



## Welsh exports year ending June 2018

25 October 2018  
SB 68/2018

### Key points

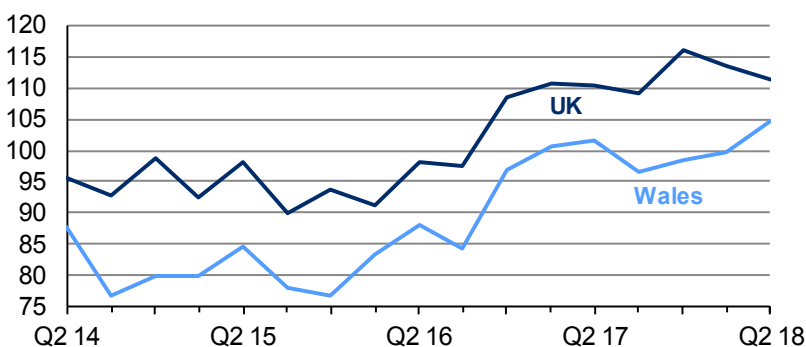
- The value of Welsh exports was £16.6 billion in the year ending June 2018, an increase of £0.7 billion (4.2 per cent) from the year ending June 2017. Exports to EU countries increased by £0.64 billion (6.8 per cent) and to non-EU countries by £20 million (0.3 per cent). Exports to the EU accounted for 61.3 per cent of Welsh exports compared to 48.7 per cent of UK exports.
- Germany was the top export destination accounting for 19.9 per cent of exports, an increase from 19.4 per cent for the previous year.
- Exports from Wales are dominated by the *Other Transport Equipment* sector which made up 26.3 per cent of total exports.

### Value of exports by country of origin, Wales and UK, 2017 and 2018

		Amounts (£ billions)		
Destination		Year Ending June 2017	Year Ending June 2018	Percentage Change
<b>Wales:</b>	EU	9.5	10.2	6.8%
	Non-EU	6.4	6.4	0.3%
	<b>Total</b>	<b>15.9</b>	<b>16.6</b>	<b>4.2%</b>
<b>UK:</b>	EU	154.4	165.7	7.3%
	Non-EU	159.9	165.6	3.6%
	<b>Total</b>	<b>314.3</b>	<b>331.3</b>	<b>5.4%</b>

Source: WG analysis of Regional Trade Statistics, HMRC

### Index of exports by quarter, Wales and UK (2013 = 100)



Source: WG analysis of Regional Trade Statistics, HMRC

<sup>1</sup> Under the old methodology Welsh EU exports accounted for 39.2 per cent of exports for the year ending June 2016, compared with 60.9 per cent under the new methodology. Data are available under the new methodology from 2013 quarter 1 and it is inappropriate to compare current data with data prior to 2013.

### About this bulletin

This bulletin summarises HM Revenue and Customs estimates of goods exports from Wales for the year ending June 2018, providing comparisons with the UK.

This bulletin uses revised HMRC methodology (2016) to allocate trade to UK countries and regions. This methodology is now based on the proportion of employees rather than the head office location. This has had a significant impact on Welsh export figures.<sup>1</sup>

Figures relate to goods exported to destinations outside the UK.

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## 1. Welsh exports by destination

The value of exports from Wales in the year ending June 2018 increased by £0.7 billion (4.2 per cent) to £16.6 billion when compared to the previous year. Exports to EU countries were up £0.64 billion (6.8 per cent) and exports to non-EU countries up by £20 million (0.3 per cent). The value of exports for the UK also increased over this period, up 5.4 per cent, with exports to EU countries up by 7.3 per cent and exports to non-EU countries up by 3.6 per cent. (*Table 1.1*)

**Table 1.1: Exports by quarter and destination, Wales and UK (£millions), 2013 to 2018**

		Wales			UK		
		EU	Non-EU	Total	EU	Non-EU	Total
<b>2013</b>	Qtr 1	2,507	1,638	4,145	38,143	34,274	72,416
	Qtr 2	2,478	1,818	4,296	37,836	37,682	75,518
	Qtr 3	2,441	1,649	4,090	37,402	34,800	72,202
	Qtr 4	2,410	1,669	4,079	36,815	37,499	74,314
	<b>Total</b>	<b>9,836</b>	<b>6,774</b>	<b>16,610</b>	<b>150,195</b>	<b>144,255</b>	<b>294,450</b>
<b>2014</b>	Qtr 1	2,431	1,547	3,978	38,045	33,423	71,468
	Qtr 2	2,172	1,474	3,647	37,571	32,904	70,475
	Qtr 3	1,888	1,301	3,190	34,858	33,493	68,351
	Qtr 4	1,822	1,499	3,321	35,961	36,806	72,767
	<b>Total</b>	<b>8,314</b>	<b>5,822</b>	<b>14,135</b>	<b>146,435</b>	<b>136,625</b>	<b>283,060</b>
<b>2015</b>	Qtr 1	2,030	1,291	3,321	33,718	34,437	68,155
	Qtr 2	2,138	1,373	3,511	34,124	38,031	72,154
	Qtr 3	1,902	1,339	3,241	32,236	33,967	66,203
	Qtr 4	1,927	1,253	3,181	33,323	35,580	68,903
	<b>Total</b>	<b>7,997</b>	<b>5,256</b>	<b>13,253</b>	<b>133,401</b>	<b>142,014</b>	<b>275,414</b>
<b>2016</b>	Qtr 1	2,125	1,328	3,453	33,848	33,195	67,044
	Qtr 2	2,287	1,367	3,654	35,148	37,150	72,298
	Qtr 3	2,083	1,417	3,500	35,848	36,012	71,861
	Qtr 4	2,357	1,664	4,022	38,249	41,548	79,797
	<b>Total</b>	<b>8,852</b>	<b>5,777</b>	<b>14,630</b>	<b>143,093</b>	<b>147,906</b>	<b>290,999</b>
<b>2017</b>	Qtr 1	2,585	1,589	4,174	40,583	40,826	81,409
	Qtr 2	2,494	1,718	4,212	39,736	41,485	81,222
	Qtr 3	2,410	1,594	4,004	40,361	39,970	80,332
	Qtr 4	2,474	1,615	4,089	41,590	43,827	85,417
	<b>Total</b>	<b>9,963</b>	<b>6,516</b>	<b>16,479</b>	<b>162,271</b>	<b>166,109</b>	<b>328,380</b>
<b>2018</b>	Qtr 1 (p)	2,592	1,543	4,134	42,901	40,811	83,711
	Qtr 2 (p)	2,686	1,658	4,344	40,881	40,982	81,863
<b>Change latest 4 quarters to previous 4 quarters:</b>							
	Change (£m)	643	20	663	11,316	5,718	17,034
	Change (%)	6.8	0.3	4.2	7.3	3.6	5.4

In the year ending June 2018, Germany was the largest export market for Welsh products followed by France, USA (including Puerto Rico), Ireland and the Netherlands. Compared to the previous year, exports to four of the top five countries increased. Exports to Germany showed the largest absolute increase, up £214 million or 6.9 per cent. The increase in exports to Germany was driven by exports of *Other Transport Equipment* (transport equipment other than road vehicles). The USA showed the only decrease, down £119 million or 5.2 per cent.

Outside the top five destinations (but inside the top 30), exports to the United Arab Emirates had the largest fall, down £154 million (25.0 per cent). Exports to Japan increased by £61 million (36.6 per cent). (*Table 1.2*)

**Table 1.2: Top 30 destinations for Welsh exports (£m), 2017 and 2018**

<b>Country</b>	<b>Year ending June 2017</b>	<b>Year ending June 2018</b>	<b>Change</b>	
			<b>Level</b>	<b>Percentage</b>
Germany	3,087	3,301	214	6.9%
France	2,616	2,668	52	2.0%
USA (including Puerto Rico)	2,304	2,184	-119	-5.2%
Ireland	956	1,130	174	18.2%
Netherlands	672	707	35	5.2%
Belgium	466	524	58	12.5%
Spain	466	473	7	1.4%
United Arab Emirates	615	461	-154	-25.0%
Canada	392	380	-12	-3.0%
Turkey	318	358	40	12.6%
China	311	329	18	5.6%
Italy	284	297	13	4.7%
Sweden	260	278	18	7.0%
South Korea	251	242	-9	-3.7%
Japan	166	227	61	36.6%
Singapore	170	212	41	24.3%
Poland	160	171	11	7.1%
Hong Kong	134	171	37	27.3%
Switzerland	128	158	30	23.3%
Qatar	172	155	-17	-9.6%
Australia	138	146	8	5.6%
Saudi Arabia	150	120	-30	-19.7%
Taiwan	64	108	44	69.2%
India	94	108	14	15.0%
Russia	95	95	0	0.1%
Czech Republic	75	92	17	22.9%
Norway	62	82	20	32.9%
Denmark	63	67	4	5.7%
Colombia	33	66	34	102.8%
Greece	46	64	18	39.0%

*Source: WG analysis of Regional Trade Statistics, HMRC*

## 2. Welsh exports by product

*Other Transport Equipment* was the Welsh export category with the highest value in the year ending June 2018, followed by *Power Generating Machinery & Equipment*. Six of the top 30 sectors declined over this over this year compared with the year ending June 2017. The overall increase in exports from Wales was mainly due to increases in *Petroleum, Petroleum Products & Related Materials* (up £171 million, 11.1 per cent), *Other Transport Equipment* (up £127 million, 3.0 per cent), and *Iron and Steel* (up £103 million, 12.9 per cent).

The *Power Generating Machinery & Equipment* sector had the largest absolute decrease in the top 30 sectors, down £238 million (11.4 per cent). ([Table 2.1](#))

**Table 2.1: Top 30 sectors for Welsh exports (£m), 2017 and 2018**

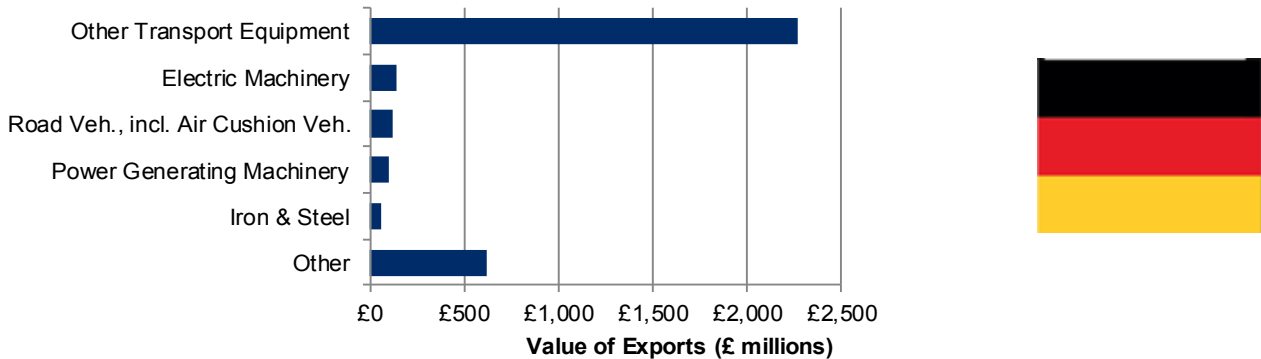
Product sector	Year ending	Year ending	Change	
	June 2017	June 2018	Level	Percentage
Other Transport Equipment	4,239	4,366	127	3.0%
Power Generating Machinery & Equipment	2,087	1,849	-238	-11.4%
Petroleum, Petroleum Products & Related Materials	1,537	1,708	171	11.1%
Iron & Steel	800	903	103	12.9%
Electric Machinery, Apparatus & Appliances & Electric Parts Thereof N.E.S	733	788	55	7.5%
Medicinal & Pharmaceutical Products	684	670	-14	-2.1%
Road Vehicles, incl. Air Cushion Vehicles	541	582	41	7.5%
Miscellaneous Manufactured Articles N.E.S.	420	456	36	8.5%
Professional, Scientific & Controlling Ins & Apparatus N.E.S.	385	398	13	3.3%
Machinery Specialized For Particular Industries	304	397	92	30.3%
Non-Ferrous Metals	337	361	24	7.1%
Manufactures Of Metal N.E.S	330	345	15	4.5%
Chemical Materials & Products N.E.S	247	328	81	32.6%
General Industrial Machinery & Equipment & Machine Parts N.E.S	264	287	23	8.6%
Organic Chemicals	261	229	-33	-12.5%
Plastics In Primary Forms	236	218	-17	-7.3%
Furniture & Parts Thereof, Bedding & Mattresses etc.	206	206	-1	-0.3%
Metalliferous Ores & Metal Scrap	179	188	9	4.8%
Plastics In Non-Primary Forms	168	186	18	10.4%
Office Machines & ADP Machines	169	182	13	7.6%
Non-Metallic Mineral Manufactures N.E.S	135	161	26	19.0%
Essential Oils & Perfume Materials, Toilet Preparations etc.	147	157	10	6.9%
Telecomms & Sound Recording & Reproducing Apparatus & Equipment	116	142	26	22.5%
Rubber Manufactures N.E.S	138	133	-4	-3.2%
Paper, Paperboard & Manufactures Thereof	129	130	1	0.6%
Articles Of Apparel & Clothing Accessories	110	119	9	8.1%
Dairy Products & Birds' Eggs	105	118	14	13.0%
Meat & Meat Preparations	104	104	1	0.7%
Dyeing, Tanning & Colouring Materials	84	86	2	2.0%
Cereals & Cereal Preparations	58	80	23	39.4%
<b>Total</b>	<b>14,630</b>	<b>16,429</b>	<b>1,800</b>	<b>12.3%</b>

WG analysis of Regional Trade Statistics, HMRC

### 3. Welsh exports by destination and product<sup>1</sup>

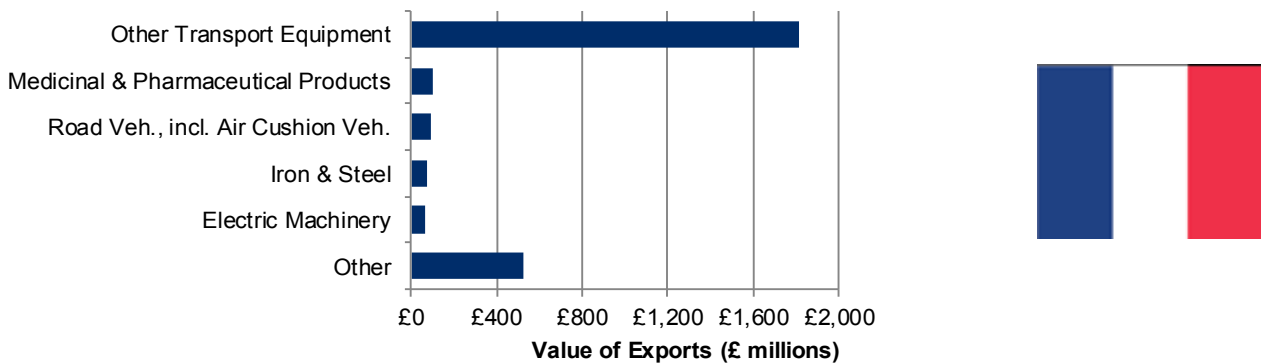
The three largest export countries for Wales are Germany, France and USA (including Puerto Rico). The largest export sector to Germany and France is *Other Transport Equipment* and the largest sector to the USA is *Petroleum, Petroleum Products & Related Materials*. (Charts 3.1 - 3.3)

**Chart 3.1: Welsh exports to Germany by sector, year ending Q2 2018**



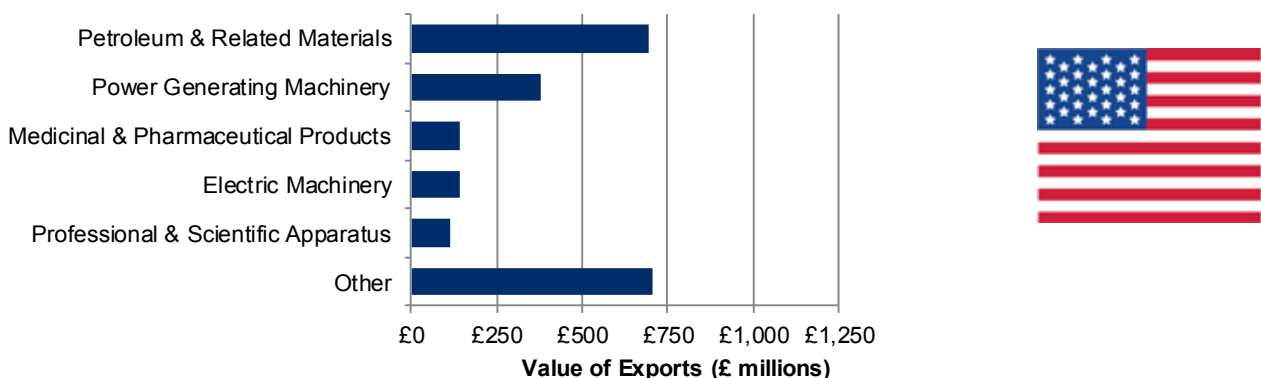
Source: WG analysis of Regional Trade Statistics, HMRC

**Chart 3.2: Welsh exports to France by sector, year ending Q2 2018**



Source: WG analysis of Regional Trade Statistics, HMRC

**Chart 3.3: Welsh exports to the USA (including Puerto Rico) by sector, year ending Q2 2018**

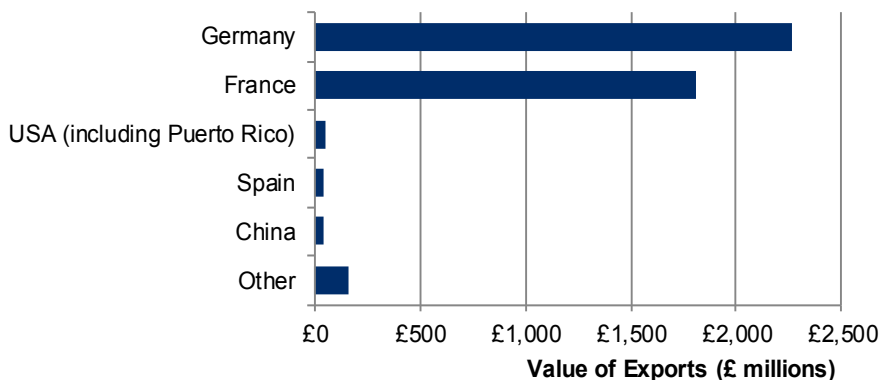


Source: WG analysis of Regional Trade Statistics, HMRC

<sup>1</sup> Category names have been shortened on charts. *Petroleum & Related Materials* is *Petroleum, Petroleum Products and Related Materials*; *Electric Machinery* is *Electric Machinery, Apparatus and Appliances and Electric Parts Thereof NES*; *Professional & Scientific Apparatus* is *Professional, Scientific and Controlling Ins and Apparatus NES*.

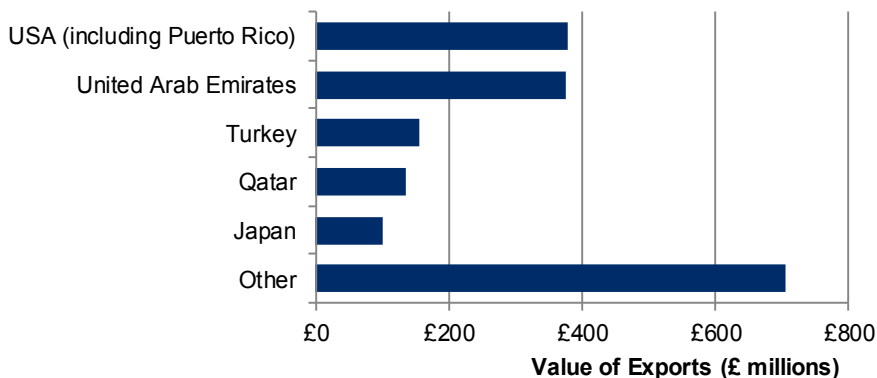
The three largest export sectors for Wales are *Other Transport Equipment* (transport equipment other than road vehicles), *Power Generating Machinery & Equipment* and *Petroleum, Petroleum Products & Related Materials*. Germany receives 52 per cent of Welsh exports of *Other Transport Equipment* and the USA receives 20 per cent of Welsh exports in *Power Generating Machinery & Equipment*. The USA receives 41 per cent of Welsh exports of *Petroleum, Petroleum Products & Related Materials*. (Charts 3.4 - 3.6)

**Chart 3.4: Destinations for Welsh exports in other transport equipment, year ending Q2 2018**



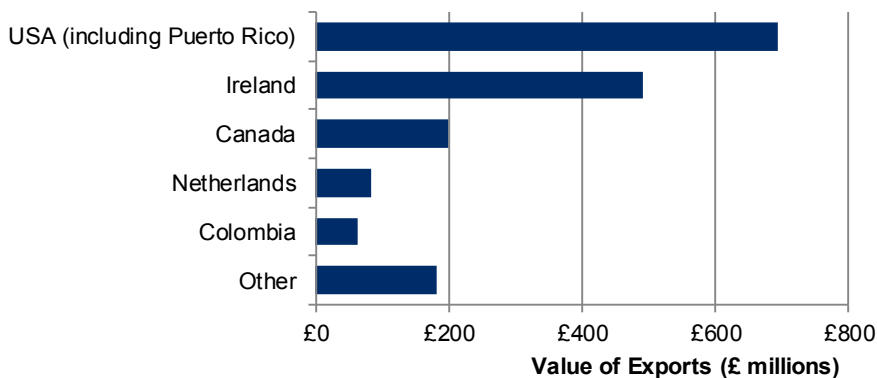
Source: WG analysis of Regional Trade Statistics, HMRC

**Chart 3.5: Destinations for Welsh exports in power generating machinery & equipment, year ending Q2 2018**



Source: WG analysis of Regional Trade Statistics, HMRC

**Chart 3.6: Destinations for Welsh exports in petroleum, petroleum products & related materials, year ending Q2 2018**



Source: WG analysis of Regional Trade Statistics, HMRC

## Key quality information

### Relevance

This bulletin contains analysis of [HMRC](#) Regional Trade Statistics (RTS) data for 2017 and 2018. These statistics are used by the Welsh Government to monitor the performance in goods exports for Wales as well as providing comparisons to the UK and other regions. This bulletin is also used by other public sector organisations, businesses, academia and private individuals.

### Accuracy

The data in this bulletin are the Regional Trade in Goods Statistics (RTS) published by HMRC. These statistics refer to goods that have crossed the UK frontier. This means that exports from Wales to other parts of the UK are not included and there is no element included for components produced in Wales when the final product is completed in and then exported from another part of the UK. HMRC does not receive information in respect of goods that move wholly within the UK. Further, these figures do not contain any information on the export of services such as banking or tourism.

### Timeliness and punctuality

Regional Trade Statistics are published quarterly by HMRC in March, June, September and December. Headline exports statistics are published by the Welsh Government at the same time.

### Accessibility and clarity

Exports data are published on [StatsWales](#). The Headline Statistics and Statistical Bulletin are available on the [Welsh Government website](#). The latest HMRC quarterly Regional Trade Statistics (RTS) release is available from the [HM Revenue & Customs website](#).

### Comparability and coherence

1. Comparable measures for other UK countries are published on StatsWales.
2. Data shown for the European Union (EU) are based on the 28 member states which comprised the EU (that is the 28 states less the UK, as only exports to destinations outside the UK are covered). This includes Croatia which joined the EU on 1 July 2013.
3. The quarterly totals of the value for RTS do not equate to the totals already published as the UK-wide Overseas Trade Statistics. Certain goods, such as North Sea crude oil, ships and aircraft stores, and those not in free circulation, that are shipped to EU countries using traditional Customs declarations, are not allocated to a UK region. Exports relating to overseas companies, registered for VAT in the UK, but with no place of business in the UK, have been excluded. Channel Islands and Isle of Man trade is also excluded. In addition, some exports to countries outside the EU cannot be allocated to a region because the VAT registration numbers have not been properly declared. These exclusions mean that it is not possible to reconcile total figures for regional trade against figures for UK trade.
4. Data are collated using the [Standard International Trade Classification \(SITC\)](#) system.

## Revisions

From 1 May 2016, there was a methodological change to the way the Non-EU trade-in-goods statistics are compiled. Following a change in legislation, the Non-EU trade-in-goods statistics have changed from the 'General Trade' system of compilation to the 'Special Trade' system. For further information on the differences between General and Special Trade, please see the [HMRC Methodology Paper for Overseas Trade Statistics](#). Special Trade data is only available for 2012 Q1 onwards. All data in this bulletin is Special Trade.

HMRC has revised the methodology used to calculate Regional Trade Statistics. Business trade is now allocated to a region based on the proportion of employees in that region rather than where the location of the Head Office of the business is. Under the old methodology Welsh EU exports accounted for 39.2 per cent reported for the four quarters ending in June 2016. The new methodology stands at 60.9 per cent for the four quarters ending in June 2016. Data are available under the new methodology from 2013Q1. It is inappropriate to compare current data with data prior to 2013 and it has been excluded from this bulletin. Further information on the quality, revisions and methodology of the data can be found on the [HMRC website](#).

Following the identification of an error in the calculation of these statistics, HMRC revised its data for 2013 quarter 1 to 2017 quarter 1 on the 12 October.

Data for previous quarters have been revised in accordance with the HMRC revision policy where data on exports for the current calendar year may be validated and revised at any time, while data on exports for the previous calendar may be validated and revised until just after the second quarter figures for the current calendar year are published.

Any figures which are currently provisional are marked with '(p)' and are subject to revision. Revisions to the data arise as a result of including trade amendments and late submissions received by HM Revenue and Customs. Figures are provisional for up to 18 months.

For data from our own outputs, we follow Welsh Government [revisions policy](#).



## **National Statistics status**

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 Statistics](#).

National Statistics status means that official statistics meet the highest standards of trustworthiness, quality and public value.

All official statistics should comply with all aspects of the Code of Practice for Statistics. They are awarded National Statistics status following an assessment by the UK Statistics Authority's regulatory arm. The Authority considers whether the statistics meet the highest standards of Code compliance, including the value they add to public decisions and debate.

It is Welsh Government's responsibility to maintain compliance with the standards expected of National Statistics. If we become concerned about whether these statistics are still meeting the appropriate standards, we will discuss any concerns with the Authority promptly. National Statistics status can be removed at any point when the highest standards are not maintained, and reinstated when standards are restored.

## **Well-being of Future Generations Act (WFG)**

The Well-being of Future Generations Act 2015 is about improving the social, economic, environmental and cultural well-being of Wales. The Act puts in place seven well-being goals for Wales. These are for a more equal, prosperous, resilient, healthier and globally responsible Wales, with cohesive communities and a vibrant culture and thriving Welsh language. Under section (10)(1) of the Act, the Welsh Ministers must (a) publish indicators ("national indicators") that must be applied for the purpose of measuring progress towards the achievement of the Well-being goals, and (b) lay a copy of the national indicators before the National Assembly. The 46 national indicators were laid in March 2016.

Information on the indicators, along with narratives for each of the well-being goals and associated technical information is available in the [Well-being of Wales report](#).

Further information on the [Well-being of Future Generations \(Wales\) Act 2015](#).

The statistics included in this release could also provide supporting narrative to the national indicators and be used by public services boards in relation to their local well-being assessments and local well-being plans.

## **Further details**

The document is available at: <http://gov.wales/statistics-and-research/welsh-exports/?lang=en>

A comprehensive data sources guide which provides a summary of the main official [data sources used by the Economic and Labour Market Statistics branch as well as useful links](#) has been published online.

## **Next update**

We are reviewing our outputs on exports and imports and will continue to ensure this data is available in future.

## **We want your feedback**

We welcome any feedback on any aspect of these statistics which can be provided by email to [economic.stats@gov.wales](mailto:economic.stats@gov.wales)

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