of the total export value but 9.9% (\$29.6 billion) of the total absolute asymmetry.
- The United Kingdom, on average, contributed 5.7% (\$210 billion) of the total export value but 6.4% (\$19.0 billion) of the total absolute asymmetry.

Graph 2: Imports: Absolute asymmetries between EU Member States 2018 to 2020, sorted largest to smallest by 2020 absolute asymmetry.



The absolute asymmetries between EU Member States on the import flow 2018 to 2020 are as follows:

- France experienced the largest decrease in absolute asymmetry over the 3 years, down to \$15.2 billion in 2020 from \$64.7 billion in 2018 and \$66.1 billion in 2019.
- Germany had the largest absolute asymmetry in 2020 at \$78.7 billion. It experienced the largest increase over the 3 years, up from \$62.7 billion in 2018 and \$64.0 billion in 2019.
- Belgium had the 3rd largest absolute asymmetry in 2020 at \$26.2 billion. It experienced the 2nd largest increase over the 3 years, up from \$12.7 billion in 2018 and \$17.6 billion in 2019.

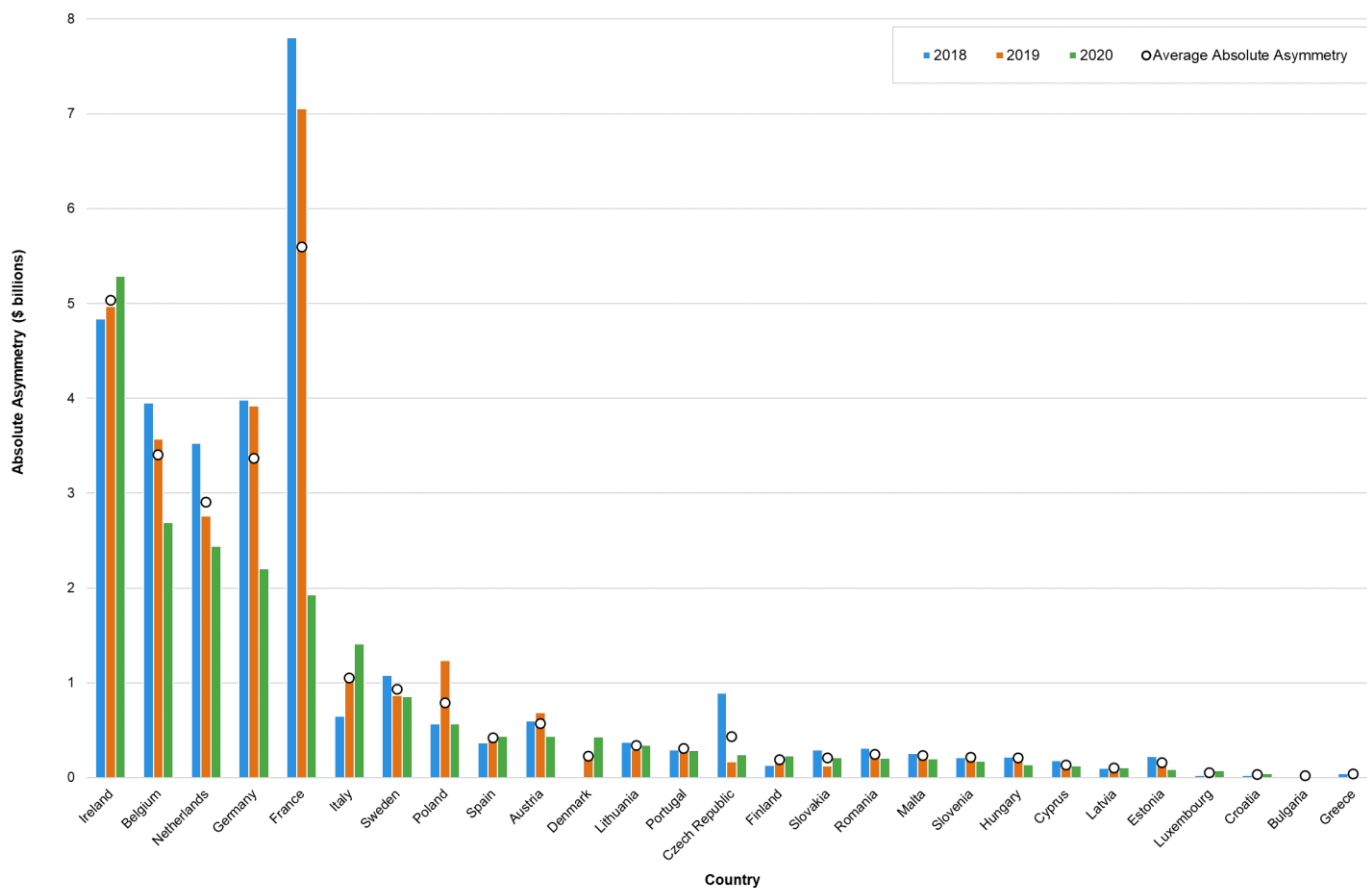
The average annual trade values compared with average absolute asymmetries between EU Member States on the import flow 2018 to 2020 are as follows:

- Poland, on average, contributed 4.2% (\$147 billion) of the total import value but 14% (\$41.8 billion) of the total absolute asymmetry.
- The Netherlands, on average, contributed 7.7% (\$269 billion) of the total import value but only 1.0% (\$3.2 billion) of the total absolute asymmetry.
- Italy, on average, contributed 8.0% (\$278 billion) of the total import value but only 1.8% (\$5.5 billion) of the total absolute asymmetry.
- The United Kingdom, on average, contributed 9.5% (\$332 billion) of the total import value but only 3.9% (\$11.9 billion) of the total absolute asymmetry.

3. Trade in goods asymmetries between the UK and its EU trading partners, 2018 to 2020

This section explores the asymmetries between the UK and its EU trading partners. Where the last section looked at each country and measured the asymmetries between each partner and the block as a whole, this section is focused on the UK compared with each of its trading partners.

Graph 3: Exports: The UK's absolute asymmetries with its EU trading partners 2018 to 2020, sorted largest to smallest by 2020 absolute asymmetry.



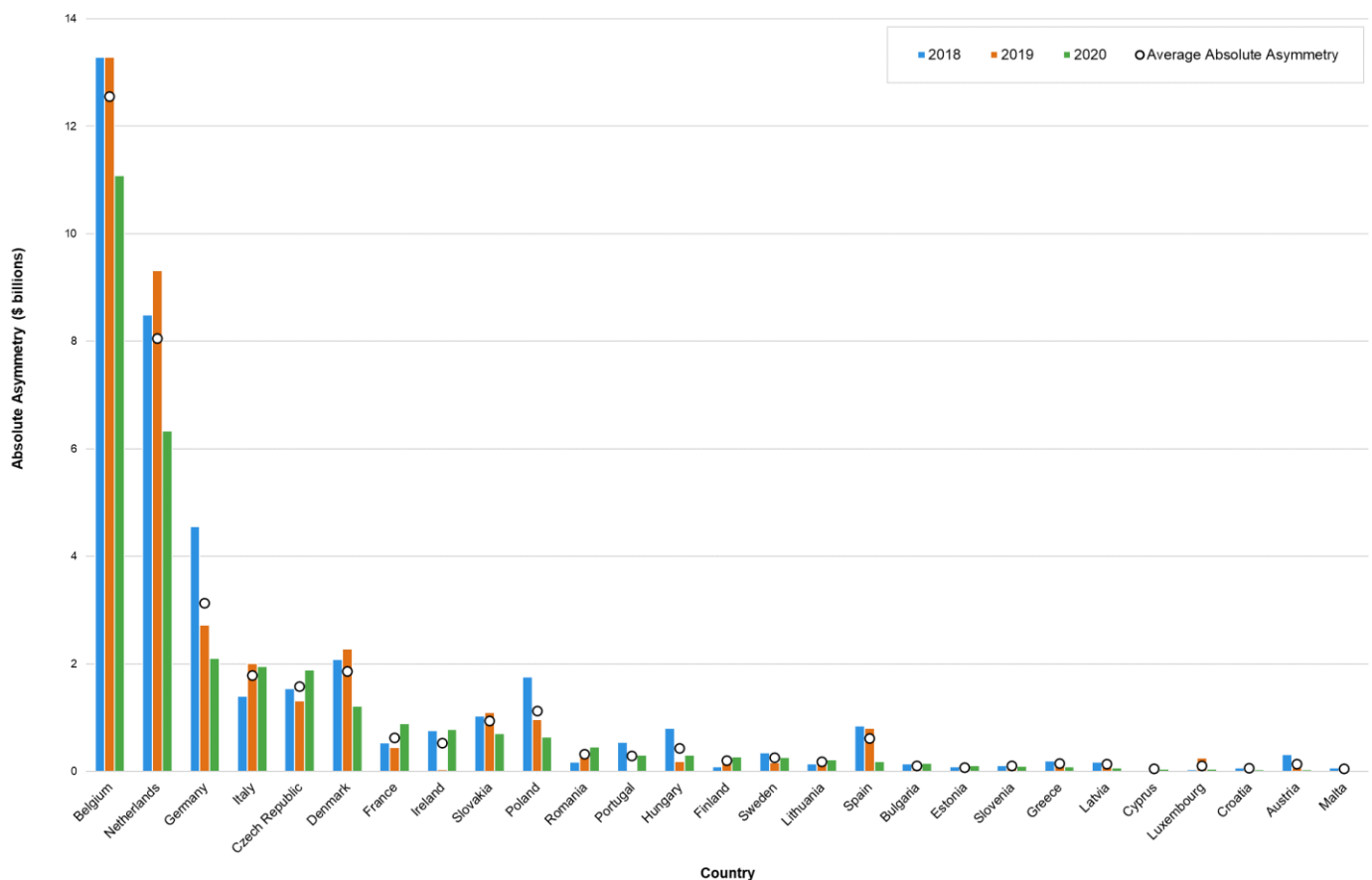
The UK's absolute asymmetries with its EU trading partners on the export flow 2018 to 2020 are as follows:

- In 2018 the UK's total absolute asymmetry for exports was \$31.0 billion. In 2019 this decreased to \$29.6 billion and in 2020 it further decreased to \$21.2 billion.
- France experienced the largest decrease in absolute asymmetry with the UK over the 3 years, down to \$1.9 billion in 2020 from \$7.8 billion in 2018 and \$7.1 billion in 2019.
- Germany experienced the 2nd largest decrease in absolute asymmetry with the UK over the 3 years, down to \$2.2 billion in 2020 from \$4.0 billion in 2018 and \$3.9 billion in 2019.
- Italy experienced the largest increase in absolute asymmetry with the UK over the 3 years, up to \$1.4 billion in 2020 from \$0.7 billion in 2018 and \$1.1 billion in 2019.

The average annual trade values compared with the average absolute asymmetries between the UK and its EU trading partners on the export flow, 2018 to 2020 are as follows:

- Germany had the largest average export value but only the 4th largest average absolute asymmetry. On average, it contributed 21% (\$45.2 billion) of the total export value but only 12% (\$3.4 billion) of the total absolute asymmetry.
- France had the largest average absolute asymmetry despite having only the 3rd largest average export value. On average, it contributed 14% (\$29.1 billion) of the total export value but 21% (\$5.6 billion) of the total absolute asymmetry.
- Ireland had the 2nd largest absolute asymmetry despite having only the 4th largest average export value. On average, it contributed 13% (\$28.0 billion) of the total export value but 18% (\$5.0 billion) of the total absolute asymmetry.

Graph 4: Imports: The UK’s absolute asymmetries with its EU trading partners 2018 to 2020, sorted largest to smallest by 2020 absolute asymmetry.



The UK’s absolute asymmetries with its EU trading partners on the import flow 2018 to 2020 are as follows:

- In 2018, the UK’s total absolute asymmetry for imports was \$39.6 billion. In 2019 this decreased to \$36.4 billion and in 2020 it further decreased to \$30.3 billion.
- Germany experienced the largest decrease in absolute asymmetry with the UK over the 3 years, down to \$2.1 billion in 2020 from \$4.6 billion in 2018 and \$2.7 billion in 2019.

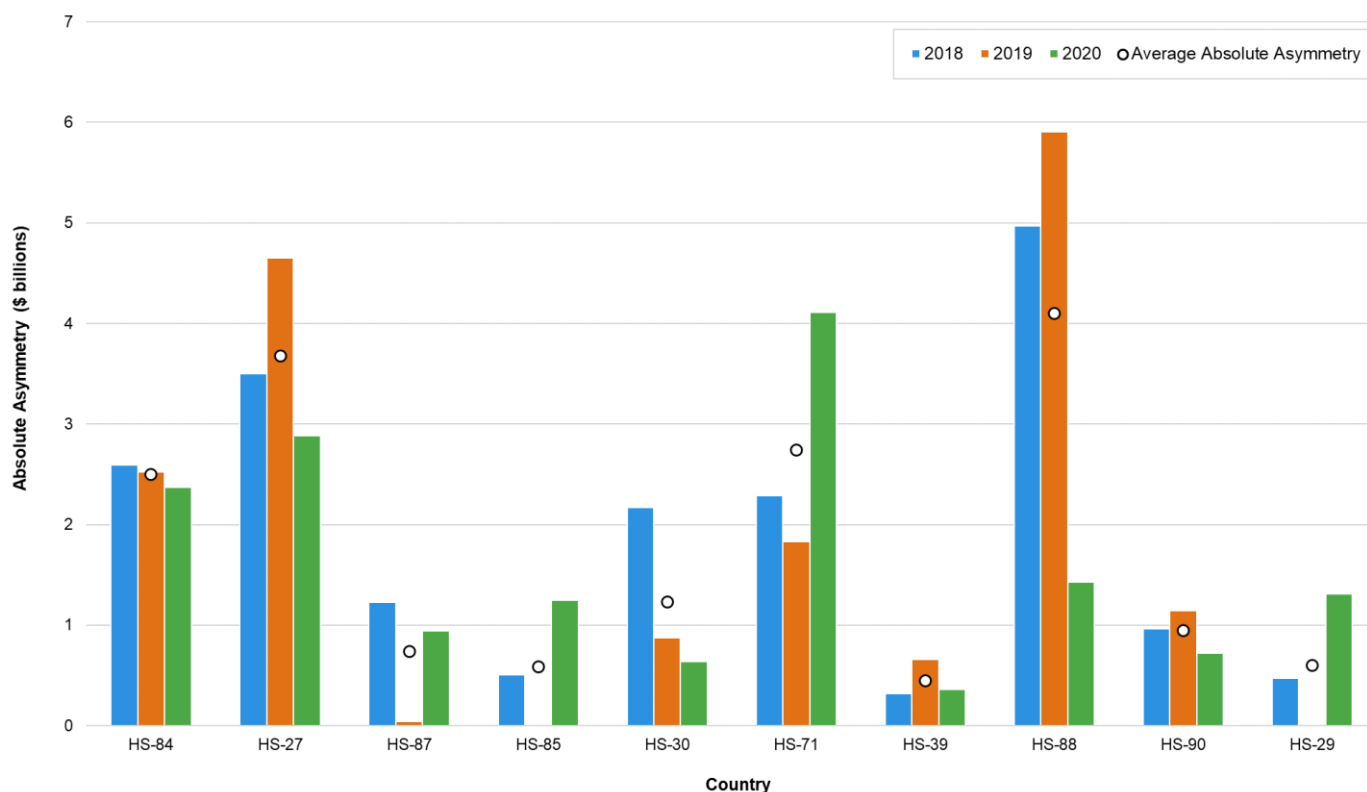
- Belgium experienced the 2nd largest decrease in absolute asymmetry with the UK over the 3 years, down to \$11.1 billion in 2020 from \$13.3 billion in both 2018 and 2019.
- The Netherlands experienced the 3rd largest decrease in absolute asymmetry with the UK over the 3 years, down to \$6.3 billion in 2020 from \$8.5 billion in 2018 and \$9.3 billion in 2019.
- Italy experienced the largest increase in absolute asymmetry with the UK over the 3 years, up to \$2.0 billion in 2020 from \$1.4 billion in 2018 but down by less than \$0.1 billion on 2019.

The average annual trade values compared with their average absolute asymmetries between the UK and its EU trading partners on the import flow, 2018 to 2020 are as follows:

- Belgium had the largest average absolute asymmetry despite having only the 4th largest average import value. On average, it contributed 9.6% (\$31.9 billion) of the total import value but 35% (\$12.6 billion) of the total absolute asymmetry.
- Germany had the largest average import value but only the 3rd largest average absolute asymmetry. On average, it contributed 25% (\$84.1 billion) of the total import value but only 8.8% (\$3.1 billion) of the total absolute asymmetry.
- France, on average, contributed 11% (\$35.6 billion) of the total average import value but only 1.8% (\$0.6 billion) of the total absolute asymmetry.

4. A HS chapter breakdown of trade in goods asymmetries between the UK and its EU trading partners, 2018 to 2020

Graph 5: Exports: The UK's absolute asymmetries 2018 to 2020 with its EU trading partners within its 10 largest HS chapters of 2020, sorted largest to smallest by 2020 export value.



The UK's absolute asymmetries by HS chapter with its EU trading partners on the export flow 2018 to 2020 are as follows:

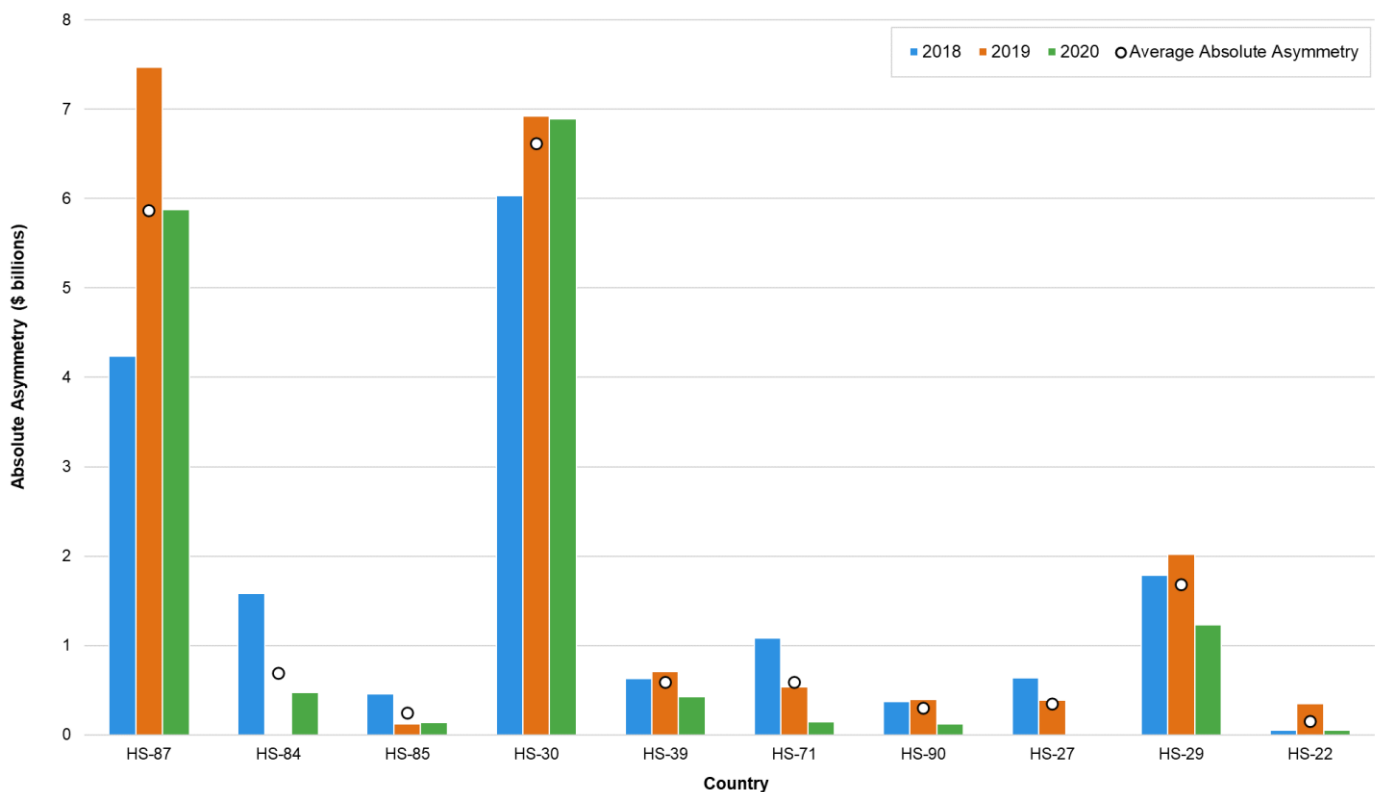
- In 2018, the total absolute asymmetry for all chapters was \$32.5 billion. In 2019 this decreased to \$30.1 billion and in 2020 it further decreased to \$25.4 billion.
- Chapter 88 (Aircraft) experienced the largest decrease in absolute asymmetry over the 3 years, down to \$1.4 billion in 2020 from \$5.0 billion in 2018 and \$5.9 billion in 2019.
- Chapter 71 (Precious Metals) experienced the largest increase in absolute asymmetry over the 3 years, up to \$4.1 billion in 2020 from \$2.3 billion in 2018 and \$1.8 billion in 2019.
- Chapter 30 (Pharmaceutical Products) experienced the 2nd largest decrease in absolute asymmetry over the 3 years, down to \$0.6 billion in 2020 from \$2.2 billion in 2018 and \$0.9 billion in 2019.

The average annual trade value compared with absolute asymmetry by HS chapter between the UK and its EU trading partners on the export flow 2018 to 2020 are as follows:

- Chapter 88 (Aircraft), on average, contributed 4.7% (\$9.8 billion) of the total export value but 14% (\$4.1 billion) of the total absolute asymmetry.

- Chapter 87 (Motor Vehicles), on average, contributed 10% (\$21.1 billion) of the total export value but only 2.5% (\$0.7 billion) of the total absolute asymmetry.
- Chapter 71 (Precious Metals), on average, contributed 3.3% (\$6.8 billion) of the total export value but 9.3% (\$2.7 billion) of the total absolute asymmetry.

Graph 6: Imports: The UK's absolute asymmetries 2018 to 2020 with its EU trading partners within its 10 largest HS chapters of 2020, sorted largest to smallest by 2020 import value.



The UK's absolute asymmetries by HS chapter with its EU trading partners on the import flow 2018 to 2020 are as follows:

- In 2018, the total absolute asymmetry for all chapters was \$31.2 billion. In 2019 this decreased to \$30.0 billion and in 2020 it further decreased to \$27.3 billion.
- Chapter 73 (Articles of Iron and Steel) experienced the largest decrease in absolute asymmetry over the 3 years, down to \$0.2 billion in 2020 from \$2.2 billion in 2018 and \$1.8 billion in 2019.
- Chapter 87 (Motor Vehicles) experienced the largest increase in absolute asymmetry over the 3 years, up to \$5.9 billion in 2020 from \$4.2 billion in 2018 but down from \$7.5 billion in 2019.
- Chapter 89 (Ships, Boats, and Floating Structures) experienced the 2nd largest increase in absolute asymmetry over the 3 years, up to \$1.9 billion in 2020 from \$0.6 billion in 2018 and \$0.2 billion in 2019.

The average annual trade value compared with absolute asymmetry by HS chapter between the UK and its EU trading partners on the import flow 2018 to 2020 are as follows:

- Chapter 30 (Pharmaceutical Products), on average, contributed 6.9% (\$22.7 billion) of the total import value but 22% (\$6.6 billion) of the total absolute asymmetry.
- Chapter 84 (Mechanical Appliances), on average, contributed 12% (\$38.7 billion) of the total import value but only 2.3% (\$0.7 billion) of the total absolute asymmetry.
- Chapter 85 (Electronic Equipment), on average, contributed 8.2% (\$27.1 billion) of the total import value but only 0.8% (\$0.2 billion) of the total absolute asymmetry.

Annex 1: Methodology

Annex 1.1. Measures of Asymmetry

There are two types of asymmetries for trade in goods that are referred to in this report: the **imports asymmetry** and the **exports asymmetry**.

The **imports asymmetry** is the difference between the declarant country's imports from the partner country and the partner country's exports to the declarant country. If this asymmetry is positive, it means that the declarant country's imports from the partner country are greater than the partner country's exports to the declarant country.

The **exports asymmetry** is the difference between the declarant country's exports to the partner country and the partner country's imports from the declarant country. If this asymmetry is positive, it means that the declarant country's exports to the partner country are greater than the partner country's imports from the declarant country.

As an example, the UK's imports asymmetry with Germany is the difference between what the UK records as imports from Germany and what Germany records as exports to the UK. If the value of UK imports minus Germany exports is negative, it suggests that the UK is recording less goods as received from Germany, than Germany is recording as exported to the UK.

If we use D to represent the declarant country and P to represent the partner country, we can set out the main indicators used to calculate the asymmetry. Note that for the purposes of this report the UK will always be the declarant.

(1) Absolute Asymmetry:

$$= | \text{Value (D)} - \text{Value (P)} |$$

This is the absolute difference between the value of recorded by the declarant and their partner country (mirror value) irrespective of which is greater.

(2) Relative Asymmetry (%):

$$= \frac{\text{Value (D)} - \text{Value (P)}}{0.5 (\text{Value (D)} + \text{Value (P)})} \times 100$$

The relative asymmetry looks at the difference between the value reported by the declarant country and the value reported by the partner country with respect to the mean of those two flows. This method makes no assumption about which value (D or P) is the correct value and instead looks at the asymmetry with respect to the average of the two values shown in percent.

If a reporting country has a positive relative asymmetry, this means that they reported more trade than their partner country. If a reporting country has a negative relative asymmetry, this means that they reported less trade than their partner country.

For example, Country A reports \$100 billion in imports from Country B while Country B reports \$120 billion in exports to Country A. The relative asymmetry here is 18.2%. This means that, relative to the average between the two countries, they differ by 18.2%. Country A has reported 9.1% less trade than the average and Country B has reported 9.1% more trade than the average.

Relative asymmetry measurements have not been included in this commentary however they can be found in the accompanying detailed dataset for expert users.

(3) Share of Total Absolute Asymmetry (%):

$$= \frac{| \text{Value (D)} - \text{Value (P)} |}{\sum | \text{Value (D)} - \text{Value (P)} |} \times 100$$

This percentage dictates the contribution a country or HS¹ Chapter is having on the absolute total of the asymmetries within a certain flow, e.g. Chapter 45 may be responsible for 10 per cent of the total UK imports asymmetry.

Annex 1.2. Non-International Trade Data

For the analysis in Section 2 (Trade in goods asymmetries between the UK's EU trading partners, 2018 to 2020), data was downloaded from UN Comtrade in which all 28 partner countries were entered in both the 'Reporter' and 'Partner' query fields.

In the resultant data output files were several lines of data in which the 'Reporter' and 'Partner' were the same country.

These entries would inherently and inaccurately contribute to the total asymmetry for the affected country because there is no mirror flow against which it would be compared. Therefore, all such lines of data were removed before analysis took place.

Annex 1.3. Chapter 99 Adjustments and Omission from Analysis

The following is a quote taken from the 'Help > Limitations' section of the UN Comtrade website:

"The values of the reported detailed commodity data do not necessarily sum up to the total trade value for a given country dataset. Due to confidentiality, countries may not report some of its detailed trade. This trade will – however – be included at the higher commodity level and in the total trade value. For instance, trade data not reported for a specific 6-digit HS code will be included in the total trade and may be included in the 2-digit HS chapter. Similar situations could occur for other commodity classifications. Detailed data processed after 1. January 2006 and published in HS will sum up to the respective totals due to the introduction of adjustment items with commodity code 9999 and 999999."

This indicates that for all post-2006 data, the total reported trade by a country should match the sum of the chapter totals reported by that country. This was not always the case in the data we downloaded, with numerous small differences.

We followed the method indicated above and added all such differences to each country's chapter 99 totals.

Resultantly, we omitted chapter 99 from all analysis in Section 4 (A HS chapter breakdown of trade in goods asymmetries between the UK and its EU trading partners, 2018 to 2020). This is because it does not represent an actual group of commodities being traded but rather acts as a 'catch all' for suppressed or otherwise non-specified trade.

¹ HS Chapter as defined in the UN Comtrade database